

EXECUTIVE REVIEW AND COMPENSATION COMMITTEE MEETING

Tuesday, April 16, 2024 – 10:00 AM

RIO Conference Room

1600 E Century Ave, Bismarck, ND

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AGENDA

- I. Call to Order and Approval of Agenda (*Committee Action*)**
- II. Approval of Meeting Minutes (March 13, 2024) (*Committee Action*)**
- III. Executive Director Performance Evaluation (30 minutes) (*Committee Action*)** – Mr. Skor, Ms. Seiler
 - a. Executive Director Surveys (SIB, TFFR, Manager, & Staff)
 - b. Executive Director Self-Evaluation Survey
 - c. Chief Investment Officer Board Survey
 - d. Deputy ED/Chief Retirement Officer Board Survey
 - e. Committee Discussion
- IV. Executive Director Compensation Discussion¹ (30 minutes) (*Committee Action*)** – Mr. Skor
 - a. Comparisons to Comparable Out-of-State Positions
 - b. Comparisons to In-State Agency Positions
 - c. Compensation Adjustment Options and Budget Considerations
 - d. Compensation Recommendation
- V. RIO Agency-Wide Compensation Discussion¹ (30 minutes) (*Committee Action*)** – Ms. Murtha, Mr. Skor
- VI. Other**

Next Meeting: May 7, 2024, at 10:00 a.m.
- VII. Adjournment**

¹ Executive session possible pursuant to NDCC 44-04-18.4(1), and 44-04-19.2 to review and discuss confidential commercial information.

**NORTH DAKOTA STATE INVESTMENT BOARD
EXECUTIVE REVIEW AND COMPENSATION COMMITTEE
MINUTES OF THE
MARCH 13, 2024, COMMITTEE MEETING**

MEMBERS PRESENT: Dr. Rob Lech, TFFR, Chair
Thomas Beadle, State Treasurer, Vice Chair

MEMBER ABSENT: Sen. Jerry Klein, LBSFAB

STAFF PRESENT: Scott Anderson, CIO
Missy Kopp, Executive Admin.
Jan Murtha, Executive Director
Sara Seiler, Internal Audit Supvr.
Ryan Skor, CFO/COO

GUESTS: Aimee Kudela, Mercer
Josh Wilson, Mercer

CALL TO ORDER:

Dr. Lech called the State Investment Board (SIB) Executive Review and Compensation Committee (ERCC) meeting to order at 10:00 a.m. on Wednesday March 13, 2024. The meeting was virtual only.

ACCEPTANCE OF AGENDA:

IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY DR. LECH AND CARRIED BY A VOICE VOTE TO ACCEPT THE AGENDA AS DISTRIBUTED.

**AYES: TREASURER BEADLE AND DR. LECH
NAYS: NONE
ABSENT: SEN. KLEIN
MOTION CARRIED**

MINUTES:

The ERCC considered the minutes of the February 20, 2024, meeting.

IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY DR. LECH AND CARRIED BY A VOICE VOTE TO ACCEPT THE FEBRUARY 20, 2024, MINUTES AS DISTRIBUTED.

**AYES: DR. LECH AND TREASURER BEADLE
NAYS: NONE
ABSENT: SEN. KLEIN
MOTION CARRIED**

COMPENSATION STUDY PRESENTATION:

Ms. Murtha reviewed the compensation study process. The ERCC received authority to hire a consultant to develop an incentive compensation plan and conduct a compensation study for the entire agency. The study results will provide the necessary information for the upcoming budget proposal.

Mr. Wilson and Ms. Kudela, Mercer, presented the compensation market benchmarking findings. When conducting the study, Mercer used four industry perspectives: public pensions, endowments and foundations, government, and general industry. RIO's roles were benchmarked to six compensation surveys and the data was aged and geographically adjusted. The benchmark findings were discussed for incentive eligible and

non-incentive eligible roles. More detailed benchmark information for the Executive Director (ED) and Chief Investment Officer (CIO) roles were discussed. Committee discussion followed.

IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY DR. LECH AND CARRIED BY A VOICE VOTE TO ACCEPT THE COMPENSATION STUDY AND BRING IT TO THE SIB FOR DISCUSSION.

AYES: TREASURER BEADLE, AND DR. LECH

NAYS: NONE

ABSENT: SEN. KLEIN

MOTION CARRIED

TASKS AND TIMELINE DISCUSSION:

Mr. Skor reviewed ERCC responsibilities which are provided in the committee charter. The responsibilities that are still underway are the formal evaluation of the ED and SIB approval of the evaluation, a compensation recommendation for the ED, and performance surveys of the CIO and DED/CRO. Committee discussion followed.

EXECUTIVE DIRECTOR SELF EVALUATION FORMAT:

Ms. Seiler reviewed the ED Self-Assessment survey format. The proposed survey was developed by Ms. Seiler and Ms. Mudder and was designed to mirror the board evaluation questions. Staff asked the ERCC for feedback and input on the survey questions. Committee discussion followed.

IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY DR. LECH AND CARRIED BY A VOICE VOTE TO APPROVE THE SELF-EVALUATION FORMAT.

AYES: TREASURER BEADLE, AND DR. LECH

NAYS: NONE

ABSENT: SEN. KLEIN

MOTION CARRIED

OTHER:

With no further business to come before the ERCC, Dr. Lech adjourned the meeting at 10:46 a.m.

Submitted by:

Missy Kopp, Assistant to the Board

MEMORANDUM

TO: Executive Review and Compensation Committee
FROM: Ryan K. Skor, CFO/COO
DATE: April 5, 2024
RE: Executive Director Evaluation

As was discussed during the March 13, 2024, meeting, one of the key responsibilities of the ERCC is to conduct a formal evaluation of the Executive Director annually. To assist the committee with this process, surveys of several stakeholders were conducted with the results of each survey being shared with the committee. Additionally, the committee requested the Executive Director to complete a self-evaluation as part of the overall process. This year's completed self-evaluation is included as part of the meeting materials. Furthermore, a copy of last year's completed Executive Director formal evaluation has been included for the committee's reference.

To assist the Executive Director in the performance evaluations of the Chief Investment Officer and the Deputy Executive Director/Chief Retirement Officer, the ERCC is tasked with obtaining board performance surveys of each position and providing the results to the Executive Director. The results of each of those surveys has been included in the meeting materials.

COMMITTEE ACTION REQUESTED: Accept survey results and designate committee member to prepare Executive Director performance evaluation.

1. Prior to the meeting, the Executive Director ensures Board members are provided with an agenda that includes supporting information, identifies any items that need action, and includes staff recommendations when appropriate.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	46.15%	2.38
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	1	7.69%	
	13	100.00%	

2. The Executive Director is responsive to requests from the SIB, adapts to the Board's direction on policy, and works with the board as a team member.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	46.15%	2.46
2 - Meets Expectations	7	53.85%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

3. The Executive Director keeps the SIB aware of current issues and, when appropriate, provides information between board meetings.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	46.15%	2.46
2 - Meets Expectations	7	53.85%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

4. The Executive Director provides timely and accurate problem identification to the SIB as well as solutions and options for consideration.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	5	38.46%	2.38
2 - Meets Expectations	8	61.54%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

5. Based on my observations at board meetings and other interactions, I believe the Executive Director provides leadership to RIO staff.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	7	53.85%	2.54
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

6. The Executive Director successfully engages with stakeholders (i.e., clients, legislators, constituents, etc.) to promote the SIB and TFFR Boards, RIO agency, and its programs.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	4	30.77%	2.23
2 - Meets Expectations	8	61.54%	
1 - Does Not Meet Expectations	1	7.69%	
	13	100.00%	

7. The Executive Director develops legislative proposals in concert with the SIB and represents the board in communications and presentations to the legislature.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	50.00%	2.31
2 - Meets Expectations	4	33.33%	
1 - Does Not Meet Expectations	2	16.67%	
	12	100.00%	

8. The Executive Director has developed a rapport with legislators to ensure the credible recognition of the positions of the SIB.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	27.27%	2.23
2 - Meets Expectations	8	72.73%	
1 - Does Not Meet Expectations	0	0.00%	
	11	100.00%	

9. The Executive Director provides visionary and strategic leadership to the SIB.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	46.15%	2.31
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	1	7.69%	
	<hr/> 13	<hr/> 100.00%	

10. The Executive Director exhibits a positive and results-oriented style with a predisposition to building consensus and goal achievement through collaboration with by exhibiting courtesy and respect in all interactions.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	7	53.85%	2.54
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	0	0.00%	
	<hr/> 13	<hr/> 100.00%	

General Comments

11. Overall, how satisfied are you with the job being done by the Executive Director?

Response #	Comment
1	There is no question number 1 of this survey. The executive director brings forward topics for consideration and identifies areas where decisions need to be made by the full board. It is appropriate for the executive director to bring forward topics for discussion by the full board.
2	Very pleased with the communication and leadership of the ED in laying out the vision for the agency and working to build consensus to make it happen.
3	Overall, I am extremely satisfied with the work of the Executive Director. She has been a strong and visionary leader for SIB and the State of North Dakota.
4	I'm currently satisfied with the results provided by the Executive Director.
5	The Executive Director meets expectations. One suggestion is to proceed more judiciously when advocating on major topics such as PERS unification, Land Board assets, internal investment initiative, and incentive compensation plan.
6	Highly satisfied. The Executive Director is a great asset to the NDSIB.
7	Satisfied
8	I believe continued improvement in the communication between RIO staff and SIB is necessary. I believe an Executive Director should insist on bringing options forward to the board vs. presenting just one option and expecting an approval.
9	Very Satisfied. Love her passion. Very engaged and attitude flows through staff.
10	Very satisfied. Jan is very strategic, organized, well prepared, and keeps the board informed. She has also created an engaged culture for team members.
11	The Director is doing a great JOB
12	Jan does an excellent job managing the agency and keeping the agency on task with it's many responsibilities. I would encourage her to stay open minded about the future of the agency and the study with PERS as it appears she has prematurely reached a conclusion as to what's best. I am also disappointed that the salary/incentive survey was done in isolation rather than working with HR to consider the impact it would have state wide.
13	I am very satisfied with the performance of the ED and their roles in leadership and transformation of RIO.

1. Prior to the meeting, the Executive Director ensures Board members are provided with an agenda that includes supporting information, identifies any items that need action, and includes staff recommendations when appropriate.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	5	83.33%	2.83
2 - Meets Expectations	1	16.67%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

2. The Executive Director is responsive to requests from the TFFR Board, adapts to the TFFR's direction on policy, and works with the board as a team member.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	100.00%	3.00
2 - Meets Expectations	0	0.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

3. The Executive Director keeps the TFFR Board aware of current issues and, when appropriate, provides information between board meetings.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	5	83.33%	2.83
2 - Meets Expectations	1	16.67%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

4. The Executive Director provides timely and accurate problem identification to the TFFR Board as well as solutions and options for consideration.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	100.00%	3.00
2 - Meets Expectations	0	0.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

5. Based on my observations at board meetings and other interactions, I believe the Executive Director provides leadership to RIO staff.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	100.00%	3.00
2 - Meets Expectations	0	0.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

6. The Executive Director successfully engages with stakeholders (i.e., clients, legislators, constituents, etc.) to promote the SIB and TFFR Board, RIO agency, and its programs.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	4	66.67%	2.67
2 - Meets Expectations	2	33.33%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

7. The Executive Director develops legislative proposals in concert with the TFFR Board and represents the board in communications and presentations to the legislature.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	100.00%	3.00
2 - Meets Expectations	0	0.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

8. The Executive Director has developed a rapport with legislators to ensure the credible recognition of the positions of the TFFR Board.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	50.00%	2.50
2 - Meets Expectations	3	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

9. The Executive Director provides visionary and strategic leadership to the TFFR Board.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	100.00%	3.00
2 - Meets Expectations	0	0.00%	
1 - Does Not Meet Expectations	0	0.00%	
	<hr/>	<hr/>	
	6	100.00%	

10. The Executive Director exhibits a positive and results-oriented style with a predisposition to building consensus and goal achievement through collaboration with by exhibiting courtesy and respect in all interactions.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	5	83.33%	2.83
2 - Meets Expectations	1	16.67%	
1 - Does Not Meet Expectations	0	0.00%	
	<hr/>	<hr/>	
	6	100.00%	

General Comments

11. Overall, how satisfied are you with the job being done by the Executive Director?

Response #	Comment
1	Very satisfied. The ED is clearly very vested with the pension administration side of the agency.
2	I am exceedingly happy with the work done by Ms. Murtha in the role of Executive Director. She has been both an effective manager and a visionary leader that has built a strong foundation for TFFR and RIO to continue to evolve and move forward.
3	Before we hired her, I thought she would be good, but she has turned out to be great.
4	I am very satisfied with Jan's work as Executive Director.
5	I am very satisfied. As a new trustee to the board, I have been very impressed with her efforts to speed up the process of onboarding for new members. She has been fully available to me for any questions I may have and has encouraged me in areas to become more engaged. I could easily have answered that she has exceeded expectations on all questions, but because of my short time on the board, I have not had an opportunity to see that aspect yet. I am confident she has fulfilled her duties in those areas as she has in the others I have personally witnessed. Job well done.
6	I am very satisfied. I appreciate and admire the ED's leadership, personality, and visionary planning. I feel very fortunate as a trustee to have the ED that we do, as I can't imagine how anyone else would have been able to help manage the seismic shifts that RIO and TFFR have undergone.

2024 Executive Director Manager Survey

Q1 Leadership: The Executive Director provides a clear sense of the organization's purpose and direction, and ensures the management team can translate those into meaningful and actionable goals and objectives for each division.

<u>Answer Choices</u>	<u>2024</u> <u>Responses</u>	<u>2024</u> <u>% Responses</u>
Strongly Agree	7	87.50%
Agree	1	12.50%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>8</u>	<u>100.00%</u>

Q2 Leadership: The Executive Director demonstrates integrity, and the management team has confidence in the Executive Director's leadership skills.

<u>Answer Choices</u>	<u>2024</u> <u>Responses</u>	<u>2024</u> <u>% Responses</u>
Strongly Agree	8	100.00%
Agree	0	0.00%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>8</u>	<u>100.00%</u>

Q3 Communication: The Executive Director seeks input and values feedback from the management team and takes time to understand the perspectives of each manager.

<u>Answer Choices</u>	<u>2024</u> <u>Responses</u>	<u>2024</u> <u>% Responses</u>
Strongly Agree	7	87.50%
Agree	1	12.50%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>8</u>	<u>100.00%</u>

Q4 Communication: The Executive Director consistently and effectively communicates with the management team to ensure the team is informed about important developments throughout the organization.

<u>Answer Choices</u>	<u>2024</u> <u>Responses</u>	<u>2024</u> <u>% Responses</u>
Strongly Agree	7	87.50%
Agree	1	12.50%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>8</u>	<u>100.00%</u>

Q5 Valuing Employees: The Executive Director shows genuine concern for team members.

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>20234</u> <i>% Responses</i>
Strongly Agree	8	100.00%
Agree	0	0.00%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<hr/> 8	<hr/> 100.00%

Q6 Valuing Employees: The Executive Director treats each manager with respect, and promotes an environment of trust, teamwork, and appreciation.

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>2024</u> <i>% Responses</i>
Strongly Agree	8	100.00%
Agree	0	0.00%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<hr/> 8	<hr/> 100.00%

2024 Executive Director Manager Survey

Q7 General Feedback: Overall, how satisfied are you with the job being done by the Executive Director?

Response #1	Ms. Murtha is a visionary and goal-focused leader who not only dreams big, she also has the ability to turn those dreams into reality through strategic planning, effective communication, motivation, and the empowerment of the agency's staff.
Response #2	Jan does a fantastic job as the executive director. She is approachable and is always encouraging new ideas and innovation. RIO has so much going on, and Jan is doing a tremendous job leading the agency through it. She is excellent to work with and makes RIO a place you want to work.
Response #3	I think Jan does a great job! I appreciate everything she does for the organization.
Response #4	I have been very satisfied with how Jan approaches her position. She cares about our clients and staff. She is approachable and easy to share ideas with. Based on my observations and interactions with Jan, I do not have any recommendations for improvement.
Response #5	I think the ED is committed to doing a great job and is dedicated to making this agency the best possible. She strives for this agency to be successful and meaningful. She is doing a great job.
Response #6	I am very satisfied with the job being done by our ED. Jan does a tremendous job of communicating to the team within RIO. She is always upfront and honest with her assessments of how we are progressing or what is being done right or needs to be done different. She's also great at communicating beyond the team to the boards, the legislature, the press, and the general public. Jan is the perfect "face of the agency" and is always striving to make sure our message is communicated. The leadership Jan has shown (and continues to show) throughout her tenure has been nothing short of excellent. Leading RIO through the transformation happening now is no simple feat. With the massive changes on both the Retirement and Investment sides, Jan has done an excellent job of ensuring everyone is engaged and understands where RIO is headed. With everything that we have going on within RIO, the job of the ED is extremely difficult and taxing. The commitments and responsibility placed on this position appear to be overwhelming at times. There are not enough hours in the day to account for all of the work that is being required of our ED. Jan's ability to accomplish what she continues to accomplished for this agency is truly remarkable but I worry that a time will come when she decides it's not worth the effort and will move on.
Response #7	I appreciate Jan's efforts to maintain a positive culture here at RIO.
Response #8	Jan does a terrific job of leading and supporting staff.

2024 Executive Director Staff Survey

Q1 Leadership: The Executive Director provides team members with a clear sense of the organization's purpose and direction, ensuring team members feel connected to the organization.

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>2024</u> <i>% Responses</i>
Strongly Agree	12	75.00%
Agree	4	25.00%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>16</u>	<u>100.00%</u>

Q2 Leadership: Team members have confidence in the Executive Director's leadership of the agency.

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>2024</u> <i>% Responses</i>
Strongly Agree	13	81.25%
Agree	3	18.75%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>16</u>	<u>100.00%</u>

Q3 Communication: The Executive Director is approachable, and encourages an environment of open communication and dialogue.

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>2024</u> <i>% Responses</i>
Strongly Agree	15	93.75%
Agree	1	6.25%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>16</u>	<u>100.00%</u>

Q4 Communication: The Executive Director consistently promotes the communication of important changes through appropriate channels (e.g., staff meetings, division meetings, trainings).

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>2024</u> <i>% Responses</i>
Strongly Agree	13	81.25%
Agree	3	18.75%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<u>16</u>	<u>100.00%</u>

Q5 Valuing Employees: The Executive Director shows genuine concern for team members.

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>20234</u> <i>% Responses</i>
Strongly Agree	15	93.75%
Agree	1	6.25%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<hr/> 16	<hr/> 100.00%

Q6 Valuing Employees: The Executive Director treats team members with respect, and promotes an environment of trust, teamwork and appreciation.

<i>Answer Choices</i>	<u>2024</u> <i>Responses</i>	<u>2024</u> <i>% Responses</i>
Strongly Agree	15	93.75%
Agree	1	6.25%
Neither Agree or Disagree	0	0.00%
Disagree	0	0.00%
Strongly Disagree	0	0.00%
	<hr/> 16	<hr/> 100.00%

2024 Executive Director Staff Survey

Q7 General Feedback: Overall, how satisfied are you with the job being done by the Executive Director?

Response #1	Very satisfied with the job being done
Response #2	I think Jan does an excellent job, and Rio is heading in a positive direction under her leadership.
Response #3	great leadership
Response #4	I believe Jan does a good job with the agency. She has brought the agency forward through a lot of changes in the last couple of years. She always helps to relate to things personally so that we all feel connected and part of the transitions.
Response #5	I am exceptionally satisfied with the leadership skills of the RIO Executive Director.
Response #6	Jan does a great job.
Response #7	Satisfied
Response #8	Extremely! Her communication with us during these times of change is great. She represents the agency with dignity and professionalism. I know she is respected.
Response #9	The Executive Director has always had a great vision for RIO. As a team member of RIO, I have great satisfaction in participating in the mission to provide better services to citizens of the state. I am so happy the SIB hired Jan to head the agency.
Response #10	Our Executive Director is a true leader. One that is dedicated to her job. She has proven to put all the employees first and to empower and encourage to always challenge and reach for the stars. She is very passionate about team North Dakota and looking out for the hard working citizens of this state.
Response #11	Jan is a phenomenal and inspiring leader. She is passionate, knowledgeable, and most importantly, humble. All of the executive team members are responsible for making the organization feel welcoming, but Jan's servanthip and dedication to not only RIO, but the state of ND makes public service rewarding. Jan Murtha is the definition of public service. I am very satisfied with Jan's performance as ED.
Response #12	The Executive Director does a phenomenal job of leading NDRIO. She brings top-notch communication skills, governance competence, and emotional intelligence. As RIO evolves, it seems like a wise decision to separate CIO and ED roles. The ED and CIO are a great team to lead the organization. The ED brings a skill set to execute the separate ED role effectively.
Response #13	Jan is a very positive, motivated leader for RIO. She is always looking out for the best interest of the agency, has built a strong administration base which helps create a positive work environment, and is very approachable and easy to talk to.
Response #14	Very satisfied
Response #15	Very satisfied.

Executive Director Self-Evaluation 2024

Q1: How do you assess the effectiveness of the educational sessions you provide to the Board? Are the topics covered relevant, understandable, and beneficial from your perspective?

The effectiveness of the educational sessions is evaluated based upon feedback provided through the board self-assessment survey, the executive director, CIO, and DED-CRO surveys, and any survey responses received subsequent to new board member onboarding training. Direct feedback from board members either at board meetings or individually, subsequent to board meetings, provide additional insight regarding effectiveness. Board education topics are determined by the requirements of the respective board governance manuals, input from the respective board governance and policy review committees as well as input from manager level team members. It is my responsibility as ED to ensure that topics covered are relevant, understandable, beneficial, and presented in a concise and efficient manner and therefore I'm mindful of both content and time allotted to education materials when engaging in agenda planning.

Q2: Could you describe your approach to preparing for Board meetings, including the development of agendas, identification of action items, and presentation of staff recommendations?

Fiduciary responsibility, good governance, and time management are the primary factors I consider in development of agenda items on behalf of the boards. The education and planning calendars developed by staff and approved by the boards each spring for the subsequent fiscal year enable team members to track Ends reporting responsibilities and appropriate board member education. Under the present governance model of the boards (Carver), I believe it appropriate that staff or committee recommendations or options accompany any item for which the staff is seeking board action or approval.

Q3: Reflecting on your presentations and reports during Board meetings, how would you evaluate their relevance, accuracy, comprehensibility, usefulness, and timeliness?

I reiterate my response to Q1 in describing how I evaluate the relevance or usefulness of the information provided. In my opinion presentations and reports, both provided directly by me or any member of the RIO team, tend to err on the side of over communicating or comprehensibility, and would not be included unless accurate. I endeavor to ensure all materials are provided to the boards up to a week prior to meetings, or if less, as soon as they are made available.

Q4: How do you ensure the Board is kept informed of current issues and provided with necessary information between meetings?

Within the last fiscal year both boards and staff have been able to realize the benefits of having a Director of Outreach and Communications as part of the team. Relevant media coverage or program activities that occur between board meetings, and that may be of interest to the board, are monitored and shared with board members by the communications director via email.

Q5: How do you respond to Board requests, adapt to Board policy, and collaborate effectively with the Board as a team member?

Board requests made during meetings will generally be followed up with at the next appropriate board or committee meeting. Individual board member requests for comment or information are generally responded to within 24 to 48 hours. When the board has provided guidance regarding policy I will discuss and provide oversight of the implementation of that policy within the team. When board governance requires or is ambiguous regarding a course of action needed to achieve program goals I will ensure the appropriate committee is consulted and the respective board chair is apprised, and approvals obtained prior to proceeding.

Q6: Can you describe your process for developing legislative proposals in partnership with the Board and representing their positions to the legislature?

Legislative proposals fall under the purview of first the full boards with development of proposals delegated to the respective governance and policy review (GPR) committees. These proposals are discussed and developed by staff in collaboration with the GPR committees as part of the biannual strategy review process and presented to the full board for approval. While I am the primary representative of the boards and agency when appearing before the legislature, I collaborate with other members of the executive team to ensure all presentations and testimony consistently and accurately reflect the board and agency position. During a legislative session it may be necessary to rapidly respond to evolving issues where time constraints prevent the convening of a board or committee meeting, in those instances I consult with the respective chair of each board to confirm the appropriate position of the respective board or program.

Q7: How do you approach leading the RIO staff and agency? What strategies do you employ to foster effective leadership and teamwork?

I aspire to be a servant leader and value acting with integrity, veracity, and humility in all things. I prefer to lead through example rather than through micromanagement; however I also believe that flexibility, a growth mindset, and a positive organizational culture can only be achieved when all team members are accountable for themselves and to each other; and I do not hesitate to reinforce that accountability when appropriate. I promote collaboration among team members, both for my own decisions as well as encouraging collaboration among and within divisions. This type of team wide collaboration is illustrated by many of our processes including our strategic planning process, our policy update and review process, and our inter-division operations meetings. I also implemented monthly “office hours” this past fiscal year for non-direct reports to make myself more

available to team members that I don't interact with as frequently. Collaboration is also supported by required team member training and our employee engagement plan. I believe evidence of the success of this approach to be illustrated by the increasing team member engagement scores over the last three years. The employee engagement overall satisfaction with work score as measured by a statewide Gallup engagement survey, increased from an initial score of 3.69 in 2020 to 4.59 in 2023, on a 5.0 scale, with 4.59 comparing to a 3.88 statewide mean in 2023.

Q8: Reflecting on your overall performance, what areas do you believe you excel in, and where do you see opportunities for improvement?

I excel in strategic planning, successful advocacy of the boards, agency, and program initiatives, and in promoting a positive, inclusive, and visionary organizational culture. I aspire to inspire confidence among and on behalf of the RIO team. I am exceedingly mindful of board members fiduciary responsibilities, perspectives, and time. I am also promptly responsive to member, client, and stakeholder inquiries, and continue to provide education on our processes and programs whenever the opportunity presents itself. Finally, I continue to recognize my own need to focus on completing habitual administrative tasks in a more timely and efficient manner.

Executive Review
Janilyn Murtha, Executive Director
May 16, 2023

Evaluation Process:

In compliance with the State Investment Board (SIB) Governance Policy, the SIB conducted a formal evaluation of the Executive Director, based on accomplishment of *Ends and Compliance with Executive Limitations*. The Executive Review and Compensation Committee, consisting of SIB board members Adam Miller, Dr. Robert Lech, and Treasurer Thomas Beadle, was appointed to oversee the evaluation process. Staff assistance was provided by Sara Seiler, Supervisor of Internal Audit, Ryan Skor, Chief Financial Officer/Chief Operating Officer, and by Missy Kopp, Executive Assistant.

- The following surveys and reports were reviewed as part of the evaluation:
 - Executive Director Performance Survey
 - Independent Audit Report for the period ending June 30, 2022, issued by CliftonLarsonAllen LLP.
 - RIO Financial FY Ended 6/30/2022 – October 28, 2022
 - Quarterly Monitoring Reports
 - Executive Limitation Audit CY 2022 – February 15, 2023
 - Executive Director Staff Survey
 - Executive Director Self-Survey

On May 16, 2023, The Executive Review and Compensation Committee reviewed the results and discussed areas of strength and professional development opportunities. The results and subsequent discussion form the basis for the formal evaluation. The evaluation will be presented to the SIB for final approval at the May 19, 2023, SIB Board Meeting.

Board Member Responses to the Executive Director Survey:

All twelve SIB members completed the evaluation survey. The questionnaire included 13 questions: Responses to 12 questions were given on a 3-point Likert scale [Exceeds expectations, Met expectations, and Below expectations] and there was 1 open-ended question for written comments.

- Overall, Board members are pleased with the Executive Directors performance and recognize the change, organizational restructuring, and growth at the North Dakota Retirement and Investment Office (NDRIO) in 2022 was substantial. Board members feel changes at NDRIO are in a positive direction.
- Ms. Murtha operates with a high level of integrity and strength of character in the leadership of the North Dakota Retirement and Investment Office. This is a foundational ability to build relationships with stakeholders, foster trust with the

department and continue to make organizational changes for the betterment of the NDRIO, client funds, and the State of North Dakota.

- Ms. Murtha has exhibited outstanding leadership through her ability to lead transformational change in the department and the State Investment Board through a significant amount of change with a future-focus that is crucial to the evolution and growth of NDRIO. This is evidenced in initiatives to expand technological capabilities, assisted with board governance changes, and supporting the board during the legislative session.

Staff Responses to the Executive Director Survey:

Nineteen team members completed the evaluation survey. The questionnaire included 8 questions: Responses to 7 questions were given on a 5-point Likert scale [Strongly Agree, Agree, Neither Agree or Disagree, Disagree, Strongly Disagree] and there was 1 open-ended question for written comments. Overall, the survey responses were positive, although some disagreement was noted.

- Sixteen out of the nineteen responses suggest the Executive Director provides a clear sense of purpose and direction for agency staff. Two responses were neutral, and one response indicated disagreement.
- Most employees agree that the Executive Director seeks input from team members
- The Executive Director received favorable responses in valuing employees. Most staff agree that the Executive Director shows care and concern for staff.
- Responses to the open-ended question about satisfaction with the job performance of the Executive Director were mostly positive, with most employees indicating that they are very satisfied with the job being done by the Executive Director. Many staff members recognize that the job of the Executive Director is difficult, and the job is even more difficult during the legislative session.
- Two of the nineteen responses suggest there is a desire for the Executive Director to be more available and to communicate with each member of staff more regularly. In recognition of the fact that due to the size of the agency and the remote and hybrid schedules of the team members at RIO communicating with every team member on an individual basis is infeasible, Ms. Murtha has indicated that she will nonetheless schedule monthly office hours available to team members that would like to check in and are not already direct reports.

Executive Director Self-Evaluation

Ms. Murtha collaborates with Executive Team members to ensure that boards receive education materials that are both relevant and in close proximity to decisions each Board must make. Ms. Murtha ensures that investment presentations, while necessarily

complex, are nonetheless presented in a manner that distills the necessary information in an easy to digest manner that is readily disseminated to board members and stakeholders. Ms. Murtha ensures all reports required by board governance have been presented to both boards in a timely, comprehensive, and concise manner. Ms. Murtha believes her areas of strength include working with internal and external stakeholders to develop and achieve goals which are in alignment with RIO's strategic plan under an aggressive time frame and an area of improvement includes the need to allocate additional time to administrative duties to improve response time.

Summary

This evaluation shows that Ms. Murtha provides excellent leadership as the Executive Director. Ms. Murtha led RIO through many challenges the past year in a positive, professional, and strategic-focused way. Her credibility and respect among board members, stakeholders, clients, and staff are evident.

Ms. Murtha is encouraged to continue to focus on communication with legislators, clients, and the public. The anticipated growth and increasing complexity of the investment program and changes to workflows among team members will demand much attention from Ms. Murtha in the upcoming year.

Ms. Janilyn Murtha, State Investment Board ED

Date

Adam M. Miller, Executive Review & Compensation
Committee Chair

Date

1. The CIO effectively communicates investment strategies, performance, and changes allowing the SIB members to adequately perform their roles.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	7	53.85%	2.54
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

2. The CIO successfully engages with stakeholders (i.e., clients, legislators, constituents, etc.) to promote the investment program and fund performance.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	7	53.85%	2.54
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

3. The CIO ensures compliance with investment objectives and policies.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	50.00%	2.50
2 - Meets Expectations	6	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	12	100.00%	

4. The CIO advises, monitors, and reports on investment performances comparing it to relevant benchmarks and industry standards.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	7	53.85%	2.54
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

5. The CIO produces accurate and timely reports concerning investments and the progress of projects.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	8	61.54%	2.54
2 - Meets Expectations	4	30.77%	
1 - Does Not Meet Expectations	1	7.69%	
	13	100.00%	

6. The CIO has a track record of effectively managing risk and protecting investments.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	6	50.00%	2.50
2 - Meets Expectations	6	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	12	100.00%	

7. The CIO routinely analyzes and monitors investment expenses to ensure that the programs are operating efficiently and effectively based on comparable market standards.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	5	38.46%	2.38
2 - Meets Expectations	8	61.54%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

8. The CIO upholds ethical standards in their decisioning and investment practices.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	7	53.85%	2.54
2 - Meets Expectations	6	46.15%	
1 - Does Not Meet Expectations	0	0.00%	
	13	100.00%	

General Comments

9. Overall, how satisfied are you with the job being done by the CIO?

Response #	Comment
1	The Chief Investment Officer does not report directly to the full board. It would be inappropriate to provide comment on job performance for a position over which I have no direct authority.
2	Our CIO does a great job building the investment program and empowering our highly skilled and capable staff to focus on what they do best. Communication is good, especially with regards to taking complex principles and philosophies and dumbing them down for the general public and a lay board.
3	The CIO has done exceptional work in implementing a vision for the Investment Office, building capacity for understanding among board members, and for transitioning to new governance and professional structures.
4	I'm satisfied with the results delivered by the CIO.
5	The CIO's performance meets expectations. Be conscious of overly technical and long presentations/answers. Another suggestion is to proceed more judiciously when advocating on major topics such as Land Board assets, internal investment initiative, and incentive compensation plan.
6	Highly satisfied. We are very fortunate to have such a great Chief Investment Officer. Thank you.
7	Satisfied
8	I believe Scott meets the expectations of his role. I would like to see more timely reports on investment performance - specifically month-end close. Reports seem to lag 6 weeks or so which makes it difficult to report financials timely to the WSI Board.
9	Very satisfied. We are very fortunate to have someone of his ability. Engaged, committed and has strong understanding of the role. Very detailed with strong knowledge.
10	Very satisfied. Scott is very knowledgeable and effective. Really appreciate the strategic direction with in house investments. Only suggestion for improvement is to be a little more concise in discussions/presentations.
11	Great job
12	Scott is doing an outstanding job and ND is very fortunate to have him.
13	I am very satisfied with the information provided by the CIO, the presentations on upcoming needed changes in terms of investments, and with the knowledge the CIO shares with the SIB.

1. The DED/CRO understands the TFFR operations, board goals, strategic direction, and effectively and efficiently administers the retirement program.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	4	66.67%	2.67
2 - Meets Expectations	2	33.33%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

2. The DED/CRO adds value to the TFFR pension program and operations suggesting and managing that improve efficiency (i.e., technological advancements, industry best practices, etc.).

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	5	83.33%	2.83
2 - Meets Expectations	1	16.67%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

3. The DED/CRO properly manages and informs the board of the progress and issues related to the Pioneer Project.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	50.00%	2.50
2 - Meets Expectations	3	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

4. The DED/CRO understands and adheres to TFFR governance.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	50.00%	2.50
2 - Meets Expectations	3	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

5. The DED/CRO upholds ethical standards in their decision-making and administrative practices.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	50.00%	2.50
2 - Meets Expectations	3	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

6. The DED/CRO effectively communicates with and educates stakeholders about the retirement program.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	50.00%	2.50
2 - Meets Expectations	3	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

7. The DED/CRO works to ensure educators have a clear understanding of their pension benefit, any program or contribution rate changes.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	50.00%	2.50
2 - Meets Expectations	3	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

8. The DED/CRO stays informed of developments in pension management, regulations and industry trends and provides the board with information that aids in their growth and development as trustees.

<u>Answer Choices</u>	<u># Responses</u>	<u>% Responses</u>	<u>Average Response</u>
3 - Exceeds Expectations	3	50.00%	2.50
2 - Meets Expectations	3	50.00%	
1 - Does Not Meet Expectations	0	0.00%	
	6	100.00%	

General Comments

9. Overall, how satisfied are you with the job being done by the DED/CRO?

Response #	Comment
1	Overall pleased with the performance and job being done. Most of the communication we get from CRO seems to be limited to Pioneer updates so the other outreach, education and advocacy that occurs I am less familiar with their involvement.
2	Mr. Roberts has done an admirable job, and spent significant time, as it relates to GPR updates and the Pioneer Project.
3	I am impressed that, in the short time he has been on the job, he has been able to understand the operation of TFFR. I am also impressed with his work with the legislature on the behalf of TFFR.
4	I appreciate the support and information provided to the board.
5	With my limited time on the board, the Deputy Executive Director/Chief Retirement Officer has kept us informed with timely reports, both at the meetings, and between. He has communicated with us as to national trends and current directions that public retirement plans are moving. I joined the board toward the end of the Pioneer Project, but have been given prior information that is pertinent to understand this last phase of the project. I have confidence in the job that the Deputy Executive Director/Chief Retirement Officer is doing. Keep up the good work.
6	Very satisfied with performance, communication, and presentations. Updates on projects (in this case, primarily the Pioneer Project) are timely and thorough. It seems as though TFFR has gotten great benefit in having the DED/CRO work directly with the vendor. Thank you for all of your hard work on a project that will, I know, pay significant dividends to the retirement program!

MEMORANDUM

TO: Executive Review and Compensation Committee
FROM: Ryan K. Skor, CFO/COO
DATE: April 5, 2024
RE: Executive Director Compensation Discussion

A companion responsibility to the formal evaluation of the Executive Director is to make a compensation recommendation for the position to the SIB annually. To assist the committee with this process, salary information from several sources has been compiled.

Comparisons to Comparable Out-of-State Positions

As was presented at the March 13, 2024, ERCC meeting, specific market survey data for the Executive Director position was compiled and reported. A summarized, graphical comparison was presented to the committee and is included again as part of the meeting materials. Detailed comparison data is available to review at the committee's discretion and, if committee wishes to review, it will need to enter into executive session to discuss confidential commercial information, as indicated on the agenda.

Comparisons to ND State Agency Heads

In addition to the market survey data compiled and reported by Mercer, a sample of salary information for agency directors across North Dakota state government was also compiled. This information has been included in the committee materials and provides insight into some of the potentially comparable positions within state government.

Compensation Adjustment Options and Budget Considerations

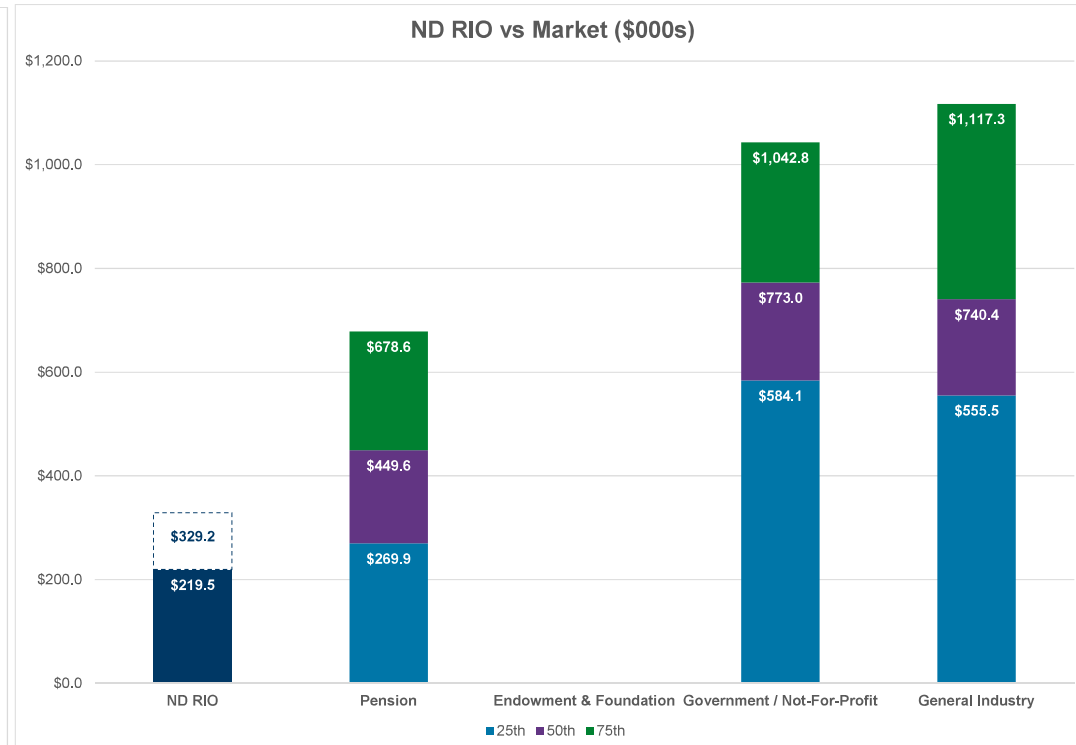
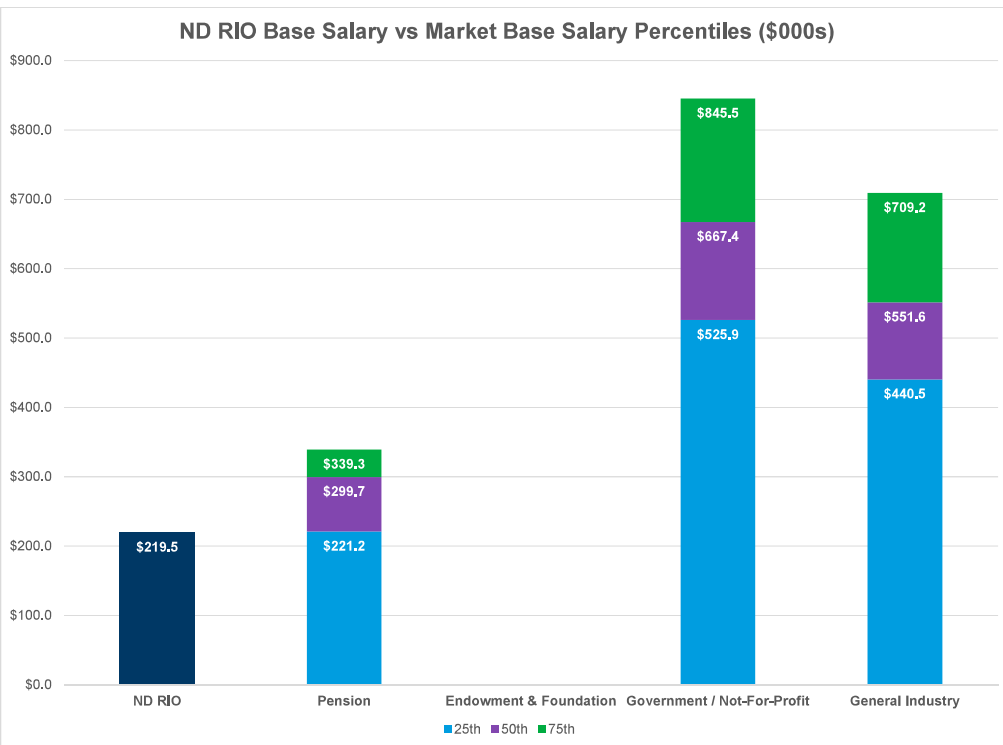
Included in RIO's approved legislative budget were payroll appropriations sufficient to provide for 4% performance increases in the second year of the biennium. This includes the Executive Director position. Specific guidelines spelled out in session law calls for the increases to be based on documented performance and for them to go into effect in the month of July, paid in August.

Beyond the standard increases in base salary amounts, there are a couple of allowable bonus types that could be considered. At the committee's discretion, information is available and could be provided in regard to either a performance bonus and/or a retention bonus.

COMMITTEE ACTION REQUESTED: Recommend compensation adjustment to full SIB.

Executive Director

RIO Base Salary vs. Pension Market	Base Salary			TCC		
	25 th	50 th	75 th	25 th	50 th	75 th
\$220	-1%	-27%	-35%	-19%	-51%	-68%



Proposed ND RIO
Total Cash

Unit	Descr	Position Title	Name	Eff Date	Start Date	Dept Date	Job Code	Job Code Description	Entry Date	Comp Rate	Comp Freq	FTE
11000	Office of Mgmt & Budget	OMB Director	Susan Sisk	6/12/2023	6/12/2023	6/12/2023	NC9002	APPOINTED--NOT CLASSIFIED	6/12/2023	16,250.00	M	1.00
11200	Information Technology Dept	Chief Information Officer	Kuldip Mohanty	7/1/2023	2/23/2023	2/23/2023	NC9002	APPOINTED--NOT CLASSIFIED	2/23/2023	22,705.21	M	1.00
14000	Office of Admin Hearings	OAH Director	Timothy Dawson	7/1/2023	12/1/1994	12/21/2015	NC9002	APPOINTED--NOT CLASSIFIED	12/21/2015	12,070.07	M	1.00
18800	Legal Counsel for Indigents	Executive Director NDCLCI	Travis Finck	7/1/2023	7/7/2008	9/15/2014	NC9002	APPOINTED--NOT CLASSIFIED	4/1/2020	12,609.39	M	1.00
19000	Retirement & Investment Office	Executive Director	Janilyn Murtha	7/1/2023	2/22/2011	6/1/2020	NC9002	APPOINTED--NOT CLASSIFIED	11/19/2021	18,291.36	M	1.00
19200	ND Public Retirement System	PERS Director	Rebecca Fricke	2/13/2024	12/4/1995	12/4/1995	NC9002	APPOINTED--NOT CLASSIFIED	2/13/2024	18,333.33	M	1.00
19500	Ethics Commission	Executive Director	Rebecca Binstock	11/1/2023	9/7/2022	9/7/2022	NC9002	APPOINTED--NOT CLASSIFIED	9/7/2022	11,748.34	M	1.00
22600	ND Department of Trust Lands	Trust Lands Commissioner	Joseph Heringer	7/1/2023	3/14/2022	3/14/2022	NC9002	APPOINTED--NOT CLASSIFIED	3/14/2022	13,250.00	M	1.00
27000	Career and Technical Education	Director and Executive Officer	Wayde Sick	7/1/2023	10/22/2012	5/1/2018	NC9002	APPOINTED--NOT CLASSIFIED	5/1/2018	11,577.00	M	1.00
31300	Veterans' Home	Administrator Veterans Home	Mark Johnson	7/1/2023	5/1/2006	5/1/2006	NC9002	APPOINTED--NOT CLASSIFIED	5/1/2006	13,629.16	M	1.00
31600	Indian Affairs Commission	Executive Director ND IAC	Bradley Hawk	2/1/2024	7/8/2013	1/8/2014	NC9002	APPOINTED--NOT CLASSIFIED	1/12/2024	9,166.67	M	1.00
32100	Veterans Affairs Department	Veterans Affairs Commissioner	Lonnie Wangen	12/1/2023	6/19/2000	4/1/2008	NC9002	APPOINTED--NOT CLASSIFIED	4/1/2008	11,359.97	M	1.00
32500	ND Health and Human Services	State Health Officer	Nizar Wehbi	7/1/2023	5/1/2021	7/1/2023	NC9002	APPOINTED--NOT CLASSIFIED	5/1/2021	30,634.00	M	1.00
32500	ND Health and Human Services	Commissioner	Lawayne Salter	1/22/2024	1/22/2024	1/22/2024	NC9002	APPOINTED--NOT CLASSIFIED	1/22/2024	21,666.67	M	1.00
36000	Protection and Advocacy	Executive Director P A	Veronica Zietz	8/3/2023	6/28/2021	6/28/2021	NC9002	APPOINTED--NOT CLASSIFIED	6/28/2021	8,418.83	M	1.00
38000	Job Service ND	Executive Director JSND	Patrick Bertagnolli	7/1/2023	2/17/2022	2/17/2022	NC9002	APPOINTED--NOT CLASSIFIED	2/17/2022	14,416.00	M	1.00
40600	Labor Commissioner	Dept Of Labor Commissioner	Nathan Svihovec	7/1/2023	3/1/2009	12/1/2022	NC9002	APPOINTED--NOT CLASSIFIED	12/1/2022	10,158.00	M	1.00
40800	Public Service Commission	Executive Secretary PSC	Steven Kahl	7/1/2023	8/1/1979	8/15/1979	NC9002	APPOINTED--NOT CLASSIFIED	6/1/2019	10,681.00	M	1.00
41200	Aeronautics Commission	Aeronautics Comm Director	Kyle Wanner	7/1/2023	5/18/2009	5/16/2011	NC9002	APPOINTED--NOT CLASSIFIED	4/23/2014	12,643.16	M	1.00
41300	Dept of Financial Institutions	Dept of Fin Inst Commissioner	Inger Kruse	7/1/2023	6/1/2004	6/1/2004	NC9002	APPOINTED--NOT CLASSIFIED	12/1/2017	13,348.00	M	1.00
41400	Securities Commissioner	Securities Dept Commissioner	Karen Tyler	7/1/2023	9/1/2001	9/1/2001	NC9002	APPOINTED--NOT CLASSIFIED	9/1/2001	11,282.27	M	0.68
47200	Public Finance Authority	Executive Director	DeAnn Ament	7/1/2023	12/17/2003	3/1/2010	NC9002	APPOINTED--NOT CLASSIFIED	4/1/2010	11,351.08	M	1.00
47300	Housing Finance Agency	Executive Director NDHFA	David Flohr	7/1/2023	12/19/2003	7/1/2019	NC9002	APPOINTED--NOT CLASSIFIED	5/1/2020	13,576.00	M	1.00
47400	Dept. Of Mineral Resources	Industrial Commission Director	Lynn Helms	7/1/2023	7/20/1998	7/1/2023	NC9002	APPOINTED--NOT CLASSIFIED	7/20/1998	24,403.93	M	1.00
48500	Workforce Safety & Insurance	Director	Art Thompson	7/1/2023	11/1/2022	11/1/2022	NC9002	APPOINTED--NOT CLASSIFIED	11/1/2022	16,960.00	M	1.00
50400	Highway Patrol	Superintendent Highway Patrol	Brandon Solberg	7/1/2023	1/1/1999	5/1/2016	NC9002	APPOINTED--NOT CLASSIFIED	7/1/2018	13,360.00	M	1.00
53000	Corrections & Rehab	Director Corrections and Rehab	Colby Braun	1/18/2024	7/6/2010	7/1/2019	NC9002	APPOINTED--NOT CLASSIFIED	1/18/2024	15,833.33	M	1.00
54000	Adjutant General	Adjutant General	Alan Dohrmann	7/1/2023	5/21/2007	5/21/2007	NC9002	APPOINTED--NOT CLASSIFIED	12/13/2015	18,988.00	M	1.00
60100	Department of Commerce	Dept Of Commerce Commissioner	Joshua Teigen	2/1/2024	9/3/2019	9/3/2019	NC9002	APPOINTED--NOT CLASSIFIED	9/6/2022	15,150.00	M	1.00
66500	State Fair Association	ND State Fair Manager	Craig Rudland	10/1/2023	7/1/1983	7/1/1983	NC9002	APPOINTED--NOT CLASSIFIED	10/1/2023	9,791.67	M	1.00
67000	ND Horse Racing Commission	Executive Director	Bruce Johnson	3/20/2023	3/20/2023	3/20/2023	NC9002	APPOINTED--NOT CLASSIFIED	3/20/2023	6,666.67	M	1.00
70100	Historical Society	Historical Society Director	William Peterson	7/1/2023	6/8/2020	6/8/2020	NC9002	APPOINTED--NOT CLASSIFIED	6/8/2020	11,194.00	M	1.00
70900	Council on the Arts	Exec Dir Council On The Arts	Kim Konikow	7/1/2023	1/12/2018	1/12/2018	NC9002	APPOINTED--NOT CLASSIFIED	1/12/2018	7,399.00	M	1.00
72000	Game and Fish Department	Game and Fish Director	Jeb Williams	7/1/2023	11/2/1998	11/2/1998	NC9002	APPOINTED--NOT CLASSIFIED	8/24/2021	12,163.00	M	1.00
75000	ND Parks & Recreation Dept	ND Parks Recreation Director	Cody Schulz	7/1/2023	5/1/2007	10/11/2021	NC9002	APPOINTED--NOT CLASSIFIED	10/11/2021	12,163.00	M	1.00
77000	Department of Water Resources	Water Resources Director	Andrea Travnicek	7/1/2023	7/15/2010	8/1/2021	NC9002	APPOINTED--NOT CLASSIFIED	5/26/2020	16,341.00	M	1.00
80100	Department of Transportation	DOT Director	Ronald Henke	7/1/2023	12/1/1990	6/24/2013	NC9002	APPOINTED--NOT CLASSIFIED	10/13/2022	17,667.00	M	1.00

MEMORANDUM

TO: Executive Review and Compensation Committee
FROM: Jan Murtha, Executive Director
DATE: April 5, 2024
RE: Agency Compensation Discussion

The Mercer compensation study provided information to support several observations regarding current salary practices within the agency such as:

- Team members whose work is dedicated predominantly to the retirement program and/ or who are not included in the incentive compensation plan are near, at, or exceed the median salary for the positions when compared to other similarly situated public pension plans. This is due in large part to the legislature approving an equity increase package for all state employees during the last biennium.
- The base salary for new FTE's granted within the last biennium are more likely to be near the median for comparable entities than base salaries for pre-existing roles.
- The total compensation for incentive eligible roles is 37% below the median for similar public pension plans and 47% below the median for general government/ not for profit entities, however, with the incentive compensation plan these roles are in aggregate only 14% and 30% below the median, respectively, for similar roles in these areas.
- Staff did identify three non-incentive eligible roles to recommend some increases to in the next biennium to bring the base salary for these roles closer to the median. One position recommendation is contingent on additional duties in the event another FTE is added next session.
- Of the incentive eligible roles, the Executive Director, Chief Investment Officer, and Chief Fiscal/Operating Officer have been identified as roles significantly below the median for both base salary and total cash compensation and declining to provide base salary increases to these positions can result in salary compression issues for the agency as well as a lack of market competitiveness when filling these roles in the future.

These observations are offered for discussion purposes only. Additional information may be offered during the committee meeting.

COMMITTEE ACTION REQUESTED: Recommend compensation strategy to full SIB.