



Teachers' Fund For Retirement
RETIREMENT & INVESTMENT

ND TFFR BOARD MEETING

Thursday, June 17, 2021, 1:00 p.m.

WSI Board Room (**Virtual Meeting Host**)

Teleconferencing – 701.328.0950 Participant Code – 362 851 552#

WSI, 1600 East Century Avenue, Bismarck, ND

AGENDA

- I. **CALL TO ORDER AND ACCEPTANCE OF AGENDA**
- II. **Joint Board Resolution for Mr. Hunter – Dr. Lech**
- III. **Board Retreat**
 - A. **Presentation of Fund Policy Areas of Review & Development –Ms. Murtha, Ms. Weeks**
 - B. **Board Discussion**
- IV. **OTHER BUSINESS**
 - A. **Next Meeting:**
 - 1. TFFR Regular Board Meeting Thursday, July 22, 2021 at 1 p.m.
 - 2. TFFR Special Board Meeting Friday, July 23, 2021 at 8:30 a.m.
- V. **ADJOURNMENT**

An informal reception in honor of Mr. Hunter to precede at 12:30pm
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.

ND TFFR and ND SIB Joint Board Resolution
In Appreciation of
Executive Director/Chief Investment Officer
Dave Hunter

WHEREAS, Mr. Hunter has served as the Executive Director and Chief Investment Officer of the North Dakota Retirement and Investment Office for the past 7.5 years; and

WHEREAS, Mr. Hunter has diligently carried out his duties and responsibilities to the Retirement and Investment Office, the Teachers' Fund for Retirement and State Investment Board Programs, and the general population of the State of North Dakota; and

WHEREAS, Mr. Hunter has been a valued and dedicated State employee in helping maintain the integrity and stability of the TFFR and SIB Programs, and leader of this state agency.

NOW THEREFORE, BE IT RESOLVED that Mr. Hunter be duly recognized by these Boards for his years of unselfish dedication to the State of North Dakota through his service to the TFFR Board of Trustees and the SIB.

On Behalf of the TFFR Board

On Behalf of the SIB

Dr. Rob Lech, President

Lt. Governor Brent Sanford, Chair

Votes

Votes

Date

Date



TFFR BOARD RETREAT

2021

2021 BOARD RETREAT GOALS

- I. Review Background – Why are we Here?
- II. Fund Policy Topics Presentation – What is the Scope?
- III. Board Discussion – What is our Focus for 2023?

I. BACKGROUND

What is the Need?

- Preparation for implementation of PAS.

Who does this affect?

- Agency, Employers, Members.

Why should this need be addressed?

- Supports Fiduciary Duty of Prudence.

How will I know this need has been met?

- Positive Staff & Stakeholder Engagement; Improved Efficiency; Reduced Cost.

PAS INTERIM RECOMMENDATIONS

- Consultant evaluated Current & Future Business Model.
- Consultant issued Interim Recommendations to facilitate Transition.
- Staff discussed each recommendation and timeline for action.
- Board approved Interim Recommendation Plan – March 25, 2021

WORKABLE SOLUTIONS

* Additional Recommendations from
Cybersecurity & Communications
Assessments.

Governance

- ⑩ ID Statutes, Rules, & Board Policy that affect operations.
- ⑩ Ex: Technical Corrections; Authority location.
- ⑩ Requires adherence to timelines.
- ⑩ March 2022 - EBPC.

Administration

- ⑩ Collaborate w/ Employers.
- ⑩ Update/Create Process Manuals.
- ⑩ Inventory Output.
- ⑩ Develop/Publish Process Schedules.
- ⑩ Evaluate/Implement Process Improvements.

Fund Policy

- ⑩ Review Statutes, Rules, & Board Policies that affect underlying Policy decisions.
- ⑩ Ex: Return to Teach.
- ⑩ Requires stakeholder engagement, and consultant/actuary evaluation.

DISCUSSIONS FOR CHANGE

Governance

- Initiated by Staff.
- Reviewed/Approved by Board.

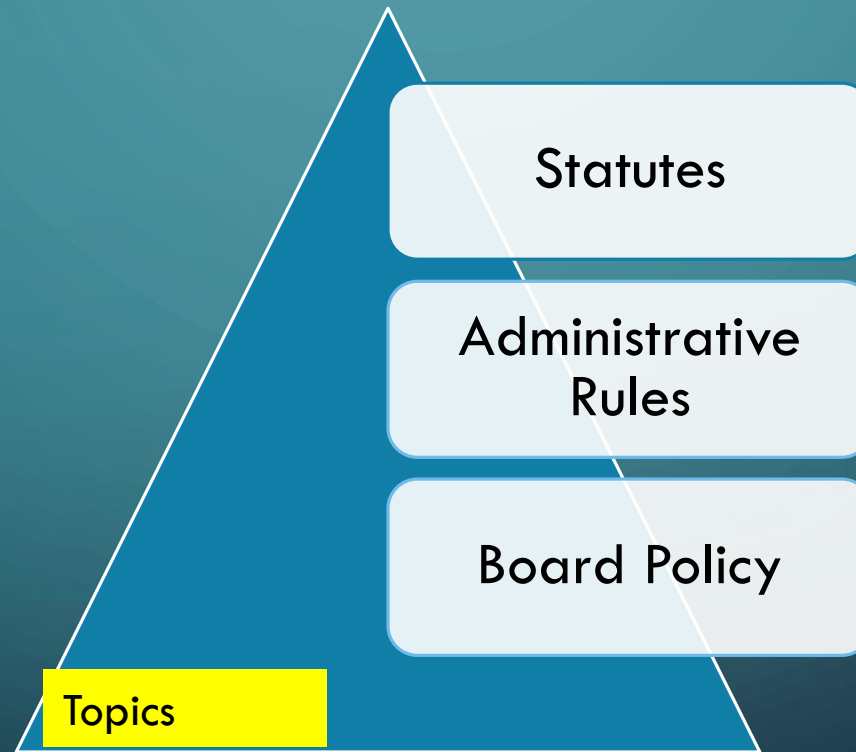
Administration

- Initiated by Staff.

Fund Policy

- Initiated by Board.
- Facilitated by Staff.
- Reviewed/Approved by Board.

II. FUND POLICY TOPICS PRESENTATION



A. POST RETIREMENT ADJUSTMENTS

- Legislation Required
 - Ongoing v. One-Time
 - % v. \$
- Implicates
 - Investment Policy Statement
 - Actuarial Funding Policy Statement
 - Plan Management Policy

B. RETURN TO WORK

- Legislation Required
- Annual Hour Limit & Critical Shortage
 - Waiting Periods
 - Contributions
- Annual Hour Limit Only
 - In Staff Subbing Policy
 - Professional Development and Extra-Curricular Duties
 - Don't Apply to Hour Limit
 - Does apply to contributions
 - Does impact eligibility for Critical Shortage

C. IN-STAFF SUBBING

- Impacts Both Active and Retired Members

“In-staff subbing is defined as substitute teaching duties performed by a contracted teacher for the contracting TFFR participating employer.”

“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.”

D. RETIREMENT OPTIONS

- Legislation Required
- Level Income Option
 - Does it need to be an option or removed?

E. EMPLOYER REPORTING

- Employer Payment Plan Models
 - Compliance with Model Audited
 - Model 2 Partial Allows any Option
- Employer Reporting Detail
 - Inaccurate or Incomplete
 - Implicates Dual Member Calculations

III. BOARD DISCUSSION

- Identify Areas of Inquiry
 - Scope of Inquiry not Scope of Solution
- Other Areas?
 - Expand the Scope
 - Board Governance
- Board Education
 - Preparation for the Decision.

TIME FOR REVIEW

January 2021 to December 2021

PAS: Stage 1 & 2 Completed

Law, Policy, Process Reviewed & Changes Proposed.
Employers Engaged.

January 2022 to December 2022

PAS: Stage 3 Initiated

Changes to Law finalized.
Members & Employers Engaged.

January 2023 to December 2023

PAS: Stage 3 Completed

2023 Session: Statutory Changes & Admin Rules Amended.
Successful implementation across Members, Employers, and Agency.



ADJOURNMENT