



Teachers' Fund For Retirement
RETIREMENT & INVESTMENT

ND TFFR BOARD SPECIAL MEETING

Thursday, December 16 2021, 1:30 p.m.

RIO Conference Room (Virtual Host)

Teleconferencing – 701.328.0950 Participant Code – 520 497 615#

1600 E Century Ave, Ste. 3 Bismarck, ND

AGENDA

- I. CALL TO ORDER AND ACCEPTANCE OF AGENDA**

- II. GOVERNANCE**
 - A. Executive Director Transition Discussion – Ms. Murtha
 - 1. Interim Administration
 - 2. Governance Manual
 - 3. Job Description
 - B. Appointment of Executive Search Committee – Dr. Lech
 - C. Board Discussion DED/CRO Search – Ms. Murtha, Ms. Flanagan
 - 1. Agency Background
 - 2. Prior DED/CRO Searches
 - 3. Executive Search Method/Options
 - 4. Staff Recommendation
 - 5. Discussion

- III. ADJOURNMENT**

MEMORANDUM

Item II.A.

TO: TFFR
FROM: Jan Murtha, Executive Director
DATE: December 15, 2021
RE: Executive Director Transition

I. Interim Administration

Succession planning supports an agency's ability to operate successfully during interim or transition periods. As you are aware the RIO agency has been operating within a period of transition beginning with the departure of Mr. Hunter, the Executive Director- Chief Investment Officer in June 2021. Since that time the following adjustments to leadership positions at RIO have occurred:

- June 2021: Dave Hunter, ED-CIO resigns. Jan Murtha, Deputy Executive Director – Chief Retirement Officer is appointed Interim Executive Director (& Chief Retirement Officer). Darren Schulz, Deputy Chief Investment Officer is appointed Interim Chief Investment Officer.
- August 2021: Darren Schulz, Interim Chief Investment Officer, resigns. Eric Chin, Chief Risk Officer, is promoted to Deputy Chief Investment Officer, and appointed to serve as Interim Chief Investment Officer.
- August 2021: SIB votes to split the position of Executive Director and Chief Investment Officer into two separate positions permanently. The SIB decides to conduct the CIO search prior to conducting the ED search due to needs of the investment program.
- November 2021: The SIB is informed that finalist interviews for the CIO position have been scheduled for December. During its discussion regarding how to proceed with the ED search, the SIB votes to offer the permanent position of Executive Director to Ms. Murtha. Murtha accepts.
- December 2021: The SIB schedules a special meeting for CIO finalist interviews. The TFFR Board schedules a special meeting to discuss the Deputy ED – Chief Retirement Officer vacancy.

There is now a vacancy in the Deputy Executive Director – Chief Retirement Officer position. TFFR Governance Policy J.2.g. states:

“The TFFR Board will participate with the Executive Director in the hiring, evaluation, and termination of the Deputy Executive Director - Chief Retirement Officer.”

Pursuant to this policy it is appropriate for the TFFR Board and the Executive Director to begin discussions regarding next steps in a Deputy ED - Chief Retirement Officer search. Until the position is filled, the agency will continue in a period of interim administration and the Executive Director

will continue to be responsible for all duties of the Deputy Executive Director – Chief Retirement Officer.

II. Governance Manual

The TFFR Governance Policies H., I., and J discuss the relationship between the TFFR Board and the RIO agency. Policy J specifically sets forth the respective duties of the Executive Director and Deputy Executive Director – Chief Retirement Officer, as those duties existed prior to the SIB splitting the ED-CIO position into two separate positions, and as they relate to the TFFR Board. The SIB’s decision to split the ED-CIO position into two positions now allows the Executive Director to divide time equally between both the investment and retirement programs. Therefore, the nature of the relationship between the Executive Director of RIO and the TFFR Board has changed. While the agency continues to operate in a period of interim administration, the TFFR Board and the Executive Director have an opportunity to revisit and redefine the nature of support that these two positions can provide to the TFFR program and the TFFR Board.

Staff recommends that the TFFR Board direct its Governance & Policy Review committee review relevant Governance Policies related to this position and make recommendations to the full Board.

Board Action: Motion to direct the TFFR GPR committee review Governance policies related to the ED and DED-CRO roles and make recommendations to the full Board.

III. Job Description

Please find following this memo a copy of the Job positing that was used in the last DED-CRO search. This is being provided to you to facilitate discussions for both the search and for consideration of future amendments to the Governance Policy Manual.



Deputy Executive Director/Chief Retirement Officer

Hiring Salary Range: \$8,300 to \$13,000 per month; commensurate with experience

The ND Retirement and Investment Office (RIO) has an opening for a Deputy Executive Director/Chief Retirement Officer in their Bismarck, ND office. RIO offers rewarding work and career development opportunities including:

- A comprehensive benefit package including fully-paid family health insurance, an excellent retirement plan, annual and sick leave, and a variety of voluntary insurance options: <http://www.nd.gov/hrms/jobs/benefits.aspx>
- Flexible work schedule.
- Small and casual work environment.

Summary of Work

Administer the Teachers' Fund for Retirement (TFFR) pension program under the direction of the TFFR Board of Trustees in accordance with governing statutes and board policies established by the Board. Assist Executive Director- Chief Investment Officer in planning, supervising, and directing Retirement and Investment Office (RIO) programs and agency operations. The Deputy Executive Director-Chief Retirement Officer reports directly to the Executive Director, and functionally to the TFFR Board of Trustees.

- Plan, administer and oversee operations of the TFFR retirement program in accordance with governing statutes and board policies established by the TFFR board.
- Develop, implement, and evaluate long-range plans for the TFFR Board; develop and analyze legislative changes; interpret state and federal laws; and develop administrative rules, policies, and plans to administer the retirement program.
- Coordinate TFFR Board meetings, provide advice and recommendations to the Board, and bring appropriate issues and information to the Board's attention to enable trustees to make knowledgeable, well-informed decisions.
- Represent the TFFR Board on retirement program issues. Make presentations, deliver testimony, and provide retirement program information to members, employers, legislative committees, state entities, public groups, media, and others.
- Work with the TFFR Board, RIO staff, and external constituents including member and employer interest groups, legislative committees, state officials, actuarial consultant,

legal counsel, auditor, and other advisors and consultants on retirement program studies, reports, initiatives, and legislative proposals.

- Assist Executive Director in administering RIO programs and agency operations. Ensure that RIO is providing high quality customer-focused services to TFFR members and employers, maintaining member records, securing personal data, providing accurate information, and processing transactions in a timely, efficient and accurate manner.
- Represent the Executive Director in his/her absence and promote RIO programs in a variety of forums.
- Assist in the formulation of RIO's budget, including staffing needs, program costs, and technology requirements to assure that retirement program obligations are met. Evaluate financial and operational programs, and approve expenditures of TFFR funds.
- Supervise Retirement Program Manager and Supervisor of Information Systems.
- Provide leadership, coaching, and feedback to assigned staff, recommending measures to improve performance and increase efficiency.
- Establish and maintain working relationships across agency work units and levels.

Minimum Qualifications

- Bachelor's degree in business administration, education, management, accounting or related field.
- Minimum of 5 years of combined management/executive management experience in the administration of pension, deferred compensation, employee benefit plans, or related business environment.
- Knowledge of principles of research, statistics, actuarial calculations, investments, and accounting.
- Strong communication skills and the ability to make effective oral and written presentations.
- Ability to effectively lead and influence others in a confident, positive, and results-oriented manner.
- Demonstrated ability to effectively supervise, develop, and direct the activities of professional staff.
- Ability to think and plan on the conceptual and strategic level.

Preferred Qualifications

- Master's degree in business administration, education, management, accounting or related field.
- Minimum of 10 years of combined management/executive management experience in the administration of pension, deferred compensation, employee benefit plans, or related business environment.
- Knowledge of federal and state laws and regulations pertaining to the administration of pension, employee benefit, and investment programs and applicable compliance requirements.

- Excellent communication skills and the ability to make effective and convincing presentations.
- Strong leadership, problem-solving, and decision-making abilities.
- Proven ability to analyze, evaluate, and resolve major organizational issues, conflicts, and problems.

Application Procedures

Apply online at www.nd.gov/careers. Applicants must submit a completed online application, resume, and cover letter by the closing date to be considered for this position. The cover letter must include a detailed summary of how the applicant meets the minimum and preferred qualifications of this position.

Applicants must be legally authorized to work in the United States. RIO does not provide sponsorships.

A criminal history record check, including fingerprinting, will be conducted on the successful candidate prior to hiring per NDCC 12-60-24.

Contact Hope Wedul at (701) 328-3357 for questions or assistance in the application process or David Hunter at (701) 328-9889 or djhunter@nd.gov for questions about the position.

If you are experiencing technical difficulties with the Application Process or uploading attachments, please contact recruiter@nd.gov or (701)328-3290.

ND Relay Number 1-800-366-6888

MEMORANDUM

Item II.B.

TO: TFFR
FROM: Jan Murtha, Executive Director
DATE: December 15, 2021
RE: Appointment of Executive Search Committee

The Board may authorize and the Board President may appoint an Executive Search Committee to assist the Board during the Executive Search process.

- TFFR Governance Policy J.2.g. states:

“The TFFR Board will participate with the Executive Director in the hiring, evaluation, and termination of the Deputy Executive Director - Chief Retirement Officer.”

- TFFR Governance Policy N.2. states:

“The Board may establish special ad hoc committees as needed to carry out duties specified by the Board. The Board President will appoint the Committee Chair and Committee members for special committees.”

During the 2019/2020 search two TFFR Board members and the Executive Director participated in the DED/CRO search and interview process.

BOARD ACTION REQUESTED:

Move to Approve the Creation of an Executive Search Committee to assist the TFFR Board with the Executive Search process. CHAIRPERSON ACTION. If created, appoint Board Committee members.

MEMORANDUM

Item II.C.

TO: TFFR
FROM: Jan Murtha, Executive Director
DATE: December 15, 2021
RE: DED/CRO Search

Introduction

In anticipation of the upcoming DED/CRO search, staff will provide the Board with an overview of agency organization background, prior executive search experiences, and options and recommendations for the search.

I. Agency Organization Background

The RIO agency was created by the state legislature in 1989 to combine the activities of the TFFR and state investment programs under one agency. Existing state employees filled positions created within the new agency.

Initially the role of Executive Director and Chief Investment Officer was split. Mr. Engmann, the former Executive Director of the TFFR Program filled the new Executive Director (ED) position in RIO; and Mr. Gilbertson, the Chief Investment Officer (CIO) of the PERS investment program, assumed the CIO position within this new agency. Jeff Tescher acted as the DED/CRO from 1989 until 1996. It was at this point that Fay Kopp was promoted to DED/CRO. Steve Cochrane was hired to fill the position of CIO in 1997. Upon Mr. Engmann's retirement in 1999, the positions of ED and CIO were combined and Mr. Cochrane assumed this combined role.

II. Prior DED/CRO Searches

When Fay Kopp announced her retirement in 2019, the TFFR Board, in collaboration with Mr. Hunter ED-CIO, created a search committee and posted the position through HRMS. The search did result in qualified candidates but did not result in successful employment negotiations. Subsequent to these failed negotiations the pay range for the position was increased and a new external search through HRMS was initiated. This second external search was successful.

III. Executive Search Method

The two primary options for an executive search are:

1) Hiring an Executive Search firm to assist with the candidate search; or

2) Posting the position.

Please note that the executive search firm option does not foreclose the ability of an individual to apply for the position, rather applications will be routed through the consultant.

IV. Staff Recommendation

Staff recommends posting the position in collaboration with HRMS. This recommendation is based on the following considerations:

- Use of a posting alone in 2019/2020 did produce sufficiently qualified candidates and expedited the interim period.
- The time frame for an executive search firm award and recruitment efforts is estimated at 6 months based on prior experience.
- Phase #3 of the PAS project (implementation) is expected to begin in early 2022 resulting in additional workload for the RS division; filling the DED/CRO will enable Retirement Services to dedicate more staff resources to the PAS effort.

V. Board Discussion.

BOARD ACTION.

Approve Executive Search method.