



Board Meeting Agenda

Location: WSI Board Room, 1600 East Century Avenue, Bismarck ND
By phone: 701.328.0950 Conference ID: 501 960 686#
Date: **Tuesday, April 9, 2024**
Time: 8:30 A.M. [Click here to join the meeting](#)

I. MINUTES

- A. March 12, 2024

II. CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

III. PRESENTATIONS

- A. Humana Updates – Rebecca (Information)
 - 1. 2023 Performance Guarantees
 - 2. Inflation Reduction Act

IV. DEFINED CONTRIBUTION PLAN IMPLEMENTATION

- A. House Bill 1040 Implementation Update – Rebecca (Information)

V. DEFINED BENEFIT

- A. Retirement Plan Services Request for Proposal (RFP) – Kathy (Board Action)
- *EXECUTIVE SESSION**

VI. DEFERRED COMPENSATION / DEFINED CONTRIBUTION

- A. Recordkeeper Vendor Transition Status Update – Derrick (Information)
- B. Fund Line-up – Derrick (Board Action)
- C. Conversion Mapping – Derrick (Board Action)
- D. Investment Subcommittee Charter - Derrick (Board Action)
- E. New 457 Deferred Compensation Plan Provider Requests - Rebecca (Board Action)

VII. GROUP INSURANCE / FLEXCOMP

- A. Dental Request for Proposal (RFP) – Kathy (Information)
- B. FlexComp Request for Proposal (RFP) – Kathy (Information)

VIII. OPERATIONS / ADMINISTRATIVE

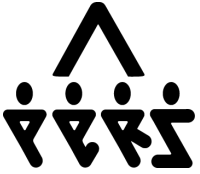
- A. Board Election Update – Aime (Information)
- B. Strategy Planning Review – Rebecca (Information)
- C. Contracts Under \$10,000 – Rebecca (Information)

IX. MEMBER ****EXECUTIVE SESSION**

- A. Retirement Appeal Case #812 Administrative Ruling – MaryJo (Board Action)
- B. Retirement Benefit Appeal Case #854 – MaryJo (Board Action)

*Executive Session pursuant to N.D.C.C. §44-04-19.1(9) and §44-04-19.2 to discuss negotiating strategy or provide negotiating instructions to its attorney or other negotiator.

**Executive Session pursuant to N.D.C.C. §44-04-19.2, §44-04-19.2(1) and/or §54-52-26 to discuss confidential records or confidential member information.



**North Dakota
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Executive Director
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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: April 9, 2024

SUBJECT: Humana Updates - Performance Guarantees and Inflation
Reduction Act

Julie Bodenski of Humana will be attending the meeting to review the results (Attachment 1) of the 2023 performance guarantees related to the Medicare Part D plan. The full list of performance guarantees and the results of each measurement can be found on Attachment 2. Results of the customer survey are provided on Attachment 3.

In addition, Julie will be providing information related to the Inflation Reduction Act and requirements within the Act that will impact the Medicare Part D plan in 2025. Please see attachments 4 and 5 for further details.

This item is informational and does not require any action of the Board.

Attachment 1

Memorandum

To: Board of Trustees - NDPERS
From: Julie Bodenski, Humana
Date: March 6, 2024
Re: 2023 Performance Guarantee Results

The 2023 Performance Guarantee results for the Humana Part D Prescription Drug Plan were delivered to NDPERS on February 28, 2024, summarizing that Humana met 100% of the service level standards across all twenty-one (21) Performance Guarantees.

Service level Performance Guarantees:

- All (21) service level standards were met in 2023

Opportunity: Performance Guarantees #2.1 and #2.2 - Customer Satisfaction Surveys:

- Humana's "Voice of the Customer" survey results continue to exceed the PG of 90% or higher using a 1 to 5 scale of customer satisfaction
 - o **2023 Humana Book of Business membership survey results: 93.98%**
 - (2022 results: 93.84%)
 - o **2023 NDPERS membership survey results: 95.90%**
 - (2022 results: 92.01%)
- Last year Humana called out our focus on a satisfaction detractor impacting Survey question "Easy to Address My Needs"
 - o 2022: Members expressed challenges with the CenterWell Pharmacy website
 - o 2023: We are happy to share that digital efforts with the CenterWell Pharmacy website and our overall focus on member experience is reflected improved results with this survey question across Humana's Book of Business and NDPERS membership:
 - **2023 results Humana Book of Business: 91.36%** (2022: 86.67%)
 - **2023 results NDPERS: 91.45%** (2022: 84.62%)

Thank you,



Julie Bodenski
Group Medicare Senior Account Executive – Humana

Enclosures: 2023 Performance Guarantee Results
Humana 2023 Customer Satisfaction Surveys
Voice of the Customer Survey

Humana's Group Medicare Performance Guarantee Quarterly Report Card



North Dakota Public Employees Retirement Systems

2023 Group Medicare Performance Standards for PDP Only
 4th Quarter Report Card
 Contract Period 1/1/2023 - 12/31/2023

PG#	Category	Target	Humana's Recommended Standard & Measurement Criteria	Amount at Risk	4th Qtr 2023 Result	4th Qtr 2023 Target Met	4th Qtr 2023 Annual Average	4th Qtr 2023 Penalty	2023 Annual Target Met	2023 Annual Penalty
1	Plan Performance Review	Measurement methodology shall be measured from date of delivery of the plan performance review in calendar days	Within ten (10) calendar days following delivery of performance reviews to NDPERS, vendor shall develop and submit a corrective action plan (CAP) of issues identified for approval by NDPERS, and implement such plan within the time prescribed in the approved CAP.	Semi- annually \$1,000 per calendar day beyond the due date	Met	Reported Quarterly (as applicable), Assessed Annually	Met	Reported Quarterly (as applicable), Assessed Annually	Yes	\$0.00
2.1	Customer Satisfaction Surveys	Vendor will provide annual survey results to confirm compliance with performance standard	Member satisfaction surveys will be designed by the vendor and approved by NDPERS. Vendor will invite a random sample of members to participate in the survey to collect a statistically significant number of completed surveys. Member satisfaction rate will meet 90% or higher using a 1-5 scale of Completely Satisfied, Very Satisfied, Satisfied, Dissatisfied, Very Dissatisfied. Final survey questions and methodology will be agreed upon by vendor and NDPERS.	Annually \$25,000 per year	94.25%	Reported Quarter 4 Only, Assessed Annually	93.98%	Reported Quarter 4 Only, Assessed Annually	Yes	\$0.00
2.2	Customer Satisfaction Surveys - Illustrative Only	Illustrative Group Specific Results Only - see 2.1	Illustrative Group Specific Results Only - see 2.1	Illustrative Group Specific Results Only - see 2.1	95.90%	Reported Quarter 4 Only, Assessed Annually	95.90%	Reported Quarter 4 Only, Assessed Annually	Illustrative Only	Illustrative Only
3	Team Meetings	Compliance to be monitored and assessed by NDPERS	NDPERS requires monthly team meetings to address all planning / implementation, business, financial, clinical / formulary (including new drug review) and operational needs	Monthly \$5,000 for each meeting missed	Met	Reported Quarterly, Assessed Annually	Met	Reported Quarterly, Assessed Annually	Yes	\$0.00
4	NDPERS board meetings	Compliance to be monitored and assessed by NDPERS	Vendor will participate in quarterly performance reviews to examine operational and financial performance	Quarterly \$5,000 for each quarter missed	Met	Reported Quarterly, Assessed Annually	Met	Reported Quarterly, Assessed Annually	Yes	\$0.00
5	Electronic Eligibility	Vendor will provide quarterly reports to confirm compliance with performance standard	Eligibility files will be installed in an electronic medium, logged within eight (8) hours and status will be effective within vendor's system within eighteen (18) hours from date of receipt, seven (7) days per week.	Quarterly \$500 for each missed file deadline	Met	Reported Quarterly, Assessed Annually	Met	Reported Quarterly, Assessed Annually	Yes	\$0.00
6	Manual Eligibility	Vendor will provide quarterly reports to confirm compliance with performance standard	Manual eligibility will be loaded within eight (8) hours upon receipt or notification and must be applied and active in the vendor's system within one (1) business day.	Quarterly \$500 for each missed file deadline	Met	Reported Quarterly, Assessed Annually	Met	Reported Quarterly, Assessed Annually	Yes	\$0.00
7	Error Reports	Vendor will provide quarterly reports to confirm compliance with performance standard	An error report on all eligibility file updates will be produced within eighteen (18) hours from the update.	Quarterly \$500 for each missed file deadline	Met	Reported Quarterly, Assessed Annually	Met	Reported Quarterly, Assessed Annually	Yes	\$0.00
8	Data Files	Will be available to NDPERS on request	Monthly data files (membership, medical, pharmacy) will be available by the 15th of the following month.	Monthly \$1,000 for each month not met	Met	Reported Quarterly, Assessed Annually	Met	Reported Quarterly, Assessed Annually	Yes	\$0.00
9	Claims Financial Accuracy	Claims Financial Accuracy will be 99% or greater, each year of the biennium. Measured as the absolute value of financial errors divided by the total paid value of audited dollars paid based on quarterly internal audit of statistically valid sample.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 per year	100.00%	Yes	99.99%	Reported Quarterly, Assessed Annually	Yes	\$0.00
10	Claims Payment Accuracy	Vendor will provide annual reports to confirm compliance with performance standard	Claims Payment incidence Accuracy will be 98% or greater, each year of the biennium. Measured as the percent of Claims processed without financial payment error.	Annually \$12,500 per year	100.00%	Yes	99.99%	Reported Quarterly, Assessed Annually	Yes	\$0.00



North Dakota Public Employees Retirement Systems

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11	Claims Processing Accuracy	Claims Procedural Accuracy will be 95% or greater, each year of the biennium. Measured as the percent of Claims processed without non-financial error.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 per year	100.00%	Yes	99.99%	Reported Quarterly, Assessed Annually	Yes	\$0.00
12	Claim Timeliness	Clean claims processing within 14 calendar days will be 95% or greater, each year of the biennium. Measured from the date the claim is received to the date claim is processed	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 per year	100.00%	Reported Quarterly, Assessed Annually	100.00%	Reported Quarterly, Assessed Annually	Yes	\$0.00
13	Average Speed to Answer (ASA)	Vendor will provide semi-annual reports to confirm compliance with performance standard	Average Speed of Answer will be 30 seconds or less, each year of the biennium. Vendor will have an established measurement process that shall be reviewed with NDPERS	Semi-annually \$10,000 per year	5.26 seconds	Yes	5.79 seconds	Reported Quarterly, Assessed Annually	Yes	\$0.00
14	Call Abandonment	Vendor will provide annual reports to confirm compliance with performance standard	Call Abandonment rate will be 5% or less, each year of the biennium	Annually \$10,000 per year	0.48%	Reported Quarterly, Assessed Annually	0.34%	Reported Quarterly, Assessed Annually	Yes	\$0.00
15a	Accuracy and Timelines/	Vendor must evaluate a statistically valid sample of inquiries with reports provided.	a.) 95% percent of callers receive accurate information. Calls requiring additional research is excluded from the computation of this metric.	15a, 15b, and 15c Annually \$12,500 per year	99.00%	Reported Quarterly, Assessed Annually	99.08%	Reported Quarterly, Assessed Annually	Yes	\$0.00
15b	First Call Resolution	Vendor must evaluate a statistically valid sample of inquiries with reports provided.	b.) 95% percent of inquiries must be resolved during the initial call (excluding appeals, billing, errors and escalations).	15a, 15b, and 15c Annually \$12,500 per year	96.68%	Reported Quarterly, Assessed Annually	96.79%	Reported Quarterly, Assessed Annually	Yes	\$0.00
15c	Written Inquiry Response Time	Vendor must evaluate a statistically valid sample of inquiries with reports provided.	c.) ≥ 90% response to written inquiries within 30 calendar days	15a, 15b, and 15c Annually \$12,500 per year	100.00%	Reported and Assessed Quarterly	100.00%	Reported Quarterly, Assessed Annually	Yes	\$0.00
16	Prescription drug turnaround time – clean prescriptions	Vendor will provide quarterly reports to confirm compliance with performance standard	98% within two (2) business days if no intervention required	Quarterly \$1,000 for each point below standard-	99.00%	Reported Quarterly, Assessed Annually	100.00%	Reported Quarterly, Assessed Annually	Yes	\$0.00

Humana's Group Medicare Performance Guarantee Quarterly Report Card



North Dakota Public Employees Retirement Systems

2023 Group Medicare Performance Standards for PDP Only
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17	Prescription drug mail dispensing accuracy	Vendor will provide annual reports to confirm compliance with performance standard	99.9% Mail service dispensing accuracy rate. Fields measured include member name, drug strength, directions, quantity and prescriber name.	Annually \$12,500 per year	100.00%	Reported Quarterly, Assessed Annually	100.00%	Reported Quarterly, Assessed Annually	Yes	\$0.00
18	Prescription drug home delivery member notifications	Vendor will provide annual reports to confirm compliance with performance standard	Vendor is required to notify a member when a mail service prescription is changed or there is any expected shipping delay and provide reporting details to NDPERs capturing all occurrences by member/DOS/Issue	Annually \$12,500 per year	Met	Reported Quarterly, Assessed Annually	Met	Reported Quarterly, Assessed Annually	Yes	\$0.00
19	Prescription drug specialty pharmacy delivery	Vendor will provide annual reports to confirm compliance with performance standard	98% of prescriptions will be delivered and received by patients on the specified date of delivery	Annually \$12,500 per year	99.54%	Reported in Quarter 4 Only, Assessed Annually	99.54%	Reported Quarter 4 Only, Assessed Annually	Yes	\$0.00
20	Network Pharmacy Access	Vendor will provide annual reports to confirm compliance with performance standard	Pharmacy network composition will not be reduced by more than 5% in North Dakota compared to the network submitted in the RFP	Annually \$12,500 per year	Met	Yes	Met	Reported Quarter 4 Only, Assessed Annually	Yes	\$0.00
21	Data Systems Availability and Adjudication	Book of business level	Guarantees an annual average 99% system availability of the point-of-sale adjudication system on a book of business basis. This standard excludes downtime attributed to regularly scheduled systems maintenance or systems downtime	Annually \$12,500 per year	100.00%	Yes	100.00%	Reported Quarterly, Assessed Annually	Yes	\$0.00
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4th Quarter 2023, all standards met, penalties are assessed annually.

Voice of the Customer Survey

Humana Group Medicare Book of Business – 2023 Survey Results (Performance Guarantee 2.1)

Survey Questions	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Cared About Me %	93.82%	93.83%	93.41%	94.14%	94.15%	93.40%	93.38%	93.84%	94.19%	94.36%	93.72%	94.15%	93.85%
Easy to Work With %	95.17%	95.58%	96.02%	96.23%	95.99%	95.76%	95.47%	95.72%	96.25%	96.33%	96.05%	96.46%	95.88%
Easy to Address My Needs %	90.97%	91.16%	91.49%	91.90%	91.31%	90.98%	90.87%	91.00%	91.49%	91.83%	91.54%	92.00%	91.36%
Agent Helpful %	94.24%	94.58%	94.78%	94.93%	94.84%	94.85%	93.97%	94.83%	95.12%	94.84%	94.65%	95.16%	94.72%
Issue Resolution %	91.81%	91.96%	91.65%	92.27%	91.52%	92.00%	91.53%	90.89%	91.80%	92.37%	91.66%	92.14%	91.79%

NDPERS - Group Specific Survey Results 2023 (Performance Guarantee 2.2)

Cared About Me	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Score 4_5	15	17	13	10	8	5	5	8	7	9	11	16	124
Score 1_2_3	0	0	0	0	2	0	1	1	1	0	0	0	5
Easy to Work With													
Score 4_5	15	17	12	10	9	5	6	8	8	9	11	16	126
Score 1_2_3	0	0	1	0	1	0	0	1	0	0	0	0	3
Easy to Address my Needs													
Score 4_5	14	14	12	9	9	4	6	8	7	9	10	15	117
Score 1_2_3	1	2	1	1	1	1	0	1	1	0	1	0	10
Agent Helpful													
Score 4_5	15	17	12	10	10	5	6	8	7	9	11	16	126
Score 1_2_3	0	0	1	0	0	0	0	1	1	0	0	0	3
Issue Resolution													
Yes	13	15	12	8	9	5	6	8	6	9	9	15	115
No	2	2	1	2	1	0	0	1	2	0	1	2	12

Score 4_5 responses: 4 = Satisfied, 5 = Very Satisfied

Score 1_2_3 responses: 1 = Very Dissatisfied, 2= Dissatisfied, 3 = Neither Satisfied nor Dissatisfied

Memorandum

To: Board of Trustees - NDPERS
From: Julie Bodenski, Humana
Date: March 11, 2024
Re: Inflation Reduction Act – Medicare Part D changes 2025

Under the Inflation Reduction Act of 2022 (IRA), Medicare Part D Prescription Drug plans have applied required changes beginning in 2022-2024 and additional changes will be implemented in 2025:

- o Inflationary Rebates for Parts B and D Drugs (10/1/2022 – Part D)
- o Vaccines (2023)
- o Insulin (2023)
- o Redesign of Part D Benefit (2024 and 2025)
- o Direct Negotiation (2026)
- o Low-Income Subsidy (LIS) Program (2024)

The enclosed IRA flyer provides details of the Part D changes and with the upcoming 2025 plan year, of key importance is redesign of the Part D benefit in 2025.

Part D Redesign

Key change in 2024

The Part D catastrophic phase was eliminated:

- Members previously had 5% member cost share in catastrophic.
- In 2024, members reaching the catastrophic phase have \$0 member cost share.
 - o In 2024, members move into the catastrophic phase by reaching \$8,000 in True Out-of-Pocket costs. This amount is established by Medicare.

Key change in 2025

- Members will have a \$2,000 maximum out-of-pocket (MOOP) for covered Part D drugs.
- Members will have the option to “smooth” these costs across the plan year.
- Changes to accumulation towards the \$2,000 MOOP are also applied and are based on “incurred costs,” vs. the member’s out-of-pocket cost.
- The coverage gap is eliminated.
- Changes to shared liability in the catastrophic phase. *(See flyer for details across all changes)*

Unique season ahead

In 2025 the Part D program will undergo the most unprecedented, largest change since its inception, impacting the industry as a whole.

- Humana is assessing the financial implications in advance of providing the 2025 rate projection for NDPERS by April 30th.

- The Centers for Medicaid and Medicare (CMS) release Part D benchmark data in late July which is instrumental in developing the most appropriate rate possible for plans and members, and Humana will provide the final renewal notice to NDPERS no later than August 15, 2024.

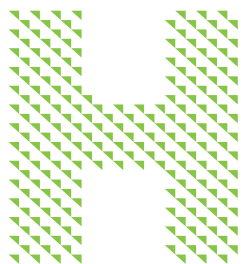
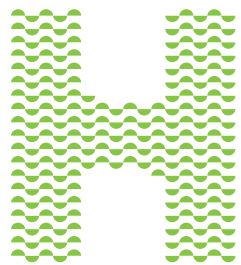
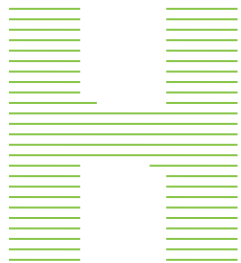
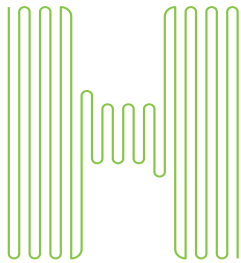
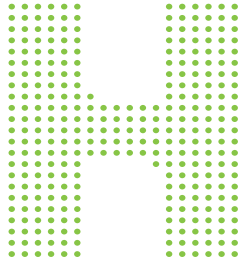
Thank you,

A handwritten signature in black ink, appearing to read "Julie Bodenski". The signature is fluid and cursive, with the first name "Julie" written in a larger, more prominent script than the last name "Bodenski".

Julie Bodenski
Group Medicare Senior Account Executive – Humana

Enclosure: Inflation Reduction Act of 2022 flyer

Inflation Reduction Act: What you need to know



Overview:

As described below, the Inflation Reduction Act makes unprecedented changes to the Medicare Part D benefit between 2024 and 2026. Of greatest significance are the benefit changes taking effect on January 1, 2025, which include establishment of a \$2,000 annual out-of-pocket cap on beneficiary spending on Part D covered drugs. These changes considerably increase the financial liability faced by Part D plan sponsors and employers offering Group Medicare plans. Both entities will face meaningful challenges over plan benefits and pricing in advance of CY 2025 with the potential for significant increases in plan-borne costs.

The Inflation Reduction Act affects 6 key areas:

- Inflationary Rebates for Parts B and D Drugs
- Vaccines
- Insulin
- Redesign of Part D Benefit
- Direct Negotiation
- Low-Income Subsidy (LIS) Program

I. Inflationary Rebates for Part B and D Drugs

- Beginning on 10/1/2022 for Part D and 1/1/2023 for Part B, the Act establishes an inflationary rebate requirement for drugs with price increases above inflation. For a current list of eligible Part B drugs click [here](#).
- It also sets penalties remitted to the government for non-compliance.

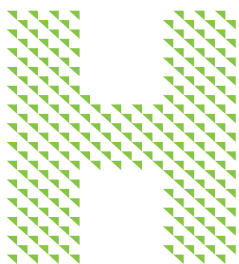
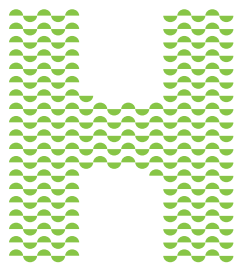
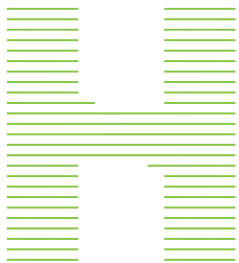
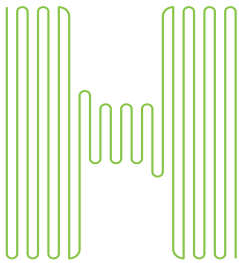
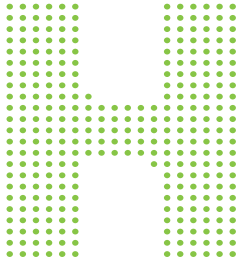
II. Vaccines

- Starting January 1, 2023, Part D-covered adult vaccines recommended by the Advisory Committee on Immunization Practices (ACIP), including the shingles and Tetanus-Diphtheria-Whooping Cough vaccines, will be available with no deductible and no cost-sharing to people with Medicare prescription drug coverage.

III. Insulin

- Starting in 2023 the cost of covered insulin products shall be covered at \$35 for a monthly supply.
- For 2026, cost-sharing in Part D shall be equal to the lesser of: 1) \$35 or 2) 25% of the maximum fair price for a negotiated product or 3) 25% of the negotiated price.
- Also, a Part D deductible won't be applied to covered insulin products.

Inflation Reduction Act: What you need to know



IV. Redesign of Part D Benefit

- Beginning in 2025, the Part D benefit will be restructured to cap beneficiary out-of-pocket spending at \$2,000 per plan year for covered Part D drugs. Beneficiaries will also have the option to “smooth” these costs across the plan year via the Medicare Prescription Payment Plan.
- Accumulation towards the \$2,000 IRA MOOP is based on “incurred costs.” This is different than what the MOOP plans currently have which is based on the retiree’s out of pocket cost.
- The current coverage gap will be eliminated.
- A new shared liability is established in the catastrophic phase.
 - Plans will now be responsible for 60%, manufacturers for 20%, and the government for 20% brand and 40% generic.
- In 2024, cost sharing for Part D drugs was eliminated for beneficiaries in the catastrophic phase of coverage (previously they paid 5%).

V. Direct Negotiation

- Starting in 2026, permits the Secretary of HHS to negotiate with manufacturers directly for brand-name drugs that lack price competition and for which 9 years has elapsed since the drug was first marketed for small molecule drugs and 13 years for biologicals.
- Insulin is no longer listed among the drugs required to be on the negotiation list.

VI. Low Income Subsidy (LIS) Program

- In 2024, the LIS program under Part D expanded so that beneficiaries who earn between 135% and 150% of the federal poverty level and meet statutory resource limit requirements will receive full LIS subsidies that were previously only available to beneficiaries earning less than 135% of the federal poverty level.
- These beneficiaries previously received partial LIS benefits, which subsidized some portion of the Part D premium and standard deductible, limited cost sharing to 15% coinsurance, and required modest co-payments for drugs above the catastrophic threshold.
- Those beneficiaries with full LIS benefits pay no premium or deductible and only modest co-payments for drugs until they reach the catastrophic threshold when cost sharing ends.

Important

At Humana, it is important you are treated fairly.

Humana Inc. and its subsidiaries do not discriminate or exclude people because of their race, color, national origin, age, disability, sex, sexual orientation, gender, gender identity, ancestry, ethnicity, marital status, religion, or language. Discrimination is against the law. Humana and its subsidiaries comply with applicable Federal Civil Rights laws. If you believe that you have been discriminated against by Humana or its subsidiaries, there are ways to get help.

- You may file a complaint, also known as a grievance:
Discrimination Grievances, P.O. Box 14618, Lexington, KY 40512-4618
If you need help filing a grievance, call **877-320-1235** or if you use a **TTY**, call **711**.
- You can also file a civil rights complaint with the **U.S. Department of Health and Human Services**, Office for Civil Rights electronically through their Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or at **U.S. Department of Health and Human Services**, 200 Independence Avenue, SW, Room 509F, HHH Building, Washington, DC 20201, **800-368-1019**, **800-537-7697 (TDD)**. Complaint forms are available at <https://www.hhs.gov/ocr/office/file/index.html>.
- **California residents:** You may also call California Department of Insurance toll-free hotline number: **800-927-HELP (4357)**, to file a grievance.

Auxiliary aids and services, free of charge, are available to you. 877-320-1235 (TTY: 711)

Humana provides free auxiliary aids and services, such as qualified sign language interpreters, video remote interpretation, and written information in other formats to people with disabilities when such auxiliary aids and services are necessary to ensure an equal opportunity to participate.

Language assistance services, free of charge, are available to you. 877-320-1235 (TTY: 711)

Español (Spanish): Llame al número arriba indicado para recibir servicios gratuitos de asistencia lingüística.

繁體中文 (Chinese): 撥打上面的電話號碼即可獲得免費語言援助服務。

Tiếng Việt (Vietnamese): Xin gọi số điện thoại trên đây để nhận được các dịch vụ hỗ trợ ngôn ngữ miễn phí.

한국어 (Korean): 무료 언어 지원 서비스를 받으려면 위의 번호로 전 화하십시오.

Tagalog (Tagalog – Filipino): Tawagan ang numero sa itaas upang makatanggap ng mga serbisyo ng tulong sa wika nang walang bayad.

Русский (Russian): Позвоните по номеру, указанному выше, чтобы получить бесплатные услуги перевода.

Kreyòl Ayisyen (French Creole): Rele nimewo ki pi wo la a, pou resevwa sèvis èd pou lang ki gratis.

Français (French): Appelez le numéro ci-dessus pour recevoir gratuitement des services d'aide linguistique.

Polski (Polish): Aby skorzystać z bezpłatnej pomocy językowej, proszę zadzwonić pod wyżej podany numer.

Português (Portuguese): Ligue para o número acima indicado para receber serviços linguísticos, grátis.

Italiano (Italian): Chiamare il numero sopra per ricevere servizi di assistenza linguistica gratuiti.

Deutsch (German): Wählen Sie die oben angegebene Nummer, um kostenlose sprachliche Hilfsdienstleistungen zu erhalten.

日本語 (Japanese): 無料の言語支援サービスをご要望の場合は、上記の番号までお電話ください。

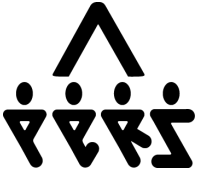
پسراف (Farsi)

برای دریافت تسهیلات زبانی بصورت رایگان با شماره فوق تماس بگیرید.

Diné Bizaad ÈNavajoṬ: W0dah7 b44sh bee hani'7 bee wolta'7g77 bich'9' h0d77lnih 47 bee t'11 jiiik'eh saad bee 1k1'1n7da'1wo'd66 nik1'adoowo[.

ةیب ر علا (Arabic)

الرجاء الاتصال بالرقم المبين أعلاه للحصول على خدمات مجانية للمساعدة بلغتك



Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: April 9, 2024

SUBJECT: House Bill 1040 Implementation Update

The following activities have occurred for House Bill 1040 implementation since our last Board discussion:

- Continued discussions with Sagitec, our business system vendor, regarding requirements of the bill and updates needed for programming, as vendor has questions. Sagitec has indicated they will be releasing the initial stages of programming soon, which staff will then begin testing.
- Completed notification to employers on the defined benefit plan but not on the public safety plan of changes due to HB 1040 for new hires to ensure they understand specific to impact for their peace and corrections officers.
- Completed notification to employers that are on the defined benefit plan but not participating in the NDPERS 457 plan.
- Provided a notification and updated information to state agencies regarding the proposed administrative rule for “state employer” and “state governmental unit” given the Board approval at the March meeting. The video previously provided to state agencies was updated also to reflect the update.
- Continued review of Defined Contribution Plan Document, including input legal counsel (both Ice Miller and Dean) on suggested changes. Once final, the document will be brought to the Board for approval.
- Continued review of 457 Deferred Compensation Plan Document and 457 Companion Plan Document to determine if edits are needed. If modified, they will be provided to Dean and Ice Miller to review to ensure state and federal law compliance. Once final, the document will be brought to the Board for approval.

In addition, the next Retirement Committee meeting has been scheduled for April 30, 2024. The Committee Chair has requested presentations from both Sagitec regarding the status of

systematic programming and Empower regarding the services they will be providing members as the recordkeeper.

Attached is the overview of work efforts and timelines identified.

House Bill 1040 Administrative Implementation

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024
HB 1040 Administrative Implementation																									
Job description preparation for new full time employees				★																					
Drafting of talking points for staff who are asked questions				★																					
Communication drafting of bills passing and impacting membership				★																					
Meeting to clarify the requirements of the transfer window				★																					
Clarify the emergency rule making process				★																					
Section-by-section analysis for administration					★																				
Section-by-section analysis for programming					★																				
Recordkeeper RFP drafting						★																			
Notification of 1% contribution increase to employers						★																			
Legislative council review of section by section analysis						★																			
Benefit counselor starts						★																			
Clarification on the calculation of the transfer							★																		
Recordkeeper RFP published							★																		
Clarification on how to treat temporary employees in the new DC plan								★																	
Analysis of future political subdivision participation								★																	
Defined Contribution Manager starts									★	★	★		★	★	★										
Marketing intern recruitment													★	★	★										
1% employer contribution increase launched													★												
Inventory the PERSLink correspondence updates														★											
Targeted communications to subs in main but not public safety															★										
Targeted communications to subs in main but not deferred comp															★										
Recordkeeper transition														★											
PERSLink correspondence updates																	★								
PERSLink correspondence testing																							★		
Plan document updates																							★		
Plan handbook updates																							★		
Form updates																							★		
Special election window education for eligible employees																							★		
Administrative rule making promulgation																								★	
Employer training																								★	
Website updates																								★	
Revise new hire, transfer, termination guides																								★	
Staff training																								★	
Biweekly internal administrative implementation meetings																								★	
Communication team biweekly meetings																								★	
Education on new plan provision to members				★			★										★			★			★	★	
Education on new plan provision to employers				★			★						★		★		★			★			★	★	

KEY

★ Deadline

Task Completed

Work Effort

Deadline Missed

Attachment 2

House Bill 1040 Programming Implementation Timeline

	2023						2024											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
HB 1040 Programming Implementation																		
Funding for development effective	★																	
HB 1040 section-by-section analysis to determine system enhancements	★	★																
Meet with GRS to discuss the incentive, and get programming parameters		★																
Biweekly meetings to discuss section-by-section coding											★							
NDPERS user acceptance testing of enhancements										★								
NDPERS updates file layout documentation for employers										★								
NDPERS develops sample file layouts for employers										★								
Determine final go-live date												★						
Three months prior to go live:																		
State PeopleSoft development													★				★	
Higher Ed PeopleSoft development													★				★	
Political sub development													★				★	
Employer file testing															★			★

KEY

★ Deadline

Task Completed

Work Effort

Deadline Missed

Tentative for October 1, 2024 Launch

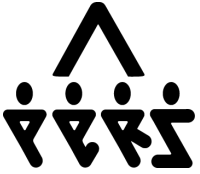
Tentative for January 1, 2025 Launch

V. DEFINED BENEFIT

A. Retirement Plan Services Request for Proposal (RFP) – Katheryne (Board Action)

***EXECUTIVE SESSION**

Material for the executive session will be sent under separate cover



Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: April 9, 2024

SUBJECT: Recordkeeper Vendor Transition Status Update

This memo is to provide the Board with an update on the Recordkeeper vendor transition from TIAA to Empower.

Weekly conversion meetings continue to take place between Staff & Empower. Attachment 1 is an updated project plan as of March 27. All tasks are on schedule to be successfully completed by the transition date.

Accounting personnel from NDPERS and Empower met on March 26 to discuss the daily funding and negative contribution process to ensure everyone is on the same page with expectations. Empower is still researching upgrades to their system to ensure our monthly reporting requirements are satisfied.

Information Technology personnel from NDPERS and Empower met on March 26 to discuss the demographic and contribution files. Staff is hoping to have our system ready for testing these files in late April to early May, and will be released to production on June 15 just prior to the blackout period.

Benefits staff are currently reviewing the QDRO and service purchase processing requirements with Empower. In addition, these teams have begun strategizing how to handle distribution requests, service purchase requests, and requirement minimum distributions that may have otherwise occurred during the two week blackout period.

Empower has provided NDPERS with a frequently asked questions document that we can use as a basis to train our staff on expected questions from our membership regarding this transition. The announcement email that staff shared with the Board last month is slated to go out in late April to early May, and we'll use this as a training opportunity for staff prior to

the notification being sent. A similar announcement was prepared and sent to retirees and deferred members home addresses as it was their first formal announcement of the transition.

The Investment Subcommittee conducted a special meeting on March 26 to finalize the fund lineup and mapping strategy. The recommendations from the meeting will be the next items on the Board agenda for consideration.

A third deconversion meeting was conducted with Empower and TIAA on March 27. The next meeting is scheduled for April 10 and the focus will be to discuss the deconversion strategy guide with the mapping that is being approved later today.


Below is a timeline of important events. The final contribution will be sent to TIAA on Friday, June 14. NDPERS will continue processing contribution files on a daily basis starting Monday, June 17. Empower will hold these files in a pending status until the conversion process is completed, and will post the contributions to member accounts on July 1.

Important Dates	
Date	Item
February 27, 2024	Investment Sub-Committee Meeting
March 12, 2024	Board Meeting – Basic Service Agreement Approval for signature
Week of April 8 th	Board Meeting April 9 th – Finalized Fund Lineup to Empower
May 6, 2024	Deadline – Transition Guide to printers
5/20/2024	Transition Guide/SOX communications mailing date
6/14/2024	Last contribution files to TIAA (Coincides with NDPERS system release on 6/15/2024)
6/17/2024	First contribution files to Empower
6/19/2024 at 3:00 PM CT	Blackout start
6/24/2024	Refresh Data File from TIAA to Empower
6/27/2024	TIAA begins asset transfer (liquidation, in-kind transfer & TIAA Brokerage Accounts)
6/28/2024	Transfer of Assets (TOA)
6/28/2024	Final Record Deadline from TIAA
6/29/2024 – 6/30/2024	Balances loaded to Participant Accounts and Reconciliation completed
7/1/2024	Blackout Ends/Go-Live


This item is informational only and does not require any action by the Board. We will be available at the meeting to discuss any questions you may have.

North Dakota Public Employees Retirement System Plans

KEY MILESTONES
TRANSFER OF ASSET DATE 06/28/2024

Planning
 Learning your needs, understanding required services and building the project plan.

Implementation
 Communicating, and setting you up for a seamless transition.

Conversion
 Activating the project plan and bringing your plan to life with Empower.

TASK	COMPLETION DUE DATE	ACTUAL COMPLETION DATE	STATUS / COMPLETE	COMMENTS
Phase I - Planning				
Sale Confirmed and Internal Project Assignment initiated	01/10/24 (Wed)	01/15/24 (Mon)	COMPLETE	Sale confirmed and internal project assignment initiated
Prior Recordkeeper Termination Letter sent	01/31/24 (Wed)	01/29/24 (Mon)	COMPLETE	Signed Service termination letter sent to Prior Recordkeeper(s)
Conduct Implementation Meeting (Kick-off Call)	02/01/24 (Thu)	02/01/24 (Thu)	COMPLETE	Meeting with the Empower Team to begin transition discussions
Empower Services Setup Confirmation	02/01/24 (Thu)	02/01/24 (Thu)	COMPLETE	Discussion to talk about what services are available to the plan
Participant Communication Strategy Reviewed	02/07/24 (Wed)	02/08/24 (Thu)	COMPLETE	Empower to work with plan sponsor to develop the participant communication campaign for the Plan
Implementation Welcome Kit Review Finalized / Prior Document Discovery collection completed	02/12/24 (Mon)	02/07/24 (Wed)	COMPLETE	Will be reviewed on our weekly status call
Schedule and conduct Initial Payroll conference call(s)	02/21/24 (Wed)	02/26/24 (Mon)	COMPLETE	Empower to work with the payroll contact to begin discussions with your payroll vendor
Plan Document Comments Review	03/13/24 (Wed)	03/14/24 (Thu)	COMPLETE	Empower to review plan document comments and features
Fund Mapping and Line-up Finalized	04/09/24 (Tue)		In Process	Empower to provide to advisor and plan sponsor for review and execution
Complete additional paperwork for Prior Recordkeeper, Trustee, and Funds	04/10/24 (Wed)			Empower to work with Plan Sponsor to complete additional paperwork requirements
Prior Recordkeeper Review of Test Data and Other Conversion Details	04/24/24 (Wed)			Empower to review conversion data and other requirements with prior recordkeeper(s)
Phase II - Implementation				
Payroll Meeting - Requirements finalized/Discuss 1st Test File Timing	02/27/24 (Tue)	02/26/24 (Mon)	COMPLETE	Call with Empower, plan sponsor, payroll contact, and payroll vendor to discuss deliverables
Plan Document Provisions, Features Finalized (457 by 4/3/2024, 401a by 4/10/2024)	04/03/24 (Wed)		In Process	Coordinated by Empower project team
Initial Announcement Delivery (Word version to Retirees/Deferred 4/1 & Email to Actives 1st week of May)	04/05/24 (Fri)	03/27/24 (Wed)	COMPLETE	Delivered (e-mail) approx 3 weeks prior to Transition Guide Delivery
Test Files Received from TIAA	04/17/24 (Wed)			Prior Recordkeeper delivers 1st round of test files
Payroll File Testing Complete	04/30/24 (Tue)			Payroll program moved to production
Data Conversion Testing Complete	05/08/24 (Wed)			Complete analysis of the prior recordkeeper data
Participant Transition Guide Delivered including other disclosures as applicable	05/23/24 (Thu)			Mailed at least 30 days prior to blackout
Feedback File Testing Complete	05/30/24 (Thu)			Feedback file from Empower to Payroll programming moved to production
Online Enrollment (OE) Setup Complete	06/01/24 (Sat)			Online Enrollment setup complete and ready for production
Base Services Agreement Signed (Schedule of Services & Trust Agreement will be separate)	06/13/24 (Thu)	03/21/24 (Thu)	COMPLETE	Empower to receive executed Services Agreement
Final payroll file transmission and funding accepted (4 pm ET)	06/14/24 (Fri)			Final Date to Allow for Payroll transmission and funding with Prior Recordkeeper
Final Date for Enrollment Processing with prior recordkeeper	06/19/24 (Wed)			Final Date to Allow for Enrollment Processing with Prior recordkeeper
Final day to receive paperwork for distribution, loan or other for processing ("soft blackout")	06/19/24 (Wed)			Prior Recordkeeper restricts receipt of any paperwork for transaction processing
Final day for electronic Distribution, withdrawal and loan requests accepted (4 pm ET)	06/19/24 (Wed)			Prior Recordkeeper restricts any electronic distributions, loans or other withdrawal requests
Final transaction processing date for all transactions including fund transfers or exchanges (4 pm ET) - ("hard blackout")	06/19/24 (Wed)			Prior Recordkeeper restricts all activity for Participants at market close
Final day participants can access prior recordkeeper system (vru/web/phone)	06/19/24 (Wed)			Prior Recordkeeper closes participant access to system access

**Planning**

Learning your needs, understanding required services and building the project plan.

**Implementation**

Communicating, and setting you up for a seamless transition.

**Conversion**

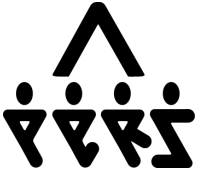
Activating the project plan and bringing your plan to life with Empower.

TASK	COMPLETION DUE DATE	ACTUAL COMPLETION DATE	STATUS / COMPLETE	COMMENTS
Phase III - Conversion				
*Refresh Data Files Delivered to Empower for TIAA	06/24/24 (Mon)			Prior recordkeeper delivers refresh files after blackout start but before final files available
Prior Recordkeeper begins Asset Transfer process	06/27/24 (Thu)			Last valuation performed by prior recordkeeper
*Final Data Files Delivered to Empower for TIAA	06/28/24 (Fri)			Prior recordkeeper delivers final account balances and other conversion records in good order
Transfer in kind shares receipt	06/28/24 (Fri)			Receipt of all share reregistrations for assets transferring in-kind
Transfer of Assets (TOA) - wire receipt	06/28/24 (Fri)			Expected Wire receipt date
Balances Loaded to Participant Accounts	06/29/24 (Sat)			Balances and finalized data loaded to Participant accounts
Reconciliation Complete	06/30/24 (Sun)			Reconciliation provided to Plan Sponsor
*Projected Live Date	07/01/24 (Mon)			Plan is released and Participants have full access to their accounts
First Cash Processed (Payroll File receipt and funding)	07/01/24 (Mon)			Is it necessary for the demographic, loans above, should it be here? Process all pending payroll files
Live e-mail / postcard delivered to plan participants	07/01/24 (Mon)			Delivered in conjunction with plan live status
Soft Open for Plan Sponsor Pre-Live review	07/01/24 (Mon)			Select accounts opened for Plan Sponsor review prior to full Live
Transition Guide Live Date	07/01/24 (Mon)			Remove Task - Do use if the plan is Live Term. Transition Notice stated week that Participants have full access to their accounts
First Feedback Files for Payroll System updates for participant activity	07/02/24 (Tue)			Process feedback files to payroll updating participant activity to the payroll system

STATUS KEY	COMPLETE
	In Process
	Follow Up
	Delayed
	TBD
	N/A

**Notes:**

*These dates are tentative until final discussions are complete with the prior recordkeeper (PRK).



Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: April 9, 2024

SUBJECT: Fund Line-up

At the March 26, 2024 Investment Subcommittee special meeting, the committee finalized investment options for the fund line-up as we transition our plans to Empower. Attachment 1 has the current fund line-up and the proposed fund line-up for implementation upon transition that has previously been approved by the Board.

In the proposed fund line-up, there were two actively managed funds that the Board needed to select as there were no similar options in the current fund line-up. One fund needed to fill the U.S. Small/Mid-Cap (SMID) Equity space and the other to fill the Broad Non-US Equity space.

For each asset class, Callan presented different fund options to meet the needs of our plans. A summary of Callan's presentation is included in Attachment 2. The investment subcommittee is recommending filling the SMID Equity space with JP Morgan's JPM US SMID Core fund (WOOSX) and filling the Broad Non-US Equity space with Massachusetts Financial Services (MFS) Company's International Diversification fund (MDIZX).

Please note, there will be further adjustments to the fund line-up as we approach January 1, 2025 to accommodate the annuity requirements that are in HB 1040.

Board Action Requested:

Review and approve the Investment Subcommittee recommendations to finalize the fund lineup.

457 & 401(a) Investment Structure

Tier I: Asset Allocation	Tier II: Core	Tier III: Specialty
Target Date TIAA-CREF Lifecycle Retirement 5-Year Increments	Capital Preservation Galliard Stable Value Vanguard Treasury MM	
Balanced TRP Capital Appreciation	Domestic Fixed Income Vanguard Total Bond Index Baird Core Plus Bond	Specialty Fixed Income MassMutual Inflation Protected PGIM High Yield Templeton Global Bond
	Large Cap U.S. Equity Franklin Growth Fund Allspring Growth Vanguard Dividend and Income Vanguard Institutional Index Hartford Dividend and Growth T. Rowe Price Equity Income	
	Mid Cap U.S. Equity PGIM Jennison Mid-Cap Growth Columbia Mid Cap Index Fund Virtus Ceredex Mid Cap Value	
	Small Cap U.S. Equity Brown Small Company Fund DFA U.S. Small Cap Northern Small Cap Value Fund	
	International Equity AF New Perspective Vanguard Total Intl Stock	Specialty International Equity Invesco Developing Markets
		Specialty Sector Fund Cohen & Steers Realty Shares
		Brokerage Window

New Investment Structure*

Tier I: Asset Allocation	Tier II: Passive Core	Tier II: Active Core	Tier III: Specialty
Target Date Funds TIAA-CREF Lifecycle Retirement		Capital Preservation Galliard Stable Value Vanguard Treasury MM	
	Core Fixed Income Vanguard Total Bond Index	Core Plus Fixed Income Baird Core Plus Bond	
	U.S. Large-Cap Equity Vanguard Institutional Index		
	Broad Non-U.S. Equity Vanguard Total Intr'l Index	Broad Non-U.S. Equity Active Non-U.S. Equity	
		U.S. Small/Mid-Cap Equity Active Core SMID	
			Real Estate Cohen & Steers Realty
			Brokerage Window

* Line-up will be implemented after the recordkeeper RFP process.

April 9, 2024



**NDPERS Investment Manager
Search Summary**

U.S. SMID Cap Core &
Non-U.S. Equity Core

Alex Browning

Senior Vice President

Craig Chaikin, CFA

Senior Vice President

Ben Taylor

Senior Vice President

Perry Hopper, CFA, CAIA

Vice President

Important Disclosures regarding the use of this document are included at the end of this document. These disclosures are an integral part of this document and should be considered by the user.

Callan

U.S. SMID Cap Core Candidate Summary

U.S. SMID Cap Core

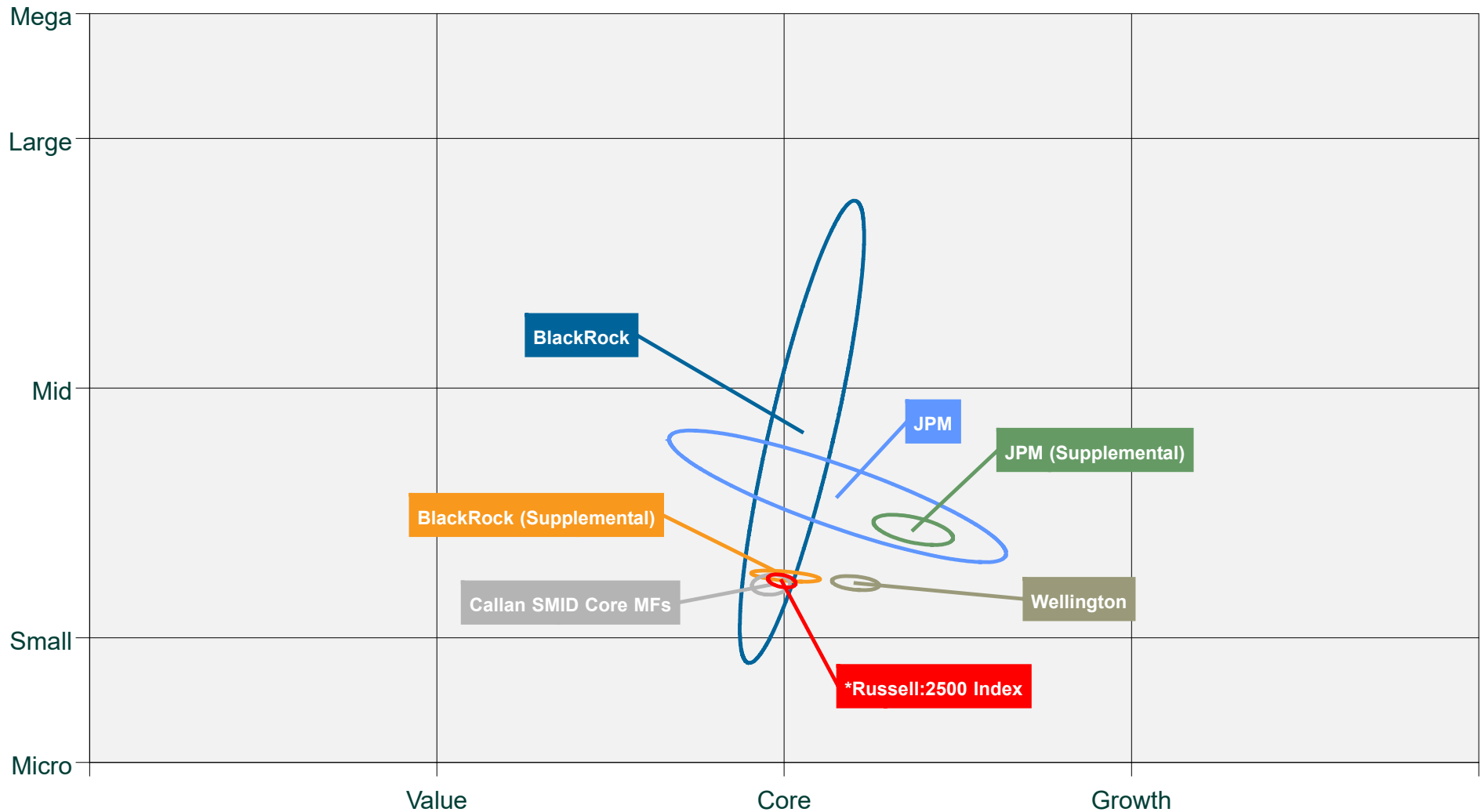
Candidate Summary Table

Firm	Fund	Vehicle	Fees	Style	Holdings	Points to Note
Blackrock	Systematic Active Russell 2500 Alpha Tilts	Mutual Fund	0.43%	Quantitative	~600	<ul style="list-style-type: none"> - Three broad signal categories: fundamentals, sentiment & macro - Low tracking error (2-3%) with sector weights +/- 2% of benchmark - 130+ reserch professionals - Use of non-traditional big data - Mutual fund track record is mixed with history of another strategy
JP Morgan	US SMID Core	Mutual Fund	0.59%	Fundamental	90-110	<ul style="list-style-type: none"> - High quality, operating in niche industries - Growth and larger bias - Equal weight positions - Mutual fund track record is mixed with history of another strategy
Wellington	SMID Cap Research Equity	CIT	0.83%	Fundamental	200-300	<ul style="list-style-type: none"> - Analysts manage individual, industry sleeves of "best ideas," which are aggregated for the total portfolio - Sector neutral - 2-6% tracking error

Style Map

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z score", based on the eight fundamental factors used in the MSCI stock style scoring system. The style map illustrates the average historical market capitalization and style score of the portfolio.

Style Map for Five Years Ended December 31, 2023



Returns and Peer Group Rankings - Trailing Periods

Returns for Periods Ended December 31, 2023

Group: Callan SMID Core MFs (Percentile Rankings in Parentheses)

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
BlackRock	13.99 (6)	18.96 (27)	4.16 (69)	11.78 (34)	--
BlackRock (Supplemental)	13.73 (7)	18.89 (27)	6.19 (48)	--	--
JPM	10.11 (84)	13.57 (62)	4.48 (68)	9.76 (72)	7.46 (63)
JPM (Supplemental)	10.14 (83)	13.65 (62)	4.51 (68)	12.70 (20)	9.96 (11)
Wellington	13.54 (7)	23.16 (1)	4.62 (68)	13.80 (12)	10.66 (6)
Callan SMID Core MFs*	12.17	15.97	6.06	10.82	7.98
*Russell:2500 Index	13.35 (11)	17.42 (36)	4.24 (69)	11.67 (36)	8.98 (27)

For BlackRock and JPM, the proposed mutual funds were attached to another strategy prior, the performance composite is shown for supplemental purposes.

Supplemental track records represent composite with mutual fund fee netted out.

*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

Returns and Peer Group Rankings - Calendar Years

Returns for Periods Ended December 31, 2023

Group: Callan SMID Core MFs (Percentile Rankings in Parentheses)

	2023	2022	2021	2020	2019	2018	2017	2016
BlackRock	18.96 (27)	(16.54) (45)	13.80 (94)	19.83 (12)	28.91 (28)	--	--	--
BlackRock (Supplemental)	18.89 (27)	(16.71) (46)	20.90 (64)	18.50 (14)	--	--	--	--
JPM	13.57 (62)	(18.82) (62)	23.70 (48)	10.44 (42)	26.46 (49)	(11.41) (28)	17.29 (18)	12.37 (83)
JPM (Supplemental)	13.65 (62)	(18.76) (62)	23.62 (49)	21.23 (10)	31.36 (10)	(8.02) (9)	16.27 (29)	--
Wellington	23.16 (1)	(22.17) (91)	19.47 (78)	20.69 (11)	38.10 (2)	(10.72) (17)	19.28 (12)	--
Callan SMID Core MFs*	15.97	(17.22)	23.55	9.81	26.36	(13.54)	14.71	16.12
*Russell:2500 Index	17.42 (36)	(18.37) (61)	18.18 (84)	19.99 (12)	27.77 (37)	(10.00) (16)	16.81 (25)	17.59 (38)

*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

Statistics and Peer Group Rankings - Up & Down Market Capture

The table below illustrates Up Market Capture and Down Market Capture for ten years versus the Callan SMID Core MFs group. A manager with an up-market capture greater than 100 has outperformed the index during the up market and a manager with a down-market capture less than 100 has outperformed the index during the down market. The Down Market Capture rankings are inverted.

Up Market Capture and Down Market Capture Relative to the *Russell:2500 Index for Five Years Ended December 31, 2023

Group: Callan SMID Core MFs (Percentile Rankings in Parentheses)

	Up Market Capture (%)	Down Market Capture (%)
BlackRock	79.64 (89)	83.07 (89)
BlackRock (Supplemental)	--	--
JPM	78.52 (95)	91.93 (73)
JPM (Supplemental)	91.67 (41)	90.57 (75)
Wellington	119.75 (1)	103.59 (27)
Callan SMID Core MFs*	91.00	98.12

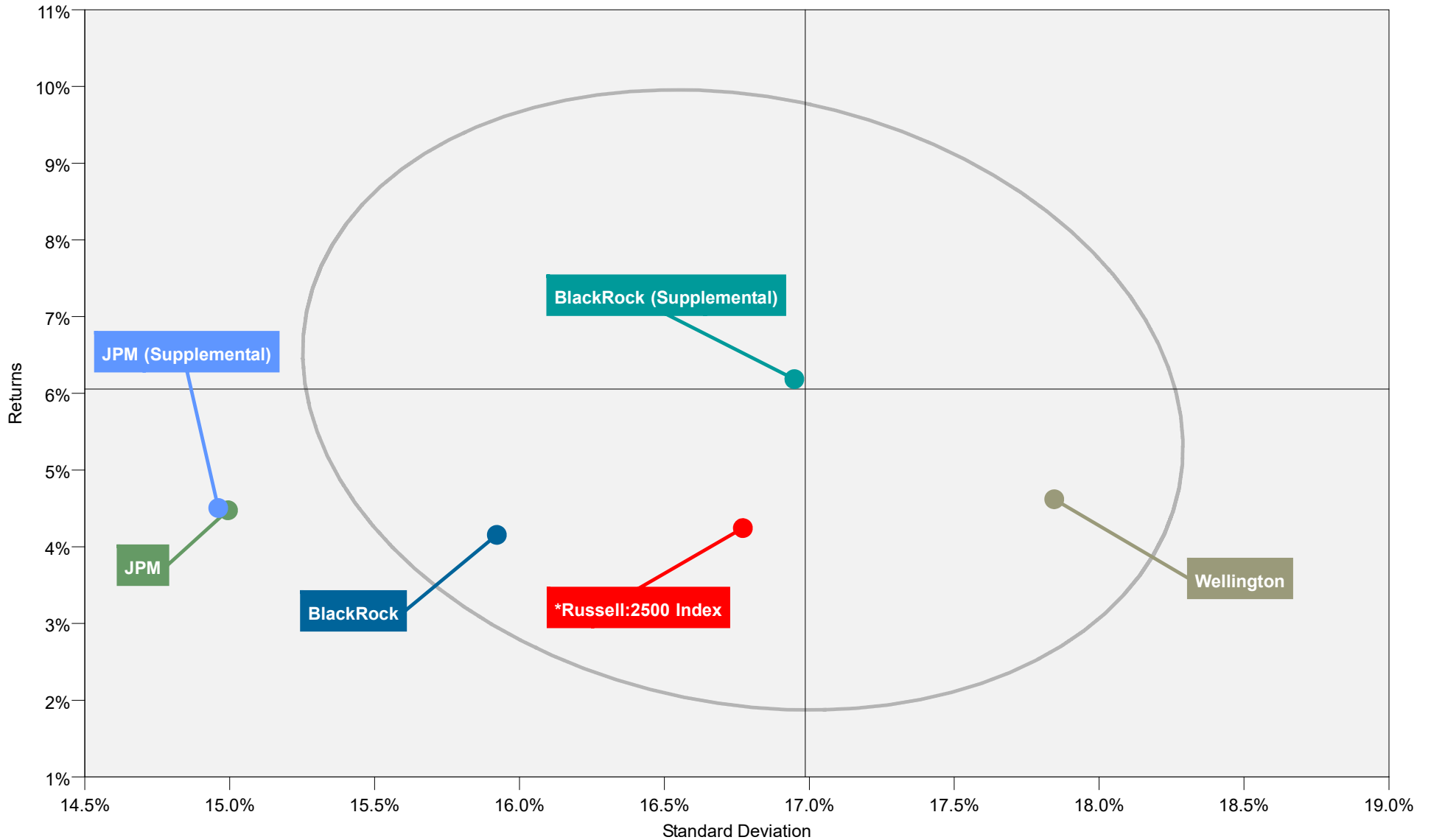
*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

Risk/Reward Structure

Risk/Reward for Three Years Ended December 31, 2023

Group: Callan SMID Core MFs (Ellipse with Median at Central Axis)



Manager candidate performance shown is net-of-fees unless otherwise noted.

Risk Statistics

Return-Based Risk Statistics Relative to *Russell:2500 Index for Three Years Ended December 31, 2023

Group: Callan SMID Core MFs (Percentile Ranking in Parentheses)

	Standard Deviation	Downside Risk	Sharpe Ratio	Information Ratio	Alpha	Beta	Correlation
BlackRock	15.92 (71)	3.30 (27)	0.13 (69)	0.02 (69)	0.06 (69)	0.92 (69)	0.98 (28)
BlackRock (Supplemental)	16.95 (50)	0.47 (95)	0.24 (48)	1.46 (7)	1.87 (50)	1.01 (28)	1.00 (1)
JPM	14.99 (93)	3.21 (29)	0.16 (68)	0.09 (68)	0.45 (68)	0.85 (94)	0.95 (83)
JPM (Supplemental)	14.96 (94)	3.17 (34)	0.16 (68)	0.10 (68)	0.48 (68)	0.85 (94)	0.95 (82)
Wellington	17.85 (13)	2.30 (53)	0.14 (69)	0.12 (68)	0.45 (68)	1.04 (19)	0.98 (14)
Callan SMID Core MFs*	16.99	2.46	0.23	0.49	1.86	0.98	0.97
*Russell:2500 Index	16.77 (52)	0.00 (97)	0.12 (69)	0.00 (69)	0.00 (69)	1.00 (44)	1.00 (1)

*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

Non-U.S. Equity Core Candidate Summary

Non-U.S. Equity Core

Candidate Summary Table

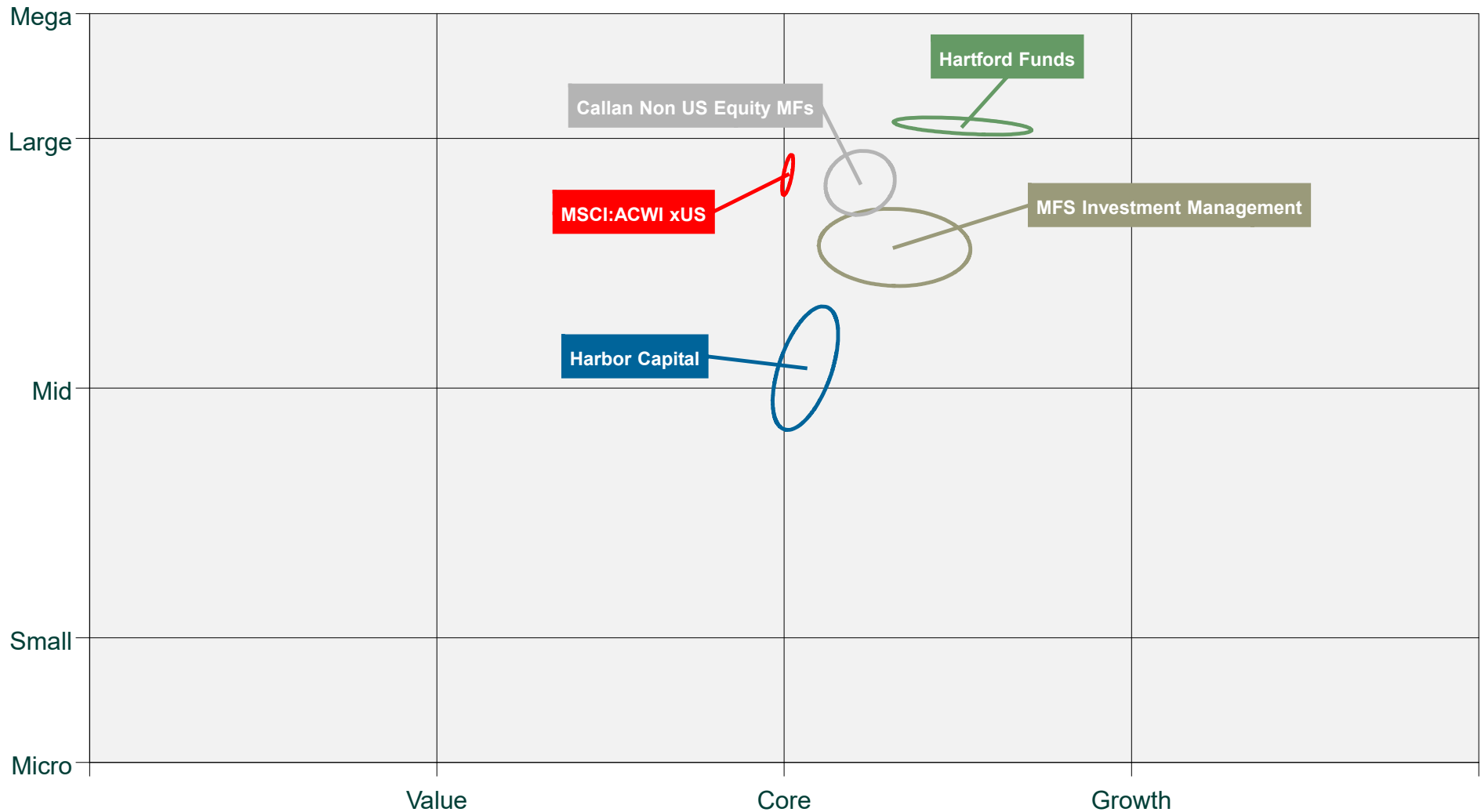
Firm	Fund	Sub-advisor	Vehicle	Fees	Style	Holdings	Emerging Market Exposure	Points to Note
Harbor Capital	Diversified International All Cap	Marathon Asset Management	Mutual Fund	0.72%	Fundamental	400-500	- Current: 22.9% - 5 year high/low: 26.9%/19.7%	- Multiple portfolio managers (PMs) build regional sleeves - Benchmark neutral regional allocation since mid-2017 - Smaller average market cap weight than the benchmark - PMs look for opportunities from companies over/undershooting expectations
Hartford	International Opportunities	Wellington	Mutual Fund	0.70%	Fundamental	90-110	- Current: 19.5% - 5 year high/low: 27.1%/15.6%	- Focus on Return on Invested Capital to identify companies exhibiting improving or sustainable returns - Larger cap bias than benchmark - Lead PM supported by back-up PM, three dedicated analysts and supported by 53 global industry analysts
MFS	International Diversification	N/A	Mutual Fund	0.73%	Fundamental	500-600	- Current: 22.8% - 5 year high/low: 25.0%/17.7%	- Fund-of-funds structure utilizing six, MFS non-US equity funds - Underlying funds have a quality tilt - International value strategy added in 2020 to mitigate growth bias

* MSCI ACWI x-US Index has approximately 22% Emerging Markets

Style Map

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z score", based on the eight fundamental factors used in the MSCI stock style scoring system. The style map illustrates the average historical market capitalization and style score of the portfolio.

Style Map for Five Years Ended December 31, 2023



Returns and Peer Group Rankings - Trailing Periods

Returns for Periods Ended December 31, 2023

Group: Callan Non US Equity MFs (Percentile Rankings in Parentheses)

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
Harbor Capital	9.62 (66)	14.72 (82)	2.73 (55)	7.81 (59)	6.61 (55)	--
Hartford Funds	9.99 (57)	11.94 (95)	(0.34) (78)	8.56 (36)	6.27 (62)	--
MFS Investment Management	8.85 (79)	14.44 (84)	0.77 (68)	8.29 (46)	--	--
Callan Non US Equity MFs*	10.28	17.48	2.93	7.87	6.69	3.87
MSCI:ACWI xUS	9.75 (61)	15.62 (75)	1.55 (63)	7.08 (72)	6.33 (61)	3.83 (61)

*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

Returns and Peer Group Rankings - Calendar Years

Returns for Periods Ended December 31, 2023

Group: Callan Non US Equity MFs (Percentile Rankings in Parentheses)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Harbor Capital	14.72 (82)	(14.30) (35)	10.27 (44)	8.43 (59)	23.94 (45)	(13.75) (24)	24.55 (71)	--	--	--
Hartford Funds	11.94 (95)	(17.91) (63)	7.71 (69)	20.75 (20)	26.15 (31)	(18.61) (87)	24.77 (68)	1.15 (38)	1.49 (34)	--
MFS Investment Management	14.44 (84)	(17.02) (58)	7.78 (69)	15.43 (29)	26.09 (31)	(10.92) (15)	--	--	--	--
Callan Non US Equity MFs*	17.48	(15.94)	9.22	10.91	22.59	(15.33)	26.73	(0.09)	(0.15)	(5.60)
MSCI:ACWI xUS	15.62 (75)	(16.00) (55)	7.82 (69)	10.65 (53)	21.51 (67)	(14.20) (33)	27.19 (47)	4.50 (15)	(5.66) (93)	(3.87) (32)

*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

Statistics and Peer Group Rankings - Up & Down Market Capture

The table below illustrates Up Market Capture and Down Market Capture for five years versus the Callan Non US Equity MFs group. A manager with an up-market capture greater than 100 has outperformed the index during the up market and a manager with a down-market capture less than 100 has outperformed the index during the down market. The Down Market Capture rankings are inverted.

Up Market Capture and Down Market Capture Relative to the MSCI:ACWI xUS for Five Years Ended December 31, 2023

Group: Callan Non US Equity MFs (Percentile Rankings in Parentheses)

	Up Market Capture (%)	Down Market Capture (%)
Harbor Capital	115.94 (49)	106.43 (33)
Hartford Funds	115.26 (51)	102.51 (52)
MFS Investment Management	103.95 (82)	96.58 (81)
Callan Non US Equity MFs*	113.81	103.92

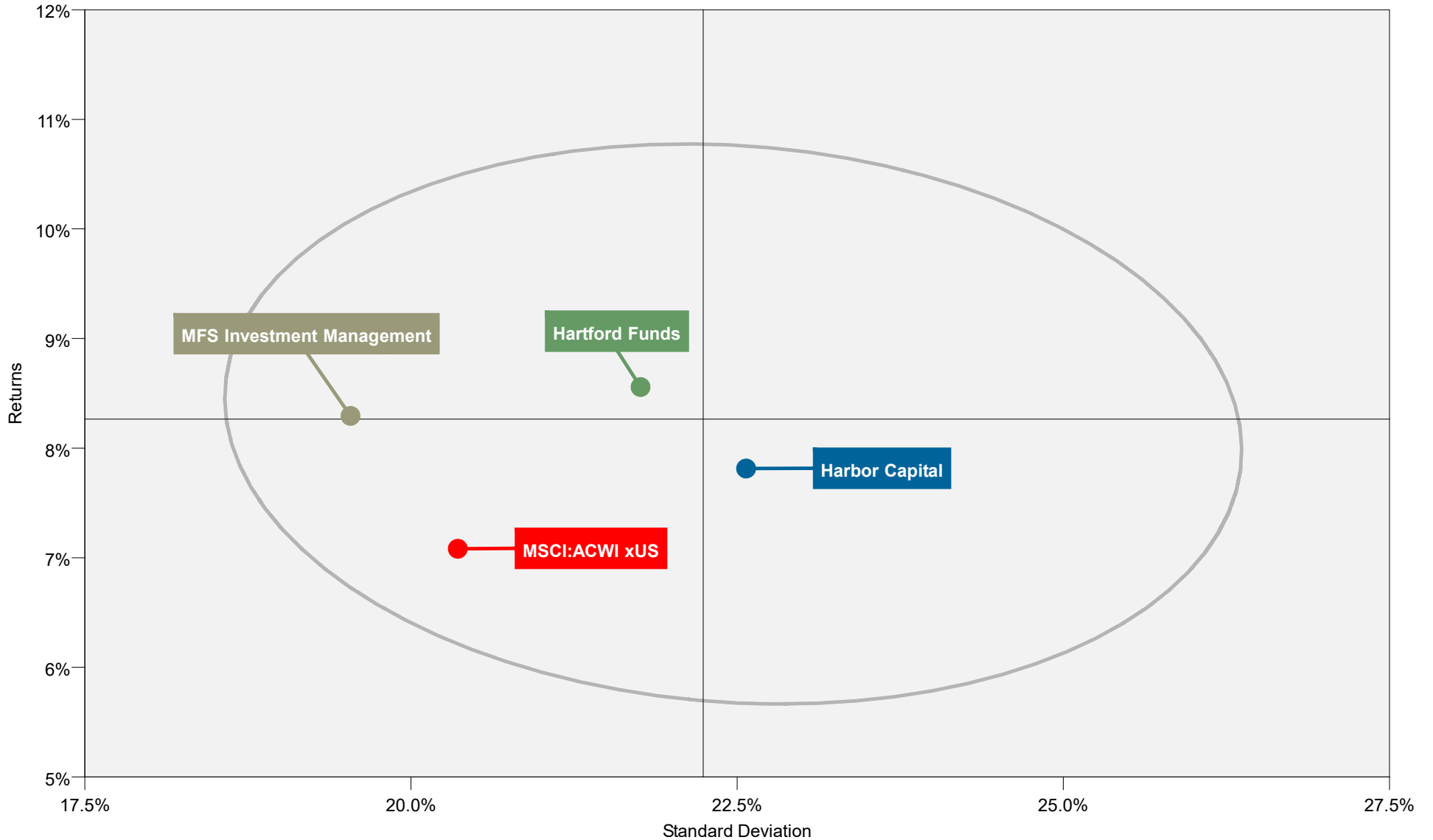
*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

Risk/Reward Structure

Risk/Reward for Five Years Ended December 31, 2023

Group: Callan Non US Equity MFs (Ellipse with Median at Central Axis)



Manager candidate performance shown is net-of-fees unless otherwise noted.

Risk Statistics

Return-Based Risk Statistics Relative to MSCI:ACWI xUS for Five Years Ended December 31, 2023

Group: Callan Non US Equity MFs (Percentile Ranking in Parentheses)

	Standard Deviation	Downside Risk	Sharpe Ratio	Information Ratio	Alpha	Beta	Correlation
Harbor Capital	22.57 (45)	1.90 (87)	0.26 (56)	0.22 (46)	0.45 (61)	1.11 (27)	1.00 (1)
Hartford Funds	21.76 (60)	2.04 (86)	0.31 (37)	0.33 (33)	1.25 (40)	1.06 (53)	0.99 (23)
MFS Investment Management	19.54 (95)	2.40 (71)	0.33 (22)	0.41 (22)	1.34 (37)	0.95 (89)	0.99 (21)
Callan Non US Equity MFs*	22.24	3.71	0.27	0.14	0.77	1.06	0.97
MSCI:ACWI xUS	20.36 (83)	0.00 (100)	0.26 (59)	0.00 (74)	0.00 (74)	1.00 (77)	1.00 (1)

*Results reflect group median.

Manager candidate performance shown is net-of-fees unless otherwise noted.

The graphic consists of two vertical bars of different colors, one orange and one light green, positioned to the left of the word 'Appendix'.

Appendix

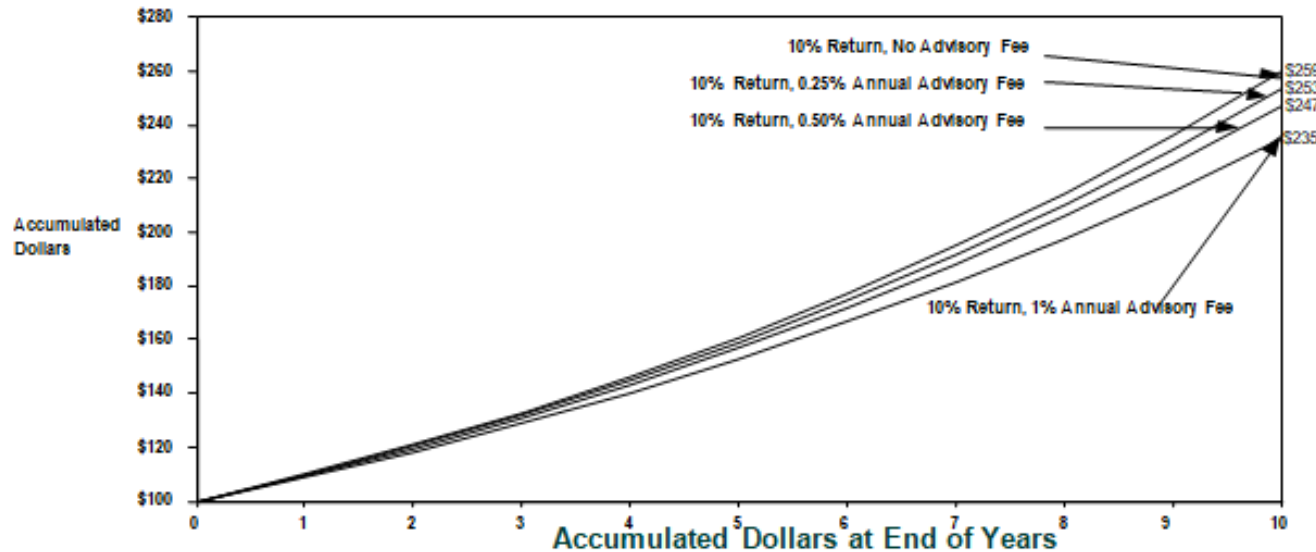
Advisory Fee Disclosure Statement

The preceding report has been prepared for the exclusive use of the North Dakota Public Employees' Retirement System. Unless otherwise noted, performance returns contained in this report do not reflect the deduction of investment advisory fees. The returns in this report will be reduced by the advisory fees and any other expenses incurred in the management of an investment account. The investment advisory fees applicable to the advisors listed in this report are described in Part II of each advisor's form ADV.

The following graphical and tabular example illustrates the cumulative effect of investment advisory fees on a \$100 investment growing at 10% over ten years. Fees are assumed to be paid monthly.

In addition to asset-based investment advisory fees, some strategies may include performance-based fees ("carry") that may further lower the returns realized by investors. These performance-based fees can be substantial, are most prevalent in "Alternative" strategies like hedge funds and many types of private markets, but can occur elsewhere. The effects of performance-based fees are dependent on investment outcomes and are not included in the example below.

The Cumulative Effect of Advisory Fees



	1	2	3	4	5	6	7	8	9	10
No Fee	110.0	121.0	133.1	146.4	161.1	177.2	194.9	214.4	235.8	259.4
25 Basis Points	109.7	120.4	132.1	145.0	159.1	174.5	191.5	210.1	230.6	253.0
50 Basis Points	109.5	119.8	131.1	143.5	157.1	172.0	188.2	206.0	225.5	246.8
100 Basis Points	108.9	118.6	129.2	140.7	153.3	166.9	181.8	198.0	215.6	234.9

10% Annual Return Compounded Monthly, Annual Fees Paid Monthly.

Callan Client Disclosure

The table below indicates whether one or more of the candidates listed in this report is, itself, a client of Callan as of the date of the most recent quarter end. These clients pay Callan for educational, software, database and/or reporting products and services; refer to our Form ADV 2A for additional information. Given the complex corporate and organizational ownership structures of investment management firms and/or trust/custody or securities lending firms, the parent and affiliate firm relationships are not listed here if they don't separately contract with Callan.

The client list below may include parent companies who allow their affiliates to use some of the services included in their client contract (eg, educational services including published research and attendance at conferences and workshops). Because Callan's investment manager client list changes periodically, the information below may not reflect changes since the most recent quarter end. Fund sponsor clients are welcome to request a complete list of Callan's investment manager clients at any time.

As a matter of policy, Callan follows strict procedures so that investment manager client relationships do not affect the outcome or process by which Callan's searches or evaluations are conducted.

Firm	Is an Investment Manager Client of Callan*	Is not an Investment Manager Client of Callan
BlackRock Advisors, LLC	X	
J.P. Morgan Investment Management, Inc.	X	
Wellington Management Company LLP	X	

*Based upon Callan manager clients as of the most recent quarter end.

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The table below indicates whether one or more of the candidates listed in this report is, itself, a client of Callan as of the date of the most recent quarter end. These clients pay Callan for educational, software, database and/or reporting products and services; refer to our Form ADV 2A for additional information. Given the complex corporate and organizational ownership structures of investment management firms and/or trust/custody or securities lending firms, the parent and affiliate firm relationships are not listed here if they don't separately contract with Callan.

The client list below may include parent companies who allow their affiliates to use some of the services included in their client contract (eg, educational services including published research and attendance at conferences and workshops). Because Callan's investment manager client list changes periodically, the information below may not reflect changes since the most recent quarter end. Fund sponsor clients are welcome to request a complete list of Callan's investment manager clients at any time.

As a matter of policy, Callan follows strict procedures so that investment manager client relationships do not affect the outcome or process by which Callan's searches or evaluations are conducted.

Firm	Is an Investment Manager Client of Callan*	Is not an Investment Manager Client of Callan
Harbor Capital Advisors Inc	X	
Hartford Funds Management Company, LLC		X
Massachusetts Financial Services Company	X	

*Based upon Callan manager clients as of the most recent quarter end.

List of Callan’s Investment Manager Clients

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Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan’s Compliance department.

Manager Name
abrdrn
ABS Global Investments
Acadian Asset Management LLC
Adams Street Partners, LLC
Aegon Asset Management
AEW Capital Management, L.P.
AllianceBernstein
Allspring Global Investments, LLC
Altrinsic Global Advisors, LLC
American Century Investments
Amundi US, Inc.
Antares Capital LP
Apollo Global Management, Inc.

Manager Name
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Aristotle Capital Management, LLC
Atlanta Capital Management Co., LLC
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors
Barings LLC
Baron Capital Management, Inc.
Barrow, Hanley, Mewhinney & Strauss, LLC
Belle Haven Investments L.P.
BentallGreenOak

Manager Name

Beutel, Goodman & Company Ltd.

BlackRock

Blackstone Group (The)

Blue Owl Capital, Inc.

BNY Mellon Asset Management

Boston Partners

Brandes Investment Partners, L.P.

Brandywine Global Investment Management, LLC

Brookfield Asset Management Inc.

Brown Brothers Harriman & Company

Capital Group

CastleArk Management, LLC

CIBC Asset Management Inc.

ClearBridge Investments, LLC

Cohen & Steers Capital Management, Inc.

Columbia Threadneedle Investments NA

Comvest Partners

Covenant Capital Group

CQS

Credit Suisse Asset Management, LLC

D.E. Shaw Investment Management, LLC

DePrince, Race & Zollo, Inc.

Diamond Hill Capital Management, Inc.

Dimensional Fund Advisors L.P.

Doubleline

DWS

EARNEST Partners, LLC

Fayez Sarofim & Company

Federated Hermes, Inc.

Fidelity Institutional Asset Management

Manager Name

Fiera Capital Corporation

First Eagle Investment Management, LLC

First Hawaiian Bank Wealth Management Division

First Sentier Investors

Fisher Investments

Franklin Templeton

Fred Alger Management, LLC

GAM (USA) Inc.

GlobeFlex Capital, L.P.

GoldenTree Asset Management, LP

Goldman Sachs

Golub Capital

Guggenheim Investments

GW&K Investment Management

Harbor Capital Advisors

Harding Loevner LP

Hardman Johnston Global Advisors LLC

Heitman LLC

Hotchkis & Wiley Capital Management, LLC

Impax Asset Management LLC

Income Research + Management

Insight Investment

Intech Investment Management LLC

Intercontinental Real Estate Corporation

Invesco

J.P. Morgan

Janus

Jennison Associates LLC

Jobs Peak Advisors

KeyCorp

Manager Name

Kohlberg Kravis Roberts & Co. (KKR)

Lazard Asset Management

LGIM America

Lincoln National Corporation

Longview Partners

Loomis, Sayles & Company, L.P.

Lord, Abbett & Company

LSV Asset Management

MacKay Shields LLC

Macquarie Asset Management (MAM)

Manulife Investment Management

Marathon Asset Management, L.P.

MetLife Investment Management

MFS Investment Management

MidFirst Bank

Mondrian Investment Partners Limited

Montag & Caldwell, LLC

Morgan Stanley Investment Management

MUFG Union Bank, N.A.

Natixis Investment Managers

Neuberger Berman

Newton Investment Management

Northern Trust Asset Management

Nuveen

Oaktree Capital Management, L.P.

P/E Investments

Pacific Investment Management Company

Pantheon Ventures

Parametric Portfolio Associates LLC

Partners Group (USA) Inc.

Manager Name

Pathway Capital Management, LP

PFM Asset Management LLC

PGIM DC Solutions

PGIM Fixed Income

PGIM Quantitative Solutions LLC

Pictet Asset Management

PineBridge Investments

Polen Capital Management, LLC

Pretium Partners, LLC

Principal Asset Management

Putnam Investments, LLC

Raymond James Investment Management

RBC Global Asset Management

Regions Financial Corporation

Robeco Institutional Asset Management, US Inc.

Rockpoint

S&P Dow Jones Indices

Sands Capital Management

Schroder Investment Management North America Inc.

Segall Bryant & Hamill

SLC Management

Smith Graham & Co. Investment Advisors, L.P.

State Street Global Advisors

Strategic Global Advisors, LLC

T. Rowe Price Associates, Inc.

TD Global Investment Solutions – TD Epoch

The Carlyle Group

The TCW Group, Inc.

Thompson, Siegel & Walmsley LLC

Top Tier Capital Partners

Manager Name

Tri-Star Trust Bank

Turning Rock Partners, L.P.

UBS Asset Management

VanEck

Versus Capital Group

Victory Capital Management Inc.

Virtus Investment Partners, Inc.

Vontobel Asset Management

Voya

Walter Scott & Partners Limited

WCM Investment Management

Wellington Management Company, LLP

Western Asset Management Company LLC

Westfield Capital Management Company, LP

William Blair & Company LLC

Xponance, Inc.

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Important Disclosures (continued)

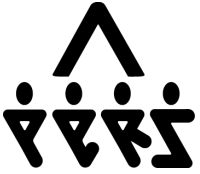
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Past performance is no guarantee of future results.



Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: April 9, 2024

SUBJECT: Conversion Mapping

At the March 26, 2024 Investment Subcommittee special meeting, the committee finalized recommendations on the process to map participant assets from TIAA to Empower. Callan presented their recommendation to the committee, which is included as Attachment 1. Where possible, investment options will map like-to-like (e.g. large cap to large cap). If no like option exists in the proposed fund line-up, assets will map to a participant's age appropriate Target Date Fund. In many instances, the investment options are staying the same but NDPERS will be able to utilize a lower cost share class.

Nearly 70% of assets in the 457(b) and 62% of assets in the 401(a) reside in Target Date Funds and will be mapped to a lower cost share class of the current Target Date series. Assets currently residing in the Balanced fund, will also be mapped to an age appropriate Target Date Fund.

The US Large Cap investment options will be mapped to the Vanguard Institutional Index Fund. US Small and Mid-Cap investment options will all be mapped to the recently approved JP Morgan US SMID Core Fund. Funds in the Vanguard Total International Stock fund will be mapped to a lower cost share class. The recently approved Massachusetts Financial Services Company will be a brand new offering, but will not have any direct assets mapped to this fund as a result of the transition. Global Equity and Emerging Markets Equity investment options will be mapped to an age appropriate Target Date Fund.

From a fixed income perspective, assets in both the Vanguard Total Bond Index and Baird Core Plus Bond Investor will be mapped to the same fund, but Baird will be in a lower cost share class. TIPS, High Yield, and Global Fixed Income asset classes will all be mapped to the age appropriate target date fund. Assets in the Wells Fargo Stable Value fund will be mapped to a lower cost share class.

Assets in the Vanguard Treasury Money Market, Cohen & Steers Realty, and all assets under the Brokerage window will map to the same funds under Empower as they are with TIAA.

Board Action Requested:

Review and approve the Investment Subcommittee recommendation for a mapping strategy on the transfer of participant funds from TIAA to Empower.

Attachment 1

Asset Class	Fund	Ticker	Fund	Ticker	
Balanced	T. Rowe Capital Appreciation Adv	PACLX =>	Age Appropriate TDF	TBD	
TDF	TIAA-CREF Lifecycle Ret. Inc	TLIRX =>	TIAA-CREF Lifecycle Ret. Inc	TLRIX	
TDF	TIAA-CREF Lifecycle Ret. 2010	TCLEX =>	TIAA-CREF Lifecycle Ret. 2010	TCTIX	
TDF	TIAA-CREF Lifecycle Ret. 2015	TCLIX =>	TIAA-CREF Lifecycle Ret. 2015	TCNIX	
TDF	TIAA-CREF Lifecycle Ret. 2020	TCLTX =>	TIAA-CREF Lifecycle Ret. 2020	TCWIX	
TDF	TIAA-CREF Lifecycle Ret. 2025	TCLFX =>	TIAA-CREF Lifecycle Ret. 2025	TCYIX	
TDF	TIAA-CREF Lifecycle Ret. 2030	TCLNX =>	TIAA-CREF Lifecycle Ret. 2030	TCRIX	
TDF	TIAA-CREF Lifecycle Ret. 2035	TCLRX =>	TIAA-CREF Lifecycle Ret. 2035	TCIIX	
TDF	TIAA-CREF Lifecycle Ret. 2040	TCLOX =>	TIAA-CREF Lifecycle Ret. 2040	TCOIX	
TDF	TIAA-CREF Lifecycle Ret. 2045	TFRX =>	TIAA-CREF Lifecycle Ret. 2045	TTFIX	
TDF	TIAA-CREF Lifecycle Ret. 2050	TLFRX =>	TIAA-CREF Lifecycle Ret. 2050	TFTIX	
TDF	TIAA-CREF Lifecycle Ret. 2055	TTRLX =>	TIAA-CREF Lifecycle Ret. 2055	TTRIX	
TDF	TIAA-CREF Lifecycle Ret. 2060	TLXRX =>	TIAA-CREF Lifecycle Ret. 2060	TLXNX	
TDF	TIAA-CREF Lifecycle Ret. 2065	TSFRX =>	TIAA-CREF Lifecycle Ret. 2065	TSFTX	
US Large Cap	Franklin Growth Fund Advisor	FCGAX =>	Vanguard Institutional Index	VINIX	
US Large Cap	Allspring Growth Adm	SGRXX =>	Vanguard Institutional Index	VINIX	
US Large Cap	Vanguard Dividend Growth Inv	VDIGX =>	Vanguard Institutional Index	VINIX	
US Large Cap	Vanguard Institutional Index	VINIX =>	Vanguard Institutional Index	VINIX	
US Large Cap	Hartford Dividend and Growth R5	HDGTX =>	Vanguard Institutional Index	VINIX	
US Large Cap	T. Rowe Price Equity Income	PRFDX =>	Vanguard Institutional Index	VINIX	
US Small/Mid Cap	PGIM Jennison Mid-Cap Growth Z	PEGZX =>	JPM US SMID Core	WOOSX	
US Small/Mid Cap	Columbia Mid Cap Index Fund A	NTIAX =>	JPM US SMID Core	WOOSX	
US Small/Mid Cap	Virtus Ceredex Mid-Cap Value I	SMVTX =>	JPM US SMID Core	WOOSX	
US Small/Mid Cap	Brown Small Company Fund Investor	BCSIX =>	JPM US SMID Core	WOOSX	
US Small/Mid Cap	DFA U.S. Small Cap Inst'l	DFSTX =>	JPM US SMID Core	WOOSX	
US Small/Mid Cap	Northern Small Cap Value Fund	NOSGX =>	JPM US SMID Core	WOOSX	
Global Equity	AF New Perspective R4	RNPEX =>	Age Appropriate TDF	TBD	
Non-US Equity	Vanguard Total Int'l Stock Adm	VTIAX =>	Vanguard Total Int'l Stock	VTSNX	
Non-US Equity	N/A	- =>	MFS International Diversification	MDIZX	
EM Equity	Invesco Developing Markets Y	ODVYX =>	Age Appropriate TDF	TBD	
Core/Core+ Fixed Income	Vanguard Total Bond Index Adm	VBTLX =>	Vanguard Total Bond Index Adm	VBTLX	
Core/Core+ Fixed Income	Baird Core Plus Bond Investor	BCOSX =>	Baird Core Plus Bond	BCOIX	
TIPS	MM Premier Infl-Pr and Inc Srvc	MIPYX =>	Age Appropriate TDF	TDB	
High Yield	PGIM High Yield Fund Z	PHYZX =>	Age Appropriate TDF	TDB	
Global Fixed Income	Templeton Global Bond Advisor	TGBAX =>	Age Appropriate TDF	TDB	
Stable Value	Wells Fargo Stable Value J	N/A =>	Wells Fargo Stable Value C	N/A	
Money Market	Vanguard Treasury MM Inv	VUSXX =>	Vanguard Treasury MM Inv	VUSXX	
Specialty	Cohen & Steers Realty Shares	CSRSX =>	Cohen & Steers Realty Shares	CSRSX	Lowest net cost
Self-directed	Brokerage	N/A =>	Brokerage	N/A	

New, active non-US equity option; no money mapping



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Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: April 9, 2024


SUBJECT: Investment Subcommittee Charter

One of the goals that our Board set for staff in 2024 was the creation of Charters for each of the Board Subcommittees that did not previously have one. Staff has begun this work effort for the Investment Committee, Election Committee, and Performance and Compensation Review Committee.

During the March 26, 2024 Special Investment Subcommittee meeting, staff presented the draft Charter (Attachment) for committee discussion & approval. Staff will plan on presenting the Charter annually to the subcommittee, and any proposed edits during the annual review process will be brought forward to the full Board for approval in the future, if necessary.

Board Action Requested:

Review and approve the attached Investment Subcommittee Charter.

	Original Effective Date: April 9, 2024
	Revised: April 9, 2024
	Approved by Board: April 9, 2024
	Page 1 of 2
Investment Committee Charter	

PURPOSE

The Investment Committee (“Committee”) is appointed by the Board of Trustees (“Board”) Chair of the North Dakota Public Employees Retirement System (“Agency”) to provide oversight of the investment activities of the agency. Oversight includes analyzing investment policies, asset allocations, benchmark recommendations, and overall risk and returns of portfolios of trust funds administered by the Board. It also includes similar oversight of the investment options offered to Defined Contribution and Deferred Compensation members of our plans.

In general, the Committee will focus on various policies and procedures of the agency to ensure they are consistent with industry standards and that they continue to keep pace with prudent investment theory and practice.

STRUCTURE

The Committee will consist of three to five members (including one alternate) with the members being appointed by the Board Chair. The Board Chair is also responsible for appointing a Committee Chair from the appointed members. The Board should attempt to appoint Committee members who are knowledgeable and experienced in financial and/or investment related functions.

MEETINGS

The Committee will meet as often as it determines is appropriate, but not less frequently than quarterly. All Committee members are expected to attend each meeting, in person or via tele- or video- conference, with a majority of the Committee required for a quorum. The Committee may invite any officer or employee of the agency, the State Investment Board, the agency's service provider, the agency's investment consultant, or others to attend meetings and provide pertinent information.

Meeting agendas will be prepared by the Chief Operating/Financial Officer, or their designee, and provided in advance to members, along with appropriate briefing materials. Minutes will be kept by a member of the Committee or a person designated by the Committee. Members of the Committee will be compensated for attendance at Committee meetings in accordance with NDPERS' policy for compensation in effect at the time for Board members.

DUTIES, RESPONSIBILITIES, AND AUTHORITY

The Committee will carry out the following duties, responsibilities & authority:

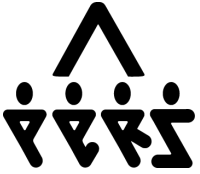
1) Investment Monitoring:

- a. Review the investment performances of the trust funds administered by the agency.
- b. Review and recommend updates to the Board of the investment policies of trust funds administered by the agency.
- c. Review the asset allocations of the trust funds administered by the agency, and make recommendations to the Board.
- d. Review the investment policies for each of the retirement plans administered by the agency.
- e. Monitor the fund performance on the agency's Deferred Compensation (supplemental savings) and Defined Contribution programs.

- f. Make recommendations to the Board of funds that underperform their benchmarks and should be placed on formal fund watch, and monitored quarterly.
- g. Take appropriate action, up to and including dissolution, on funds that consistently perform below benchmarks.

2) Other Responsibilities

- a. Coordinate an asset/liability study every five years, including reviewing RFP responses and making a consultant recommendation to the Board for approval.
- b. Coordinate an experience study every five years, including reviewing RFP responses and making a consultant recommendation to the Board for approval.
- c. Monitor the agency's trust fund long-term rate of returns to ensure the funds take on the appropriate level of risk. Bring any proposed changes to the Board for approval.
- d. Report to the Board a summary of the Committee activities, findings, and related recommendations.
- e. Confirm and sign off annually that all responsibilities outlined in this charter have been carried out. Review and assess periodically the adequacy of the Committee charter, request Board approval for proposed changes.
- f. Avoid conflicts of interest, paying strict attention to Board matters.
- g. Perform other activities related to this Charter as requested by the Board.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: April 9, 2024

SUBJECT: New 457 Deferred Compensation Plan Provider Requests

NDPERS has received a request from a vendor that offers 457 Deferred Compensation Plan services and is interested in becoming an eligible provider.

Given previous Board discussion regarding the non-Companion Plan 457 Deferred Compensation Plan providers, it is staff's understanding that the Board is interested in limiting fiduciary responsibility and the number of 457 Deferred Compensation Plan provider company options available to employees. Therefore, staff are seeking guidance if staff's understanding is correct so we can notify vendors that inquire that the Board is not allowing additional provider companies to enroll.

Please find Attachment 1 which provides information from October 2019 regarding provider fiduciary responsibilities language that the Board requested providers sign as an amendment to the contract they have in place with NDPERS. It includes details regarding options the Board considered in April 2020 related to how to handle those providers at the time that did not agree to sign the fiduciary responsibilities amendment. The Board took the following action, which was to freeze the non-compliant providers from being able to enroll new participants, but allow them to continue to receive existing participant contributions:

Provider Fiduciary Language Amendment Update

Ms. MaryJo Anderson recapped discussion from the February 2020 meeting when the board reviewed responses to an agreement with investment providers requiring them to act as fiduciaries in the best interest of the NDPERS participant when providing services. Ms. Anderson presented four options outlined by staff, along with a communication plan for providers who refuse the fiduciary language amendment. Her comments included advantages and disadvantages to each option.

Discussion followed.

MS. WASSIM MOVED TO APPROVE OPTION 3 AS OUTLINED IN THE BOARD MEMO TO FREEZE NEW PARTICIPANTS EFFECTIVE JANUARY 1, 2021. THE MOTION WAS SECONDED BY MS. SMITH.

Ayes: Ms. Goodhouse, Ms. Wassim, Ms. Smith and Chairperson Rindy

Nays: Mr. Adam Miller, Mr. Seibel, and Mr. Wilke

Abstain: Representative Dockter

Absent: Senator Grabinger

MOTION PASSED

At the July 2023 Board meeting, the Board took action to maintain the status quo related to a provider who was frozen based upon the Board Action above as they had not agreed to the fiduciary standards language adopted by the NDPERS Board. However, they now wished to sign the amendment. The minutes of this meeting indicate:

DEFERRED COMPENSATION / DEFINED CONTRIBUTION

Empower Provider Status

Representative Dockter declared a conflict of interest and recused himself from the discussion of this topic.

Mr. Scott Miller recapped the discussion from prior meetings concerning 457 deferred compensation plan providers and their compliance with fiduciary standards of conduct and signing a fiduciary agreement. Empower (formerly Mass Mutual) has requested another revision of the fiduciary agreement. Discussion followed.

MR. VOLK MOVED TO MAINTAIN THE STATUS QUO AND TO NOT UNFREEZE EMPOWER AS A 457 DEFERRED COMPENSATION PROVIDER. THE MOTION WAS SECONDED BY MS. GOODHOUSE.

Ayes: Mr. Erickson, Mr. Volk, Mr. Buck, Mr. Adam Miller, Senator Dever, Ms. Goodhouse, and Chairperson Rindy

Nays: Senator Vedaa, Mr. Morrissette, and Representative Stemen

Abstain: Representative Dockter

Absent: None

MOTION PASSED

At the January Board Planning meeting, the Board and staff discussed a potential goal for the 2027-2029 biennium to consider limiting future 457 Deferred Compensation Plan elections to the Companion Plan only.

Other Providers

- Some non-fiduciary providers are not complying with reporting requirements
- Consider if, and when, the Board would like to limit future new hires to elect the companion plan only

Big Hairy Audacious Goals – 2027-2029

Full
Implementation
of Business
Process
Management

Limit Future
457 Elections
to
Companion
Plan Only

Staff do have concerns with allowing additional vendors to join as a provider and offer services, even if they agree to the fiduciary responsibilities language. Previous Board discussions noted potentially limiting the number of vendors in the future and limiting future elections to only be made to the Companion Plan, since this is the only provider that the Board oversees the investment options offered to our members. Also, given the additional requirements placed on the Board within HB 1040 and the opportunity to pool funds for greater investment savings, it may even be more prudent to move towards restricting other vendors.

Given past Board Action as outlined above, staff are seeking direction from the Board regarding inquiries from additional vendors interested in offering 457 Deferred Compensation Plan services.

Board Action Requested:

Provide staff direction regarding whether additional vendors can be added to the list of providers within the 457 Deferred Compensation Plan.



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Memorandum

TO: NDPERS Board
FROM: MaryJo
DATE: April 14, 2020
SUBJECT: Provider Fiduciary Language Amendment Update

At the February 2020 meeting, the Board reviewed responses from the NDPERS 457 Deferred Compensation providers, with the exception of the Companion Plan and BND, regarding the fiduciary language contract amendment approved by the Board in October 2019. The agreement required investment providers to act as fiduciaries in the best interest of the NDPERS participant when providing services. Of the providers, two companies accepted and five refused the NDPERS amendment as drafted.

At the Board’s request, staff have outlined options (Attachment 1), along with a communication plan, for the providers refusing the fiduciary language amendment. Attachment 1 also provides advantages and disadvantages to each option for the Board’s consideration.

The Communication to 457 Plan Participants would be as follows:

NDPERS has requested for each of the 457 Deferred Compensation Provider Companies to sign an amendment to the current contract requiring investment providers to act as fiduciaries in the best interest of the participant when providing services. Based upon responses, NDPERS is notifying you of the following provider responses.

Accepted Amendment	Refused Amendment
<ul style="list-style-type: none"> • American Trust Center • Waddell & Reed Financial Services 	<ul style="list-style-type: none"> • AXA Equitable • Jackson National Life • VALIC • Mass Mutual • Nationwide Life

Board Action: Provide guidance to NDPERS staff on 457 Deferred Compensation providers that are non-compliant with fiduciary language amendment (options outlined below):

Option 1 – Terminate Contract

- provider may not receive any new or existing participant contributions

Option 2 – Freeze All Contributions

- provider may not receive any new or existing participant contributions

Option 3 – Freeze New Participants

(4 of 13 providers currently in this status – Commonwealth, ING, Lincoln National, Symetra)

- provider may not enroll any new participants
- provider may continue to receive existing participant contributions

Option 4 – Allow Contributions and New Participants

- provider may receive any new or existing participant contributions

Attachment 1

<p>Option 1 – Terminate Contract</p> <ul style="list-style-type: none"> • provider may not receive any new or existing participant contributions 	<p>Option 2 – Freeze all contributions</p> <ul style="list-style-type: none"> • provider may not receive any new or existing participant contributions 	<p>Option 3 – Freeze participants</p> <ul style="list-style-type: none"> • provider may not enroll any new participants • provider may continue to receive existing participant contributions 	<p>Option 4 – Allow all contributions and new participants</p> <ul style="list-style-type: none"> • provider may receive any new or existing participant contributions
<p>Advantage</p> <ul style="list-style-type: none"> • <u>All participants transfer</u> to a provider that meets fiduciary standards • <u>Streamline all enrollment</u> to providers that agree to NDPERS fiduciary standards • Reducing number of providers tends to encourage enrollment, as participants have fewer choices to make when enrolling in the 457 plan • Reduce administrative costs associated with monthly provider reconciliation • Phase out providers immediately 	<p>Advantage</p> <ul style="list-style-type: none"> • <u>Participants have the option to transfer</u> to a provider that meets fiduciary standards • Existing participant may elect to leave account intact • <u>Streamline all enrollment</u> to providers that agree to fiduciary standards • Reducing number of providers tends to encourage enrollment, as participants have fewer choices to make when enrolling in the 457 plan • Reduce administrative costs associated with monthly provider reconciliation as members select compliant provider • Phase out providers 	<p>Advantage</p> <ul style="list-style-type: none"> • <u>Participants have the option to transfer</u> to a provider that meets fiduciary standards • Existing participant may elect leave account intact • <u>Streamline new enrollment</u> to providers that agree to NDPERS fiduciary standards • Reducing number of providers tends to encourage enrollment, as participants have fewer choices to make when enrolling in the 457 plan • Reduce administrative costs associated with monthly provider reconciliation in future as participants terminate • Phase out providers gradually 	<p>Advantage</p> <ul style="list-style-type: none"> • All participants <u>have the option</u> to select any provider • Existing participant may elect leave account intact • Display providers that accept or decline fiduciary responsibility
<p>Disadvantage</p> <ul style="list-style-type: none"> • Existing participants <u>must take action to setup new account</u> • Existing participant <u>must take action to transfer funds</u> • Participant may incur transfer fees 	<p>Disadvantage</p> <ul style="list-style-type: none"> • Participant is <u>must take action to setup new account</u> • Participant <u>may or may not elect to transfer funds</u> to a provider/account that best meets needs • Continue to incur administrative costs associated with monthly provider reconciliation 	<p>Disadvantage</p> <ul style="list-style-type: none"> • Existing participants may not take action to stop contributions or transfer funds and claim they were unaware of provider not meeting NDPERS fiduciary standards • Continue to incur administrative costs associated with monthly provider reconciliation 	<p>Disadvantage</p> <ul style="list-style-type: none"> • New participants may enroll with provider not meeting fiduciary standards • Existing participants may not take action to stop contributions or transfer funds and claim they were unaware of provider not meeting fiduciary standards • Multiple provider options tend to discourage enrollment, as participants have too many choices and opt not to enroll in the 457 plan

			<ul style="list-style-type: none"> • Continue to incur administrative costs associated with monthly provider reconciliation • No phase out of multiple providers
<p>Communication Plan</p> <ul style="list-style-type: none"> • Member Self Service online, website, provider/investment documents, and enrollment forms <u>remove visibility of non-compliant providers for all enrollees</u> • Existing participants will be notified that the provider selected does not meet NDPERS fiduciary standards and a <u>different provider must be selected</u> for future contributions 	<p>Communication Plan</p> <ul style="list-style-type: none"> • Member Self Service online, website, provider/investment documents, and enrollment forms <u>remove visibility of non-compliant providers for all enrollees</u> • Existing participants will be notified that the provider selected does not meet NDPERS fiduciary standards and a <u>different provider must be selected</u> for future contributions 	<p>Communication Plan</p> <ul style="list-style-type: none"> • Member Self Service online, website, provider/investment documents, and enrollment forms <u>remove visibility of non-compliant providers for new enrollees</u> • Existing participants will be notified that the provider selected does not meet NDPERS fiduciary standards and <u>no action is required</u> but a different provider may or may not be selected for future contributions 	<p>Communication Plan</p> <ul style="list-style-type: none"> • Member Self Service online, website, provider/investment documents, and enrollment forms will <u>outline providers accepting or refusing fiduciary standards</u> • Existing participants may continue to contribute to a provider that does not meet fiduciary standards. <u>No action is required</u> but a different provider may be selected for future contributions and/or funds transfer.



Memorandum

TO: NDPERS Board

FROM: Scott

DATE: July 11, 2023

SUBJECT: Empower Provider Status

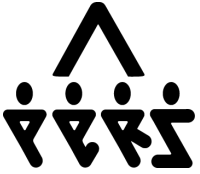
In 2020, the Board made the decision to require all section 457 deferred compensation plan providers to sign an agreement stating that their advisors who provide our members with investment advice will be subject to a fiduciary standard of conduct. (see attachments 1 and 2 for the memos from that time). If a provider refused to sign the agreement, the Board froze that provider to any new participants; current participants could continue to make contributions, if they wished.

Initially, Empower (acting as Mass Mutual) declined to sign the fiduciary agreement, and was therefore frozen to new participants. Later in 2020, Empower (acting as Mass Mutual) proposed an amendment to the fiduciary agreement and requested to be allowed to resume as a full provider. The Board reviewed the proposed amendments and determined they did not provide the level of responsibility the Board desired. As such, the Board declined Empower's request, and they remained frozen. Empower has recently reached out to NDPERS staff to request another chance to sign the fiduciary agreement and be able to sign up new participants.

NDPERS has an unusual 457 plan. Most states and political subdivisions have only one provider. NDPERS has TIAA as the companion plan provider, the Bank of North Dakota and two other active providers outside the companion plan, and many frozen providers. Because of the administrative difficulty with having so many providers, the Board has been proactive in reducing the number of providers over the past several years.

Empower is now requesting another revision of the fiduciary agreement, which is attached, and which they will sign. The Board's attorney, Dean DePountis, has reviewed the agreement and stated it is acceptable.

Board Action Requested: Determine whether to allow Empower to sign the amended fiduciary agreement and resume as a full provider.



Memorandum

TO: NDERS Board

FROM: Katheryne Korom

DATE: April 9, 2024

SUBJECT: Dental Request for Proposal (RFP)

We received five proposals by the March 29th deadline for Dental RFP that was issued on February 1, 2024. These three proposals were received from: Delta Dental, Blue Cross Blue Shield of North Dakota, and MetLife. Buck consultants have started their proposal review process.

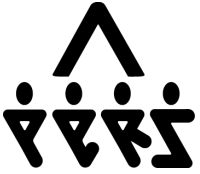
Following are the key dates for the proposal process:

Date	Activity
February 1, 2024	RFP is issued.
February 23, 2024	Written questions regarding proposals must be received by NDERS no later than 5:00 p.m. (CDT).
March 11, 2024	NDERS posts responses to all questions received.
March 29, 2024	Proposals must be received by NDERS no later than 5:00 p.m. (CDT).
May 2024	NDERS Board review of proposals.
June 2024	Finalist interviews and Best and Final Offers due, if deemed necessary by the NDERS Board
End of August 2024	Selection and award of contract by NDERS.
January 1, 2025	Effective Date of Coverage

Buck Consultants will analyze the proposals and recommend two finalists for NDPERS to review.

If you have any questions, we will be available at the NDPERS Board Meeting.

This item is informational and does not require any action by the Board.



Memorandum

TO: NDPERs Board

FROM: Katheryne Korom

DATE: April 9, 2024

SUBJECT: Administrative and Recordkeeping Services for Section 125 FlexComp Plan Request for Proposal (FlexComp RFP)

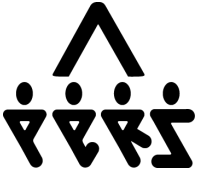
The FlexComp RFP was issued on March 4, 2024. We received a total of 15 questions. The responses to these questions were posted on the NDPERs website on April 8, 2024.

Following are the key dates for the proposal process:

Date	Activity
March 4, 2024	RFP is issued.
March 22, 2024	Written questions regarding proposals must be received by NDPERs no later than 5:00 p.m. (CDT).
April 8, 2024	NDPERs posts responses to all questions received.
April 30, 2024	Proposals must be received by NDPERs no later than 5:00 p.m. (CDT).
June 2024	NDPERs Board review of proposals.
July 2024	Finalist interviews and Best and Final Offers due, if deemed necessary by the NDPERs Board
July/August 2024	Selection and award of contract by NDPERs.
January 1, 2025	Effective Date of Coverage

If you have any questions, we will be available at the NDPERs Board Meeting.

This item is informational and does not require any action by the Board.



Memorandum

TO: NDPERS Board

FROM: Aime

DATE: April 9, 2024

SUBJECT: Board Election Update

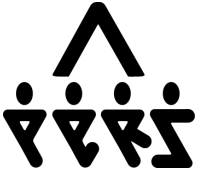
The term of elected Board member Casey Goodhouse expires on June 30, 2024. The email announcing the open vacancy will be distributed on Monday, April 15.

Interested eligible retirement members will need to submit the required signatures to the NDPERS office by May 10. The Election Subcommittee will meet to validate the nomination petitions on May 16.

The election will open on May 20 for a three-week period. Results of the election will be presented to the Board at the June 11 meeting.

Date	Action Item
April 15	Announce and promote board vacancy to members
<i>May 10</i>	Deadline to receive physical nomination petitions forms at the NDPERS office
<i>May 16</i>	Election subcommittee's virtual meeting to validate petitions
<i>May 17</i>	Deadline for candidate to withdraw from election
<i>May 20</i>	Electronic voting begins
<i>June 7</i>	Electronic voting closes
<i>June 10</i>	Election subcommittee's virtual meeting to canvass election results
<i>June 11</i>	Election results announced during Board meeting

This topic is informational only.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: April 9, 2024

SUBJECT: Strategy Planning Review

The Governor's Strategy Planning Review was conducted on March 14, 2024. Rebecca and Derrick provided the Governor, along with various other Team ND members, the attached presentation regarding the agency's strategic plan over several upcoming biennium's. The information was based upon input received by the Board at the January 10 Board Planning meeting. Attachment 2 is a one-pager that was also shared.

STRATEGY REVIEW

North Dakota Public Employees Retirement System

REBECCA FRICKE
EMAIL: RFRICKE@ND.GOV
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DERRICK HOHBEIN
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March 14, 2024

NORTH
Dakota

Be Legendary.



AGENCY VISION STATEMENT

Our mission is to champion the health and financial security of our members by providing comprehensive, innovative retirement and insurance benefit solutions through collaboration and personalized support.

BIG HAIRY AUDACIOUS GOALS (BHAG)

LOOKING AHEAD 5 TO 10 YEARS

BHAG Goals

Continue Executing the Transition from Defined Benefit to Defined Contribution

Implementation of Comprehensive Wizards

Implementation of Business Process Management

Limit Future 457 Elections to Companion Plan Only

Leverage Call Center Artificial Intelligence to Create Counseling Staff

Centralize State FlexComp Reporting

Evaluate Retiree Insurance (Grandfather Existing)

2025-27

STRATEGIC GOALS

Strategic Goals	Problem Being Solved
Continue Executing the Transition from Defined Benefit to Defined Contribution	<ul style="list-style-type: none">• Member Education• HB 1040 Changes DC Elections• Employer Training Opportunities• Funding DB Plan
Implementation of Retirement Application Wizards	<ul style="list-style-type: none">• Eliminates Data Entry• Ensures Members Have Access to Available Options• Ensures Accuracy• Ensure Completeness
Implementation of New Hire & Annual Enrollment Wizards	<ul style="list-style-type: none">• Eliminates Data Entry• Ensures Members Have Access to Available Options• Ensures Accuracy• Ensure Completeness

2027-29

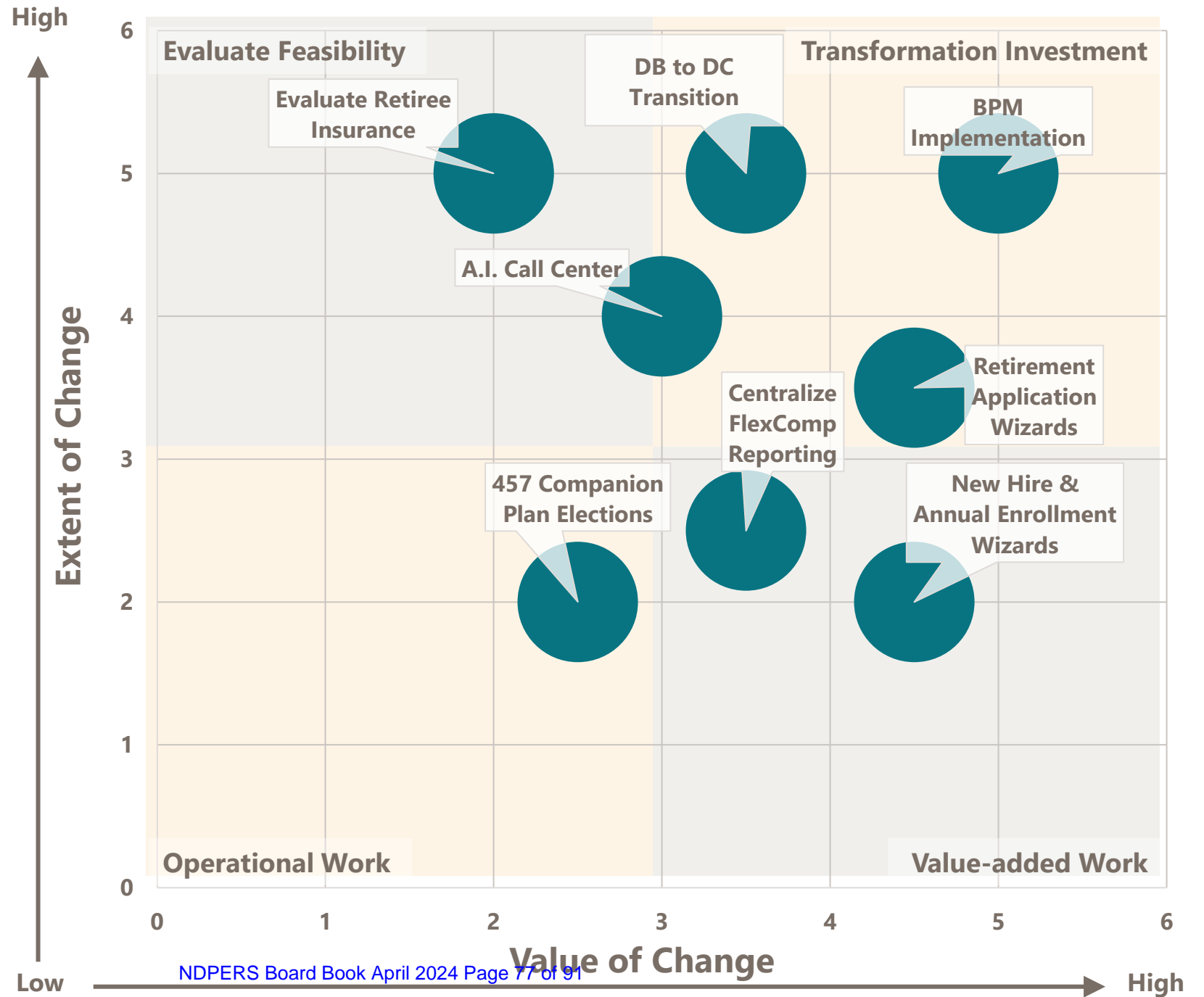
STRATEGIC GOALS

Strategic Goals	Problem Being Solved
Full Implementation of Business Process Management (BPM)	<ul style="list-style-type: none">• Eliminates Data Entry• Automates the System Based on Agency’s Business Rules• Ensures Employees Perform Functions in Order of Business Rules• Ensures Accuracy• Ensure Completeness
Limit Future 457 Elections to Companion Plan Only	<ul style="list-style-type: none">• Ensures Compliance with Fiduciary Requirements• Reduces Fees for Participants• Ensures All Members Have Access to the Best Practices DC Plan(s)

2029-31

STRATEGIC GOALS

Strategic Goals	Problem Being Solved
<p>Leverage Call Center Artificial Intelligence to Create Counseling Staff</p>	<ul style="list-style-type: none"> • Leverage A.I. to Get Members Real-Time, Accurate, Information • Use Existing Call Center Staff as Entry Level Counselors in our Agency
<p>Centralize State & Higher Education FlexComp Reporting</p>	<ul style="list-style-type: none"> • Increasing the Participants = Reduction of Fees to the State • Enhance PERSLink for FlexComp Payroll Reporting • PERSLink Already Could Accommodate Higher Education Enrollments
<p>Evaluate Retiree Insurance (Grandfather Existing)</p>	<ul style="list-style-type: none"> • Transition to a DC Plan Removes Ability to Deduct from Pension Checks • State Already Closed Coverage for Pre-Medicare Retirees • Medicare Retirees Have Access to Coverage Through Insurance Carriers Within the State



2025-27

ACTION PLAN

Strategic Goal: Continue Executing the Transition from Defined Benefit to Defined Contribution

Action Items:

1. Analyze Educational Materials for Members
2. Analyze Training Materials for Employers
3. Analyze Procedure Manuals for Staff
4. Develop Collaborative Approach to Funding the DB Plan

Resources Needed (Note Existing or New):

1. Resource Dedicated to Training New Authorized Agents (NEW)
2. Resource to Provide Depth in Enrollments (NEW)
3. Communication Intern (NEW/EXISTING)
4. DC Consultant (EXISTING)

Challenges:

1. Workload
2. Complexity of DC Elections
3. Legislative Relations

Success Measures:

1. Member Feedback
2. Employer Feedback
3. Customer Service Report Cards
4. OMB & HRMS Collaboration

2025-27

ACTION PLAN

Strategic Goal: Implementation of Retirement Application Wizards

Action Items:

1. Develop Comprehensive Test Plan
2. Set Aside Specific Times to Test

Resources Needed (Note Existing or New):

1. Sagitec Developer (EXISTING)
2. User Acceptance Testing (EXISTING)

Challenges:

1. Other System Enhancements Take Priority
2. Workload
3. Staff's Inability to Test Thoroughly
4. Staff's Inability to Identify System Limitations

Success Measures:

1. Member Feedback
2. Employer Feedback
3. Customer Service Report Cards
4. OMB & HRMS Collaboration

2025-27 ACTION PLAN

Strategic Goal: Implementation of New Hire & Annual Enrollment Wizards

Action Items:

1. Develop Comprehensive Test Plan
2. Set Aside Specific Times to Test

Resources Needed (Note Existing or New):

1. Sagitec Developer (EXISTING)
2. User Acceptance Testing (EXISTING)

Challenges:

1. Other System Enhancements Take Priority
2. Workload
3. Staff's Inability to Test Thoroughly
4. Staff's Inability to Identify System Limitations

Success Measures:

1. Member Feedback
2. Employer Feedback
3. Customer Service Report Cards
4. OMB & HRMS Collaboration

2025-2027 WORKFORCE PLAN – NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

North Dakota Public Employees Retirement System

Champion the health and financial security of our members by providing comprehensive, innovative retirement and insurance benefit solutions through collaboration and personalized support.

Internal and External Trends Impacting our Workforce Needs:

- Legislative Pressure to Modify Benefit Programs
- Difficulty Attracting Qualified New Team Members
- Difficulty Retaining Team Members

Prioritized Workforce Competencies & Key Technical Skills:

- Customer Focus
- Accountability and Accuracy
- Education and Communication
- Flexibility and Adaptability

Top Workforce Initiatives		Timeline
Talent	Success Planning/Cross Training	Ongoing
Leadership	Career Path Development (Team Leads)	2024 - 2025
Organizational	Office Culture	2024

Success Measures	Current State 2024	End State 2026
Employee Recognition	3.68	3.75
Employee Input	3.81	3.90
Employee Development	4.00	4.05

Authorized FTE	Full-Time	Temporary
2023-2025 Biennium	40.5	1
2025-2027 Biennium <i>(Proposed)</i>	42.5	1

Talent Acquisition Priorities/Key Positions To Fill	Approx Timing to Fill
Chief Benefits Officer	Unknown
Accounting FTE Dedicated to Employer Training	July 2025
Enrollment FTE to Support 1040 Election Provisions	July 2025

STRATEGY DISCUSSION QUESTIONS 2025-27

How will your agency's strategic goals support Governor Burgum's Five Strategic Initiatives?

Our benefit programs impact over 60,000 ND lives, impacting nearly every community in the state. Having robust benefit programs offers public employers a significant competitive advantage over the private sector.

NDPERS has fully embraced a concept of Reinventing Government, working collaboratively in implementing shared services to streamline processes across our state and offer our membership robust electronic capabilities.

How would your strategy change with unlimited resources?

Our biggest challenge is workload constraints and staff who can thoroughly test system upgrades. PERS administers several complex benefit programs, and hiring staff with relevant backgrounds is challenging. If we were able to hire enough staff to support our day-to-day operations, and we could dedicate 3-5 staff specifically to testing, we'd achieve our goals in a more efficient and timely manner.

The transition to a Defined Contribution plan will bring challenges that are still unknown but must be addressed timely.

STRATEGY DISCUSSION QUESTIONS 2025-27

What should your agency stop doing? (Red Tape Reduction Ideas)

NDPERS is constantly reviewing processes to identify operating efficiencies. Initiatives we are currently implementing include educational trainings posted on our website, embedding correspondence, automatically archiving system tables, leveraging MoveIT to automatically move system reports, etc.

Further reductions could potentially include eliminating retiree insurances (grandfather existing), eliminating multiple 457 providers, eliminating multiple final average salary calculations in statute.

What other agencies will your agency collaborate with to achieve your strategic goals?

NDIT, OMB, SIB, and the AG's Office have been invaluable business partners for NDPERS to streamline our operations and absorb additional workload. These relationships are key in continuing to properly support our benefit programs.

In moving forward in a FlexComp centralization effort, Higher Education is the population we would collaborate with to streamline our efforts.

STRATEGY DISCUSSION QUESTIONS 2025-27

What processes in your agency could be automated?

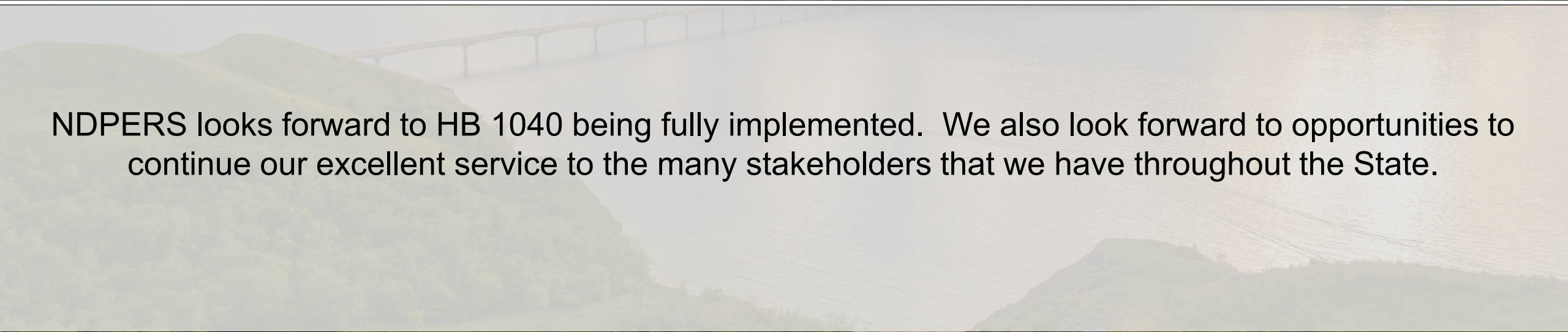
We feel that we've identified several processes that can be automated, and we are currently in the process of implementing these changes. This includes comprehensive new hire and annual enrollment wizards, retirement application wizards, BPM, correspondence embedding, and automatic records purging & recording.

How can artificial intelligence (AI) be utilized by your agency?

We believe A.I. will have the ability to eliminate data entry and call center applications in the next ten years. We are already in the process of redesigning our Business System to incorporate certain types of A.I. In ten years, we hope that the sophistication of call center A.I. will have advanced into a reliable and accurate form of technology. This would allow us to shift our call center staff into an entry level counseling position to help support educational efforts for our membership.



CONCLUSION STATEMENT



NDPERS looks forward to HB 1040 being fully implemented. We also look forward to opportunities to continue our excellent service to the many stakeholders that we have throughout the State.



WHO WE ARE

40.5

Full-time Team Members

1

Temporary Team Members

44

Business Partners

WHAT WE'RE ABOUT

Mission:

Our mission is to champion the health and financial security of our members by providing comprehensive, innovative retirement and insurance benefit solutions through collaboration and personalized support.

Core Function:

NDPERS is one of only a handful of state agencies in the entire country that administers both retirement plans – nine different retirement plans – and health, life, dental, and other insurance plans for the benefit of state and political subdivision employees.

WHO WE SERVE

Retirement Plans

Almost 60,000 employees and retirees participate in the retirement plans we administer



Employer Participation

99 state agencies, 51 counties, 98 cities, 131 school districts, and 93 "other" political subdivisions in our retirement plans



Retirement Benefits

We make over \$200 million in retirement benefit payments every year to retirees living in every county in the state



Health Plans

Our health plans cover nearly 60,000 North Dakotans, including actives, retirees, and covered dependents



Employer Participation

99 state agencies, 28 counties, 29 cities, 15 school districts, and 53 "other" political subdivisions in our health plans



Health Plan Benefits

We provide our covered members with over \$347 million in health benefits every year



HOW WE DO IT

Total Agency Budget: \$12,012,920

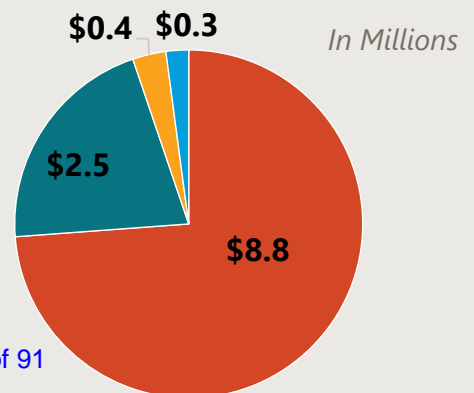
- All special funds

Salary

Operating

DB Closure

Contingency



NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM (NDPERS)

WHAT WE'RE PROUD OF

Hybrid Workforce

NDPERS was one of the first state agencies to recognize the long-term benefit of a combination of hybrid and remote workers, cutting our footprint and rent by 50% despite adding staff

Education & Communication

Continue expanding our YouTube channel & upgraded website that hosts recordings presentations that significantly improved access to information & upcoming plan changes

Improved Technology

Implementing forms of artificial intelligence to automate data entry and ensure completeness of information coming to our office

Legislative Initiatives

Expansive Employee Benefit Program Menu

15% Biennial Health Plan Premium Increase

Premium Reductions for Life, Vision, and Part D Plans

WHAT WE DO



Retirement – Defined Benefit

The Defined Benefit/Hybrid retirement plan provides a modest yet secure retirement benefit to public employees.



Uniform Group Insurance

Including Health, Dental, Vision, Life, and EAP insurance options for our public employees.



Retirement – Defined Contribution

A 401(K)-like retirement option for non-classified state employees and future new hires.



Retiree Health Insurance Credit

A monthly lifetime benefit eligible retirees can use as reimbursement for after-tax insurance premiums.



Retirement – Deferred Compensation

An optional, supplementary tax-deferred savings option for public employees.



Flexible Compensation

A pre-tax savings program that active employees can use to pay for medical and dependent care expenses.

HOW WE MEASURE SUCCESS

4-Point Customer Service Report Cards

- Courtesy – 3.78
- Promptness – 3.56
- Staff Explanation – 3.69
- Ease of Understanding – 3.64

Employee Surveys

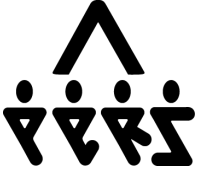
- 4.03 Gallup Survey rating
- Employees submit annual surveys of their direct & indirect managers
- Biennial SWOT analysis

Awards and Recognition

- GFOA Certificate of Achievement for Excellence in Financial Reporting for Twenty-seven consecutive years
- Public Pension Coordinating Council Award for Administration

Clean Audit Opinion

Twenty-seven consecutive years of unmodified opinions from an independent audit firm



**North Dakota
Public Employees Retirement System**
1600 East Century Avenue, Suite 2 • PO Box 1657
Bismarck, North Dakota 58502-1657

Rebecca Fricke
Executive Director
(701) 328-3900
1-800-803-7377

Fax (701) 328-3920 Email ndpers-info@nd.gov Website www.ndpers.nd.gov

Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: April 9, 2024

SUBJECT: Contracts under \$10,000

Attached is a document that shows the contracts under \$10,000 that have been signed since the last update. Please let me know if you have any questions on any of these contracts.

This topic is informational only.

All Contracts Signed During 2024:

Vendor	Amount	Notes
CliftonLarsonAllen	\$ -	GASB 68 & 75 Representation Lettess
TIAA	\$ -	Termination notice due to recordkeeper award
BND	\$ 909.00	Staff Years of Service Awards (Gift Cards)
City of Berthold	\$ -	Joined Life Insurance Plan 3/1/2024
Mandaree Public Schools	\$ -	Joined Deferred Compensation Plan 3/1/2024
Interoffice	\$ 1,179.44	Office Chair
Emmons County	\$ -	Joined Public Safety Plan 4/1/2024

Contracts Signed Since Last Reported:

Vendor	Amount	Notes
City of Leeds	\$ -	Joined Defined Benefit Plan 4/1/2024
City of Leeds	\$ -	Joined Deferred Compensatoin Plan 4/1/2024
City of Emerado	\$ -	Joined Public Safety Plan 2/1/2024
City of Riverdale	\$ -	Joined Defined Benefit Plan 4/1/2024
City of Riverdale	\$ -	Joined Deferred Compensatoin Plan 4/1/2024

IX. MEMBER **EXECUTIVE SESSION

A. Retirement Appeal Case #812 Administrative Ruling – MaryJo (Board Action)

**Executive Session pursuant to N.D.C.C. §44-04-19.2, §44-04-19.2(1) and/or §54-52-26 to discuss confidential records or confidential member information.

Material for the executive session will be sent under separate cover

IX. MEMBER **EXECUTIVE SESSION
B. Retirement Benefit Appeal Case #854 – MaryJo (Board Action)

**Executive Session pursuant to N.D.C.C. §44-04-19.2, §44-04-19.2(1) and/or §54-52-26 to discuss confidential records or confidential member information.

Material for the executive session will be sent under separate cover