

NDPERS BOARD MEETING

Agenda

Due to public health considerations, and in accordance with Executive Order 2020-16, a meeting room will not be available to the public.

Conference Call #: 701.328.0950
Conference ID: 168 319 182#

Tuesday, March 9, 2021

Time: 8:30 AM

I. MINUTES

A. February 9, 2021

II. PRESENTATIONS

A. Ethics Commission – David Thiele

III. RETIREMENT

A. Retiree Health Insurance Credit (RHIC) Request for Proposal – Bryan (Board Action)

IV. GROUP INSURANCE

A. Vision Insurance Plan Renewal Contract Amendment -- Rebecca (Board Action)

B. FlexComp 2020 Plan Year Grace Period and Claims Submission Deadlines
– Rebecca (Board Action)

V. MISCELLANEOUS

A. Employment Policies and Practices – Scott (Board Action)

B. Office Relocation Update – Derrick (Board Action)

C. Audit Committee Minutes, Charter Matrix, and Audit Plan – Shawna (Information)

D. Legislation – Scott (Board Action)



**North Dakota
Public Employees Retirement System**
400 East Broadway, Suite 505 • Box 1657
Bismarck, North Dakota 58502-1657

Scott A. Miller
Executive Director
(701) 328-3900
1-800-803-7377

Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Scott

DATE: March 9, 2021

SUBJECT: Ethics Commission Presentation

David Thiele will be at the meeting to provide information to the Board on the ethics requirements created by the constitutional amendment from a couple of years ago.



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Memorandum

TO: NDPERS Board

FROM: Bryan Reinhardt

DATE: March 9, 2021

SUBJECT: Retiree Health Insurance Credit (RHIC) RFP

Here is the RFP for the RHIC plan administration for the period starting January 2022. ASIFlex is the current provider and we are coming to the end of the initial six-year period.

Here is the proposed timeline:

April 16, 2021	RFP issued
May 7, 2021	Deadline for RFP Questions
May 17, 2021	Answers to RFP Questions posted to NDPERS Website
May 31, , 2021	RFPs Due
July / August, 2021	NDPERS Board Selects Vendor
January 1, 2022	Vendor begins administration

If you have any questions, I will be available at the NDPERS Board meeting.

BOARD ACTION:
Approve the RHIC RFP

REQUEST FOR PROPOSAL

FOR

**North Dakota
Public Employees Retirement System**

**Administrative and Recordkeeping Services
For Retiree Health Insurance Credit Program**

2021

**Request for Proposal
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REQUEST FOR PROPOSAL

SECTION I – INTRODUCTION

A. Scope of Work

This Request for Proposal (RFP) is issued for administrative and recordkeeping functions as described in this RFP relating to the North Dakota Public Employees Retirement System (NDPERS) Retiree Health Insurance Credit (RHIC) program. The Board is seeking proposals for a vendor to assist with the services identified in this RFP. The following is a sequence of activities for this RFP:

April 16, 2021	RFP issued
May 7, 2021	Deadline for RFP Questions
May 17, 2021	Answers to RFP Questions posted to NDPERS Website
May 31, , 2021	RFP's Due
July / August, 2021	NDPERS Board Selects Vendor
January 1, 2022	Vendor begins administration

B. Fees

1. The Board is seeking a proposal on a per participant per month basis. This number should include full payment for all the services requested in this RFP. This is a fee only contract, no product sales should be part of the pricing. For RHIC accounts that have no activity during the plan year, a year-end credit to NDPERS will be provided. For example, accounts with RHIC contributions of less than \$10.00 per month with no claims filed would be eligible for a fee credit at year-end. The fee credit provided to NDPERS would be one-half of the year-to-date fees paid. This arrangement provides reasonable compensation for the welcome letter and limited plan year account maintenance required.
2. The contract term will begin on January 1, 2022 upon the execution of the Agreement by NDPERS. The initial contract term will end on December 31, 2023. The NDPERS Board, at its discretion may extend the contract for up to two additional two (2) year option periods.

C. Rating

This proposal will be rated by a review team at NDPERS. Please submit your Technical Proposal and Cost Proposal separately. This evaluation will be submitted to the NDPERS Board for its consideration in determining if a vendor should be selected pursuant to this RFP. Please note the ratings are one factor that will be used by the NDPERS Board in its considerations, the board will consider other factors it deems appropriate and necessary in making a decision including an interview.

Staff will rate all proposals based on the following criteria:

Technical Proposal:

General Background (Questions Section IV, A.1 to A.4)	10 points
Scope of Work (Questions Section IV, B.1 to B.6)	45 points
Experience	
Firm (Questions Section IV, C.1 to C.4)	7 points
Staffing (Questions Section IV, D.1 to D.3)	8 points

Cost Proposal:

30 points

SECTION II - BACKGROUND

A. The Agency:

The North Dakota Public Employees Retirement System is responsible for the administration of the State's retirement, health, life, dental, vision, deferred compensation, FlexComp, retiree health insurance credit, and EAP programs. This proposal is for assistance with the Retiree Health Insurance Credit program.

NDPERS is managed by a Board comprised of nine members:

- 1-Chairman appointed by the Governor
- 1-Member appointed by the Attorney General
- 1-Member elected by retirees
- 3-Members elected by active employees
- 1-State Health Officer appointee
- 2-Legislators Appointed by Legislative management

NDPERS is a separate agency created under North Dakota state statute.

B. RHIC Program:

The RHIC program is authorized under Chapter 54-52.1-03.3 of the North Dakota Century Code (NDCC). Additional information on the RHIC program including the plan document can be found on our web site at <https://ndpers.nd.gov/active-members/retirement-plans/retiree-health-insurance-credit/>. Presently, NDPERS has retained ASIFlex to administer the reimbursement of a member's RHIC to the member for eligible insurance premiums. To facilitate this process, NDPERS sends weekly eligibility files and claim files to ASIFlex. Eligibility files include eligible retiree participant demographic data, RHIC amount, RHIC effective date, direct deposit information, and participant date of death (if applicable). Claim files include total premiums paid to NDPERS to substantiate eligible claims or reduce premium claims due to death and cancellations. Effective July 1, 2015 the RHIC became portable and may be used for not only the NDPERS health plan but also for other non-NDPERS health and prescription drug plans as well as dental, vision and long term care plans.

The following information relates to current RHIC participation as of 6/30/2020:

Current number of eligible members:	13,092
Current number of members receiving a benefit:	11,664
Average amount of credit applied each month:	\$1,026,443
Average monthly RHIC amount per participant:	\$88

Following are the July 1, 2020 in force pensions for the NDPERS and Highway Patrol Systems, respectively. This represents the potential eligible population if all members utilized the RHIC.

Main System 12,748	Judges 60	Public Safety 137
Highway Patrol 136	Job Service 185	Total 13,226

SECTION III - SCOPE OF SERVICES

A: BID SOLICITATION AND EVALUATION FOR THE RHIC PROGRAM

A.1 GENERAL REQUIREMENTS

The contractor selected by the NDPERS Board shall handle all administrative and recordkeeping functions. This will be an employer payment plan as described in IRS Revenue Ruling 61-146 and IRS Notice 2013-54. The contractor will be responsible for setting up and maintaining individual accounts of participating members based on member indicative data forwarded to the contractor for processing on the contractor's system. This will be a deposit driven account.

A.2 SPECIFIC REQUIREMENTS

The contractor shall be required to provide the following administrative services:

A.2.1 ADMINISTRATIVE ACCOUNT SERVICES

1. All required account services shall be in place prior to January 1, 2022.
3. Set up and maintain individual accounts to include processing new accounts, terminations and account changes. Enroll members for direct deposit based upon NDPERS weekly data file submissions. (Currently, over 90% of participant reimbursements are made by direct deposit.)
4. Issue checks for members that do not elect direct deposit. In the case of two or more uncashed checks, the RHIC benefit is suspended until direct deposit is established.
5. The contractor shall meet with NDPERS staff to discuss and develop an implementation plan.
6. The contractor shall indicate what forms it proposes to use including an explanation for their use.
7. The contractor will be responsible for issuing a minimum of three cobranded & customized plan year notices – 1) participant plan year enrollment, 2) mid-year statement, and 3) end of year statement to participants with remaining RHIC balance.
8. The contractor will be responsible for mailing correspondence to participants for any recovery of overpayments on accounts.
9. RHIC year-end credit for accounts that have no activity. For example, accounts with RHIC contributions of less than \$10.00 per month with no claims filed would be eligible for a fee credit at year-end. The fee credit provided to NDPERS would be one-half of the year-to-date fees paid. This arrangement provides reasonable compensation for the welcome letter and limited account maintenance.

A.2.2 ADMINISTRATIVE SERVICES

The contractor shall establish a website for the State's RHIC program that employees can access to obtain account information, register for direct deposit, and submit premiums for RHIC claim reimbursement. The website shall include general information about seeking reimbursement under the RHIC program. Desired internet services provided by the contractor shall include: (a) ability to download reimbursement claim forms, (b) access to member account information, including claim payments, pending claims and account balances; and (c) ability to file reimbursement claim forms on-line.

The contractor shall provide a toll-free number that members can call for general account information or to speak to a representative. Customer service representatives shall be available at a minimum Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m. central time.

A.2.3 CLAIMS PROCESSING SERVICES

NDPERS will provide the contractor with the following information each month:

- A file of all members who are eligible for the RHIC benefit and the amount of the available benefit for each month. This file includes direct deposit information for all newly established retiree accounts, direct deposit information for established retiree accounts, and effective date for cancelled/deceased member accounts. Note that currently over 90% of the accounts are direct deposit.
- A file of all members who paid the monthly premium(s) for an NDPERS-sponsored insurance plan and the amount of premium(s) eligible for reimbursement. This file will be used to substantiate the incurred expenses for members enrolled in NDPERS sponsored insurance plans, in lieu of having the member file a reimbursement claim form for these premiums. (For July 2020 – December 2020 plan year, NDPERS substantiated 67% of RHIC claims by file feed and participants substantiated 33% of RHIC claims through claim form submission.)

The contractor will set up individual member accounts to record each member's monthly benefit amount that is available for reimbursement. To ensure RHIC members have immediate access to their funds, the available benefit provided by NDPERS shall be posted to the member's account and available for reimbursement. The contractor shall process RHIC reimbursements for incurred expenses to member accounts within 1-3 business days. The contractor will also be responsible for verifying members submit a properly completed RHIC reimbursement claim forms, along with required supporting documentation. The contractor shall establish and maintain controls to ensure that only valid claims are processed and that proper documentation to substantiate incurred expenses accompany submitted claims. The contractor will be required to confirm that the coverage qualifies as an accident or health insurance plan and substantiate proof of coverage and proof of payment in compliance with Revenue Ruling 61-146.

If a filed claim is deemed to be invalid or if additional information is required to process a claim, notification must be sent within 1-3 days to the claimant detailing the reason for the denial of the claim or the specific information needed in order to process the claim. The contractor shall process claim reimbursements on a daily basis during the work week.

A.2.4 ELECTRONIC FILE TRANSFER REQUIREMENTS:

The contractor shall provide a secure internet site from which eligibility and premium payment files can be safely transferred between the contractor and NDPERS.

A.2.5 END OF YEAR SERVICES

A final RHIC eligibility file and claim file will be provided after the last check write is processed for the calendar year by NDPERS, which is three days prior to the new plan year setup on January 1. The NDPERS plan year runs from January 1 through December 31. The program's cut-off date for filing reimbursement claims is March 31, following the end of the plan year on December 31. The contractor shall be required to process reimbursement claims received from members for the previous plan year up through the March 31 cutoff date.

The contractor shall prepare and send a final reconciliation report of the individual member accounts to NDPERS. This listing shall include the member's name, PERSLink ID, last 4 digits of social security number and account balance. This must be accomplished within 60 days of the March 31 cutoff date.

A.3 REPORTS

The contractor shall compile, on a periodic basis, reports that summarize the claims activity and provide detailed member account information. At a minimum, the following reports shall be prepared and forwarded to NDPERS:

1. A quarterly activity report which includes a detailed listing of participants, deposits to date, claims submitted, claims paid, current account balances, outstanding and/or suspended checks.
2. A final report with member account detail within sixty (60) days following the close of the plan year as outlined in A.2.5.
3. A daily detailed report and email summary notification of the funds being pulled from the NDPERS bank account.

A.4 CONFIDENTIALITY & HIPAA

The vendor shall comply with the state's confidentiality requirements as set forth in NDCC 54-52.1-11 and 54-52-26 and all applicable HIPAA requirements.

B: SEQUENCE OF ACTIVITIES

Following is a sequence of major activities:

April 16, 2021	RFP issued
May 7, 2021	Deadline for RFP Questions
May 17, 2021	Answers to RFP Questions posted to NDPERS Website
May 31, 2021	RFP's Due
July / August, 2021	NDPERS Board Selects Vendor
August 2021	Vendor will begin work with the NDPERS staff concerning the January 1, 2022 mobilization and implementation date.
January 1, 2022	Vendor begins administration

C. MEETINGS

The consultant should plan on one on-site meeting each year with the NDPERS Board.

SECTION IV - INFORMATION REQUESTS

The proposal must contain your organization's response to the following requested information. Please respond by using the following format and answering each request by restating it followed by your response **(proposals not following this format will lose points)**.

A. General Background:

1. Provide a brief description of the size, structure and services provided by your organization.
2. Generally, provide your understanding of the services NDPERS is requesting.
3. Describe your organization's approach to administrative and recordkeeping services for premium reimbursement plans.
4. Indicate your organization's depth of experience in each of the following areas:
 - < Substantiating claims
 - < Set up and account maintenance
 - < Claims reimbursement
 - < Direct deposit
 - < Dispute Resolution
 - < Appeals Process
 - < Process for returning and correcting funds paid in error
 - < Call center services for responding to member inquiries

B. Scope of Work

1. Detail your understanding of the work effort by restating each of the items in Section III A and discussing how you intend to provide services that respond to the work effort identified.
2. It is essential that the vendor move forward quickly upon notification of award. Therefore, the bidder must include as part of its proposal a mobilization and implementation plan, beginning with the date of notification of contract award. Such mobilization and implementation plan should include the following elements:
 - (a) A detailed timetable for the mobilization and implementation period. Such detailed timetable shall be designed to demonstrate how the bidder will have the contract up and operational following the notification of the contract award. In preparing the timetable, the following key elements should be taken into consideration:
 - All plan materials.
 - The timeline and a procedure for the importing and exporting of eligibility files must be established with NDPERS. The contractor shall identify when this needs to be in place for a January 1, 2022 effective date.
 - (b) The bidder's plan for the deployment and use of management, supervisory or other key personnel during the mobilization and implementation period. The plan should show all management, supervisory and key personnel that will be assigned to manage, supervise and monitor the bidder's mobilization and implementation of the contract.
3. The bidder should set forth a summary of any and all challenges/problems that the bidder anticipates during implementation or the term of the contract. For each challenge/problem identified, the bidder should provide its proposed solution.
4. The bidder should include the location of the bidder's office that will be responsible for managing the contract. The bidder should include the telephone number and name of the individual to contact.
5. This is a unique program to NDPERS members. How will you train your call center staff to respond to member questions/concerns?

6. Provide your changes to the NDPERS performance standards for this contract for each major activity below.

NDPERS Performance
Guarantees

Performance Indicator	Reporting Measurement (subject to audit by NDPERS and/or contract auditors)	Standard/Goal	Penalty	Change
Telephone Response - Incoming Calls	80% of Incoming calls will be answered by an attendant or interactive voice response within 30 seconds.	30 seconds or less based on global measurements	\$300 per quarter	
Telephone Response - Abandonment Rate	The telephone abandonment rate will be less than 3% of calls.	5% or less based on global measurements	\$300 per quarter	
Satisfaction Survey - Customer Service	At least once per year, the Contractor shall measure employee and retiree satisfaction through a customer satisfaction survey. Employees and retirees will indicate their level of satisfaction pertaining to customer service using a five-point scale with one being the lowest rating and five being the highest rating. NDPERS and the Contractor will mutually agree on the number and content of the questions to be included in the survey.	85.0% and higher	\$1200 per year	
Final Implementation Plan	The Final Implementation Plan, as described in AR-1 of Attachment A-3: Administrative Requirements, will be submitted to NDPERS.	Within 2 weeks of the contract award	\$100 per day for each day or partial day during which the Contractor is not in compliance with the Final Implementation Plan.	
Turnaround Time - All Claims	Contractor will adjudicate at least 95% of all eligible claims which received by the Contractor within 14 calendar days. The claim turnaround time is measured from the date received by the Contractor to the date adjudicated (paid, denied or pended). Adjudication is considered to be finalized upon the date the check or an Explanation of Benefits (EOB) is issued.	14 Calendar Days	\$2500 per year	

C. Experience of Firm

1. Provide a listing of similar projects your firm has worked on, names of clients and contact individuals for each.
2. The bidder shall include an organizational chart showing the bidder's entire organizational structure. This chart should show the relationship of the individuals assigned to the contract to the bidders overall organizational structure.
3. Provide a listing and the experience your firm has with public sector clients and other clients.
4. The vendor shall also discuss its disaster planning procedures for its operations.

D. Staffing

1. Provide a list and resume of staff assigned to this project.
2. The bidder should also include a list of backup staff that may be called upon to assist or replace primary individuals assigned.
3. Provide the locations of where the work will be done on this project and its staff.

SECTION V – FEES/HOURS

Contractor's proposal for fees shall be on a per-participant per month fee. A participant may be enrolled in one or several eligible insurance products. This fee will include all services identified in this RFP. Separately, please identify the hourly rate for any services that NDPERS may request that are outside the scope of the services requested herein.

Term of the Contract

The contract term will begin on January 1, 2022 upon the execution of the Agreement by NDPERS. The initial contract term will end on December 31, 2023. The NDPERS Board, at its discretion may extend the contract for up to two additional two (2) year option periods.

THE COST PROPOSAL SHALL BE UNDER SEPARATE COVER AND NOT PART OF THE RESPONSES TO THE OTHER INFORMATION REQUESTS.

SECTION VI - SUBMISSION OF PROPOSAL

- A. Proposals should be prepared in a straightforward manner to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content. Costs for developing proposals are entirely the responsibility of the proposer and shall not be reimbursed by NDPERS.
- B. Section VII – Contract Offer, must be signed by a partner or principal of the firm and included with your proposal. This will constitute the contract between NDPERS and the vendor if your proposal is accepted. If you have any exceptions or changes they should be added to this contract.

Do not replace this contract with a new contract.

- C. Address or deliver the RFP to:

Bryan Reinhardt
Research & Planning Manager
North Dakota Public Employees Retirement System
400 E. Broadway, Suite 505
PO Box 1657
Bismarck, ND 58502-1657
Phone: 701.328.3900

Questions concerning the RFP shall be directed, by e-mail to breinhar@nd.gov by May 7 , 2021. Responses will be posted on the NDPERS website by 2:00 p. m. May 17, 2021 at <http://www.nd.gov/ndpers/providers-consultants/consultants/rfp-index.html> . Five (5) copies of the proposal must be received at the above listed location by **5:00 p.m. central time, May 31, 2021**. The package the proposal is delivered in must be plainly marked "PROPOSAL TO PROVIDE ADMINISTRATIVE AND RECORDKEEPING SERVICES FOR RETIREE HEALTH INSURANCE CREDIT PLAN". In addition to the five copies, submit an electronic copy of the proposal. A proposal shall be considered late and may be rejected if received at any time after the exact time specified for return of proposals.

- D. NDPERS Board reserves the right to reject any or all proposals that are submitted pursuant to this solicitation.
- E. The NDPERS Board and/or its staff may request that representatives of your organization appear before them for interviewing purposes. Travel expenses and related costs will be the responsibility of the organization being interviewed.
- F. The NDPERS Board will award the contract for services no later than the end of August 2021 if it decides to hire a vendor for these services.
- G. In evaluating the proposals, price will not be the sole factor. The Board may consider any factors it deems necessary and proper, including but not limited to: price; quality of service; response to this request; experience; staffing, information from interviews and general reputation.
- H. The failure to meet all procurement policy requirements shall not automatically invalidate a proposal or procurement. The final decision rests with the NDPERS Board.

SECTION VII - CONTRACT OFFER

AGREEMENT FOR SERVICES BETWEEN (Name of Contractor) AND NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

(Name of Contractor) (hereinafter CONTRACTOR) has offered to provide services to the State of North Dakota acting through its Public Employees Retirement System (hereinafter NDPERS). The terms of this Contract shall constitute the services agreement ("Agreement"). CONTRACTOR and NDPERS agree to the following:

- 1) **SCOPE OF SERVICES:** CONTRACTOR agrees to provide the service(s) as specified in the 2021 RFP and proposal (attached hereto and incorporated by reference Exhibit A).
- 2) **TERM:** The term of this contract shall commence **January 1, 2022**
- 3) **FEES:** NDPERS shall only pay pursuant to the terms in Exhibit A.
- 4) **BILLINGS:** NDPERS will pay for the services provided by CONTRACTOR under this contract pursuant to a per participant monthly fee in Section V of the proposal. Payments will be made monthly based upon an invoice identifying the number of participants for that month.
- 5) **TERMINATION:** Either party may terminate this agreement with thirty (30) days written notice mailed to the other party, or as mutually agreed to by the parties. Upon any termination the CONTRACTOR shall be compensated as described in Exhibit A for services performed up to the date of termination.

In addition, NDPERS by written notice to CONTRACTOR may terminate the whole or any part of this Agreement under any of the following conditions:

- 1) If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term.
- 2) If federal or state laws or rules are modified or interpreted in a way that the services are no longer allowable or appropriate for purchase under this Agreement or are no longer eligible for the funding proposed for payments authorized by this Agreement.
- 3) If any license, permit, or certificate required by law or rule, or by the terms of this Agreement, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Agreement under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination.

In addition, NDPERS may terminate this Agreement effective upon thirty (30) days prior written notice to CONTRACTOR, or any later date stated in the notice:

- 1) If CONTRACTOR fails to provide services required by this Agreement within the time specified or any extension agreed to by NDPERS; **or**
- 2) If CONTRACTOR fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms.

The rights and remedies of NDPERS provided in this subsection are not exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

6) **ASSIGNMENT AND SUBCONTRACTS:**

CONTRACTOR may not assign or otherwise transfer or delegate any right or duty without STATE's express written consent, provided, however, that CONTRACTOR may assign its rights and obligations hereunder in the event of a change of control or sale of all or substantially all of its assets related to this Contract, whether by merger, reorganization, operation of law, or otherwise. Should Assignee be a business or entity with whom STATE is prohibited from conducting business, STATE shall have the right to terminate without cause.

CONTRACTOR may enter into subcontracts provided that any subcontract acknowledges the binding nature of this Contract and incorporates this Contract, including any attachments. CONTRACTOR is solely responsible for the performance of any subcontractor with whom CONTRACTOR contracts. CONTRACTOR does not have authority to contract for or incur obligations on behalf of NDPERS.

7) **ACCESS TO RECORDS AND CONFIDENTIALITY:**

The parties agree that all participation by NDPERS members and their dependents in programs administered by NDPERS is confidential under North Dakota law. CONTRACTOR may request and NDPERS shall provide directly to CONTRACTOR upon such request, confidential information necessary for CONTRACTOR to provide the services described in Exhibit A. CONTRACTOR shall keep confidential all NDPERS information obtained in the course of delivering services. Failure of CONTRACTOR to maintain the confidentiality of such information may be considered a material breach of the contract and may constitute the basis for additional civil and criminal penalties under North Dakota law. CONTRACTOR has exclusive control over the direction and guidance of the persons rendering services under this Agreement. Upon termination of this Agreement, for any reason, CONTRACTOR shall return or destroy all confidential information received from NDPERS, or created or received by CONTRACTOR on behalf of NDPERS. This provision applies to confidential information that may be in the possession of subcontractors or agents of CONTRACTOR. CONTRACTOR shall retain no copies of the confidential information. In the event that CONTRACTOR asserts that returning or destroying the confidential information is not feasible, CONTRACTOR shall provide to NDPERS notification of the conditions that make return or destruction infeasible. Upon explicit written agreement of NDPERS that return or destruction of confidential information is not feasible, CONTRACTOR shall extend the protections of this Agreement to that confidential information and limit further uses and disclosures of any such confidential information to those purposes that make the return or destruction infeasible, for so long as CONTRACTOR maintains the confidential information.

CONTRACTOR shall not use or disclose any information it receives from NDPERS under this Agreement that NDPERS has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Agreement or as authorized in advance by NDPERS. NDPERS shall not disclose any information it receives from CONTRACTOR that CONTRACTOR has previously identified as confidential and that NDPERS determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota public

records law, N.D.C.C. ch. 44-04. The duty of NDPERS and CONTRACTOR to maintain confidentiality of information under this section continues beyond the term of this Agreement.

CONTRACTOR understands that, except for disclosures prohibited in this Agreement, NDPERS must disclose to the public upon request any records it receives from CONTRACTOR. CONTRACTOR further understands that any records that are obtained or generated by CONTRACTOR under this Agreement, except for records that are confidential under this Agreement, may, under certain circumstances, be open to the public upon request under the North Dakota public records law. CONTRACTOR agrees to contact NDPERS immediately upon receiving a request for information under the public records law and to comply with NDPERS's instructions on how to respond to the request.

8) **APPLICABLE LAW AND VENUE:** This Agreement is governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this Contract must be adjudicated exclusively in the state District Court of Burleigh County, North Dakota. Each party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or *forum non conveniens*.

9) **MERGER AND MODIFICATION:** This Agreement, including the following documents, constitutes the entire agreement between the parties. There are no understandings, agreements, or representations, oral or written, not specified within this Agreement. This Agreement may not be modified, supplemented or amended, in any manner, except by written agreement signed by both parties.

Notwithstanding anything herein to the contrary, in the event of any inconsistency or conflict among the documents making up this Agreement, the documents must control in this order of precedence: First – the terms of this Agreement, as may be amended and Second - the state's Request for Proposal (attached in Exhibit A) and Third – CONTRACTOR's Proposal (attached in Exhibit A). No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instances and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.

10) **INDEMNITY:** CONTRACTOR agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (State), from and against claims based on the vicarious liability of the State or its agents, but not against claims based on the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. This obligation to defend, indemnify, and hold harmless does not extend to professional liability claims arising from professional errors and omissions. The legal defense provided by CONTRACTOR to the State under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary. Any attorney appointed to represent the State must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. § 54-12-08. CONTRACTOR also agrees to defend, indemnify, and hold the State

harmless for all costs, expenses and attorneys' fees incurred if the State prevails in an action against CONTRACTOR in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this Agreement.

11) **INSURANCE**

Contractor shall secure and keep in force during the term of this agreement and Contractor shall require all subcontractors, prior to commencement of an agreement between Contractor and the subcontractor, to secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:

- 1) Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$1,000,000 per occurrence.
- 2) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 3) Workers compensation coverage meeting all statutory requirements. The policy shall provide coverage for all states of operation that apply to the performance of this contract.
- 4) Employer's liability or "stop gap" insurance of not less than \$1,000,000 as an endorsement on the workers compensation or commercial general liability insurance.
- 5) Professional errors and omissions with minimum limits of \$1,000,000 per claim and in the aggregate, Contractor shall continuously maintain such coverage during the contact period and for three years thereafter. In the event of a change or cancellation of coverage, Contractor shall purchase an extended reporting period to meet the time periods required in this section.

The insurance coverages listed above must meet the following additional requirements:

- 1) Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. **Optional Provision:** The amount of any deductible or self-retention is subject to approval by the State.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the State. The policies shall be in form and terms approved by the State.
- 3) The duty to defend, indemnify, and hold harmless the State under this agreement shall not be limited by the insurance required in this agreement.
- 4) The state of North Dakota and its agencies, officers, and employees (State) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. The State shall have all the benefits, rights and coverages of an additional insured under these policies that shall not be limited to the minimum limits of insurance required by this agreement or by the contractual indemnity obligations of the Contractor.
- 5) A "Waiver of Subrogation" waiving any right to recovery the insurance company may have against the State.

6) The Contractor shall furnish a certificate of insurance to the undersigned State representative prior to commencement of this agreement. All endorsements shall be provided as soon as practicable.

7) Failure to provide insurance as required in this agreement is a material breach of contract entitling the State to terminate this agreement immediately.

8) Contractor shall provide at least 30 day notice of any cancellation or material change to the policies or endorsements. Contractor shall provide on an ongoing basis, current certificates of insurance during the term of the contract. A renewal certificate will be provided 10 days prior to coverage expiration.

- 12) **SEVERABILITY:** If any term in this Agreement is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms must not be affected, and, if possible, the rights and obligations of the parties are to be construed and enforced as if the Agreement did not contain that term.
- 13) **INDEPENDENT ENTITY:** CONTRACTOR is an independent entity under this Agreement and is not a State employee for any purpose, including the application of the Social Security Act, the Fair Labor Standards Act, the Federal Insurance Contribution Act, the North Dakota Unemployment Compensation Law and the North Dakota Workforce Safety and Insurance Act. CONTRACTOR retains sole and absolute discretion in the manner and means of carrying out CONTRACTOR'S activities and responsibilities under this Agreement, except to the extent specified in this Agreement.
- 14) **NDPERS RESPONSIBILITIES:** NDPERS shall cooperate with the CONTRACTOR hereunder, including, without limitation, providing the CONTRACTOR with reasonable and timely access to data, information and personnel of NDPERS. NDPERS shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of data and information provided to the CONTRACTOR for purposes of the performance of the Services.
- 15) **FORCE MAJEURE:** Neither party shall be held responsible for delay or default caused by fire, riot, terrorism, acts of God or war if the event is beyond the party's reasonable control and the affected party gives notice to the other party immediately upon occurrence of the event causing the delay or default or that is reasonably expected to cause a delay or default.
- 16) **ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL:** By entering into this Contract, NDPERS does not agree to binding arbitration, mediation, or any other form of mandatory Alternative Dispute Resolution. The parties may enforce the rights and remedies in judicial proceedings. STATE does not waive any right to a jury trial.
- 17) **NOTICE:** All notices or other communications required under this contract must be given by registered or certified mail and are complete on the date mailed when addressed to the parties at the following addresses:

NDPERS:

Scott Miller, Executive Director

ND Public Employees Retirement System
400 East Broadway, Suite 505
PO Box 1657
Bismarck, ND 58502-1657

CONTRACTOR:

Notice provided under this provision does not meet the notice requirements for monetary claims against the State found at N.D.C.C. § 32-12.2-04.

- 18) **NONDISCRIMINATION AND COMPLIANCE WITH LAWS:** CONTRACTOR agrees to comply with all applicable federal and state laws, rules, and policies, including those relating to nondiscrimination, accessibility and civil rights. (See N.D.C.C. Title 34 – Labor and Employment, specifically N.D.C.C. ch. 34-06.1 Equal Pay for Men and Women.)
CONTRACTOR agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including sales and use taxes, unemployment compensation and workers' compensation premiums. CONTRACTOR shall have and keep current at all times during the Term of this Contract all licenses and permits required by law.
CONTRACTOR's failure to comply with this section may be deemed a material breach by CONTRACTOR entitling STATE to terminate in accordance with the Termination for Cause section of this Contract.
- 19) **STATE AUDIT:** All records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this Contract are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors, if required. CONTRACTOR shall maintain all of these records for at least three (3) years following completion of this Contract and be able to provide them upon reasonable notice. STATE, State Auditor, or Auditor's designee shall provide reasonable notice to CONTRACTOR prior to conducting examination.
- 20) **TAXPAYER ID:** CONTRACTOR'S federal employer ID number is:_____.
- 21) **PAYMENT OF TAXES BY STATE:** State is not responsible for and will not pay local, state, or federal taxes. State sales tax exemption number is E-2001, and certificates will be furnished upon request by the NDPERS.
- 22) **EFFECTIVENESS OF CONTRACT:** This Agreement is not effective until fully executed by both parties.

IN WITNESS WHEREOF, CONTRACTOR and NDPERS have executed this Agreement as of the date first written above.

**NORTH DAKOTA PUBLIC
EMPLOYEES RETIREMENT SYSTEM**

CONTRACTOR

Executive Director
ND Public Employees Retirement System

Signature

Printed Name

Title

Date

Date

Business Associate Agreement

This Business Associate Agreement, which is an addendum to the underlying contract, is entered into by and between, the North Dakota Public Employees Retirement System (“NDPERS”) and **VENDOR**.

1. Definitions

- a. Terms used, but not otherwise defined, in this Agreement have the same meaning as those terms in the HIPAA Privacy Rule, 45 C.F.R. Part 160 and Part 164, Subparts A and E, and the HIPAA Security rule, 45 C.F.R., pt. 164, subpart C.
- b. Business Associate. “Business Associate” means **VENDOR**.
- c. Covered Entity. “Covered Entity” means the **North Dakota Public Employees Retirement System Health Plans**.
- d. PHI and ePHI. “PHI” means Protected Health Information; “ePHI” means Electronic Protected Health Information.

2. Obligations of Business Associate

2.1. The Business Associate agrees:

- a. To use or disclose PHI and ePHI only as permitted or required by this Agreement or as Required by Law.
- b. To use appropriate safeguards and security measures to prevent use or disclosure of the PHI and ePHI other than as provided for by this Agreement, and to comply with all security requirements of the HIPAA Security rule.
- c. To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that it creates, receives, maintains or transmits on behalf of the Covered Entity as required by the HIPAA Security rule.
- d. To mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI or ePHI by Business Associate in violation of the requirements of this Agreement.
- e. To report to Covered Entity (1) any use or disclosure of the PHI not provided for by this Agreement, and (2) any “security incident” as defined in 45 C.F.R. § 164.304 involving ePHI, of which it becomes aware without unreasonable delay and in any case within thirty (30) days from the date after discovery and provide the Covered Entity with a written notification that complies with 45 C.F.R. § 164.410 which shall include the following information:
 - i. to the extent possible, the identification of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired or disclosed during the breach;
 - ii. a brief description of what happened;
 - iii. the date of discovery of the breach and date of the breach;
 - iv. the nature of the Protected Health Information that was involved;
 - v. identity of any person who received the non-permitted Protected Health Information;
 - vi. any steps individuals should take to protect themselves from potential harm resulting from the breach;
 - vii. a brief description of what the Business Associate is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and

- viii. any other available information that the Covered Entity is required to include in notification to an individual under 45 C.F.R. § 164.404(c) at the time of the notification to the State required by this subsection or promptly thereafter as information becomes available.
- f. With respect to any use or disclosure of Unsecured Protected Health Information not permitted by the Privacy Rule that is caused by the Business Associate's failure to comply with one or more of its obligations under this Agreement, the Business Associate agrees to pay its reasonable share of cost-based fees associated with activities the Covered Entity must undertake to meet its notification obligations under the HIPAA Rules and any other security breach notification laws;
- g. Ensure that any agent or subcontractor that creates, receives, maintains, or transmits electronic PHI on behalf of the Business Associate agree to comply with the same restrictions and conditions that apply through this Agreement to the Business Associate.
- h. To make available to the Secretary of Health and Human Services the Business Associate's internal practices, books, and records, including policies and procedures relating to the use and disclosure of PHI and ePHI received from, or created or received by Business Associate on behalf of Covered Entity, for the purpose of determining the Covered Entity's compliance with the HIPAA Privacy Rule, subject to any applicable legal privileges.
- i. To document the disclosure of PHI related to any disclosure of PHI as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
- j. To provide to Covered Entity within 15 days of a written notice from Covered Entity, information necessary to permit the Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
- k. To provide, within 10 days of receiving a written request, information necessary for the Covered Entity to respond to an Individual's request for access to PHI about himself or herself, in the event that PHI in the Business Associate's possession constitutes a Designated Record Set.
- l. Make amendments(s) to PHI in a designated record set as directed or agreed by the Covered Entity pursuant to 45 C.F.R. § 164.526 or take other measures as necessary to satisfy the covered entity's obligations under that section of law.

3. Permitted Uses and Disclosures by Business Associate

3.1. General Use and Disclosure Provisions

Except as otherwise limited in this Agreement, Business Associate may Use or Disclose PHI and ePHI to perform functions, activities, or services for, or on behalf of, Covered Entity, specifically, **Retiree Health Insurance Credit Services** – provided that such use or disclosure would not violate the Privacy Rule or the Security Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

3.2. Specific Use and Disclosure Provisions

Except as otherwise limited in this Agreement, Business Associate may use PHI and ePHI:

- a. For the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

- b. To provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B), but Business Associate may not disclose the PHI or ePHI of the Covered Entity to any other client of the Business Associate without the written authorization of the covered entity Covered Entity.
- c. To report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. §§ 164.304 and 164.502(j)(1).

4. Obligations of Covered Entity

4.1. Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

Covered Entity shall notify Business Associate of:

- a. Any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that any such limitation may affect Business Associate's use or disclosure of PHI.
- b. Any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that any such changes may affect Business Associate's use or disclosure of PHI.
- c. Any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that any such restriction may affect Business Associate's use or disclosure of PHI.

4.2. Additional Obligations of Covered Entity. Covered Entity agrees that it:

- a. Has included, and will include, in the Covered Entity's Notice of Privacy Practices required by the Privacy Rule that the Covered Entity may disclose PHI for Health Care Operations purposes.
- b. Has obtained, and will obtain, from Individuals any consents, authorizations and other permissions necessary or required by laws applicable to the Covered Entity for Business Associate and the Covered Entity to fulfill their obligations under the Underlying Agreement and this Agreement.
- c. Will promptly notify Business Associate in writing of any restrictions on the Use and Disclosure of PHI about Individuals that the Covered Entity has agreed to that may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.
- d. Will promptly notify Business Associate in writing of any change in, or revocation of, permission by an Individual to Use or Disclose PHI, if the change or revocation may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

4.2. Permissible Requests by Covered Entity

Covered Entity may not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or the Security Rule if done by Covered Entity, except that the Business Associate may use or disclose PHI and ePHI for management and administrative activities of Business Associate.

5. Term and Termination

- a. Term. The Term of this Agreement shall be effective as of January 1, 2019, and shall terminate when all of the PHI and ePHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI and ePHI, protections are extended to any such information, in accordance with the termination provisions in this Section.
- b. Automatic Termination. This Agreement will automatically terminate upon the termination or expiration of the Underlying Agreement.
- c. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Underlying Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
 2. Immediately terminate this Agreement and the Underlying Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
 3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- d. Effect of Termination.
 1. Except as provided in paragraph (2) of this subsection, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI and ePHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI or ePHI.
 2. In the event that Business Associate determines that returning or destroying the PHI or ePHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon explicit written agreement of Covered Entity that return or destruction of PHI or ePHI is not feasible, Business Associate shall extend the protections of this Agreement to that PHI and ePHI and limit further uses and disclosures of any such PHI and ePHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains that PHI or ePHI.

6. Miscellaneous

- a. Regulatory References. A reference in this Agreement to a section in the HIPAA Privacy or Security Rule means the section as in effect or as amended.
- b. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule, the Security Rule, and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- c. Survival. The respective rights and obligations of Business Associate under Section 5.c, related to "Effect of Termination," of this Agreement shall survive the termination of this Agreement.
- d. Interpretation. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy and Security Rules.
- e. No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything this Agreement confer, upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

- f. Applicable Law and Venue. This Business Associate Agreement is governed by and construed in accordance with the laws of the State of North Dakota. Any action commenced to enforce this Contract must be brought in the District Court of Burleigh County, North Dakota.
- g. Business Associate agrees to comply with all the requirements imposed on a business associate under Title XIII of the American Recovery and Reinvestment Act of 2009, the Health Information Technology for Economic and Clinical Health (HI-TECH) Act, and, at the request of NDPERS, to agree to any reasonable modification of this agreement required to conform the agreement to any Model Business Associate Agreement published by the Department of Health and Human Services.

7. Entire Agreement

This Agreement contains all of the agreements and understandings between the parties with respect to the subject matter of this Agreement. No agreement or other understanding in any way modifying the terms of this Agreement will be binding unless made in writing as a modification or amendment to this Agreement and executed by both parties.

IN WITNESS OF THIS, **NDPERS** [CE] and **ENTER BUSINESS ASSOCIATE NAME** [BA] agree to and intend to be legally bound by all terms and conditions set forth above and hereby execute this Agreement as of the effective date set forth above.

For Covered Entity:

For Business Associate:

 Executive Director
 ND Public Employees Retirement System

 Signature

 Printed Name

 Title

 Date

 Date

MEMORANDUM OF UNDERSTANDING BETWEEN THE
NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
AND **NAME OF PROVIDER**
RELATING TO MAINTAINING CONFIDENTIAL INFORMATION

This Memorandum of Understanding is between the State of North Dakota acting through its North Dakota Public Employees Retirement System (NDPERS) and **NAME OF PROVIDER** relating to maintenance and destruction of NDPERS Confidential Information held by **NAME OF PROVIDER** and its subsidiaries.

WHEREAS, NDPERS has previously entered into contracts with **NAME OF PROVIDER** to provide services related to administration of the NDPERS **PUT THE PROGRAM SPECIFICS HERE** (Contracts).

WHEREAS, the services provided by **NAME OF PROVIDER** under these Contracts required the exchange of information between the parties that is confidential under North Dakota Century Code §§ **CHANGE ACCORDING TO PROGRAM 54-52.1-11 and 54-52.1-12** (Confidential Information).

WHEREAS, the parties acknowledge that these Contracts, including the Business Associate Agreements between the parties, required **NAME OF PROVIDER** to return or destroy Confidential Information subsequent to the termination of the applicable Contract, or if return or destruction of this information was infeasible to maintain its confidentiality.

WHEREAS, these Contracts have terminated and **NAME OF PROVIDER** has asserted and NDPERS agrees that member service, applicable audit, record keeping, and other required functions make the return or destruction of all Confidential Information infeasible at this time.

WHEREAS, **NAME OF PROVIDER** has provided and NDPERS has reviewed the **NAME OF PROVIDER** records retention policy (Policy) applicable to the Confidential Information and **NAME OF PROVIDER** has affirmed that it will maintain the confidentiality of NDPERS information pursuant to this Policy until such time as the information is destroyed in a manner designated by this Policy.

NOW THEREFORE, in consideration of the foregoing premises and in furtherance of the

aforementioned contractual obligations, the parties agree as follows:

1. **NAME OF PROVIDER** shall continue to maintain the confidentiality of Confidential Information which it still possesses, in accordance with its Policy in a manner that is at least as secure and diligent as was done during the term of the applicable Contract, until such time as the Confidential Information is destroyed or returned.
2. Upon the request of NDPERS, **NAME OF PROVIDER** shall confirm the destruction of Confidential Information under its Policy.
3. Upon the request of NDPERS, **NAME OF PROVIDER** shall provide NDPERS a copy of any change to the Policy provided NDPERS on **DATE HERE**.
4. NDPERS agrees these actions are consistent with **NAME OF PROVIDER** obligations under these Contracts.
5. This Memorandum of Understanding will terminate upon notice to NDPERS by **NAME OF PROVIDER** that all Confidential Information has either been returned to NDPERS or destroyed, or earlier, upon thirty (30) days' notice by NDPERS to **NAME OF PROVIDER** if NDPERS determines that the Policy has been modified in a manner that is inconsistent with state or federal law.
6. This Memorandum of Understanding shall be governed by, and construed in accordance with, the laws of the State of North Dakota.

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

BY: _____

Executive Director

Date: _____

NAME OF PROVIDER

BY: _____

Its: _____

Date: _____

Attach Contractor Records Retention Policy



**North Dakota
Public Employees Retirement System**
400 East Broadway, Suite 505 • Box 1657
Bismarck, North Dakota 58502-1657

Scott A. Miller
Executive Director
(701) 328-3900
1-800-803-7377

Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Rebecca Fricke

DATE: March 9, 2021

SUBJECT: Vision Insurance Plan Contract Amendment

At the February 2021 meeting, the Board approved the contract renewal for the NDPERS group vision insurance plan with Superior Vision. The renewal was approved for the January 1, 2022 through December 31, 2023 contract period. Attached is the contract amendment drafted by NDPERS legal staff and approved by representatives from Superior Vision.

Board Action Requested

Approve the contract amendment for the NDPERS group vision insurance plan for the January 1, 2022 through December 31, 2023 contract period.

Amendment No. 3 to Agreement for Services

This Amendment No. 3 to Agreement for Services is between the State of North Dakota, acting through its North Dakota Public Employees Retirement System (NDPERS), and Superior Vision (CONTRACTOR).

NDPERS and CONTRACTOR entered into a two year Agreement for Services (Agreement), effective January 1, 2018, which was extended by Amendment No. 1 to December 31, 2021. Amendment No.2 extended the Agreement to January 1, 2024. In its Vision Benefits Renewal proposal to NDPERS, dated January 19, 2021 and incorporated into this Amendment as Exhibit 1, CONTRACTOR offered to renew vision benefits, with no rate increase, through December 31, 2023. The NDPERS Board reviewed the offer, considered the matter, and passed a motion to accept the proposal.

NDPERS and CONTRACTOR therefore agree as follows:

- 1) CONTRACTOR will continue to provide vision benefit services through December 31, 2023, with no rate increase, in accordance with Exhibit 1;
- 2) All other terms of the Agreement remain in effect.

This Amendment No. 3 to Agreement for Services is effective, on the date of the most recent signature, when executed by both Parties.

Superior Vision

State of North Dakota through its
Public Employee Retirement System

Signature: Tom Luchetta
 Printed: TOM LUCHETTA
 Title: SVP OF SALES
 Date: FEB. 23, 2021

Signature: _____
 Printed: _____
 Title: _____
 Date: _____



Vision Benefits Renewal

January 19, 2021

Rebecca Fricke
NDPERS
400 East Broadway Avenue, Ste. 505
Bismarck, ND 58502

Re: **NDPERS**
Policy #29854

Dear Rebecca,

We would like to thank you and your group, **NDPERS**, for the continued support you have shown to Superior Vision. The current rates are up for renewal effective **01/01/2022**, and this letter outlines the applicable renewal rates and renewal period.

The renewal rates outlined below are based on the overall results, expected trend for groups with similar characteristics and other factors affecting costs.

We are pleased to inform you that the current rates will remain in place for an additional two years:

	Employee Only	Employee + Spouse	Employee + Child(ren)	Employee + Family
Current Rates	\$6.57	\$13.15	\$11.98	\$18.55
Renewal Rates	\$6.57	\$13.15	\$11.98	\$18.55

Renewal Period: January 1, 2022 – December 31, 2023

Please confirm receipt of the above rates by signing and returning a copy of this letter via fax or email.

Superior Vision is honored to partner with you and we appreciate the trust you have placed in us.

Yours in Superior Service,

Jami Kuder

Director, National Accounts
jami.kuder@versanthealth.com

Rebecca Fricke
Rebecca Fricke (Feb 16, 2021 20:43 GMT)

Renewal acknowledged/accepted by: _____

Title: _____ Chief Benefits Officer

Date: February 16, 2021

Superior Vision Services, Inc.

11090 White Rock Road, Suite 175 | Rancho Cordova, CA 95670 | 800 923 6766 | superiorvision.com

from **VersantHealth**



**North Dakota
Public Employees Retirement System**
400 East Broadway, Suite 505 • Box 1657
Bismarck, North Dakota 58502-1657

Scott A. Miller
Executive Director
(701) 328-3900
1-800-803-7377

Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: March 9, 2021

SUBJECT: FlexComp Plan 2020 Plan Year Grace Period and Claims Submission Deadlines

On December 27, President Trump signed the COVID-19 Relief Bill passed by Congress. Among many provisions, there is one that relates to FlexComp medical spending and dependent care accounts that staff would like to make the Board aware of and ask for consideration. Specifically, there is a provision that allows for an extension of the 2020 plan year grace period and claims submission deadlines. These extensions may be offered in recognition that individuals may have had their ability to utilize the funds in their dependent and/or medical spending care accounts, as well as submit claims for reimbursement, impacted by the COVID-19 pandemic. It should be noted that this provision is not mandatory, but optional, for a Plan Sponsor to offer.

For the NDPERS FlexComp Plan, the grace period allows individuals to continue to incur expenses for the previous plan year accounts through the March 15 following the end of the plan year. The claims submission deadline, which is April 30 following the end of the plan year, is the deadline in which all claims for the previous plan year must be submitted for reimbursement.

Given the continued COVID-19 pandemic, staff recommends that we allow an extension for the 2020 plan year grace period deadline from March 15, 2021 to May 15, 2021. If approved, staff also recommends extending the 2020 plan year claims submission deadline from April 30, 2021 to June 15, 2021. These extensions would allow an additional two months for individuals to incur expenses for the 2020 plan year and also allow additional time to submit claims for reimbursement.

Staff have verified with ASIFlex, the FlexComp Plan third party administrator, that they can administer these extensions and also ensure that there is adequate time to provide reporting to NDPERS to ensure compliance with the account balance forfeiture language found in NDAC 71-07-01-03, which states:

71-07-01-03. Program moneys.

Within six months of the end of the plan year, the executive director must return to the payroll clearing account any surplus in the pretax benefits account. Surplus includes employer Federal Insurance Contributions Act tax savings and forfeited employee account balances not used to offset the administrative expenses of the program, negative account balances, and the projected funds necessary to provide for short-term cashflow requirements when paying claims in the new plan year for the medical spending account.

If approved, staff will notify ASIFlex and send communications to employees via their employers. We will also provide notice on the NDPERS website and FaceBook.

Board Action Requested

Approve staff's recommendation to extend the 2020 plan year grace period deadline from March 15, 2021 to May 15, 2021. If approved, also extend the 2020 plan year claims submission deadline from April 30, 2021 to June 15, 2021.



North Dakota
Public Employees Retirement System
400 East Broadway Avenue, Suite 505 • Box 1657
Bismarck, North Dakota 58502-1657

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Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Scott Miller

DATE: March 9, 2021

SUBJECT: Employment Policies and Practices

The practice to conduct a pre-employment credit background check and a Criminal History Record Information check (FBI fingerprint) through the ND Bureau of Criminal Investigation has been in place for several years. The purpose and authority to conduct a federal background check is provided in statute (NDCC 12-60-24.2) and Public Law (PL 92-544).

12-60-24.2 Criminal history record checks.

j. The North Dakota public employees retirement board for individuals first employed by the public employees retirement board after July 31, 2005, who have unescorted physical access to the office or any security-sensitive area of the office as designated by the executive director.

Jan Lund is the appointed Noncriminal Agency Coordinator (NAC) for NDPERS. She was notified that our agency has been randomly selected for the current audit cycle for Non-Criminal Justice Criminal History Record Information (CHRI). The CHRI is managed in accordance with BCI and CJIS Security Policy requirements and is ready for audit. The audit includes a review of our **written** policy outlining criteria used in determining a candidate's eligibility for employment. Currently, Jan is the only individual authorized to have access. The criminal history report and credit report is examined for felony records, records of bankruptcy, or minor infractions, looking for patterns and considering the age of the infraction. This has been the practice at NDPERS, however, **the policy was never put in writing**. After completing Level II CJIS training, the Executive Director and Chief Operating Officer will also have access to view the information.

The following is provided as background on the use of pre-employment checks at NDPERS. Several years ago the National Association of Retirement Administrators (NASRA) shared information about retirement systems where fraudulent activity by employees had occurred. NASRA provided guidance to its membership on due diligence and conducting pre-

employment background checks to mitigate the risk of employee fraud. This was becoming a more common practice so NDPERS made the decision to implement pre-employment background checks. The policy was implemented in July 2005 prospectively for new hires.

Initially, the pre-employment background check was solely conducted by W.T. Butcher & Associates. The report included a credit check as well as a state courts search. When the FBI fingerprint check became available, NDPERS incorporated the use of the federal background check because of the scope of work we do at NDPERS. As of September 2020, Butcher & Associates no longer provides this service. Staff worked with legal counsel to vet companies who provide this service but were unable to agree to the Terms of Service. Jan worked with the Human Resource Manager at the Office of Attorney General and determined their pre-employment credit check procedure meets our needs and the process was used for the two recent new hires.

The candidate is required to provide a current copy of a free Credit History Report from one of the three major credit bureaus. When the candidate is determined to be eligible for employment the document is shredded.

Attached for your review is the draft policy for Employment Policies and Practices (attachment 1) and the Candidate for Hire Information (attachment 2). The policy was reviewed last fall by legal for compliance with state and federal law including the Fair Credit Reporting Act. Because the CHRI is not kept in the personnel file, a memo is placed in the employee's file to indicate the background check was completed and the employee is eligible for employment (attachment 3).

Board Action Requested

Review and approve the attached draft Employment Policies and Practices on Background Checks.

Staff is available to answer any questions the Board may have.

EMPLOYMENT POLICIES AND PRACTICES
BACKGROUND CHECKS
 NDPERS
 Updated January 2021

It is the goal of NDPERS to obtain the best qualified person to fill a vacancy.

NDPERS Human Resource Policy Manual 2.5

2.5 Hiring Policy/Background Checks. It is the policy of NDPERS to exercise reasonable care in hiring employees by conducting a thorough background check on all candidates selected for hire, regardless of the position and prior to the candidate reporting to work. If at any time during employment, an employee is charged with or convicted of a crime, he/she must disclose the necessary information to their immediate supervisor or agency human resources. Any employee who is determined to have violated this policy will be subject to disciplinary action up to and including termination of employment.

OMB Payroll and Miscellaneous Fiscal Policies August 1, 2017
Policy 112 – Employee Criminal History Background Checks

Per NDCC 12-60-24, NDPERS shall require a FBI criminal history background check for each individual who has access to personal information. For purposes of this policy, the term “personal information” applies to electronic information contained in the PERSLink business system.

This policy applies to applicants and employees:

- filling positions after July 31, 2005 and who will have access to personal information
- OR
- who will assume new job duties after July 31, 2005 that give them access to personal information.

This policy does not apply to state employees:

- if they are transferring from one state agency to another, have had no break in service, and had the FBI criminal history background check. They are not required to have another.

PURPOSE AND AUTHORITY OF CRIMINAL HISTORY RECORD INFORMATION CHECK (CHRI)

NDCC 12-60-24. Criminal history record checks.

(2) The bureau of criminal investigation shall provide to each agency, official, or entity listed in this subsection who has requested a statewide and nationwide criminal history record check, the response of the federal bureau of investigation and any statewide criminal history record information that may lawfully be made available under this chapter:

j) The North Dakota public employees retirement board for individuals first employed by the public employees retirement board after July 31, 2005, who have unescorted physical access to the office or any security-sensitive area of the office as designated by the executive director.

Public Law 92-544.

Federal law allows officials of state and local governments authorized by state statutes to use FBI identifications records for the purpose of employment and licensing. The statute must exist as a result of legislative enactment. It must require fingerprinting of the applicants.

The appointed Noncriminal Agency Coordinator (NAC) must ensure that all personnel with access to CHRI are aware of the rules and responsibilities with regard to CHRI pursuant to the most current CJIS Security Policy at <https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center/view> NDPERS keeps hard copy CHRI reports in a locked file separate from personnel records and access is restricted to only those authorized to view, and the CHRI files are subject to BCI and FBI audit. CHRI is not electronically stored in FileNet, nor are images of these documents saved on NDPERS network drives.

To have access to CHRI authorized personnel must meet the following training requirements every two years:

Levels of Security Awareness Training:

- Level One: Personnel with unescorted Access to Physically Secure Location
- Level Two: All Personnel with Access to CHRI, including the NAC
- Level Three: Not applicable
- Level Four: Personnel with Information Technology Roles

The Executive Director and Chief Operating Officer are authorized to have access to CHRI providing the Executive Director and Chief Operating Officer complete the required Level Two training, and comply with recertification requirements.

Pursuant to N.D.C.C. 54-46 and North Dakota Information Technology Department Records Retention Schedule, the retention and disposition for Record Control Number 501202 CRIMINAL HISTORY RECORD CHECKS is After Current Fiscal Year Plus 3 years, and is to be shredded. A document shredder is located in the NAC's office.

- SFN 60688 Criminal History Record Check Request Pursuant to N.D.C.C. 12-60-24
- The candidate is required to provide a current copy of a free Credit History Report from one of the three major credit bureaus. When the candidate is determined to be eligible for employment the document is shredded.

Criteria in determining a candidate's eligibility for employment:

- **Felony record**
- **Record of bankruptcy (timeframe)**
- **Minor infractions (timeframe)**

APPLICANT INFORMATION

Pre-Employment Screening

11/4/2020

HIRING POLICY - BACKGROUND CHECKS

It is the policy of NDPERS to exercise reasonable care in hiring employees by conducting a thorough background check on all candidates selected for hire, regardless of the position and prior to the candidate reporting to work. An offer of employment to a candidate for hire is contingent upon a successful background check.

FINGERPRINTS / CRIMINAL HISTORY

1. The candidate will be provided with a release of information form for the purpose of conducting a fingerprinting SFN 60688 Criminal History Record check.
2. The candidate is to complete section 3 and sign the SFN 60688 CRIMINAL HISTORY RECORD CHECK REQUEST (for BCI). The information on the forms should include any other names the applicant has been known by, states they have resided, or other important information to expedite the background check. The completed and signed form is to be returned to the agency HR contact (email is preferred to: jlund@nd.gov)
3. The candidate is to have digital fingerprints and a photograph taken at the Highway Patrol information desk on ground floor of the State Capitol. It is recommended to call **328-9963 at least 15 minutes ahead of time** to make sure personnel are available and to receive updated information regarding access to the Capitol building. The hours for fingerprinting and photos are **10:00 A.M. to 2:00 P.M. Monday through Friday**. The candidate will need proper identification. **The Highway Patrol fingerprint operator will provide the candidate with a ND Bureau of Criminal Investigation Fingerprint Acknowledgment Form.** The PCN information on the form is necessary for NDPERS to submit a background check request to BCI. The candidate should email the form to the agency HR contact, or provide the information by phone call to the agency HR contact.
4. (for permanent employees) The photograph will remain on file with Highway Patrol in the event a travel ID or capitol building access keycard is requested. This request is made by the supervisor to the agency HR contact.
5. The background screening is a lengthy process can possibly take two or more weeks.

CREDIT BACKGROUND CHECK

As a candidate for hire at the North Dakota Public Employees Retirement System, must furnish a current copy of their credit report as part of the background investigation.

- The credit report must be obtained from one of three major credit reporting agencies -- Experian, TransUnion, or Equifax.
- The credit report needs to be current (within the last 30 days).
- The credit report must be emailed to the agency HR contact: jlund@nd.gov within 2 business days after the request is made.
- The credit report attachment will be deleted, and the report shredded once the hiring process is completed.

Only one credit report needs to be requested and submitted for purpose of this application. Below are instructions on how you can obtain your free credit report from one of the three companies listed. If you have already received a free credit report from each of the three companies in the past year, and if the reports are over 30 days old, you will need to obtain another credit report at your expense.

HOW TO OBTAIN YOUR CREDIT REPORT

You are entitled to receive one free credit report each year from each of the three major credit reporting agencies - Experian, TransUnion, or Equifax - for a total of three free reports a year. You can choose to order these free credit reports all at the same time or order a different credit bureau's free report every few months (but only one time per year).

The free credit reports must be ordered through the national central clearing house. If you request one directly from the credit reporting bureau or through an advertisement, you will have to pay for the information.

In order to receive a free report, you must provide proper identification, including your social security number, date of birth and current address. Order your free credit reports through the Annual Credit Report clearing house:

- Online at: www.annualcreditreport.com - this clearing house website links you to the special webpage for the selected credit reporting agency.

The credit agencies also offer several additional options to choose from, including getting a credit score, but these options are not free. You do not have to buy any of the additional services to get the free credit report.

Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under FCRA. For more information go to www.consumerfinance.gov/learnmore.

You must be told if information in your file has been used against you. Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.

- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
 - a person has taken adverse action against you because of information in your credit report;
 - you are the victim of identity theft and place a fraud alert in your file;
 - your file contains inaccurate information as a result of fraud;
 - you are on public assistance;
 - you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.consumerfinance.gov/learnmore.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.consumerfinance.gov/learnmore for an explanation of dispute procedures
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete, or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need – usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry.
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- The following FCRA right applies to nationwide consumer reporting agencies:

CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY FREEZE

You have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent.

However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer’s credit file. Upon seeing a fraud alert display on a consumer’s credit file, a business is required to take steps to verify the consumer’s identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years.

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.**

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General.



**North Dakota
Public Employees Retirement System**
400 East Broadway, Suite 505 • Box 1657
Bismarck, North Dakota 58502-1657

Scott A. Miller
Executive Director
(701) 328-3900
1-800-803-7377

Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

DATE: June 10, 2020

TO: MaryJo Anderson
 Rebecca Fricke
 Johnny Jones personnel file

FROM: Jan Lund jlund@nd.gov

SUBJECT: Pre-employment investigations

This individual is now eligible to begin employment with NDPERS.



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Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: March 9, 2021

SUBJECT: Office Relocation Update

Staff has begun the preparation for the office relocation to the WSI building for next biennium. Staff plans to bring forward a monthly update to the Board to discuss progress, provide an update on estimated costs, and seek any contract approvals needed from the Board to proceed. These memos each month will keep running totals so the Board has full transparency to what this relocation effort will cost.

Currently we have twenty staff that are working remotely. These twenty staff members have all scheduled a day to spend in our office to convert their desktop computer to a laptop, collect personal items from their office, and go through documents to determine what items will need to be transitioned to the new workspace. This conversion and analysis is scheduled to be completed by the end of April, and will be the base starting point to allow our staff to hotel throughout the new work space. We are pleased to report the one-time fee that usually comes with upgrading to laptops was waived by NDIIT because of the Cares Act funding they received.

Jan has done a lot of coordinating with the Department of Commerce to try and gauge what furniture will stay and what staff will need to prepare to replace. The Department of Commerce does not know what office space they will be occupying next biennium, and thus do not yet know what furniture they will need in their new space. They did inform us that they expect to take all of the rising desks both in the walled offices as well as the hoteling area. That renders the remaining pieces of the outer walled offices useless to our agency because the type of desk that Commerce has is different than the type of desk our office has. As a result, the plan is to move the current furniture from our office for those spaces, and ask Commerce to surplus their existing furniture as we won't be able to utilize what is there. The cost to tear down fifteen offices, move, and then reassemble those offices at WSI is quoted at \$9,623.40, and the quote is included in Attachment A. Even though this is under the \$10,000 threshold where Scott can sign, since we were bringing the second quote for approval we decided to get the Board's approval on both expenditures.

One of the most exciting features of the WSI space will be the conference room and visitor offices that will keep members, employers, and vendors out of our back office. To help meet the needs of our agency, one of the two conference rooms is being converted into three separate visitor offices that will be set aside for staff to meet with our membership. This renovation will include the procurement of DIRT walls, and WSI will be coordinating the renovation of the HVAC, lighting, and placement of the fire alarm. The cost of the DIRT walls and doors is quoted at \$18,719.00 and is presented today in Attachment B for your approval. The cost of the HVAC and lighting renovation, as well as the placement of the fire alarm, is also being presented today in Attachments C and D with costs totaling \$6,275.00.

Jan has also been coordinating with WSI to make our back office secure from both visitors and other tenants. To do this, three secure doors need to be installed. WSI is coordinating the contracting of this effort since it is their building, but our office will be responsible for the cost. Those costs will be discussed and brought forward to the Board at a future meeting for consideration.

The hoteling area is another area that will eventually be addressed once the Department of Commerce knows what they will be taking. We do know they plan on removing all of the rising desks in that space, so there will be some costs incurred for that space. If Commerce takes all of the furniture for that space, there is a possibility we'd need to furnish that entire space. We will also explore the cost of adding some "white noise" to this area. Those costs will be discussed and brought forward to the Board at a future meeting for consideration.

Another feature staff would like to explore is to secure the front reception area by adding a locked door and telecom system to our front door similar to what TFFR/RIO have at their current location. We'd also like to price out the cost of replacing the glass with secure glass to prevent any unwanted intruders from having the ability to enter our office. Those costs will be discussed and brought forward to the Board at a future meeting for consideration.

A summary of ongoing work efforts, expected costs, and current status is outlined below:

Activity	Cost	Status
Cost to move 15 walled offices	\$ 9,623.40	Seeking Board approval
Visitor office DIRT walls	18,719.00	Seeking Board approval
Visitor office HVAC/Lighting/Fire alarm	6,275.00	Seeking Board approval
Secure back office with 3 locked doorways	Unknown	Presented at a future meeting
Cost to move one sprinkler head	~\$750.00	Presented at a future meeting
NDIT cost to move network connections	Unknown	Presented at a future meeting
Customization of hoteling area	Unknown	Presented at a future meeting
Telecom system on front door	Unknown	Presented at a future meeting
Secure glass on the front door	Unknown	Presented at a future meeting
Fettes Transportation Systems for moving services (state contract)	Unknown	Presented at a future meeting

At this time we do not anticipate needing to use contingency funding to make this office move a success. We are trending below our expectations on our operating expenditures for this biennium because of a reduction in activities due to the pandemic. We are trying to procure and receive as many pieces to this puzzle as we can in the current biennium since we do not know what our appropriation for next biennium will look like.

The layout of the new office space is included in Attachment E so the Board can get a feel for the office space that will be dedicated to our agency. You can see the location of the secure doorways outlined in red that will separate the reception area from our back office, as well as the two in the hallways that will separate us from a future tenant.

Board Action Requested

Consider and approve the attached cost proposal for the visitor offices, as well as the cost to tear down, move, and reassemble offices, and approve Scott to sign the quote(s).

Staff is available to answer any questions the Board may have.



ND Public Employees Retirement System

PRELIMINARY ESTIMATE

Date: 3/2/2021

Prepared For: Jan Lund

Quote Number: 5414-30099

Valid For 182 Days

Prepared by: Kyle Hellman

Confidential

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 Bismarck, ND 58504
 Phone: (701) 751-2998
 Fax: (701) 751-1519
<http://www.interofficend.com>



CUSTOMER QUOTE

5414-30099

Expires: 8/31/2021

Bill To

Jan Lund
 ND Public Employees Retirement System
 Bismarck
 400 East Broadway
 Bismarck, ND 58502

Ship To

InterOffice - Bismarck
 920 E Front Ave, Suite B
 Bismarck, ND 58504

Install To

PRELIMINARY PRICE ESTIMATE:

SCOPE OF WORK:

Design:

- Verify inventory and plan new layouts at WSI building for 15 offices.
- Layout (3) private DIRTT Wall conferencing rooms.

Contract Services:

- Teardown 15 Existing office work-stations at current location (400 E. Browadway 5th Floor)
- Move and transport Herman Miller items only to WSI building. (1600 E. Century Ave - Ground Floor)
- Re-Build and Install 15 Offices per plan

project #	salesperson	quote name	payment terms	print date
5414	Kyle Hellman	Labor to Move 15 Offices	Net 15	3/2/2021

LINE #	QTY	UNIT	PART # / DESCRIPTION	PRICE EA	EXT PRICE
1	15.00	EA	Bismarck STATE OF ND Design Fee / Hourly design fee at the State of ND rate	\$65.00	\$975.00
2	1.00	EA	Bismarck STATE OF ND Install - RT / TEARDOWN 15 EXISTING STATIONS - Regular office hour delivery/installation charges at the State of ND rate	\$1,500.00	\$1,500.00
3	1.00	EA	Bismarck STATE OF ND Install - RT / MOVE Items to WSI Building	\$1,200.00	\$1,200.00
4	15.00	EA	Bismarck STATE OF ND Install - RT / Re-Rebuild 15 Offices Per Plan	\$250.00	\$3,750.00
5	60.00	EA	AO213.60 / Wall Strip 60H	\$22.08	\$1,324.80
			OPTIONS		
			WN +Warm Grey Neutral (Surface Finish)		
6	6.00	EA	X1191. / Toggle Wall Strip Anchor,3/16 For Wall Strips 100/Pkg	\$134.08	\$804.48
7	6.00	EA	X1192.1 / Wall Fastener 1-1/2L #10 100/Pkg	\$11.52	\$69.12

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CUSTOMER QUOTE

5414-30099

Expires: 8/31/2021

Customer Sign-Off

(Option Total)

New Location:
1600 E. Century Ave - Bismarck, ND 58501

subtotal	\$9,623.40
sales tax	\$0.00
total	\$9,623.40

Authorized Signature

Accepted Date

Print Name

Quote For: **Quote #: 2A - ND Public Employee Retirement System**

Created: 03/01/2021

ELECTRICAL DATA

Manufacturer: **DIRTT**

Product: **DIRTT**

Material: **DIRTT**

Finish: **DIRTT**

Color: **DIRTT**

Weight: **DIRTT**

Height: **DIRTT**

Width: **DIRTT**

Depth: **DIRTT**

Installation: **DIRTT**

Maintenance: **DIRTT**

Warranty: **DIRTT**

Notes: **DIRTT**

Item	Description	Quantity	Unit	Material	Notes
1	Window Wall	1	EA	DIRTT	
2	Window Wall	1	EA	DIRTT	
3	Window Wall	1	EA	DIRTT	
4	Window Wall	1	EA	DIRTT	
5	Window Wall	1	EA	DIRTT	
6	Window Wall	1	EA	DIRTT	

CLIENT APPROVAL

Approved by: _____

Date: _____

PRELIM SHOPS

Project Name: **ND PUBLIC EMPLOYEES RETIREMENT SYSTEM**

Project Address: **WSI BLDG 1800 EAST CENTURY AVE BISMARCK, ND 58503**

Sheet Title: **PLAN AND DETAILS SHEET**

Sheet Number: **DW-101**

Project Recap:

Date updated:	2/12/2021 REV01- 02-25-21
Project Name	ND Public Employee Retirement System
Distribution Partner	Smartt Interior Construction
Contact	Paula Klein
Client Name	ND Public Employee Retirement System
Client Contact (if known)	
Ceiling Height (s)	Based on 9'0 - <i>To Be Verified</i>
Site Dims Verified?	
Ceiling Type (s)	ACT 15/16" Flush
Floor Finish	Carpet
Seismic Requirements	None
Frame Finish	Anodized
Frame Profile	Curvilinear
Santoprene Finish	Silver
Reveal type	Classic
Door type (s)	Office Goldie Barn Door , 4" stile with clear glass center
Hardware type (s)	12" Bar Pull, No Locks

Goldie Pivot Door, 4" stile with clear glass center

Schlage Jupiter Lever, No Lock, Concealed Closer

Electrical requirements Nothing. All components from Base Bldg

Finish Notes

Paint: *Based on Grade 1 DIRT* color: CLAY

Glass: 6mm Clear

Frames based on 40" increments

Pricing Details

#	Description	Vendor	Taxable	Tax Rate	Price
1	DIRTT Solution per ICE file: ND Public Employee Retirement System 25FEB21 bs	DIRTT Environmental Solutions	No	0.0000	11,869.00
2	DIRTT Freight RUN	DIRTT Environmental Solutions	No	0.0000	3,850.00
3	Delivery and Install- Receive and deliver but do not install. Second trip back to install at later date	Interior Services	No	0.0000	3,000.00
				Subtotal (\$):	18,719.00
				Total Tax Amount (\$):	0.00
				Total Amount (\$):	18,719.00

Terms and Conditions

Terms and Conditions

1. Field dimension or hold to dimensions for ceiling & wall terminations will be required prior to ordering product
2. Changes after ordering may result in a price increase or delay of product delivery.
3. A 50% deposit will be required.
4. Project management support, coordination with other trades & shop drawings are included for our scope of work.
5. All ceiling grid, finish flooring, vinyl bases & wall finishes should be 100% complete prior to our DIRTT installation.
6. COM fabrics require testing & approval prior to product manufacturing.
7. Any COM products must be tested, samples provided & DIRTT approved prior to manufacturing.
8. All installation labor will be provided by certified DIRTT installation crews and performed during normal business hours, 8 am - 5 pm unless otherwise specified.
9. Labor costs will be adjusted & submitted for reimbursement if overtime, weekend, holiday & additional labor shifts are required.
10. Delivery will be completed during normal business hours 8 am - 5 pm unless otherwise specified. Delivery will be direct to site for continuous installation.
11. Any special phasing requests may change freight & installation costs.
12. Project site access should be able to accommodate a 53' tractor trailer delivery via loading dock.
13. If a loading dock is not available additional costs for street off-loading via forklift / lull may be required.
14. A dedicated freight sized elevator is required for multi-level installations. Additional costs incurred for a site without an elevator will be adjusted & submitted for reimbursement.
15. Elevator height, depth, & width must accommodate the tallest length & widest width of wall designed for this project.
16. Cleanup of debris, waste & packaging for our work is included.
17. All permits, if required, are by others. Responsibility of inspections & local building code compliance of DIRTT solutions are by others.
18. Any associated costs with site-specific engineering stamp or review is not included in pricing
19. Keying doors alike or to a master is not included in this quote unless noted. DIRTT doors will come with cores that will need to be removed and replaced after the DIRTT installation.
19. This quote is only valid for 30 days.

Exclusions

Exclusions:

- Electrical connection to base building
- HVAC, plumbing and data cabling

- Light switches do not include faceplates or wiring
- LED TV is to be provided by others
- Bond
- Cylinders and keying to be provided by others
- After hours and weekend installation
- Custom graphic file is to be provided by architect

SIGNATURE BLOCK	
Signature: _____	Date: _____



March 3, 2021

Attn: Mike Schumacher

Re: WSI Conference Room Split

Edling Electric would like to submit a proposal to split the existing conference room to accommodate three new meeting rooms.

1. Move one outlet roughly three feet.
2. Remove eight recessed lights and dimmer.
3. Add one outlet.
4. Lower existing outlet to standard wall height.
5. Relocate six existing 2x4 fluorescent lights, controls to remain as is.
6. Relocate fire alarm strobe to the other side of room.
7. Wire one 2x4 fluorescent light into emergency lighting circuit.
8. Lower existing data jack to standard wall height.
9. Add two data jacks.

Total: \$4,900.00

If you have any questions, please call me at (701) 400-1354 to discuss.

Respectfully submitted,

Rick Oliver

Rick Oliver, Project Manager



Lindtech Services Inc.

Commercial Heating & Air Conditioning
 3432 Franklin Ave, Ste A
 Bismarck, ND 58503
 701-400-4356

Proposal

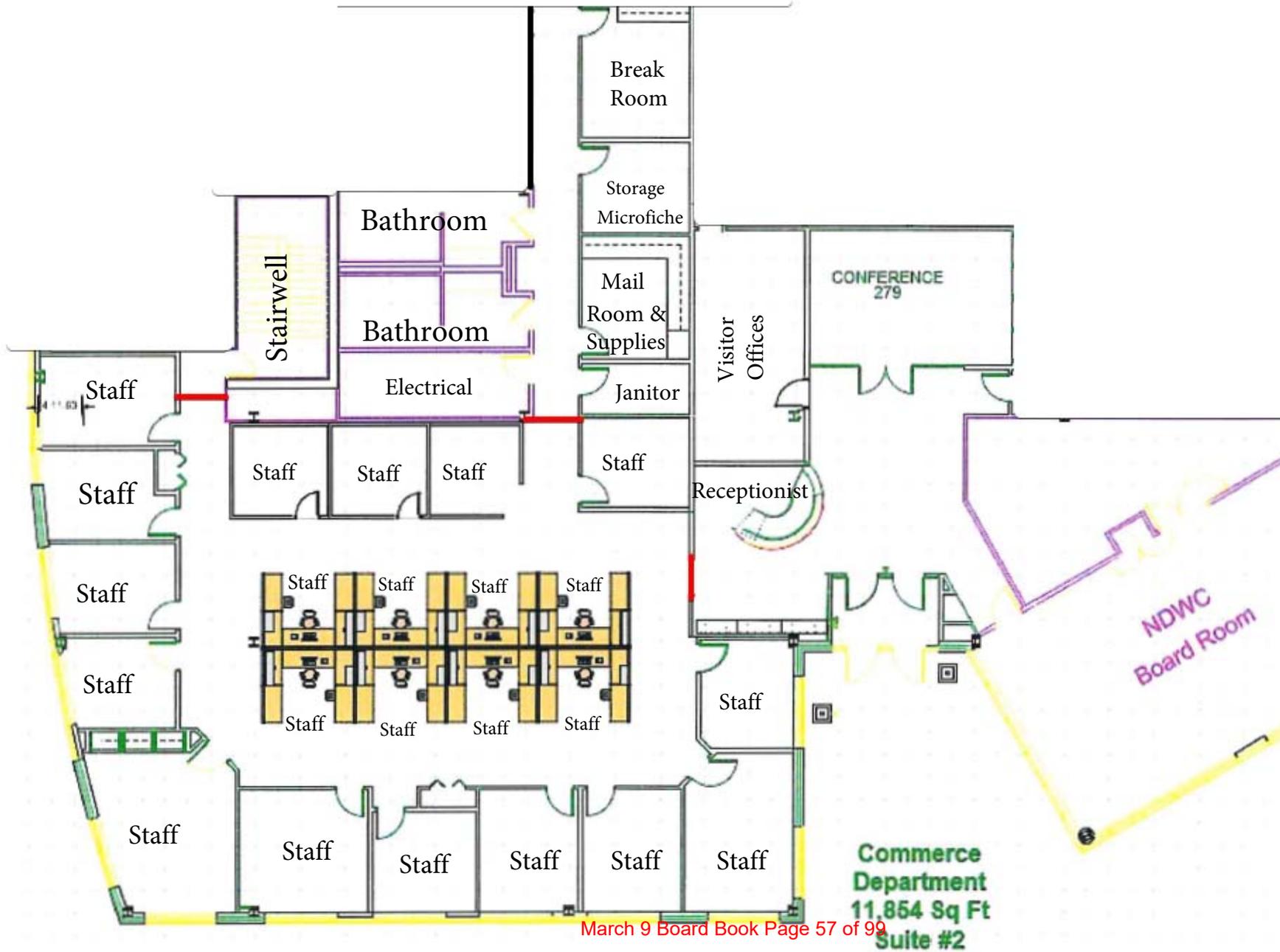
Date	Estimate #
3/2/2021	2029

Name / Address
Workforce Safety & Insurance Attn: Mike Schumacher P.O. Box 5585 Bismarck, ND 58506-5585

Ship To

Qty	Description	Total
	This quote is to move ventilation in remodel area 2nd floor. Would Include - Move 2 supply registers - Add 1 supply register - Add 2 return registers - Complete installation and startup	1,375.00
We are pleased to submit this proposal. This proposal may be withdrawn if not accepted within 30 days		Total \$1,375.00

Attachment E





**North Dakota
Public Employees Retirement System**
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Scott A. Miller
Executive Director
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1-800-803-7377

Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Shawna Piatz

DATE: March 9, 2021

SUBJECT: Audit Committee Minutes, Charter Matrix & Audit Plan

Attached are the approved minutes for the November 9, 2020 meeting. The minutes may also be viewed on the NDPERS web site at www.nd.gov/ndpers.

The Audit Committee Charter states that it will “confirm annually all responsibilities outlined in this charter have been carried out.” To meet this requirement the Audit Committee Charter Matrix was updated to reflect activities for the calendar year 2020 to ensure that the Audit Committee has met its responsibilities. The Audit Committee Charter Matrix was approved by the Audit Committee at the February 2021 meeting and is attached for your information.

The Audit Plan is updated each biennium with an update provided every year. Internal Audit coordinated the completion of the risk assessment updates in October 2020. No new major risks were noted and therefore no updates were made to the 2020 – 2021 Audit Plan. The 2020 – 2021 Internal Audit Plan was approved by the Audit Committee at the February 2021 meeting and is attached for your information.

The next audit committee meeting is scheduled virtually for May 10, 2021 at 3:00 p.m. This is for your information.

Attachments

MEMORANDUM

TO: Audit Committee
Mona Rindy
Adam Miller
Julie Dahle
Dirk Wilke
Senator John Grabinger

FROM: Shawna Piatz, Chief Audit Executive

DATE: November 9, 2020

SUBJECT: **November 9, 2020 Audit Committee Meeting**

In Attendance:

Mona Rindy
Adam Miller
Senator John Grabinger
Julie Dahle
Dean DePountis
Shawna Piatz
Scott Miller
Derrick Hohbein
Rebecca Fricke
Sarah Marsh
Jason Ostroski (CLA)

The meeting was called to order at 3:00 p.m. by Ms. Rindy. The committee began the meeting with approving the prior Audit Committee minutes.

I. August 17, 2020 Audit Committee Minutes

- A. The Audit Committee minutes were examined. Mr. Miller motioned approval of the minutes. The motion was seconded by Ms. Dahle. This was followed and approved by voice vote.

II. Internal Audit Reports

- A. Quarterly Audit Plan Status Report – A summary of the Internal Audit staff time spent for the past quarter was included with the Audit Committee materials. Of the total hours reported, 61.31% was spent in audit, 10.34% in consulting, and 28.35% in administrative hours. A large portion of the audit hours were spent on auditing the retirement program, as we are reviewing 100% of the new BDS's work and a sample of the rest. The Retirement Program hours increased as

there is new BDS staffing, we are completing a more thorough compliance review of the retirement accounts, and continue working to incorporate the new FAS calculation for those who terminate employment after 12/31/2019. The consulting hours were largely attributable to Internal Audit's assistance with the FY 2020 external audit as well as assistance with a service purchase clean-up project and missed interest reconciliations. Internal Audit also completed the Contract Process Review and started preliminary work with the Sanford Health Plan Interest Calculation Report and Settlement Audit this quarter.

A status update was provided on the 2020 – 2021 Audit Plan for each area of review. Along with the work done in the Retirement Benefit and Refund Payments audit, Internal Audit completed an audit of NDPERS Contract Process, completed an audit on the Sanford Health Plan interest calculation report, started audit prep work for the Deferred Compensation - Other 457/403b Eligibility & Vesting %, and assisted with numerous consulting projects.

- B. Retirement Benefit Payment Status Report – Information was provided to the Audit Committee, which summarizes the accuracy percentages of the retirement benefit and refund payments. The report shows the number of new retirees or refunds each month, the total number of new retirees or refunds audited and whether issues identified were procedure, system, compliance, or employer issues. An accuracy rate of 96.77% was achieved fiscal YTD as of October 2020 for new retirement benefit payments, which was below 97% goal. 100% J&S and Single Life benefits continue to be the largest new retiree benefit categories. An accuracy rate of 81.82% was achieved fiscal YTD as of October 2021 for retirement refunds, which is below our 97% goal. However, a limited number of retirement refunds were audited and a portion of the sample was focused on those refunds in which a known system issue may have occurred.
- C. Benefit/Premium Adjustments Report – The quarterly benefit adjustment report was provided to the Audit Committee. The report is in several sections, each representing the type of corrections. These adjustments are considered errors, not adjustments made in the normal course of business. It was noted that the dollar amount of errors stayed in par with last quarter, which is good as the dollar amount greatly declined from the quarter prior to that.
- D. Outstanding Issues Status Report – As stated in the Audit Policy #103, the Internal Audit Division is to report quarterly to management and to the Audit Committee, the status of the audit recommendations of the external auditors, as well as any found by the Internal Auditor. The report has been updated to reflect what has been accomplished August 1, 2020 through October 31, 2020. Staff reviewed the recommendations with the committee. There are 17 issues that remain outstanding, with 13 where progress was made, 1 with no change, and 3 with no response. 9 issues were closed. We expect a number of the issues to be resolved at the next Board meeting.

III. Administrative

- A. Audit Committee Meeting Date & Time – The next Audit Committee meeting is

scheduled for Monday, February 8, 2021 at 3:00 p.m. The following are the additional proposed audit committee meeting dates: May 10, 2021; August 16, 2021; and November 8, 2021. Mr. Miller motioned to approve the upcoming Audit Committee meeting dates and Ms. Dahle seconded the motion, followed by voice vote.

- B. External Audit Updates – CliftonLarsonAllen (CLA) performed their fieldwork remotely this year, due to COVID-19 concerns. Internal Audit worked to provide supporting documentation for all items needed, as CLA was not able to obtain remote network access. An exit meeting was held to discuss the audit results with ND PERS staff. Jason Ostroski from CLA presented the preliminary audit report to the Audit Committee and will attend the December Board meeting to present the final report.

IV. Miscellaneous

- A. Travel Expenditures – There were no out-of-state travel expenditures incurred by the Executive Director or Board for the period August 1, 2020 through October 31, 2020. This was provided for the Audit Committee's information.
- B. Risk Management Report – Updates were presented to the Audit Committee related to the Loss Control Committee activities. The Audit Committee was provided the minutes from the Loss Control Committee's June 30, 2020 meeting and the agenda for the September 23, 2020 meeting. The Loss Control Committee reviewed a number of action items for the previous quarter including disaster recovery training, reviewed and updated the COG plan and NDPERS user access control chart, reviewed outstanding audit recommendations, conducted quarterly office inspections and reviewed agency incident reports.
- C. Report on Consultant Fees – According to the Audit Committee Charter, the Audit Committee should "Periodically review a report of all costs and payments to the external financial statement auditor. The listing should separately disclose the costs of the financial statement audit, other attest projects, agreed-upon-procedures and any non-audit services provided." A copy of the report showing the consulting, investment and administrative fees paid during the quarter ended September 2020 was provided for the Audit Committee's information.
- D. CPEs and Webinars – A report on the continuing professional education webinars, luncheon meetings and seminars Internal Audit participated in for the period August 1, 2020 through October 31, 2020 was provided to the committee. The Chief Audit Executive attended three webinars.
- E. Publications – A copy of Assessing Corporate Culture: A Proactive Approach to Deter Misconduct from the Anti-Fraud Collaboration was provided to the Audit Committee.

Meeting adjourned at 4:02 p.m, by Ms. Rindy.

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
STRUCTURE				
1. The Audit Committee will consist of two to five members with the majority of the members selected from the Board of Directors, and one may be selected from outside the organization. The Board or its nominating committee will appoint committee members and the committee chair.	The Board of Directors determines who will serve on the Audit Committee when they are assigning committees.	Indicate in Audit Committee meeting minutes whenever a new member is appointed.	Whenever there is a change in Audit Committee members.	The Audit Committee had three new members over the past year. The Board Chair, the State Health Officer and the legislative representative were all replaced by those holding the respective positions on the NDPERS Board in 2020. All other committee members remained the same.
2. The Board should attempt to appoint committee members who are knowledgeable and experienced in financial matters, including the review of financial statements.	Ascertain that at least one member of the Audit Committee is knowledgeable and experienced in financial matters, including the review of financial statements.	Indicate in Audit Committee meeting minutes which member of the Audit Committee is knowledgeable and experienced in financial matters, including the review of financial statements.	Whenever there is a change in board members.	At least one member has knowledgeable experience in financial matters.
MEETINGS				
3. The Audit Committee will meet as often as it determines is appropriate, but not less frequently than quarterly.	Hold meetings at least once each quarter.	Prepare minutes that document decisions made and action steps following meetings and review for approval. Meeting minutes should be filed with the Board of Directors.	Quarterly, or more often if necessary, but no later than prior to the next meeting.	Meeting minutes for February, May, August, and November 2020 were prepared and presented for approval at the next quarterly meeting. These minutes are made available on the NDPERS web site after approval. The approved minutes are provided to the Board at the next Board meeting.
4. All committee members are expected to attend each meeting, in person or via tele- or video-conference, with a minimum of two required for a quorum.	Accommodations should be made available to committee members to encourage attendance.	Note in the Audit Committee meeting minutes the members who attended the meeting.	Quarterly, or more often if necessary, but no later than prior to the next meeting.	Audit Committee member attendance was noted in the respective meeting minutes. A quorum was met for all meetings.
5. The committee periodically will hold individual meetings with management, the internal auditor and the external auditor.	Establish these sessions in conjunction with quarterly meetings or as necessary.	Contact appropriate people to arrange time for meetings.	As needed.	An individual meeting with the Internal Auditor was not held in 2020.

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
6. The Audit Committee may invite any officer or employee of the agency, the external auditor, the agency's outside counsel, or others to attend meetings and provide pertinent information.	Establish these sessions in conjunction with quarterly meetings or as necessary	Contact appropriate people to arrange time for meetings.	Annually, or more often if necessary.	The Benefit Program Development and Research Manager provided an update on the 2020 Loss Control Committee activities at the August 2020 Audit Committee meeting. The Executive Director, Chief Operating Officer/Chief Financial Officer, Chief Benefits Officer and Attorney General representative are invited to each of the Audit Committee meetings.
7. Meeting agendas will be prepared by the Chief Audit Officer (CAO) and provided in advance to members, along with appropriate briefing materials.	The agendas for meetings should be prepared and provided to members in advance, along with appropriate briefing materials.	Prepare and provide meeting agenda, previous meeting minutes, and appropriate briefing materials to members in advance.	Quarterly, or more often if necessary	Meeting agendas are provided to Audit Committee 7 days prior to meeting.
8. Minutes will be kept by a member of the Audit Committee or a person designated by the Audit Committee.	Designate the appropriate person to keep the minutes of meetings.	Prepare minutes documenting decisions made and future action steps and review for approval at the next meeting.	Quarterly, or following each meeting.	One of the Internal Audit staff takes notes and prepares minutes. These minutes are provided to the Audit Committee at the next quarterly meeting for their approval. See #3.
9. Members of the Audit Committee will be compensated for attendance at committee meetings in accordance with NDPERS' policy for compensation in effect at the time for Board members. Audit Committee members who are not NDPERS board members will be compensated at the same rate.	A memo with the date and length of time of the Audit Committee meeting is provided to the NDPERS Payroll Administrator for payment.	Prepare memo with attendance information and length of meeting time following meeting and deliver to payroll administrator.	Quarterly following each Audit Committee meeting.	Memo was provided to Payroll Administrator following each meeting with required information.
AUTHORITY				
10. The Audit Committee has authority to conduct or authorize examinations into any matters within its scope of responsibility. It is empowered to:	Please see the responsibility section for more information.	Please see the responsibility section for more information.	Please see the responsibility section for more information.	Please see the responsibility section for more information. Additional notes are as follows:

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
<ul style="list-style-type: none"> ➤ Seek any information it requires from NDPERS employees, external auditors, consultants, and external parties. All parties are directed by the Board to cooperate with the Committee's requests. ➤ Oversee the work of all external auditors employed by the organization. ➤ Assist in resolving any disagreements between management and the external auditors regarding financial reporting, if necessary. ➤ Oversee the retention of independent counsel, accountants or others to advise or assist the Committee in the performance of its responsibilities. ➤ Approve the consultants, or others retained by the organization to assist in the conduct of an audit, review, and/or a special investigation. ➤ Meet with management, external and internal auditors, or outside counsel as necessary. 				<p>No information requested.</p> <p>The Chief Financial Officer assisted the external auditors with their financial statement requirements, Internal Audit assisted with all other information.</p> <p>There were no disagreements between management and the external auditors.</p> <p>The need for outside counsel has not been necessary.</p> <p>No consultants were necessary as the external auditors are also the external auditors for RIO.</p> <p>Met with the external auditors in November 2020.</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
RESPONSIBILITIES				
11. The Audit Committee will carry out the following responsibilities:				
<p>1) Financial Reporting:</p> <p>a. Obtain information and/or training to enhance the committee members' expertise in financial reporting standards and processes so the committee may adequately oversee financial reporting.</p> <p>b. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.</p> <p>c. Review with management, the external auditors, and the internal auditors the results of the external audit, significant adjustments or revisions to the financial statements, including attestation on the effectiveness of the internal control structure and procedures for financial reporting and any difficulties encountered.</p> <p>d. Inquire as to the external auditors' independent judgment about the appropriateness, not just the acceptability, of the accounting principles adopted by the</p>	<p>Provide information related to financial reporting standards and processes to the Audit Committee.</p> <p>Bring external auditors in to explain new changes to accounting reporting and how they impact NDPERS.</p> <p>Review with management and Audit Committee any proposed significant adjustments.</p> <p>Review management letter with management and Audit Committee.</p> <p>Ensure the external auditors provided the statement of management responsibility and review with them.</p>	<p>Articles, publications, external auditors, speakers with information regarding changes to accounting rules.</p> <p>Submit annual audit reports and any audit findings and their status at the November Audit Committee meeting.</p>	<p>Quarterly, or as they become available.</p>	<p>Articles from the Institute of Internal Auditors and other organizations are provided as they become available.</p> <p>External auditors discussed with staff and the Audit Committee significant accounting and reporting issues as they develop.</p> <p>External auditors met with the Audit Committee in November 2020.</p> <p>External auditors provided a management letter with recommendations discussed with management and management's responses.</p> <p>The statement of management responsibility was provided to PERS management.</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
<p>organization and clarity of financial statements.</p> <p>e. Review the annual financial statements, consider whether they are complete, consistent with information known to the Committee, and reflect appropriate accounting principles.</p> <p>f. Review with management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.</p>	<p>Invite the external auditors to present the financial statements upon completion of their audit.</p> <p>Inquire of management and external auditors if there are any matters required to be communicated to the committee under GAAS.</p>	<p>Audited Financial Statements, including the Independent Auditor's Report, Management Discussion and Analysis, Financial Statements, Required Supplementary Information, Supplementary Information, Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards, and Special Comments Requested by the Legislative Audit and Fiscal Review Committee.</p>	<p>Annually</p>	<p>Staff reviewed the annual financial statements for completeness, consistency of information and accounting principles.</p> <p>The external audit firm presented the financial statements and associated reports to the Audit Committee at the November 2020 meeting.</p>
<p>g. Review the responsiveness and timeliness of management's actions to address findings and recommendations resulting from the financial statement audit or internal audits.</p>	<p>Provide a quarterly audit recommendation report to the Audit Committee.</p>	<p>Audit Recommendation Report</p>	<p>Quarterly</p>	<p>A report of all audit recommendations is provided to the Audit Committee quarterly, with a progress update for each audit issue. Significant progress has been made on resolution of outstanding audit issues and many have been closed.</p>
<p>h. Review with the General Counsel the status of legal matters that may have an effect on the financial statements, as deemed appropriate.</p>	<p>Bring to the General Counsel's attention any legal matters that may influence the financial statements. Audit Committee should ask of management if the annual financial statements are complete.</p>		<p>As needed.</p>	<p>There were no legal matters relating to financial statements.</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
<p>2) Risk Management</p> <p>a. Obtain information and/or training to enhance the Committee's understanding of organization and its related risk management processes.</p> <p>b. Review the adequacy of the organization's policy on risk management.</p> <p>c. Review the effectiveness of the organization's system for assessing, monitoring, and controlling significant risks or exposures.</p> <p>d. Review management's reports on risks and related risk mitigations.</p> <p>e. Hire outside experts and consultants in risk management, as necessary, subject to full board approval.</p>	<p>Provide the Audit Committee members with information regarding risk management.</p> <p>Review risk management policy periodically.</p> <p>Create a portfolio that documents the material risks that the agency faces. Update as events occur. Review with management and the CAO periodically to make sure it is up to date.</p> <p>Provide Audit Committee a summary of results of self-assessment of risks, and how these risks are mitigated.</p> <p>Provide the Audit Committee information on how external and internal audit review risk management over financial reporting.</p> <p>Develop a request for proposal if an outside expert is deemed necessary.</p>	<p>Articles, publications, etc. relating to risk management.</p> <p>Current risk management policy and most recent information relating to risk management.</p> <p>Submit a risk report including mitigation strategies and quantifiable risks and insurance to cover such risks, e.g., loss of business.</p>	<p>Quarterly</p> <p>As needed</p>	<p>Articles, publications, etc. relating to risk management are provided as they become available.</p> <p>It is required by Risk Management of OMB to have a Loss Control Committee. A presentation on the annual activities was provided in August 2020. In addition, quarterly agendas and minutes of the Loss Control Committee were provided to the Audit Committee at each meeting.</p> <p>Internal Audit worked with management to update the agency risk assessments and develop a process to ensure they are reviewed at least annually going forward. Internal Audit did not perform an independent fraud risk assessment of the Agency in 2020. An outside vendor performed penetration testing and an internal vulnerability assessment in early 2020.</p> <p>The need for outside experts has not been necessary.</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
<p>3) Internal Control</p> <p>a. Obtain information and/or training to enhance the Committee's understanding of the organization's system of internal control.</p> <p>b. Consider the effectiveness of the organization's internal control system, including information technology security and control.</p> <p>c. Understand the scope of the external auditor's review of the organization's internal control over financial reporting.</p>	<p>Provide the Audit Committee members with information regarding internal control process.</p> <p>Review periodically the policy on internal controls, ethics, code of conduct and fraud.</p> <p>Review the reports of the internal audit team for all audits completed since the prior Audit Committee meeting.</p> <p>Review key internal controls with the CAO and understand how these controls will be tested during the year.</p> <p>Determine that all internal control weaknesses are quantified, reviewed, and addressed.</p> <p>Review plans with the independent auditor to understand their scope with respect to key controls</p>	<p>Report to the board on issues relating to internal controls, with emphasis on management's ability to override and related monitoring and testing.</p>	<p>Quarterly for all activities as needed.</p>	<p>Information relating to internal control is provided as it becomes available.</p> <p>There have been a number of staffing changes in FY 2019 & FY 2020 and the majority of staff moved to work from home in 2020. Internal Audit coordinated the completion of and reviewed the updated risk assessments. Internal Audit considered how these staffing and location changes may have impacted current internal controls. Internal controls are reviewed as part of each risk assessment update as well as with each audit project and/or special examination.</p> <p>Internal audit includes a review of internal controls as part of each audit, consulting project, and/or special examination.</p> <p>External auditors conduct a review of internal accounting controls annually. There have been no areas of concern as a result of these reviews.</p> <p>The Outstanding Audit Issues report was reviewed at all Audit Committee meetings in 2020.</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
d. Review internal and external audit findings and recommendations, together with management's responses.	Outstanding Audit Issues are reviewed and tracked as they occur.	Review the updated Outstanding Audit Issues report with management responses at each meeting.	Quarterly	

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
<p>4) Internal Audit</p> <p>a. Obtain information and/or training to enhance the Committee's understanding of the internal audit function.</p> <p>b. Periodically review and approve the Internal Audit Division Charter.</p> <p>c. Concur in the appointment, replacement, or dismissal of the CAO.</p> <p>d. Review the performance of the CAO and the internal audit function annually.</p> <p>e. Review and confirm, through organizational structure and/or by other means, the independence of the internal audit function annually.</p>	<p>Provide information and/or training.</p> <p>Review charter periodically. Assess the suitability of each point in the charter based on past experiences. Evaluate completeness of the charter against best practices and legal or regulatory requirements. Revise charter as needed and obtain Audit Committee and Board approval for changes.</p> <p>Hold special meetings as necessary to address appointment, reassignment, or dismissal of CAO.</p> <p>Meet annually with other members of executive management and the external auditors to discuss the performance of CAO.</p> <p>Discuss job satisfaction and other employment issues with the CAO.</p>	<p>Revised Internal Audit Charter, as needed.</p> <p>Job performance review.</p> <p>Various documentation</p>	<p>As they become available.</p> <p>As needed.</p> <p>As needed.</p> <p>Annually</p> <p>Annually</p>	<p>Articles are provided to Audit Committee when available.</p> <p>A revised Internal Audit charter was approved by the board 12/15/2005. No changes were made since. Internal Audit charter was reviewed in December 2020 .</p> <p>There were no changes to the CAO in 2020. A performance review for the CAO was written by the Executive Director, sent to the Audit Committee for input and approved by the Audit Committee in May 2020. The CAO reports functionally to the Audit Committee and administratively to the Executive Director. Structure is in accordance with best practices.</p> <p>Updates to the 2020-2021 Internal Audit plan will be presented to Audit</p>

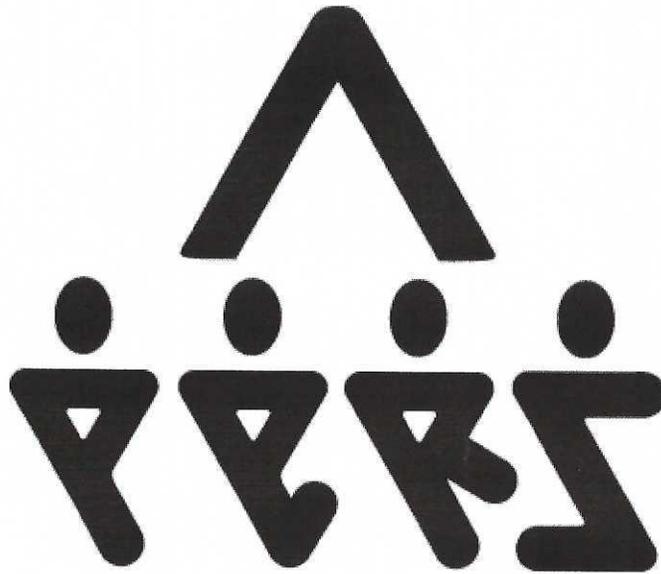
Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
f. Review with management and the CAO the charter, objectives, plans, activities, and organizational structure of the internal audit function.				Committee at the February 2020 meeting. Reports were reviewed at each Audit Committee meeting.
g. Review and approve the risk-based internal audit annual plan.	Review and approve Annual audit plan	Annual audit plan	Annually in the Fall	
h. Review internal audit reports provided to the Audit Committee.	Review all internal audit reports provided. Provide a quarterly audit recommendation report to the Audit Committee.	Report on the status of all current internal audits and audits planned for the next quarter and/or year.	Quarterly	A report of all audit recommendations was provided to the Audit Committee quarterly, with a progress update for each audit issue.
i. Review the responsiveness and timeliness of management's follow-up activities pertaining to any reported findings and recommendations.		Provide quarterly audit recommendation report	Quarterly	Audit Committee Chair is always available if needed.
j. Bring to the attention of the Board any internal audit issues the Committee determines significant and appropriate for consideration by the Board.	The Audit Committee chair should be available if any unforeseen issues arise between meetings relating to the CAO.		As needed.	An individual meeting with the CAO was not held in 2020.
k. On a regular basis, meet separately with the CAO to discuss any matters the committee or internal audit believes should be discussed privately (subject to open meeting laws).			As needed.	The Internal Audit Division is the primary contact for the external auditors, and coordinated all matters related to the 2020 financial audits.
l. Designate the CAO as the primary point of contact for handling all matters related to audits, examinations,				

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
investigations or inquiries of the state auditor and other state or federal agencies.				
<p>5) Engagement of External Auditors</p> <p>a. Obtain the information and/or training to enhance the Committee's understanding of the organization's financial statements audit and the role of external auditors.</p> <p>b. Review the performance of the external financial statement audit firm, and review the State Auditor's recommendation for the final approval on the request for proposal for, and the appointment, retention or discharge of the audit firm. Obtain input from the CAO, management and other parties as appropriate.</p> <p>c. Review the external auditor's audit scope and approach, including coordination of efforts with internal audit.</p> <p>d. Review the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the</p>	<p>Provide the Audit Committee members with information regarding the selection of the external audit firm(s).</p> <p>Provide input on the external audit performance to the State Auditor's Office.</p> <p>Provide input to the State Auditors Office on the request for proposal for the appointment of the next audit firm.</p> <p>Meet with independent audit partner, the accounting manager and CAO to discuss scope of the previous year's audit, and lessons learned. Later, discuss planned scope for audit of current year.</p> <p>Obtain from external audit firm and/or management any documentation of any activity or issues between the audit firm and organization if information</p>	<p>Document the meeting in the Audit Committee meeting minutes.</p>	<p>Provide information and training as needed.</p> <p>Every three years</p> <p>Annually</p> <p>Annually</p>	<p>Am RFP is being issued for a contract for the fiscal years ending June 2021 through June 2023.</p> <p>Input was provided in January 2020 to the State Auditor's Office on the RFP for the 2021-2023 contract period.</p> <p>The Audit Committee met with the external auditors in November 2020. The external audit firm reported there were no issues between them and management during the most recent audit.</p> <p>The Audit Committee met with the external auditors to discuss the FY 2020 audit report in November 2020.</p> <p>Quarterly consultant reports were provided to the Audit Committee</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
<p>organization for all audit and non-audit services.</p> <p>e. On a regular basis, meet separately with the external financial statement audit firm to discuss any matters the committee or auditors believe should be discussed privately (subject to open meeting laws).</p>	<p>should be provided to the Audit Committee.</p> <p>Review at the exit conference with management, and again with the Audit Committee.</p> <p>Provide opportunity at the time external auditors are at meeting to present audit report.</p> <p>Provide a quarterly report to the board of all external audit costs.</p>	<p>Annual financial audit report presentation</p> <p>Consultant Fees report</p>	<p>Annually</p>	<p>when available.</p>
<p>6) Compliance</p> <p>a. Review the effectiveness of the organization's system for monitoring compliance with laws and regulations, contracts, and policies and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.</p> <p>b. Review the findings of any examinations by regulatory agencies, any auditor observations related to compliance, and the responsiveness and timeliness of management's actions to address the findings/observations.</p> <p>c. Obtain updates from management and organization legal counsel</p>	<p>Review the reports of compliance with laws and regulations.</p> <p>Discuss compliance issues and resolutions.</p> <p>Report to Audit Committee as necessary.</p> <p>Report to Audit Committee as needed.</p>	<p>Record discussion and any action steps in the Audit Committee meeting minutes.</p> <p>Report to Audit Committee at meeting, if matters arise.</p> <p>Report to Audit Committee of changes in laws, regulations and rules.</p>	<p>Review as necessary.</p> <p>As they occur.</p> <p>As they occur.</p>	<p>Compliance with laws and regulations are reviewed for each specific audit by both the external auditors and internal auditors. Any concerns will be brought before management, the Audit Committee and/or board as necessary. Focus for FY 2020 was mainly on new retiree and refund benefits to ensure accuracy in the final benefit payment. Reported any observations of potential issues.</p> <p>There were none during 2020.</p> <p>There were none during 2020.</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
regarding compliance matters, as needed.				
7) Special Investigations and Whistleblower Process <ol style="list-style-type: none"> a. Institute and oversee special investigations, as needed. b. Ensure the creation and maintenance of an appropriate whistleblower mechanism for reporting any fraud, noncompliance, and/or inappropriate activities. c. Retain independent counsel, accountants, or other specialist to advise the Committee or assist in the conduct of an investigation, subject to full board approval. 	<p>Review procedures with CAO and the general counsel.</p> <p>Review all complaints that have been received and the status of resolution.</p> <p>Ensure proper steps are taken to investigate and resolve complaints timely.</p>	<p>Review an original of each complaint received, no matter the media used to submit. Discuss the status or resolution of each complaint.</p> <p>Review a cumulative list of complaints submitted to date to review for patterns or other observations.</p>	Review at each meeting.	<p>There were none during 2020.</p> <p>The CAO is the point of contact for any staff concerns of fraud or abuse.</p> <p>None were needed during 2020.</p>
8) Other Responsibilities <ol style="list-style-type: none"> a. Report at least annually to the Board of Directors the Audit Committee activities, audit issues, and related recommendations. b. Confirm annually all responsibilities outlined in this charter have been carried out. Review and assess periodically the adequacy of the Audit Committee charter, request Board approval for proposed changes, and 	<p>Submit Audit Committee meeting minutes to the board after Audit Committee approval.</p> <p>Utilize a matrix to determine if all responsibilities outlined in the charter are carried out.</p>	<p>Submit Audit Committee meeting minutes after Audit Committee approval to the board for their next meeting.</p> <p>An Audit Committee Charter review matrix will be updated each year and presented to the Audit Committee to present a report to the Board for approval.</p>	<p>Quarterly</p> <p>Annually</p>	<p>Copies of the Audit Committee minutes are provided to the board after the Audit Committee 's approval of the minutes.</p> <p>Annual review was conducted December 2020 and will be reported to the Audit Committee at the February 2021 Audit Committee meeting, and to the Board at the March 2021 meeting.</p>

Audit Committee Charter Objective	Steps to Accomplish the Objective	Deliverable	Achieve (Frequency Due Date)	Status
<p>ensure appropriate disclosure as may be required by law or regulation.</p> <p>c. Evaluate the Audit Committee's performance and report the results of the evaluation to the Board annually.</p> <p>d. Provide an open avenue of communication between the internal auditors, external auditors, management and the Board.</p> <p>e. Avoid conflicts of interest, paying strict attention to board matters.</p> <p>f. Perform other activities related to this Charter as requested by the Board.</p>	<p>Hold an annual meeting with internal auditor, external auditor, management, and Board of Directors to discuss issues as needed.</p> <p>Require staff to sign off on ethics/code of conduct and fraud policy annually during performance reviews.</p> <p>Review charter periodically. Assess the suitability of each point in the charter based on past experiences Evaluate completeness of the charter against best practices and legal or regulatory requirements. Revise charter as needed and obtain Audit Committee and Board approval for changes.</p>	<p>Report to the board on the appropriateness of the Audit Committee charter and any revisions recommended.</p> <p>Review signed form stating the employee read the policies</p>	<p>Annually.</p> <p>As needed</p> <p>Annually</p> <p>As needed.</p>	<p>A self-assessment was not performed by Audit Committee members in 2020.</p> <p>CAO did not independently meet with the Audit Committee in 2020 The external auditors met with the Audit Committee in November 2020, and the Board in December 2020.</p> <p>NDPERS' policy is to have staff review and sign off annually on an ethics/code of conduct policy during their annual performance evaluations.</p> <p>Audit Committee Charter was reviewed, updated, and approved by the board December 2014. No changes have been made since. The Audit Committee Charter was reviewed in December 2020.</p>



**NORTH DAKOTA
PUBLIC EMPLOYEES RETIREMENT SYSTEM
INTERNAL AUDIT DIVISION**

AUDIT PLAN

JANUARY 1, 2020 – DECEMBER 31, 2021

(Updated February 2021)

Shawna Piatz

Shawna Piatz, CIA, CPA, CEBS
Chief Audit Officer

Mona Rindy

Mona Rindy
Chairman, Audit Committee
Board of Directors



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INTERNAL AUDIT DIVISION – AUDIT PLAN



Introduction

The Internal Audit Division's Audit Plan defines specific areas intended to be audited in the next two years. We appreciate this opportunity to provide our vision of the plan to serve NDPERS Board Audit Committee, management, employees and active and retired members.

This report will provide the purpose and scope of work of which Internal Audit will focus. In addition, an explanation of NDPERS' risk management is provided to enhance your understanding of the risk assessment process.

As part of the audit planning process, we actively seek input from NDPERS management, Board, Audit Committee members, and external auditors. This collective input is extremely useful in helping us decide how to provide the best value to the NDPERS organization. Our normal process is to facilitate a risk assessment with management so that we can prepare a comprehensive risk evaluation of the entire agency. The results of the risk assessment are weighed to determine high-risk areas, and to establish audit priorities for the upcoming biennium.

There are many areas to review to ensure that agency business operations continue to run effectively and efficiently while maintaining integrity of our funds. Limited resources in Internal Audit do not allow us to audit all high-risk areas every year. The Audits listed on page 3 outlines what we consider to be the most important audit projects.

Purpose and Scope

This audit plan communicates the project objectives for the period January 1, 2020 through December 31, 2021.

The following objectives are the focus for Internal Audit:

- Develop the Annual Audit Plan based upon inherent risk
- Focus on areas of higher inherent risk, strategic importance, or NDPERS audit priority
- Provide NDPERS with value added recommendations to improve controls, mitigate identified risks, and increase efficiency and effectiveness within operations

The scope of work by Internal Audit is to determine whether NDPERS' framework of risk management, control, and governance processes, as designed and represented by Board and management is adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed;
- Interaction with various governance groups occurs as needed;
- Significant financial, managerial, operating information is accurate, reliable, and timely;
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently, and adequately protected;
- Programs, plans, and objectives are achieved;
- Quality and continuous improvement are fostered in control processes;
- Significant legislative or regulatory issues impacting NDPERS' fiscal operations are recognized and addressed appropriately; and
- Adequate controls are incorporated within new systems and processes.



Risk Management

Risk management is fundamental to organizational control and is a critical part of providing sound corporate governance. Managing risk touches all the organization's activities. Establishing an effective enterprise-wide risk management system is a key responsibility of management and the board, ensuring that managing risk is integrated into the organization, both at the strategic and operational level.

Because of the unique perspectives and skills that management, internal audit, risk management and compliance each have, it is important that assurance activities be coordinated between the groups. This will help to ensure resources are used in an efficient and effective way, and risk and control processes operate as intended. In 2019, Internal Audit worked with management to update the agency risk assessments and develop a process to ensure they are reviewed at least annually going forward. Internal Audit did not perform an independent fraud risk assessment of the Agency in 2019 but will work to get this completed.

To have effective and adequate risk management within the agency, there should be three lines of defense. The first line would be operational management owning and managing the risks. They should be responsible for implementing corrective actions to address process and control deficiencies daily. The second line of defense would be the risk management and compliance functions. This line would facilitate and monitor the implementation of effective risk management practices by operational management, and assist owners in defining the target risk exposures and reporting adequate risk-related information throughout the organization. It is this step that is parallel to what internal audit has provided in the past facilitating enterprise risk assessments with management. This line would ensure the first line of defense is properly designed, in place, and operating as intended. The third line of defense is internal audit which provides the board, audit committee and senior management with comprehensive assurance based on the highest level of independence and objectivity within the organization. Internal audit does not give independent assurance on any part of the risk management framework for which it is responsible.

Planned Audits

The audit plan was developed with input from NDPERS management and the external auditors. Because of this input, the Internal Audit Division will focus its attention on the following for 2020-2021:



NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
INTERNAL AUDIT DIVISION
 Audit Plan for 2020-2021

Audit Projects		
Priority	Area	Division
1	Retirement Benefit Payments with expanded compliance audit	Benefits Administration
2	Retirement Refund Payments with expanded compliance audit	Benefits Administration
3	Sanford Interest Calculation Report – Audit 2017-2019 (June 2020 settlement)	Accounting
4	Contracts Review	Executive
5	Deferred Compensation, Other 457/403b Eligibility & Vesting %	Accounting
6	Service Purchases	Benefits

Consulting and Clean-Up Projects		
Priority	Area	Division
1	Review Joint & Survivor Beneficiaries with Graduated Benefit Options	Benefit Administration
2	Review of wage adjustments for members participating in the PEP program (PIR 20962)	Accounting
3	Review of interest calculations for service purchases when installments are made quarterly/semi-annually/annually (PIR 20185)	Accounting
4	Review Original Minimum Guarantee balances for issued payments incorrectly reducing the balance (PIR 19331)	Accounting

Administrative/Other	
✓	Audit/Board Related Activities
✓	Audit Plan Development and Issuance
✓	Audit Report Development and Issuance
✓	Liaison Activities with External Auditors, including Field Work
✓	Record Retention Purge
✓	Review and Update Internal Audit and Audit Committee Charters
✓	Review and update Internal Audit Manual
✓	Training/Continuing Education

Total Project Hours (2,080 * 2)

4,160

New retirees from July 1, 2017 through May 31, 2019 have been audited 100% due to management's goal of achieving 97% accuracy. This process will continue as there is staff turnover in the new retirement payment process roles and will be audited on a sample basis as the 97% goal is achieved and maintained. Due to the time it takes to do these audits, the time that is available to work on the projects listed above may be limited.

Audit Hours

Budgeting the project hours was not completed for each individual project as it is difficult to estimate the amount of time that will be spent in any one area. However, the estimated time that is our goal for each area is listed below:



<u>2020 / 2021</u> <u>Projects</u>	<u>Hours</u>	<u>%</u>
	Approximate Range	
Audits	2,080-2,496	50-60.0%
Consulting	208-416	5-10.0%
Administrative	832-1,248	20-30.0%
<u>Total</u>	<u>4,160</u>	<u>100.0%</u>

Planning and Administrative Projects

Internal Audit responsibilities include the completion of numerous administrative and planning projects including:

- ✓ Automated Workpaper Development
- ✓ Committee (non-voting) participation on a variety of management topics
- ✓ Consulting with management as needed
- ✓ Development of the Audit Plan
- ✓ Development of the Audit Report
- ✓ Follow-up on outstanding internal and external audit recommendations
- ✓ Conduct an internal quality assurance review with the goal to have an external quality assurance review in accordance with the IIA Standards in the future
- ✓ Liaison with external audit groups
- ✓ Meetings
- ✓ Quarterly reporting to the Board Audit Committee
- ✓ Training/Education – minimum 40 hours per calendar year per auditor with certifications
- ✓ Updates and revisions to the Audit Policy Manual
- ✓ Updates and revisions to the Audit Procedures Manual
- ✓ Updates and revisions to the Risk Assessment
- ✓ Develop and implement the Internal Audit's independent analysis of NDPERS risk

Performance Measures

Internal Audit performance measures for the 2020-2021 years are as follows:

- ✓ Prepare and provide Audit Committee materials at minimum one week prior to the Audit Committee meetings
- ✓ Ensure that the Audit Committee is meeting all requirements as set forth in the Audit Committee Charter
- ✓ Ensure that the Internal Audit function is meeting all requirements as set forth in the Internal Audit Charter
- ✓ Act as liaison between External Audit Firm and NDPERS
- ✓ Spend approximately 55-70% of total hours available on direct audit and consulting work
- ✓ Complete development of the Annual Audit Report by the February Audit Committee meeting
- ✓ Complete development of the Annual Audit Plan by the November Audit Committee meeting
- ✓ Conduct internal annual risk assessment of the agency in the fall
- ✓ Attend a minimum of 40 hours of continuing education



Audit Organization and Staffing

A current organization chart for the Internal Audit Division is located on the last page. The Division is staffed with two full-time equivalent (FTE) positions. The audit plan was developed based on the assumption that the Auditor IV and Auditor III positions would be filled for the entire two years. An intern position is currently not available.

Internal Audit staff has a combined 18 years of auditing experience. The Chief Audit Officer currently holds the Certified Internal Audit (CIA), Certified Public Accountant (CPA), and Certified Employee Benefits Specialist (CEBS) certifications..

Follow-Up and Reporting

Follow-up is an important part of our audit effort and is required by professional standards. We communicate the status of all internal and external audit recommendations in a quarterly report to the Audit Committee and NDPERS executive management. Reporting will continue until all recommended actions or management action plans are implemented or otherwise resolved.

Coordination with External Auditors

Internal Audit coordinated activities with the North Dakota State Auditor's Office (SAO) and with other external audit groups working at NDPERS. The SAO contracted with CliftonLarsonAllen LLP to conduct our financial audits for fiscal years ending June 30, 2015 through 2019. The SAO will be going out to bid for the contract period 2021 – 2023 sometime in 2020. The Internal Audit Division will work with all external groups as necessary.

Management Controls

During 2019, Internal Audit provided information to NDPERS managers on the importance of effective internal controls within an organization. We used nationally recognized COSO's *Internal Control-Integrated Framework (2013)* that has five interrelated internal control components with seventeen principles.

Managing internal controls are most effective when they are built into the organization's infrastructure and are a fundamental part of management's philosophy. "Built in" controls support quality and empowerment initiatives, avoid unnecessary costs, and enable quick response to changing conditions.

Internal Audit staff will engage in promoting greater understanding of these internal control concepts while conducting audit projects, attending management meetings, providing training activities for staff, and through dissemination of any other pertinent information throughout the year.

Professional Organizations

Internal Audit staff participates in several professional auditing and accounting organizations. These groups are excellent sources for information on auditing, accounting, business management, and other professional issues and concerns. The current professional organizations include:

- ❑ Association of Public Pension Fund Auditors (APPFA)



- Central NoDak Chapter of the Institute of Internal Auditors (IIA)
- North Dakota Society of Certified Public Accounts (NDSCPA)
- International Foundation of Employee Benefit Plans (IFEBP)

Quality Assurance

An external quality assurance review of Internal Audit has not been requested nor completed in the NDPERS Internal Audit Division. The result of this non-compliance is the Internal Audit Division cannot state in their audit reports that they are conducting the audits in accordance with the International Standards for the Professional Practice of Internal Auditing. However, once a successful quality assurance review is completed, the Internal Audit Division will be able to indicate audits were done in accordance with the International Standards for the Professional Practice of Internal Auditing.

It is Internal Audit's goal to conduct an internal quality review to assess where our strengths and weaknesses are before we can develop a plan of action to have a formal quality assurance review conducted by an independent source. It is our intent to try and accomplish this by December 31, 2021, however, limited resources and workload may interfere with this goal.

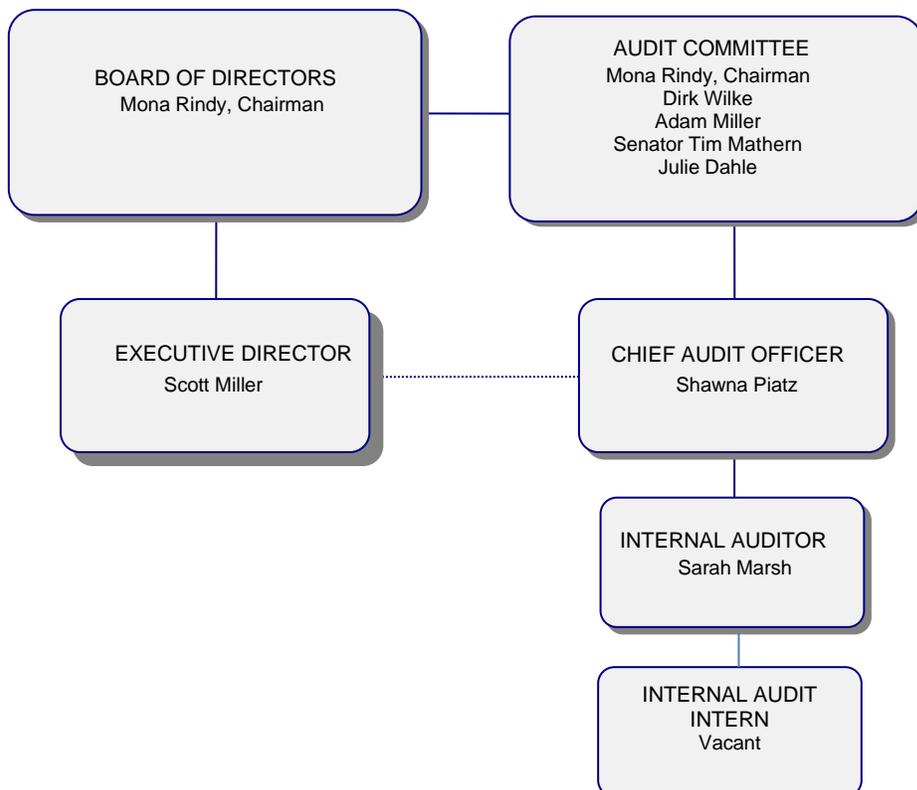
Questions

For further information on the Internal Audit Annual Audit Plan, please contact Shawna Piatz by phone during normal business hours at (701) 328-3965 or via e-mail at spiatz@nd.gov.



Internal Audit Division Organizational Chart

NORTH DAKOTA PUBLIC
EMPLOYEES RETIREMENT
SYSTEM
Internal Audit Division
January 2020





**North Dakota
Public Employees Retirement System**
400 East Broadway, Suite 505 • Box 1657
Bismarck, North Dakota 58502-1657

Scott A. Miller
Executive Director
(701) 328-3900
1-800-803-7377

Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Scott

DATE: March 9, 2021

SUBJECT: Legislation

As you heard last week, we are now tracking 28 bills, down from 39. Also last week, the Board gave me additional direction on several of the bills. I will let the Board know at the meeting on March 9 whether any additional information has come up.

I have attached our current bill tracking matrix for your information.

Board Action: Unknown – pending any additional action from the Legislative Assembly

bill #	short name	Title	fiscal Impact	bill status	chamber/ committee	hearing date	hearing time	meeting room	Committee members
HB 1023	1023	A BILL for an Act to provide an appropriation for defraying the expenses of the public employees retirement system; and to provide an exemption.	FN 1023	1/5 1st reading 1/12 committee hearing 2/17 reported back amended DP 21-0-0 2/18 consideration of amendments Passed 2/18 amendment adopted, placed on calendar 2/19 2nd reading Passed 87-5 2/22 Senate - received from House 2/22 1st reading, referred to Senate Appropriations	House Approps Government Operations Division Meets M-F	12-Jan	10:00 AM	Brynild Haugland	<u>House Approps Gvt Ops</u> D Vigesaa, chair M Brandenburg, vice L Bellew M Howe K Kempenich L Meier C Mock <u>Senate Approps</u> R Holmberg, chair K Krebsbach, vice T Wanzek B Bekkedahl K Davison D Dever R Erbele J Heckaman D Houge T Mathern D Oehlke N Poolman D Rust R Sorvaag
HB 1029	1029	Relating to public employee uniform group insurance for health benefits; to provide for application; and to declare an emergency		1/5 1st reading, referred to House GVA 1/7 committee hearing 1/11 Reported back, DP, place on calendar 14 0 0 1/12 2nd Reading - PASSED 90-0, Emerg clause carried 1/13 Senate - received from House 2/3 1st reading referred to Senate GVA Emergency clause 2/12 committee hearing 2/22 reported back DP 7-0-0 placed on calendar 3/3 Senate 2nd reading Passed 46-0	House GVA Meets Th, F Senate GVA Meets Th, F	1/7 2/12	9:15:00 AM 9:30 AM Room 216	Room 216	<u>House GVA</u> J Kasper, chair B Kapelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter <u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema
HB 1032	1032	Relating to prescription drug cost transparency; and to provide a penalty.		1/5 1st reading, referred to House Human Services 1/6 committee hearing 2/17 reported back amended DP 12-2-0 2/18 consideration of amendments Passed 2/18 amendment adopted, placed on calendar 2/19 2nd reading PASSED 63-29 2/22 Senate - received from House 2/22 1st reading, referred to Senate Human Services	House Human Services Meets M, T, W	6-Jan	1:30 PM	Pioneer	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Giegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind <u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen

HB 1041	1041	Relating to public employees retirement system penalties for late payments or failures to follow required processes; and to provide a penalty.		1/5 1st reading, referred to House GVA 1/7 committee hearing 1/18 reported back DNP, 10-3-1 1/19 2nd reading PASSED 59-31 1/20 Senate - received from House 2/8 1st reading referred to Senate GVA	House GVA Meets Th, F Senate GVA Meets Th, F	7-Jan	10:15 AM		<u>House GVA</u> J Kasper, chair B Koppelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema
HB 1042	1042	Relating to the public employees retirement system's uniform group insurance program part D contracts with pharmacy benefit managers.		1/5 1st reading, referred to House GVA 1/7 committee hearing 1/18 reported back, DP, 12-0-2 1/19 2nd reading PASSED 90-0 1/20 Senate - received from House 2/3 1st reading referred to Senate GVA 3/4 Senate Committee Hearing GVA	House GVA Meets Th, F Senate GVA Meets Th, F	1/7/2021 3/4	10:45 AM 11:00 AM	Room 216	<u>House GVA</u> J Kasper, chair B Koppelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema
HB 1139	1139	Relating to duration limits for opioid therapy and benzodiazepine; and to provide for application	FN 1139	1/8 Introduced, first reading, referred Industry, Business and Labor Committee 1/18 committee hearing 1/21 reported back DP 12-1-1 1/27 2nd reading PASSED 64-26 1/28 Senate - Received from the House 2/15 1st reading, referred to IB&L	House IB&L Meets M,T,W Senate IB&L Meets M,T,W	18-Jan	8:00 AM		<u>House IB&L</u> M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas	<u>Senate IB&L</u> J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa

HB 1147	1147	Relating to public employee fertility health benefits; to amend and reenact section 26.1-36.6-03 of the North Dakota Century Code, relating to self-insurance health plans; to provide for a report; to provide for application; to provide an expiration date; and to declare an emergency.	FN 1147	1/8 1st reading (emergency) referred to House IB&L 1/26 committee hearing 2/8 committee work 2/9 reported back DP amendment on calendar 8-6-0 2/10 consideration of amendments Passed 2/10 amendment adopted 2/10 referred to appropriations 2/12 Committee work 2/19 reported back DNP 17-3-1 2/24 2nd reading FAILED 31-63	House IB&L Meets M,T,W Appropriations	1/26 2/8 2/12	2:00 PM 9:00 AM 10:30 AM	Brynild Haugland	House IB&L M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas	Senate IB&L J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa
HB 1154	1154	A BILL for an Act to create and enact chapter 26.1 36.8 of the North Dakota Century Code, relating to transparency in dental benefits contracting; and to provide a penalty		1/8 1st reading referred to Human Services 1/13 request return from committee re-referred to IB&L 2/3 committee hearing IB&L 2/16 committee work 2/17 committee work 2/18 reported back DP amendment on calendar 13-0-1 2/19 consideration of amendments Passed 2/22 2nd reading Passed 60-34 2/23 Senate - 1st reading, referred to Human Services 2/23 received from House	House IB&L Meets M,T,W	2/3/2021 2/16 2/17	9:00 AM 10:00 AM 9:00 AM	327C	House IB&L M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas	Senate IB&L J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa
HB 1155	1155	Relating to the public employees retirement system uniform group insurance program benefits; and to provide for application.		1/8 1st reading, referred to House IB&L 1/18 committee hearing 1/18 reported back DO PASS 11 -2 -1 1/18 re-referred to appropriations 2/5 committee work 8:30 2/18 reported back, DNP 18-2-1 2/23 2nd reading FAILED 37-56	House IB&L Meets M,T,W House Appropriations	1/18 2/5/2021	8:00 A.M. 8:30 AM	Brynild Haugland	House IB&L M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas	Senate IB&L J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa

HB 1233	1233	A BILL for an Act to provide for the public employees retirement system to contract for an audit of pharmacy benefit managers providing contract services for the state uniform group health insurance program; and to provide for a legislative management report.	1/11 - Introduced, first reading, referred GVA 2/4 committee hearing 2/22 reported back DP amendment on calendar 13-1-0 2/23 consideration of amendments Passed 2/23 amendment adopted, placed on calendar 2/24 2nd reading Passed 91-2	House GVA Meets Th, F	4-Feb	8:00 AM	Pioneer	House GVA J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter	Senate GVA S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema
HB 1245	1245	A BILL for an Act to amend and reenact sections 54 52.1 04, 54 52.1 04.1, 54 52.1 04.2, 54 52.1 04.7, 54 52.1 04.8, and 54 52.1 05 of the North Dakota Century Code, relating to public employee uniform group insurance plans; to provide for application; and to declare an emergency.	1/11 Introduced, first reading, (emergency), referred GVA 2/11 committee hearing 2/16 reported back amended, DP 12-2-0 2/17 consideration of amendments Passed 2/17 amendment adopted, placed on calendar 2/23 2nd reading Passed 90-4	House GVA Meets Th, F	11-Feb	8:00 AM	Pioneer	House GVA J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter	Senate GVA S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema
HB 1250	1250	Relating to public employee health insurance drug benefit coverage; to amend and reenact section 26.1-36.6-03 of the North Dakota Century Code, relating to self-insurance health plans; to require a report; to provide for application; to provide an expiration date; and to declare an emergency.	1/11 Introduced, first reading, (emergency), referred House IB&L 1/18 committee hearing 1/18 reported back DNP 12-2-0 1/19 2nd reading FAILED 12-78 Canadian importation bill	House IB&L Meets M,T,W	18-Jan	8:00 AM	327C	House IB&L M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas	Senate IB&L J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa

HB 1328	1328	A BILL for an Act to create and enact a new section to chapter 43 15 and section 54 52.1 04.18 of the North Dakota Century Code, relating to vitamin D screening and testing; to amend and reenact section 26.1 36.6 03 of the North Dakota Century Code, relating to self insurance health plans; to provide for a report; to provide for application; to provide an expiration date; and to declare an emergency.	FN 1328	1/12 Introduced, first reading, referred Human Services 1/25 Committee Hearing 2/9 reported back DNP 7-6-1 2/10 consideration of amendments Passed 2/10 Amendemnt adopted, placed on calendar 2/18 2nd reading FAILED 35-59	Human Services Meets M, T, W	25-Jan	10:15 AM	Pioneer	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen
HB 1342	1342	Relating to increased employer and employee contributions under the public employees retirement system defined benefit and defined contribution plans; to provide an appropriation; and to provide a statement of legislative intent.	FN 1342	11/14 Introduced, first reading, referred Government and Veterans Affairs Committee 2/4 committee hearing 2/12 reported back DNP 9-4-1 2/19 2nd reading, laid over 2/23 2nd reading FAILED 37-57	House GVA Meets Th, F	4-Feb	8:00 AM	Pioneer	<u>House GVA</u> J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema
HB 1380	1380	Relating to an economic diversification research fund, a legacy sinking and interest fund, a career and technical education support fund, a legacy earnings fund, a behavioral health support fund, a legacy infrastructure project fund, a state building maintenance and project fund, and an information technology cybersecurity fund; to amend and reenact subsection 1 of section 21-10-06 and section 21-10-12 of the North Dakota Century Code, relating to funds invested by the state investment board and legacy fund definitions; to provide for a transfer; and to provide a report.	FN 1380	1/18 1st reading, referred to Appropriations 2/2 committee hearing 2/23 reported back DP amendment on calendar 16-3-2 2/24 Consideration of amendments PASSED 2/24 2nd reading Passed 71-22 2/24 amendment placed on calendar 2/24 2nd reading Passed 71-22	Appropriations	2-Feb	9:00 AM	Brynild Haugland	<u>House Approps Gvt Ops</u> D Vigesaa, chair M Brandenburg, vice L Bellew M Howe K Kempenich L Meier C Mock	<u>Senate Approps</u> R Holmberg, chair K Krebsbach, vice T Wanzek B Bekkedahl K Davison D Dever R Erbele J Heckaman D Houge T Mathern D Oehlke N Poolman D Rust R Sorvaag

HB 1425	1425	Relating to the legacy infrastructure revolving loan fund and the state investment board; to amend and reenact sections 21-10-02 and 21-10-11 of the North Dakota Century Code, relating to the state investment board and the legacy and budget stabilization fund advisory board; and to provide a continuing appropriation.	FN 1425	1/18 1st first reading, referred Finance and Taxation Committee 2/2 commttee hearing 2/9 reported back DP 14-0-0 2/10 consideration of amendments 2/12 committee work 2/10 reported back amended DP 12-0-1 2/10 re-referred to Finance and Taxation 2/11 consideration of amendments Passed 2/11 amendment adopted 2/11 re-referred to Appopriations 2/22 reported back amended DP 15-5-1 2/23 consideration of amendments Passed 2/23 amendment adopted, placed on calendar 2/24 2nd reading Passed 85-8	Finance and Taxation Committee Meets M, T, W Appropriations	2/2/2021 2/12	9:00:00 AM 10:45 AM	Brynild Haugland Room	<u>House Finance & Tax</u> C Headland, chair V Steiner, vice Danerson G Bosch J Dockter S Ertelt J Fischer P Hatlestad Z Ista T Kiading B Koppelman M Nelson N Toman W Trottier	<u>Senate Finance & Tax</u> J Bell, chair J Kannianen, vice S Meyer D Patten M Piepkorn J Roers M Weber
HB 1435	1435	Relating to peace officers, patrolmen, correctional officers, and firefighters who die in the line of duty; and to provide for retroactive application.		1/18 first reading, referred to Political Subs 1/28 committee hearing 2/5 reported back amended 10-3-1, placed on calendar 2/8 consideration of amendements Passed 2/8 amendment adopted, placed on calendar 2/15 2nd reading Passed 75-18 2/16 Senate - received from House 2/17 1st reading, referred to GVA	House Political Subdivisions Meets T, F Senate GVA	28-Jan	3:00 PM	327B	<u>House Political Subs</u> J Dockter, chair B Pyle, vice M Adams C Cory S Ertelt C Fegley P Hatlestad M Johnson L Klemin D Longmuir D Nehring M Nelson L Simons N Toman	<u>Senate Political Subs</u> R Burckhard, chair H Anderson, vice J Heitkamp J Kannianen D Larson J Lee E Oban
HB 1465	1465	Relating to freedom of choice for health care services.		1/18 Introduced, first reading, referred Human Services Committee 2/3 committee hearing 2/17 reported back amended, DP, 13-1-0 2/18 consideration of amendments Passed 2/18 amendment adopted placed on calendar 2/19 2nd reading Passed 70-22 2/22 Senate - received from the House 2/22 1st reading referred to Senate Human Services	Human Services Meets M, T,W	3-Feb	10:30 AM	Pioneer	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen

HB 1492	1492	A BILL for an Act to amend and reenact section 43 15 25.3 of the North Dakota Century Code, relating to permitting pharmacists to administer SARS CoV 2 tests; and to declare an emergency.		1/18 1st reading, referred to Human Services 1/26 Committee Hearing 02:30 2/2 reported back DP 13-0-1 2/8 2nd reading PASSED 89-2, emergency clause carried 2/9 Senate - received from the House 2/15 1st reading, emerg clause, referred to Human Services 3/3 Senate committee hearing	Human Services Meets M, T, W Senate Human Srv	1/26 3/3	2:30:00 PM 9:40 A.M.	Sakawea	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Giegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen
SB 2029	2029	A BILL for an Act to create and enact sections 26.1 36.4 03.2 and 26.1 36.4 03.3 of the North Dakota Century Code, relating to hospital and medical insurance pre-existing conditions and guaranteed issue; and to amend and reenact section 26.1_36.3_01, subsection 2 of section 26.1 36.3 06, and sections 26.1 36.4 02 and 26.1 36.4 04 of the North Dakota Century Code, relating to small employer employee health insurance and hospital and medical insurance guaranteed issue and guaranteed availability.		1/5 1st reading, referred to Senate IB&L 1/6 committee hearing 1/18 reported back DNP 5-1 -0 1/19 2nd reading FAILED 7-40 ACA bill	Senate IB&L Meets M, T, W	6-Jan	2:30 PM	Fort Union	<u>Senate IB&L</u> J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa	<u>House IB&L</u> M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louse D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas
SB 2042	2042	A BILL for an Act to amend and reenact subsection 1 of section 54 52 02.9, subsection 1 of section 54 52 06, subsection 6 of section 54 52.6 02, and subsection 2 of section 54 52.6 09 of the North Dakota Century Code, relating to increased employer and employee contributions under the public employees retirement system defined benefit and defined contribution plans; and to provide a penalty.	FN 2042	1/5 1st reading, referred to Senate GVA 1/29 committee hearing 2/18 reported back, DNP, placed on calendar 2/19 2nd reading FAILED 1-46	Senate GVA Meets Th, F	29-Jan	11:00 AM	Room 216	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema	<u>House GVA</u> J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter

SB 2043	2043	A BILL for an Act to amend and reenact section 39 03.1 10 of the North Dakota Century Code, relating to contributions to the highway patrolmen's retirement system by the state.	FN 2043	1/5 1st reading, referred to Senate GVA 1/15 committee hearing 2/4 reported back DP 7-0-0 2/4 re-referred to appropriations 2/11 committee hearing 2/18 reported back DP, placed on calendar 14-0-0 2/19 2nd reading Passed 47-0 2/22 house - received from the senate	Senate GVA Meets Th, F Senate Appropriations Meets M-F	1/15 2/11	9:00 AM 9:00 AM Roughrider	Roughrider	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema <u>Senate Approps</u> R Holmberg, chair K Krebsbach, vice T Wanzek B Bekkedahl K Davison D Dever R Erbele J Heckaman D Houge T Mathern D Oehlke N Poolman D Rust R Sorvaag	<u>House GVA</u> J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter
SB 2044	2044	A BILL for an Act to amend and reenact section 39 03.1 10, subsection 2 of section 39 03.1 11.2, subsection 8 of section 54 52 17, subsection 10 of section 54 52 26, subsection 2 of section 54 52 28, subsection 2 of section 54 52.1 03.2, subsection 1 of section 54 52.1 03.3, and subsection 2 of section 54 52.6 21 of the North Dakota Century Code, relating to public employees retirement system unpaid benefit payments, missing member confidentiality requirements, compliance with Internal Revenue Code distribution requirements, insurance programs for which retiree health insurance credit moneys may be used, and clarification of eligibility for retiree health insurance credit payments.	FN 2044	1/5 1st reading, referred to Senate GVA 1/14 committee hearing 1/14 Reported back, DP, place on calendar 7-0-0 1/15 2nd reading, PASSED 47-0 1/18 House - received from Senate 2/24 1st reading, referred to GVA	Senate GVA Meets Th, F	14-Jan	1:00 PM	Room 216	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema	<u>House GVA</u> J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter

SB 2045	2045	A BILL for an Act to create and enact a new section to chapter 54 52.2 of the North Dakota Century Code, relating to payment of administrative expenses for the public employees retirement system deferred compensation plan; and to provide a continuing appropriation.	FN 2045	1/5 1st reading, referred to Senate GVA 1/15 committee hearing 1/15 Reported back, DO PASS, place on calendar 7 0 0 1/18 2nd Reading - PASSED 46-1 1/19 House - Received from Senate 2/24 1st reading, referred to GVA	Senate GVA Meets Th, F House GVA Meets Th, F	15-Jan	10:00 AM	Room 216	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema	<u>House GVA</u> J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter
SB 2046	2046	A BILL for an Act to amend and reenact subsection 1 of section 54_52_02.9, subsection 2 of section 54_52_05, subsection 1 of section 54 52 06, subsection 6 of section 54 52.6 02, and section 54 52.6 09 of the North Dakota Century Code, relating to increased employer and employee contributions under the public employees retirement system defined benefit and defined contribution plans; and to provide a penalty.	FN 2046	1/5 1st reading, referred to Senate GVA 1/14 committee hearing 2/4 reported back DP 7-0-0 2/4 re-referred to appropriations 2/11 committee hearing 2/18 reported back amended, DP 13-1-0 2/19 consideration of amendments Passed 2/19 2nd reading Passed 47-0 2/22 house - received form Senate	Senate GVA Meets Th, F Senate Appropriations	1/14 2/11	1:00 PM 10:00 AM Roughrider	Roughrider	<u>Senate GVA</u> S Vedaa, chair S Meyer, vice J Elkin R Marcellais K Roers M Weber M Wobbema	<u>House GVA</u> J Kasper, chair B Kopelman, vice P Anderson J Hoverson K Karls S Louser J Magrum M Ostlie K Rohr A Schauer M Schneider V Steiner G Stemen S Vetter

SB 2074	2074	Relating to health insurance utilization reports.	1/5 1st reading, referred to IB&L 1/12 committee hearing 1/20 reported back DP 6-0-0 amendment 1/21 amendment adopted 1/22 2nd reading of bills PASSED 47-0 1/25 House - Received from the Senate 2/18 1st reading, referred to IB&L	Senate IB&L Meets M, T, W	12-Jan	9:45 AM	Fort Union	<u>Senate IB&L</u> J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa	<u>House IB&L</u> M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas
SB 2130	2130	Relating to a cost-benefit analysis for mandated health insurance coverage measures.	1/5 1st reading, referred to Senate Human Services 1/19 committee hearing 1/27 reported back, DP, amendment on calendar 5-0-1 1/28 consideration of amendments PASSED 1/29 2nd reading PASSED 45-1 2/1 House - received from Senate 2/19 1st reading, referred to IB&L	Senate Human Services Meets M, T, W House Human Services	19-Jan	9:00 AM	Sakawea	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind
SB 2170	2170	Relating to prescription drug costs; and to provide a penalty.	1/11 Introduced, first reading, (emergency), referred Human Services 1/27 committee hearing 2/17 reported back amended, DP, 4-2-0 2/18 consideration of amendments Passed 2/18 amendment adopted, placed on calendar 2/19 2nd reading Passed 24-22 2/22 house - received from Senate senate - motion to reconsider FAILED	Senate Human Services Meets M, T, W	27-Jan	9:00 AM	Sakawea	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind

SB 2179	2179	Relating to health insurance coverage of telehealth; and to declare an emergency.	1/11 Introduced, first reading, (emergency), referred Human Services 1/20 committee hearing 2/11 reported back DP 5-1-0 2/12 consideration of amendments Passed 2/12 amendment adopted, placed on calendar 2/12 2nd reading Passed 44-3 2/15 House - received from the Senate 2/19 1st reading, referred to Human Services	Senate Human Services Meets M, T, W	20-Jan	2:30 PM	Sakawea	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind
SB 2183	2183	Relating to accident and health insurance coverage of diabetes drugs and supplies; to amend and reenact section 26.1-36.6-03 of the North Dakota Century Code, relating to public employees self-insurance health plans; to provide for application; to provide an effective date; and to declare an emergency.	1/12 Introduced, first reading, (emergency), referred Human Services 1/19 committee hearing 2/4 reported back amended DP 4-2-0 2/5 consideration of amendments Passed 2/5 amendment adopted, re-referred to Appropriations 2/16 committee hearing 2/19 reported back amended, placed on calendar 14-0-0 2/22 consideration of amendments Passed 2/22 amendment proposed on the floor, failed 2/22 2nd reading, FAILED 21-26	Senate Human Services Meets M, T, W Senate Approps	1/19 2/16	9:00:00 AM 9:30 AM	Roughrider Room	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen <u>Senate Approps</u> R Holmberg, chair K Krebsbach, vice T Wanzek B Bekkedahl K Davison D Dever R Erbele J Heckaman D Houge T Mathern D Oehlke N Poolman D Rust R Sorvaag	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind
SB 2209	2209	Relating to increased access to low-cost prescription drugs; to amend section 43-15.3-12 of the North Dakota Century Code, relating to drug wholesaler fees; to provide for a report; to provide a continuing appropriation; to provide for a transfer; and to provide a contingent effective date.	1/14 Introduced, first reading, referred Human Services Committee 1/27 committee hearing 2/8 committee hearing 2/9 reported back amended DP 5-1-0 2/10 consideration of amendments Passed 2/10 amendment adopted, placed on calendar 2/12 2nd reading Passed 35-12 2/15 House - received from Senate 2/19 1st reading, referred to Human Services	Senate Human Services Meets M, T, W	1/27 2/8	10:00 AM 11:00 AM	Sakawea	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit G Westlind

SB 2212	2212	Relating to increased access to low-cost prescription drugs; to provide for a report; and to provide a contingent effective date.	1/14 Introduced, first reading, referred Human Services Committee 1/27 committee hearing 2/8 committee work 2/10 reported back amended DP 5-1-0 2/11 consideration of amendments Passed 2/11 2nd reading Passed 45-2 2/12 House - received from the Senate 2/19 1st reading, referred to Human Services	Senate Human Services Meets M, T, W	1/27 2/8	9:30 AM 11:00 AM	Sakawa	<u>Senate Human Serv</u> J Lee, chair K Roers, vice H Anderson D Clemens K Hogan O Larsen	<u>House Human Serv</u> R Weisz, chair K Rohr, vice M Beltz C Damschen B Devlin G Dobervich C Gegler D Kiefert T Porter M Ruby M Schneider K Skroch B Tveit C Westling
SB 2222	2222	A BILL for an Act to create and enact chapter 26.1-36.8 of the North Dakota Century Code, relating to requirements of health insurance policies; to amend and reenact section 50 24.1 37 of the North Dakota Century Code, relating to continuation of Medicaid Expansion; to repeal sections 40 and 41 of chapter 11 of the 2017 Session Laws, relating to repeal of the Medicaid Expansion program; to provide for application; and to provide a contingent effective date.	1/18 1st reading, referred to IB&L 1/26 committee hearing 1/27 reported back, DNP 5-1-0 1/28 2nd reading - laid over on legislative day 1/29 Division of Bill 1/29 Division A lost 1/29 Division B lost 1/29 2nd reading FAILED 7-39	Senate IB&L Meets M, T, W	26-Jan	10:15 AM	Peace Garden	Senate IB&L J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa	
SB 2291	2291	Relating to social investments made by the state investment board and the boycott of energy or commodities companies; to provide for a department of commerce study of the implications of complete divestment of companies that boycott energy or commodities; and to provide for reports to legislative management.	1/25 1st reading, referred to Energy & Natural Resources 2/4 committee hearing 2/15 reported back DP amendment placed on calendar 2/16 consideration of amendments Passed 2/16 amendment adopted, placed on calendar 2/17 2nd reading Passed 42-4 2/17 2nd reading Passed 42-4 emergency clause carried 2/18 House - received from Senate	Energy & Natural Resources Meets Th, F	4-Feb	9:30 AM	Peace Garden	<u>Senate</u> C Kreun, chair J Roers, vice J Bell D Patten M Piepkorn D Schaible	<u>House</u> T Porter, chair C Damschen, vice D Anderson G Bosch B Devlin R Guggisberg P Heinert Z Ista G Keiser M Lefor A Marschall S Roers Jones M Ruby D Zubke

<p>2300</p>	<p>A BILL for an Act to create and enact a new section to chapter 54 06 of the North Dakota Century Code, relating to determination of full time employment of the state.</p>	<p>1/25 1st referred Industry, Business and Labor Committee 2/2 committee hearing 2/8 Request return from committee 2/8 withdrawn from further consideration</p>	<p>Senate IB&L Meets M, T, W</p>	<p>2-Feb</p>	<p>10:30 AM</p>	<p>Fort Union</p>	<p><u>Senate IB&L</u> J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa</p>	<p><u>House IB&L</u> M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer</p>
<p>2341</p>	<p>Relating to access to public employees retirement system uniform group insurance data</p>	<p>1/25 first reading, referred Industry, Business and Labor Committee 2/8 committee hearing 2/10 reported back DP 6-0-0 2/11 consideration of amendments Passed 2/12 2nd reading Passed 47-0 2/15 House - received from Senate 2/19 1st reading, referred to IB&L 2/23 request return from committee 2/23 House - referred to GVA</p>	<p>Senate IB&L Meets M, T, W</p>	<p>10-Feb</p>	<p>8:30 AM</p>	<p>Fort Union</p>	<p><u>Senate IB&L</u> J Klein, chair D Larson, vice R Burckhard C Kreun R Marcellais S Vedaa</p>	<p><u>House IB&L</u> M Lefor, chair G Keiser, vice M Adams P Anderson J Hagert J Kasper S Louser D Nehring E O'Brien M Ostlie D Ruby A Schauer G Stemen P Thomas</p>