

NDLA, H APP GO - Lewis, Sheri

From: Flanagan, Connie L.
Sent: Friday, January 29, 2021 7:02 AM
To: -Grp-NDLA House Government Operations; NDLA, H APP GO - Lewis, Sheri
Cc: Deichert, Becky J.; Hunter, David J.; Murtha, Janilyn; Mathiak, Adam
Subject: HB 1022 - RIO Budget - Follow Up Information
Attachments: HB 1022 Amendments Summary.pdf

Good morning Chairman Vigessa and Members of the Government Operations Committee,

RIO would like to provide you with some additional information in response to questions raised last week regarding our proposed Budget in HB1022. Please find attached a single page fact sheet for your use highlighting the following agency initiatives:

I. TFFR Pension Administration System (PAS) Project

- PAS Project funded exclusively by TFFR Fund.
- 2019-May 2020 Executive Steering Committee created per ND law and set Project Scope (3 Phases).
- Initial project rollout extended due to gathering stakeholder input and staff turnover from retirements.
- New Program Operations Manager retained in March, 2020, and New Deputy Executive Director in June, 2020.
- Consultant RFP issued June, 2020, Consultant selected and Phase 1 initiated Fall 2020.
- Phase 1 deliverables on track to complete March, 2021; Phase 2 initiated in April, 2021.
- **Request to Carryover unexpended/uncommitted portion of \$9 million to 2021-23 biennium.**

II. ITD Unification & Desktop Support

- RIO authorized by NDIT in January 2021 for IT Unification – 2 employees affected.
- **Transfer cost of 2 FTEs from salaries line to operations line (\$440,540).**
- **Desktop Support needed to fully implement unification efforts (\$70,920 for desktop support).**

III. Agency FTE's

- **New FTE for Public Information Officer requested.**
- PIO needed to fully implement TFFR and SIB education and outreach programs - recommended by consultant & supported by TFFR & SIB fiduciary Boards.
- Current staff levels insufficient to support education and outreach.
- PIO + ITD Unification = **Net negative 1 FTE**
- **\$210K in salary and \$15K in operating requested.**

Please let us know if we can provide you with any additional information. Thank you on behalf of RIO agency.

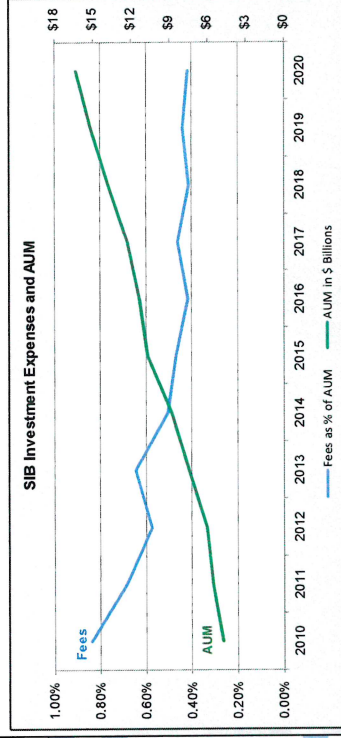
HB 1022 – Requested Amendments

Retirement and Investment Office

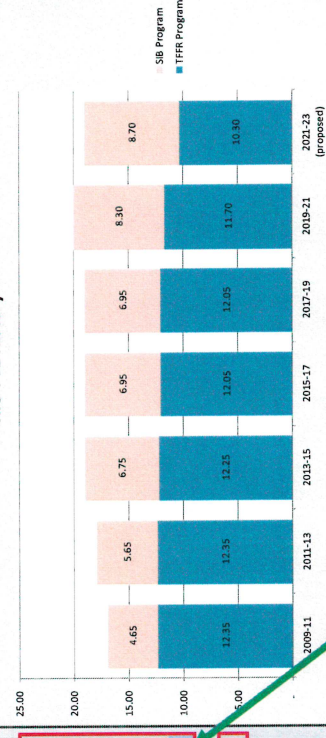
SECTION 4. EXEMPTION. The amount appropriated in section 1 of chapter 47 of the 2019 session laws for the pension administration system project is not subject to section 54-44.1-11 and any unexpended funds are available for completing the project during the biennium beginning July 1, 2021, and ending June 30, 2023.

Add to bill
for TFRF PAS

	Salaries & Benefits	Operating	Contingency	Total	FTE
Legislative Base Budget	4,928,230	888,934	52,000	5,869,164	20
Base Budget Changes	159,934	(107,934)	(52,000)	-	-
Governor's Recommendations					
Restore full funding for 20 current FTEs (optional request #1)	25,000			25,000	
Governor's 2% salary increases and benefit funding	161,031			161,031	
NDIT desktop support (optional request #2)		70,920		70,920	
Additional MS 365 costs added by Governor		2,203		2,203	
Restore current contingency line funding (optional request #3-partial)			52,000	52,000	
Total included in Governor's recommendation	186,031	73,123	52,000	311,154	
Current HB 1022 Appropriation	5,274,195	854,123	52,000	6,180,318	20



RIO FTE History



Net effect of PIO request and IT Unification is a decrease of 1 FTE for agency.

Additional Agency Requests					
Correction for incorrect salary in original budget request	11,225			11,225	
Additional FTE for Public Information Officer	210,000			210,000	1
Additional operating expenses for new FTE		15,000		15,000	(0)
Remove 2 FTE for IT Unification (move to operating)	(440,540)	440,540			(2)
Increase contingency line funding			73,000	73,000	
Total additional agency request	(219,315)	455,540	73,000	309,225	(1)
Total Requested Appropriation	5,054,880	1,309,663	125,000	6,489,543	19

RIO Budget – Executive Summary:

- 1) SIB investments increased from \$5 billion in 2010 to \$18 billion 2020 (up 260%)
- 2) SIB fees decline from 0.84% in 2010 to 0.42% in 2020 (down 50%)
- 3) RIO Requested Amendment of \$309,225 represents only a 5% increase;
- 4) RIO budget bill needs to include carry-over of one-time funding to upgrade the 15-year-old TFRF PAS which is near obsolete as recommended by NDIT Leadership.

Please note requested changes to original request