

**ND STATE INVESTMENT BOARD
AUDIT COMMITTEE MEETING**

Thursday, May 21, 2015 – 3:00 PM
State Capitol – Peace Garden Room
600 East Blvd Ave, Bismarck, ND 58505-0130

AGENDA

1. Call to Order and Approval of Agenda – Chair (committee action) (5 minutes)
2. Approval of February 26, 2015 Minutes – Chair (committee action) (5 minutes)
3. Presentation of July 1, 2014 to June 30, 2015 Fiscal Year Financial Audit Scope and Approach and Discussion on Final GASB 68 Schedule Audit Report – CliftonLarsonAllen (information) (45 minutes)
4. 2014 – 2015 Third Quarter Audit Report – Terra Miller Bowley (committee action) (10 minutes)
5. 2014 – 2015 Fourth Quarter Audit Activities Update – Terra Miller Bowley (information) (10 minutes)
6. Government Finance Officers Association Award – Terra Miller Bowley (information) (5 minutes)
7. 2015 – 2016 Audit Services Workplan, Budgeted Hours, and Employer Risk Assessment – Terra Miller Bowley (committee action) (45 minutes)
8. 2015 – 2016 Proposed SIB Audit Committee Meeting Dates – Terra Miller Bowley (committee action) (5 minutes)
9. Other – Next SIB Audit Committee Meeting

North Dakota State Capitol Building
September 25, 2015 at 1:00 PM
Fort Union Room
10. Adjournment

Any individual requiring an auxiliary aid or service should contact the Retirement and Investment Office at (701) 328-9885 at least (3) days prior to the scheduled meeting.

**STATE INVESTMENT BOARD
AUDIT COMMITTEE MEETING
MINUTES OF THE
FEBRUARY 26, 2015, MEETING**

COMMITTEE MEMBERS PRESENT: Rebecca Dorwart, Chair
Mike Gessner, TFFR Board
Karol Riedman, Health Dept.
Mike Sandal, PERS Board
Cindy Ternes, Workforce Safety & Insurance

STAFF PRESENT: Bonnie Heit, Assistant to the Audit Committee
David Hunter, Executive Director/CIO
Fay Kopp, Deputy Executive Director/CRO
Terra Miller Bowley, Suprv Audit Services
Dottie Thorsen, Internal Auditor

CALL TO ORDER:

Ms. Dorwart called the State Investment Board (SIB) Audit Committee meeting to order at 3:35 p.m., on Thursday, February 26, 2015, at Workforce Safety & Insurance, 1600 East Century Ave., Bismarck, ND.

A quorum was present for the purpose of conducting business.

AGENDA:

IT WAS MOVED BY MR. SANDAL AND SECONDED BY MR. GESSNER AND CARRIED ON A VOICE VOTE TO APPROVE THE AGENDA FOR THE FEBRUARY 26, 2015, MEETING AS DISTRIBUTED.

**AYES: MR. SANDAL, MS. TERNES, MS. RIEDMAN, MR. GESSNER, AND MS. DORWART
NAYS: NONE
MOTION CARRIED**

MINUTES:

IT WAS MOVED BY MR. GESSNER AND SECONDED BY MS. TERNES AND CARRIED ON A VOICE VOTE TO APPROVE THE NOVEMBER 20, 2014, MINUTES AS DISTRIBUTED.

**AYES: MR. GESSNER, MR. SANDAL, MS. TERNES, MS. RIEDMAN, AND MS. DORWART
NAYS: NONE
MOTION CARRIED**

AUDIT ACTIVITIES REPORT:

Ms. Miller Bowley updated the Audit Committee on Internal Audit activities for the period of October 1, 2014 through December 31, 2014.

School District Compliance Audit Reports - As of December 31, 2014, four school district audits were completed, five school district audits were in progress, and one not in compliance follow-up review was in progress. Twelve additional school districts were notified of upcoming audits and information was received from five of those school districts.

Audit Committee members were provided a school district audit progress and status report. Also included in the report was a listing of the 44 school district audits remaining in the third cycle. The goal is to have the third cycle completed by the end of 2015.

The Internal Audit Division has also been working with RIO's external auditors, CliftonLarsonAllen on the GASB 68 Census Data Audits. Field work on 17 school districts was conducted January 19 - 30, 2015.

File Maintenance Audit Report - The TFFR File Maintenance Audit was also completed for the months of October, November, and December 2014. Audit tables are generated and stored indicating any file maintenance changes made to member accounts. No exceptions were noted.

Executive Limitations - A preliminary review of the Executive Director/CIO's level of compliance with SIB Governance Manual Executive Limitations policies was completed in November 2014. The final report was completed in February 2015 and included in the Audit Committee's February 26, 2015, meeting materials for review.

Audit Services also conducted an agency survey of the Executive Director/CIO in the areas of leadership, communication, and valuing employees. Survey results will be incorporated into the final Executive Limitations audit report.

Staff Relations - An exit interview was conducted with Ms. Denise Weeks per SIB Governance Manual Executive Limitation Policy A-2. Ms. Weeks voluntarily terminated her employment with RIO on December 19, 2014. The policy states that staff upon termination of employment with RIO be given the opportunity to complete an employment questionnaire and exit interview with the Supervisor of Audit Services.

Professional Development - Audit Services reinstated its membership with The Institute of Internal Auditors in October 2014. Ms. Miller Bowley also updated the Committee on training taken by staff during the quarter.

The Audit Committee was also provided a budgeted hour's report for the quarter ending December 31, 2014. The report details the Audit Divisions hours spent on employer audits, agency audits, administrative time, training, and annual/sick leave, etc.

IT WAS MOVED BY MS. RIEDMAN AND SECONDED BY MR. SANDAL AND CARRIED BY A VOICE VOTE TO ACCEPT THE SECOND QUARTER INTERNAL AUDIT ACTIVITIES REPORT FOR THE PERIOD OF OCTOBER 1, 2014, THROUGH DECEMBER 31, 2014.

AYES: MS. TERNES, MS. RIEDMAN, MR. SANDAL, MR. GESSNER, AND MS. DORWART

NAYS: NONE

MOTION CARRIED

AUDIT ACTIVITIES UPDATE:

Ms. Miller Bowley updated the Audit Committee on audit services activities for the period of January 1, 2015, through February 20, 2015.

Three school district audits have been completed; seven audits are in progress, one not in compliance follow-up review has been completed, and two not in compliance follow-up reviews are in progress. All audits with information requested via an audit notification prior to November 2014 are in progress or completed.

Audit Services has been asked by the Retirement Services Division to assist in verifying salaries reported to TFFR. Each year Retirement Services during the third quarter of the fiscal year undertakes an effort to verify salaries reported to TFFR for prior years. Salary reconciliations will be completed on 50 member accounts representing 41 school districts for the fiscal years 2012-13 and 2013-2014.

CliftonLarsonAllen representatives completed the GASB 68 Census Data Audit fieldwork on 17 school districts January 19-30, 2015. The Audit Services division met with CliftonLarsonAllen on January 29, 2015, to provide office support. Ms. Miller Bowley distributed a preliminary report from CliftonLarsonAllen which detailed how many employees were tested at each of the on-site visits. Two errors were noted. CliftonLarsonAllen will issue a final report in the near future.

Ms. Miller Bowley also informed the Audit Committee CliftonLarsonAllen has been awarded the financial statement audit contract for RIO and PERS for the June 30, 2015, 2016, and 2017 fiscal years by the Office of the State Auditor.

Ms. Miller Bowley stated the Executive Limitations Audit was completed in February 2015 for the period of January 1, 2014, through December 31, 2014. A second staff survey was also completed. The purpose of the survey was to provide employees an opportunity to evaluate their immediate supervisor as well as other members of management.

Ms. Miller Bowley also indicated a professional development plan has been finalized for the Supervisor of Internal Audit. Ms. Miller Bowley will begin pursuing a Certified Internal Auditor and Certified Government Auditing Professional designations through the Institute of Internal Auditors.

GASB 67/68 UPDATE:

Ms. Kopp updated the Audit Committee on the implementation and education efforts for the new GASB 67 and 68 pension reporting standards by staff from TFFR, PERS, and the State Auditor's Office over the last year.

Ms. Ternes indicated she attended the December 11, 2014, training by Mr. Eric Berman, a governmental audit consultant from Eide Bailly. Mr. Berman was hired to provide employer and auditor training on the new GASB requirements. Ms. Ternes stated the training was very good.

EXECUTIVE LIMITATIONS AUDIT:

Ms. Miller Bowley reviewed the Executive Director/CIO's level of compliance with the SIB Governance Manual Executive Limitation policies (A-1 through A-11) for the calendar year beginning January 1, 2014, and ending December 31, 2014. Audit Services conducted examinations of documentation, facilitated a survey of the SIB and staff, and interviewed key personnel.

Mr. Miller Bowley informed the Audit Committee audit results indicate that the Executive Director/CIO is in compliance with the SIB Governance Manual Executive Limitation policies A-1 through A-11.

IT WAS MOVED BY MS. TERNES AND SECONDED BY MS. RIEDMAN AND CARRIED BY A VOICE VOTE TO ACCEPT THE EXECUTIVE LIMITATIONS AUDIT REPORT FOR THE PERIOD OF JANUARY 1, 2014, THROUGH DECEMBER 31, 2014.

AYES: MR. GESSNER, MS. RIEDMAN, MR. SANDAL, MS. TERNES, AND MS. DORWART

NAYS: NONE

MOTION CARRIED

Ms. Miller Bowley reviewed the survey process of the Executive Director/CIO by the SIB which was spearheaded by the SIB Executive Review Subcommittee in January 2015. The Subcommittee membership included Mr. Rob Lech, Chair, Ms. Ternes, and Mr. Sandal. The SIB evaluated the Executive Director/CIO in the following categories: board meetings, board relations, office operations, investment programs and program operations, public/legislative relations, and professional skills/development. Audit Services facilitated the survey and the results of the Ends and Compliance with Executive Limitations survey indicate that the Executive Director/CIO is meeting the expectations of the SIB in all six categories.

IT WAS MOVED BY MR. GESSNER AND SECONDED BY MS. RIEDMAN TO ACCEPT THE STATE INVESTMENT BOARD EXECUTIVE DIRECTOR/CIO SURVEY RESULTS OF THE ENDS AND COMPLIANCE WITH EXECUTIVE LIMITATIONS.

AYES: MR. SANDAL, MS. TERNES, MS. RIEDMAN, MR. GESSNER, AND MS. DORWART

NAYS: NONE

MOTION CARRIED

The Executive Limitations audit report will be provided to the SIB at their February 27, 2015, meeting.

ANNUAL MEETINGS WITH STAFF:

The Audit Committee met separately with staff and RIO management. The Audit Committee is satisfied that the Audit Division and RIO Management are working cohesively within the organization and are very pleased with the progress.

MEETING SCHEDULE:

Ms. Miller Bowley distributed a draft of the 2015-16 Audit Committee meeting schedule. The Audit Committee is to let Ms. Miller Bowley know if the dates and times work for them.

OTHER:

Ms. Miller Bowley will be reporting to the SIB at their regularly scheduled meetings on the activities of the Audit Committee. Mr. Gessner, as liaison to the SIB, will continue to serve as backup.

The next Audit Committee meeting is scheduled for May 22, 2015, at 1:00 p.m. at the State Capitol, Peace Garden Room, Bismarck ND.

ADJOURNMENT:

With no further business to come before the Audit Committee, Ms. Dorwart adjourned the meeting at 5:02 p.m.

Respectfully Submitted:

Ms. Rebecca Dorwart, Chair
SIB Audit Committee

Bonnie Heit
Assistant to the Audit Committee



May 21, 2015

Presentation to:

**North Dakota Retirement and Investment Office –
2015 Audit Kick-off**



CliftonLarsonAllen

www.cliftonlarsonallen.com

Engagement Scope

- Audit of the RIO's financial statements as of June 30, 2015
- Audit of TFFR's GASB 68 schedules as of June 30, 2015
- Report on Internal Controls and Compliance (in accordance with Government Auditing Standards)
- Written Communications with the Board

Work Plan

- Audits to be conducted in accordance with governmental auditing standards generally accepted in the United States of America
- Phased Approach – Planning, Internal Control, Employer Census Data Testing, Substantive Testing and Reporting

Timing of Work

KEY MILESTONES	DATE
Planning	May 2015
Understanding and Testing of Internal Controls	May 2015
Census Data Testing	July - September 2015
Substantive Procedures	August - September 2015
Final Audit Reports	September - October 2015

Upcoming Issues

- New GASB Statements

- *GASB 72: Fair Value Measurement and Application*

- ◇ Effective for fiscal years beginning after June 15, 2015 (fiscal year ended June 30, 2016 for RIO)
 - ◇ This Statement provides guidance for determining a fair value measurement for financial reporting purposes.
 - ◇ This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

2014 Audit Results – Schedules of Employer Allocations and Pension Amounts by Employer

- Independent Auditors' Report - Unmodified “clean” opinion that the schedule of employer allocations and the net pension liability, total deferred outflows, total deferred inflows and total pension expense are presented fairly, in all material respects, in conformity with U.S. Generally Accepted Accounting Principles (GAAP).
- Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
 - No material weaknesses were identified.
 - No significant deficiencies were identified.



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MEMORANDUM

TO: State Investment Board (SIB) Audit Committee

FROM: Terra Miller Bowley, Supervisor of Audit Services

DATE: May 21, 2015

SUBJECT: 2014-2015 Fiscal Year Financial Audit Scope and Approach
Final GASB 68 Schedule Audit Report

Representatives from our external audit firm, CliftonLarsonAllen, will be discussing the upcoming financial audit of the Retirement and Investment Office (RIO) for the fiscal year ending June 30, 2015. CliftonLarsonAllen will also be discussing the final GASB 68 Schedule Audit Report issued on April 10, 2015. Time will also be available to address any questions members of the board may have for our external audit firm.

**NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE -
NORTH DAKOTA TEACHERS' FUND FOR RETIREMENT
Bismarck, North Dakota**

**SCHEDULES OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER
June 30, 2014**

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Table of Contents

	PAGE
INDEPENDENT AUDITORS' REPORT	1
SCHEDULE OF EMPLOYER ALLOCATIONS	3
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER	9
NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER	15
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	19

Independent Auditors' Report

Governor Jack Dalrymple
The Legislative Assembly
David Hunter, Executive Director/CIO
State Investment Board
Teacher's Fund for Retirement Board
North Dakota Retirement and Investment Office

Report on Schedules

We have audited the accompanying schedule of employer allocations of the North Dakota Retirement and Investment Office - North Dakota Teachers' Fund for Retirement (TFFR), a department of the State of North Dakota, as of and for the year ended June 30, 2014, and the related notes.

We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense as of and for the year ended June 30, 2014 and the net pension liability as of and for the year ended June 30, 2013 (specified column totals), included in the accompanying schedule of pension amounts by employer of TFFR, and the related notes.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of pension amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities for TFFR as of and for the year ended June 30, 2014 and net pension liability as of and for the year ended June 30, 2013, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the North Dakota Retirement and Investment Office (RIO), which includes TFFR, as of and for the year ended June 30, 2014, and our report thereon, dated November 11, 2014, expressed an unmodified opinion on those statements.

Restriction on Use

Our report is intended solely for the information and use of the management of RIO, Board of Trustees, TFFR employers as of and for the year ended June 30, 2014 and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Audit Standards*, we have also issued our report dated April 10, 2015, on our consideration of RIO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RIO's internal control over financial reporting.



CliftonLarsonAllen LLP

Baltimore, Maryland
April 10, 2015

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Employer Allocations
As of and for the year ended June 30, 2014

Employer Name	Covered Employee Payroll	Employer's Proportionate Share Allocation
Alexander School	\$ 830,899	0.143245%
Anamoose School	618,769	0.106675%
Apple Creek Elem School	338,460	0.058350%
Ashley School	877,146	0.151218%
Bakker Elem School	33,500	0.005775%
Barnes County North	1,681,343	0.289860%
Beach School	2,056,674	0.354566%
Belcourt School	7,783,579	1.341873%
Belfield Public School	1,270,974	0.219113%
Beulah School	3,233,309	0.557416%
Billings Co. School Dist.	730,500	0.125937%
Bismarck Public Schools	61,729,312	10.642008%
Bismarck State College	31,287	0.005394%
Blessed John Paul Ii Catholic Sch Network	30,583	0.005272%
Bottineau School	3,517,441	0.606400%
Bowbells School	506,559	0.087330%
Bowman School	2,588,190	0.446199%
Burke Central School	834,871	0.143930%
Burleigh County Spec. Ed.	67,427	0.011624%
Carrington School	2,652,356	0.457261%
Cavalier School	1,975,331	0.340543%
Center Stanton School	1,318,874	0.227371%
Central Cass School	3,318,777	0.572150%
Central Elementary School	60,675	0.010460%
Central Valley School	1,213,536	0.209211%
Dakota Prairie School	1,642,062	0.283088%
Devils Lake School	9,920,576	1.710287%
Dickinson School	15,053,043	2.595114%
Divide School	2,153,799	0.371311%
Drake School	531,426	0.091617%
Drayton School	1,073,296	0.185034%
Dunseith School	2,417,614	0.416792%
E Central Ctr Exc Childn	753,226	0.129855%
Earl Elem. School	30,500	0.005258%
Edgeley School	1,159,504	0.199896%
Edmore School	636,310	0.109699%
Eight Mile School	1,194,837	0.205987%
Elgin-New Leipzig School	956,798	0.164950%
Ellendale School	1,704,838	0.293911%
Emerado Elementary School	532,695	0.091836%

The accompanying notes are an integral part of the Schedule of Employer Allocations

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Employer Allocations
As of and for the year ended June 30, 2014

Employer Name	Covered Employee Payroll	Employer's Proportionate Share Allocation
Enderlin Area School District	1,798,257	0.310016%
Fairmount School	938,411	0.161780%
Fargo Public Schools	63,192,777	10.894306%
Fessenden-Bowdon School	890,345	0.153494%
Finley-Sharon School	1,089,511	0.187829%
Flasher School	1,051,427	0.181264%
Fordville Lankin School	543,046	0.093620%
Fort Ransom Elem School	151,858	0.026180%
Fort Totten School	1,527,893	0.263406%
Fort Yates School	1,016,294	0.175207%
Gackle-Streeter Pub Sch	714,480	0.123175%
Garrison School	2,037,409	0.351245%
Glen Ullin School	988,078	0.170343%
Glenburn School	1,490,810	0.257013%
Goodrich School	276,766	0.047714%
Grafton School	3,993,377	0.688450%
Grand Forks School	41,737,522	7.195464%
Great North West Cooperative	127,950	0.022058%
Grenora School	969,771	0.167187%
Griggs County Central Sch	1,687,790	0.290972%
Gst Educational Services	1,444,577	0.249042%
Halliday School	414,542	0.071466%
Hankinson School	1,553,754	0.267864%
Harvey School	2,087,474	0.359876%
Hatton Eielson Psd	1,055,272	0.181927%
Hazelton - Moffit School	764,749	0.131841%
Hazen School	2,578,459	0.444521%
Hebron School	1,090,884	0.188066%
Hettinger School	1,534,952	0.264623%
Hillsboro School	2,120,182	0.365515%
Hope School	589,222	0.101581%
Horse Creek Elem. School	34,500	0.005948%
James River Multidistrict Spec Ed Unit	1,132,973	0.195322%
Jamestown School	12,587,748	2.170102%
Kenmare School	1,704,244	0.293808%
Kensal School	374,636	0.064586%
Kidder County School District	2,129,282	0.367084%
Killdeer School	2,322,433	0.400383%
Kindred School	2,927,266	0.504655%
Kulm School	1,025,716	0.176831%

The accompanying notes are an integral part of the Schedule of Employer Allocations

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Employer Allocations
As of and for the year ended June 30, 2014

Employer Name	Covered Employee Payroll	Employer's Proportionate Share Allocation
Lake Region Spec Ed	1,676,302	0.288991%
Lakota School	1,137,076	0.196030%
Lamoure School	1,398,670	0.241128%
Langdon Area School	1,954,383	0.336932%
Larimore School	2,067,930	0.356507%
Leeds School	1,000,320	0.172453%
Lewis And Clark School	2,355,419	0.406069%
Lidgerwood School	1,084,728	0.187005%
Linton School	1,579,946	0.272379%
Lisbon School	3,216,870	0.554582%
Litchville-Marion School	806,940	0.139115%
Little Heart Elem. School	93,871	0.016183%
Logan County	3,989	0.000688%
Lone Tree Elem. School	194,193	0.033479%
Lonetree Spec Ed Unit	138,100	0.023808%
Maddock School	916,807	0.158056%
Mandan Public Schools	16,362,090	2.820791%
Mandaree School	1,603,025	0.276358%
Manning Elem School	67,756	0.011681%
Manvel Elem. School	734,118	0.126560%
Maple Valley School	1,535,009	0.264632%
Mapleton Elem. School	624,849	0.107723%
Marmarth Elem. School	152,312	0.026258%
Max School	1,064,424	0.183505%
May-Port C-G School	2,419,251	0.417074%
Mcclusky School	730,071	0.125863%
Mckenzie County	52,000	0.008965%
Mckenzie County School	4,451,391	0.767411%
Medina School	915,109	0.157763%
Menoken Elem School	115,900	0.019981%
Midkota	1,000,510	0.172486%
Midway School	1,333,369	0.229870%
Milnor School	1,393,821	0.240292%
Minnewaukan School	1,613,737	0.278205%
Minot School	40,092,868	6.911929%
Minto School	1,065,255	0.183648%
Mohall Lansford Sherwood	2,215,188	0.381894%
Montpelier School	658,564	0.113535%
Morton County	25,882	0.004462%
Mott-Regent School	1,438,836	0.248052%

The accompanying notes are an integral part of the Schedule of Employer Allocations

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Employer Allocations
As of and for the year ended June 30, 2014

Employer Name	Covered Employee Payroll	Employer's Proportionate Share Allocation
Mt Pleasant School	1,438,971	0.248076%
Munich School	750,564	0.129396%
N Central Area Career And Tech Center	137,820	0.023760%
Napoleon School	1,390,415	0.239705%
Naughton Rural School	65,511	0.011294%
Nd Center For Distance Education	881,057	0.151892%
Nd Dept Of Public Instruction	110,191	0.018997%
Nd School For Blind	641,824	0.110649%
Nd School For Deaf	811,734	0.139941%
Nd United	293,459	0.050592%
Nd Youth Correctional Cnt	1,131,369	0.195046%
Nedrose School	1,301,671	0.224405%
Nelson County	10,607	0.001829%
Nesson School	1,343,679	0.231647%
New England School	1,087,601	0.187500%
New Public School	1,995,103	0.343952%
New Rockford Sheyenne School	1,627,943	0.280654%
New Salem-Almont	1,546,941	0.266689%
New Town School	3,778,325	0.651376%
Newburg United District	581,064	0.100174%
North Border School	2,649,367	0.456746%
North Sargent School	1,188,780	0.204943%
North Star	1,428,747	0.246313%
North Valley Area Career	587,647	0.101309%
Northern Cass School Dist	2,377,286	0.409839%
Northern Plains Spec Ed	188,004	0.032412%
Northwood School	1,293,641	0.223021%
Oakes School	1,900,372	0.327620%
Oberon Elem School	437,642	0.075449%
Oliver - Mercer Spec Ed	853,576	0.147155%
Page School	666,813	0.114957%
Park River Area School District	1,995,232	0.343974%
Parshall School	1,649,224	0.284323%
Peace Garden Spec Ed	437,889	0.075491%
Pembina Spec Ed Coop	167,922	0.028949%
Pingree - Buchanan School	759,383	0.130916%
Pleasant Valley Elem	16,653	0.002871%
Powers Lake School	938,531	0.161801%
Richardton-Taylor	1,543,307	0.266063%
Richland School	1,504,994	0.259458%

The accompanying notes are an integral part of the Schedule of Employer Allocations

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Employer Allocations
As of and for the year ended June 30, 2014

Employer Name	Covered Employee Payroll	Employer's Proportionate Share Allocation
Robinson School	70,620	0.012175%
Rolette County	3,984	0.000687%
Rolette School	1,027,903	0.177208%
Roosevelt School	382,597	0.065959%
Roughrider Area Career And Tech Center	159,749	0.027540%
Roughrider Service Program	87,133	0.015021%
Rugby School	2,904,445	0.500720%
Rural Cass Spec Ed	999,887	0.172379%
Sargent Central School	1,323,924	0.228242%
Sawyer School	795,679	0.137173%
Scranton School	1,001,196	0.172604%
Se Region Career And Tech	1,257,571	0.216803%
Selfridge School	785,386	0.135399%
Sheyenne Valley Area Voc	673,958	0.116189%
Sheyenne Valley Spec Ed	1,480,286	0.255198%
Slope County	22,792	0.003929%
Solen - Cannonball School	1,643,353	0.283311%
Souris Valley Spec Ed	1,464,235	0.252431%
South Cent. Prairie Sp Ed	92,600	0.015964%
South Heart School	1,232,757	0.212525%
South Prairie Elem School	1,191,974	0.205494%
South Valley Spec Ed	628,490	0.108350%
Southwest Special Education Unit	60,320	0.010399%
St. John'S School	2,270,215	0.391381%
St. Thomas School	634,787	0.109436%
Stanley School	2,810,250	0.484481%
Starkweather School	555,020	0.095684%
Sterling School	205,087	0.035357%
Strasburg School District	812,275	0.140035%
Surrey School	2,134,233	0.367937%
Sweet Briar Elem School	72,000	0.012413%
Tgu School District	2,496,437	0.430381%
Thompson School	1,863,106	0.321196%
Tioga School	2,345,263	0.404319%
Turtle Lake-Mercer School	1,205,660	0.207853%
Twin Buttes Elem. School	440,692	0.075974%
Underwood School	1,424,552	0.245590%
United School	2,771,048	0.477723%
Upper Valley Spec Ed	2,111,013	0.363934%
Valley - Edinburg School	1,401,830	0.241673%

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North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Employer Allocations
As of and for the year ended June 30, 2014

Employer Name	Covered Employee Payroll	Employer's Proportionate Share Allocation
Valley City School	5,824,480	1.004128%
Velva School	2,316,129	0.399296%
Wahpeton School	6,234,148	1.074754%
Ward County	26,031	0.004488%
Warwick School	1,522,299	0.262441%
Washburn School	1,428,913	0.246342%
West Fargo School	43,479,882	7.495843%
West River Student Services	577,229	0.099513%
Westhope School	935,687	0.161311%
White Shield School	1,370,831	0.236328%
Williston School	13,883,985	2.393571%
Wilmac Special Education	2,466,035	0.425139%
Wilton School	1,133,768	0.195459%
Wing School	629,112	0.108458%
Wishek School	1,090,646	0.188025%
Wolford School	458,187	0.078990%
Wyndmere School	1,364,980	0.235320%
Yellowstone Elem. School	460,673	0.079419%
Zeeland School	446,642	0.077000%
Grand Totals:	\$ 580,053,235	100%

The accompanying notes are an integral part of the Schedule of Employer Allocations

North Dakota Retirement and Investment Office -
 North Dakota Teachers' Fund for Retirement
 Schedule of Pension Amounts by Employer
 As of and for the year ended June 30, 2014
 With Net Pension Liability for June 30, 2013

Employer Name	Deferred Outflows of Resources						Deferred Inflows of Resources						Pension Expense		
	Net Pension Liability for the year ended June 30, 2013	Net Pension Liability for the year ended June 30, 2014	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Alexander School	\$ 1,658,140	\$ 1,500,954	\$ 11,477	\$ -	\$ -	\$ -	\$ 11,477	\$ -	\$ 170,512	\$ -	\$ -	\$ 170,512	\$ 91,238	\$ -	\$ 91,238
Anamoose School	1,234,822	1,117,765	8,547	-	-	-	8,547	-	126,981	-	-	126,981	67,945	-	67,945
Apple Creek Elem School	675,433	611,405	4,675	-	-	-	4,675	-	69,457	-	-	69,457	37,165	-	37,165
Ashley School	1,750,432	1,584,497	12,116	-	-	-	12,116	-	180,002	-	-	180,002	96,316	-	96,316
Bakker Elem School	66,849	60,512	463	-	-	-	463	-	6,874	-	-	6,874	3,678	-	3,678
Barnes County North	3,355,289	3,037,219	23,224	-	-	-	23,224	-	345,035	-	-	345,035	184,622	-	184,622
Beach School	4,104,297	3,715,223	28,408	-	-	-	28,408	-	422,058	-	-	422,058	225,836	-	225,836
Belcourt School	15,532,920	14,060,450	107,511	-	-	-	107,511	-	1,597,300	-	-	1,597,300	854,687	-	854,687
Bellfield Public School	2,536,354	2,295,916	17,555	-	-	-	17,555	-	260,821	-	-	260,821	139,561	-	139,561
Beulah School	6,452,398	5,840,731	44,660	-	-	-	44,660	-	663,521	-	-	663,521	355,038	-	355,038
Billings Co. School Dist.	1,457,790	1,319,596	10,090	-	-	-	10,090	-	149,909	-	-	149,909	80,214	-	80,214
Bismarck Public Schools	123,187,109	111,509,377	852,639	-	-	-	852,639	-	12,667,724	-	-	12,667,724	6,778,276	-	6,778,276
Bismarck State College	62,439	56,520	432	-	-	-	432	-	6,421	-	-	6,421	3,436	-	3,436
Blessed John Paul II Cath. Schl Net	61,026	55,241	422	-	-	-	422	-	6,276	-	-	6,276	3,358	-	3,358
Bottineau School	7,019,414	6,353,997	48,585	-	-	-	48,585	-	721,829	-	-	721,829	386,238	-	386,238
Bowbells School	1,010,893	915,064	6,997	-	-	-	6,997	-	103,953	-	-	103,953	55,624	-	55,624
Bowman School	5,164,999	4,675,374	35,750	-	-	-	35,750	-	531,133	-	-	531,133	284,200	-	284,200
Burke Central School	1,666,069	1,508,131	11,532	-	-	-	11,532	-	171,327	-	-	171,327	91,674	-	91,674
Burling County Spec. Ed.	134,554	121,799	931	-	-	-	931	-	13,837	-	-	13,837	7,404	-	7,404
Carrington School	5,293,048	4,791,285	36,636	-	-	-	36,636	-	544,301	-	-	544,301	291,246	-	291,246
Cavalier School	3,941,973	3,568,287	27,284	-	-	-	27,284	-	405,366	-	-	405,366	216,904	-	216,904
Center Stanton School	2,631,945	2,382,445	18,217	-	-	-	18,217	-	270,651	-	-	270,651	144,821	-	144,821
Central Cass School	6,622,952	5,995,118	45,841	-	-	-	45,841	-	681,059	-	-	681,059	364,423	-	364,423
Central Elementary School	121,080	109,602	838	-	-	-	838	-	12,451	-	-	12,451	6,662	-	6,662
Central Valley School	2,421,733	2,192,160	16,762	-	-	-	16,762	-	249,035	-	-	249,035	133,254	-	133,254
Dakota Prairie School	3,276,900	2,966,260	22,681	-	-	-	22,681	-	336,974	-	-	336,974	180,309	-	180,309
Devils Lake School	19,797,515	17,920,776	137,028	-	-	-	137,028	-	2,035,842	-	-	2,035,842	1,089,343	-	1,089,343
Dickinson School	30,039,875	27,192,194	207,921	-	-	-	207,921	-	3,089,096	-	-	3,089,096	1,652,921	-	1,652,921
Divide School	4,298,130	3,890,681	29,749	-	-	-	29,749	-	441,990	-	-	441,990	236,501	-	236,501
Drake School	1,060,517	959,984	7,340	-	-	-	7,340	-	109,056	-	-	109,056	58,354	-	58,354
Drayton School	2,141,871	1,938,828	14,825	-	-	-	14,825	-	220,255	-	-	220,255	117,855	-	117,855
Dunseith School	4,824,597	4,367,241	33,393	-	-	-	33,393	-	496,129	-	-	496,129	265,470	-	265,470
E Central Ctr Exc Childn	1,503,143	1,360,650	10,404	-	-	-	10,404	-	154,573	-	-	154,573	82,709	-	82,709
Earl Elem. School	60,864	55,095	421	-	-	-	421	-	6,259	-	-	6,259	3,349	-	3,349
Edgeley School	2,313,906	2,094,556	16,016	-	-	-	16,016	-	237,946	-	-	237,946	127,321	-	127,321
Edmore School	1,269,826	1,149,451	8,789	-	-	-	8,789	-	130,580	-	-	130,580	69,871	-	69,871
Eight Mile School	2,384,413	2,158,379	16,504	-	-	-	16,504	-	245,197	-	-	245,197	131,201	-	131,201
Elgin-New Leipzig School	1,909,387	1,728,384	13,216	-	-	-	13,216	-	196,348	-	-	196,348	105,063	-	105,063
Ellendale School	3,402,182	3,079,666	23,548	-	-	-	23,548	-	349,857	-	-	349,857	187,202	-	187,202
Emerado Elementary School	1,063,052	962,278	7,358	-	-	-	7,358	-	109,317	-	-	109,317	58,494	-	58,494

The accompanying notes are an integral part of the Schedule of Pension Amounts by Employer

North Dakota Retirement and Investment Office -
 North Dakota Teachers' Fund for Retirement
 Schedule of Pension Amounts by Employer
 As of and for the year ended June 30, 2014
 With Net Pension Liability for June 30, 2013

Employer Name	Deferred Outflows of Resources						Deferred Inflows of Resources						Pension Expense		
	Net Pension Liability for the year ended June 30, 2013	Net Pension Liability for the year ended June 30, 2014	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Changes of Assumptions	Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Enderlin Area School District	3,588,606	3,248,418	24,839	-	-	-	24,839	-	369,028	-	-	369,028	197,460	-	197,460
Fairmount School	1,872,693	1,695,168	12,962	-	-	-	12,962	-	192,575	-	-	192,575	103,043	-	103,043
Fargo Public Schools	126,107,598	114,153,013	872,853	-	-	-	872,853	-	12,968,047	-	-	12,968,047	6,938,974	-	6,938,974
Fessenden-Bowdon School	1,776,778	1,608,345	12,298	-	-	-	12,298	-	182,712	-	-	182,712	97,766	-	97,766
Finley-Sharon School	2,174,224	1,968,115	15,049	-	-	-	15,049	-	223,582	-	-	223,582	119,635	-	119,635
Flasher School	2,098,231	1,899,325	14,523	-	-	-	14,523	-	215,768	-	-	215,768	115,454	-	115,454
Fordville Lankin School	1,083,703	980,972	7,501	-	-	-	7,501	-	111,441	-	-	111,441	59,630	-	59,630
Fort Ransom Elem School	303,048	274,320	2,098	-	-	-	2,098	-	31,163	-	-	31,163	16,675	-	16,675
Fort Totten School	3,049,070	2,760,028	21,104	-	-	-	21,104	-	313,546	-	-	313,546	167,773	-	167,773
Fort Yates School	2,028,118	1,835,859	14,038	-	-	-	14,038	-	208,558	-	-	208,558	111,596	-	111,596
Gackle-Streeter Pub Sch	1,425,819	1,290,656	9,869	-	-	-	9,869	-	146,621	-	-	146,621	78,455	-	78,455
Garrison School	4,065,855	3,680,425	28,142	-	-	-	28,142	-	418,105	-	-	418,105	223,721	-	223,721
Glen Ullin School	1,971,814	1,784,893	13,648	-	-	-	13,648	-	202,768	-	-	202,768	108,498	-	108,498
Glenburn School	2,975,067	2,693,041	20,592	-	-	-	20,592	-	305,936	-	-	305,936	163,701	-	163,701
Goodrich School	552,316	499,958	3,823	-	-	-	3,823	-	56,796	-	-	56,796	30,391	-	30,391
Grafton School	7,969,188	7,213,735	55,159	-	-	-	55,159	-	819,497	-	-	819,497	438,498	-	438,498
Grand Forks School	83,291,462	75,395,706	576,501	-	-	-	576,501	-	8,565,127	-	-	8,565,127	4,583,049	-	4,583,049
Great North West Cooperative	255,334	231,129	1,767	-	-	-	1,767	-	26,257	-	-	26,257	14,050	-	14,050
Grenora School	1,935,282	1,751,823	13,395	-	-	-	13,395	-	199,011	-	-	199,011	106,487	-	106,487
Griggs County Central Sch	3,368,161	3,048,871	23,313	-	-	-	23,313	-	346,359	-	-	346,359	185,330	-	185,330
Gst Educational Services	2,882,799	2,609,519	19,953	-	-	-	19,953	-	296,447	-	-	296,447	158,624	-	158,624
Halliday School	827,258	748,837	5,726	-	-	-	5,726	-	85,070	-	-	85,070	45,519	-	45,519
Hankinson School	3,100,674	2,806,740	21,461	-	-	-	21,461	-	318,852	-	-	318,852	170,612	-	170,612
Harvey School	4,165,763	3,770,862	28,833	-	-	-	28,833	-	428,379	-	-	428,379	229,218	-	229,218
Hatton Eielson Psd	2,105,905	1,906,272	14,576	-	-	-	14,576	-	216,557	-	-	216,557	115,876	-	115,876
Hazleton - Moffit School	1,526,132	1,381,460	10,563	-	-	-	10,563	-	156,937	-	-	156,937	83,974	-	83,974
Hazen School	5,145,576	4,657,792	35,615	-	-	-	35,615	-	529,136	-	-	529,136	283,131	-	283,131
Hebron School	2,176,968	1,970,598	15,068	-	-	-	15,068	-	223,865	-	-	223,865	119,786	-	119,786
Hettinger School	3,063,157	2,772,780	21,202	-	-	-	21,202	-	314,994	-	-	314,994	168,548	-	168,548
Hillsboro School	4,231,038	3,829,949	29,285	-	-	-	29,285	-	435,091	-	-	435,091	232,810	-	232,810
Hope School	1,175,856	1,064,389	8,139	-	-	-	8,139	-	120,917	-	-	120,917	64,701	-	64,701
Horse Creek Elem. School	68,851	62,324	477	-	-	-	477	-	7,080	-	-	7,080	3,788	-	3,788
James River Multidistrict Spec Ed Unit	2,260,960	2,046,628	15,649	-	-	-	15,649	-	232,502	-	-	232,502	124,408	-	124,408
Jamestown School	25,120,127	22,738,822	173,869	-	-	-	173,869	-	2,583,183	-	-	2,583,183	1,382,216	-	1,382,216
Kenmare School	3,400,990	3,078,587	23,540	-	-	-	23,540	-	349,735	-	-	349,735	187,137	-	187,137
Kensal School	747,619	676,747	5,175	-	-	-	5,175	-	76,880	-	-	76,880	41,137	-	41,137
Kidder County School District	4,249,200	3,846,390	29,411	-	-	-	29,411	-	436,959	-	-	436,959	233,809	-	233,809
Killdeer School	4,634,654	4,195,304	32,079	-	-	-	32,079	-	476,596	-	-	476,596	255,018	-	255,018
Kindred School	5,841,660	5,287,890	40,433	-	-	-	40,433	-	600,717	-	-	600,717	321,433	-	321,433
Kulm School	2,046,916	1,852,875	14,168	-	-	-	14,168	-	210,491	-	-	210,491	112,630	-	112,630

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North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Pension Amounts by Employer
As of and for the year ended June 30, 2014
With Net Pension Liability for June 30, 2013

Employer Name	Deferred Outflows of Resources						Deferred Inflows of Resources						Pension Expense		
	Net Pension Liability for the year ended June 30, 2013	Net Pension Liability for the year ended June 30, 2014	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Lake Region Spec Ed	3,345,230	3,028,113	23,154	-	-	-	23,154	-	344,001	-	-	344,001	184,069	-	184,069
Lakota School	2,269,155	2,054,047	15,706	-	-	-	15,706	-	233,344	-	-	233,344	124,859	-	124,859
Lamoure School	2,791,190	2,526,594	19,319	-	-	-	19,319	-	287,027	-	-	287,027	153,583	-	153,583
Langdon Area School	3,900,174	3,530,450	26,995	-	-	-	26,995	-	401,067	-	-	401,067	214,604	-	214,604
Larimore School	4,126,765	3,735,561	28,563	-	-	-	28,563	-	424,368	-	-	424,368	227,072	-	227,072
Leeds School	1,996,239	1,807,002	13,817	-	-	-	13,817	-	205,280	-	-	205,280	109,841	-	109,841
Lewis And Clark School	4,700,473	4,254,883	32,534	-	-	-	32,534	-	483,365	-	-	483,365	258,640	-	258,640
Lidgerwood School	2,164,686	1,959,481	14,983	-	-	-	14,983	-	222,602	-	-	222,602	119,110	-	119,110
Linton School	3,152,937	2,854,049	21,823	-	-	-	21,823	-	324,227	-	-	324,227	173,488	-	173,488
Lisbon School	6,419,592	5,811,036	44,433	-	-	-	44,433	-	660,147	-	-	660,147	353,233	-	353,233
Litchville-Marion School	1,610,333	1,457,679	11,146	-	-	-	11,146	-	165,596	-	-	165,596	88,607	-	88,607
Little Heart Elem. School	187,327	169,569	1,297	-	-	-	1,297	-	19,263	-	-	19,263	10,308	-	10,308
Logan County	7,964	7,209	55	-	-	-	55	-	819	-	-	819	438	-	438
Lone Tree Elem. School	387,538	350,801	2,682	-	-	-	2,682	-	39,852	-	-	39,852	21,324	-	21,324
Lonetree Spec Ed Unit	275,591	249,466	1,907	-	-	-	1,907	-	28,340	-	-	28,340	15,164	-	15,164
Maddock School	1,829,585	1,656,147	12,663	-	-	-	12,663	-	188,142	-	-	188,142	100,672	-	100,672
Mandan Public Schools	32,652,211	29,556,889	226,002	-	-	-	226,002	-	3,357,731	-	-	3,357,731	1,796,663	-	1,796,663
Mandaree School	3,198,996	2,895,742	22,142	-	-	-	22,142	-	328,963	-	-	328,963	176,022	-	176,022
Manning Elem School	135,214	122,396	936	-	-	-	936	-	13,904	-	-	13,904	7,440	-	7,440
Marvel Elem. School	1,465,002	1,326,124	10,140	-	-	-	10,140	-	150,651	-	-	150,651	80,611	-	80,611
Maple Valley School	3,063,261	2,772,874	21,202	-	-	-	21,202	-	315,005	-	-	315,005	168,554	-	168,554
Mapleton Elem. School	1,246,953	1,129,746	8,631	-	-	-	8,631	-	128,228	-	-	128,228	68,613	-	68,613
Marmarth Elem. School	303,951	275,137	2,104	-	-	-	2,104	-	31,256	-	-	31,256	16,725	-	16,725
Max School	2,124,172	1,922,807	14,702	-	-	-	14,702	-	218,435	-	-	218,435	116,881	-	116,881
May-Port C-G School	4,827,862	4,370,196	33,416	-	-	-	33,416	-	496,464	-	-	496,464	265,649	-	265,649
Mcclusky School	1,456,934	1,318,821	10,084	-	-	-	10,084	-	149,821	-	-	149,821	80,167	-	80,167
Mckenzie County	103,775	93,937	718	-	-	-	718	-	10,671	-	-	10,671	5,710	-	5,710
Mckenzie County School	8,883,205	8,041,107	61,485	-	-	-	61,485	-	913,488	-	-	913,488	488,792	-	488,792
Medina School	1,826,194	1,653,077	12,640	-	-	-	12,640	-	187,793	-	-	187,793	100,485	-	100,485
Menoken Elem School	231,291	209,365	1,601	-	-	-	1,601	-	23,784	-	-	23,784	12,727	-	12,727
Midkota	1,996,621	1,807,347	13,820	-	-	-	13,820	-	205,319	-	-	205,319	109,863	-	109,863
Midway School	2,660,872	2,408,630	18,417	-	-	-	18,417	-	273,626	-	-	273,626	146,412	-	146,412
Minlor School	2,781,512	2,517,834	19,252	-	-	-	19,252	-	286,032	-	-	286,032	153,051	-	153,051
Minnewaukan School	3,220,376	2,915,095	22,290	-	-	-	22,290	-	331,162	-	-	331,162	177,199	-	177,199
Minot School	80,009,389	72,424,762	553,785	-	-	-	553,785	-	8,227,621	-	-	8,227,621	4,402,455	-	4,402,455
Minto School	2,125,827	1,924,305	14,714	-	-	-	14,714	-	218,606	-	-	218,606	116,972	-	116,972
Mohall Lansford Sherwood	4,420,634	4,001,572	30,597	-	-	-	30,597	-	454,588	-	-	454,588	243,242	-	243,242
Montpelier School	1,314,230	1,189,646	9,096	-	-	-	9,096	-	135,146	-	-	135,146	72,315	-	72,315
Morton County	51,650	46,754	357	-	-	-	357	-	5,311	-	-	5,311	2,842	-	2,842
Mott-Regent School	2,871,339	2,599,145	19,874	-	-	-	19,874	-	295,269	-	-	295,269	157,993	-	157,993

The accompanying notes are an integral part of the Schedule of Pension Amounts by Employer

North Dakota Retirement and Investment Office -
 North Dakota Teachers' Fund for Retirement
 Schedule of Pension Amounts by Employer
 As of and for the year ended June 30, 2014
 With Net Pension Liability for June 30, 2013

Employer Name	Deferred Outflows of Resources						Deferred Inflows of Resources					Pension Expense			
	Net Pension Liability for the year ended June 30, 2013	Net Pension Liability for the year ended June 30, 2014	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Mt Pleasant School	2,871,617	2,599,397	19,876	-	-	-	19,876	-	295,297	-	-	295,297	158,008	-	158,008
Munich School	1,497,830	1,355,841	10,367	-	-	-	10,367	-	154,027	-	-	154,027	82,417	-	82,417
N Ctr'l Area Career And Tech Ctr	275,035	248,963	1,904	-	-	-	1,904	-	28,283	-	-	28,283	15,134	-	15,134
Napoleon School	2,774,718	2,511,683	19,205	-	-	-	19,205	-	285,333	-	-	285,333	152,677	-	152,677
Naughton Rural School	130,734	118,341	905	-	-	-	905	-	13,444	-	-	13,444	7,194	-	7,194
Nd Center For Distance Education	1,758,234	1,591,559	12,170	-	-	-	12,170	-	180,805	-	-	180,805	96,745	-	96,745
Nd Dept Of Public Instruction	219,901	199,055	1,522	-	-	-	1,522	-	22,613	-	-	22,613	12,100	-	12,100
Nd School For Blind	1,280,823	1,159,405	8,865	-	-	-	8,865	-	131,711	-	-	131,711	70,476	-	70,476
Nd School For Deaf	1,619,894	1,466,334	11,212	-	-	-	11,212	-	166,579	-	-	166,579	89,133	-	89,133
Nd United	585,630	530,114	4,053	-	-	-	4,053	-	60,222	-	-	60,222	32,224	-	32,224
Nd Youth Correctional Cnt	2,257,765	2,043,736	15,627	-	-	-	15,627	-	232,173	-	-	232,173	124,232	-	124,232
Nedrose School	2,597,612	2,351,367	17,979	-	-	-	17,979	-	267,121	-	-	267,121	142,932	-	142,932
Nelson County	21,172	19,165	147	-	-	-	147	-	2,177	-	-	2,177	1,165	-	1,165
Nesson School	2,681,442	2,427,250	18,560	-	-	-	18,560	-	275,741	-	-	275,741	147,544	-	147,544
New England School	2,170,416	1,964,668	15,023	-	-	-	15,023	-	223,191	-	-	223,191	119,425	-	119,425
New Public School	3,981,434	3,604,007	27,557	-	-	-	27,557	-	409,424	-	-	409,424	219,075	-	219,075
New Rockford Sheyenne School	3,248,725	2,940,756	22,486	-	-	-	22,486	-	334,077	-	-	334,077	178,759	-	178,759
New Salem-Almont	3,087,072	2,794,428	21,367	-	-	-	21,367	-	317,453	-	-	317,453	169,864	-	169,864
New Town School	7,540,036	6,825,266	52,188	-	-	-	52,188	-	775,366	-	-	775,366	414,885	-	414,885
Newburg United District	1,159,569	1,049,646	8,026	-	-	-	8,026	-	119,242	-	-	119,242	63,804	-	63,804
North Border School	5,287,087	4,785,888	36,595	-	-	-	36,595	-	543,688	-	-	543,688	290,918	-	290,918
North Sargent School	2,372,328	2,147,439	16,420	-	-	-	16,420	-	243,954	-	-	243,954	130,536	-	130,536
North Star	2,851,209	2,580,924	19,735	-	-	-	19,735	-	293,199	-	-	293,199	156,886	-	156,886
North Valley Area Career	1,172,708	1,061,539	8,117	-	-	-	8,117	-	120,593	-	-	120,593	64,527	-	64,527
Northern Cass School Dist	4,744,112	4,294,386	32,836	-	-	-	32,836	-	487,852	-	-	487,852	261,041	-	261,041
Northern Plains Spec Ed	375,187	339,620	2,597	-	-	-	2,597	-	38,582	-	-	38,582	20,644	-	20,644
Northwood School	2,581,591	2,336,865	17,868	-	-	-	17,868	-	265,473	-	-	265,473	142,050	-	142,050
Oakes School	3,792,382	3,432,877	26,249	-	-	-	26,249	-	389,983	-	-	389,983	208,673	-	208,673
Oberon Elem School	873,364	790,572	6,045	-	-	-	6,045	-	89,811	-	-	89,811	48,056	-	48,056
Oliver - Mercer Spec Ed	1,703,400	1,541,924	11,790	-	-	-	11,790	-	175,166	-	-	175,166	93,728	-	93,728
Page School	1,330,691	1,204,546	9,210	-	-	-	9,210	-	136,839	-	-	136,839	73,220	-	73,220
Park River Area School District	3,981,689	3,604,238	27,559	-	-	-	27,559	-	409,450	-	-	409,450	219,089	-	219,089
Parshall School	3,291,196	2,979,201	22,780	-	-	-	22,780	-	338,444	-	-	338,444	181,096	-	181,096
Peace Garden Spec Ed	873,850	791,012	6,048	-	-	-	6,048	-	89,861	-	-	89,861	48,083	-	48,083
Pembina Spec Ed Coop	335,101	303,334	2,319	-	-	-	2,319	-	34,459	-	-	34,459	18,439	-	18,439
Pingree - Buchanan School	1,515,425	1,371,768	10,489	-	-	-	10,489	-	155,836	-	-	155,836	83,385	-	83,385
Pleasant Valley Elem	33,233	30,083	230	-	-	-	230	-	3,417	-	-	3,417	1,829	-	1,829
Powers Lake School	1,872,936	1,695,388	12,964	-	-	-	12,964	-	192,600	-	-	192,600	103,057	-	103,057
Richardson-Taylor	3,079,826	2,787,869	21,317	-	-	-	21,317	-	316,708	-	-	316,708	169,465	-	169,465
Richland School	3,003,369	2,718,660	20,788	-	-	-	20,788	-	308,846	-	-	308,846	165,258	-	165,258

The accompanying notes are an integral part of the Schedule of Pension Amounts by Employer

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Pension Amounts by Employer
As of and for the year ended June 30, 2014
With Net Pension Liability for June 30, 2013

Employer Name	Deferred Outflows of Resources							Deferred Inflows of Resources				Pension Expense			
	Net Pension Liability for the year ended June 30, 2013	Net Pension Liability for the year ended June 30, 2014	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Robinson School	140,932	127,572	975	-	-	-	975	-	14,493	-	-	14,493	7,755	-	7,755
Rolette County	7,952	7,199	55	-	-	-	55	-	818	-	-	818	438	-	438
Rolette School	2,051,280	1,856,826	14,198	-	-	-	14,198	-	210,940	-	-	210,940	112,870	-	112,870
Roosevelt School	763,512	691,133	5,285	-	-	-	5,285	-	78,514	-	-	78,514	42,012	-	42,012
Roughrider Area Career & Tech Ctr	318,791	288,570	2,207	-	-	-	2,207	-	32,782	-	-	32,782	17,541	-	17,541
Roughrider Service Program	173,876	157,393	1,203	-	-	-	1,203	-	17,880	-	-	17,880	9,567	-	9,567
Rugby School	5,796,110	5,246,658	40,118	-	-	-	40,118	-	596,033	-	-	596,033	318,927	-	318,927
Rural Cass Spec Ed	1,995,382	1,806,226	13,811	-	-	-	13,811	-	205,192	-	-	205,192	109,794	-	109,794
Sargent Central School	2,642,027	2,391,572	18,287	-	-	-	18,287	-	271,688	-	-	271,688	145,376	-	145,376
Sawyer School	1,587,853	1,437,330	10,990	-	-	-	10,990	-	163,284	-	-	163,284	87,370	-	87,370
Scranton School	1,997,987	1,808,584	13,829	-	-	-	13,829	-	205,459	-	-	205,459	109,938	-	109,938
Se Region Career And Tech	2,509,614	2,271,711	17,370	-	-	-	17,370	-	258,072	-	-	258,072	138,090	-	138,090
Selridge School	1,567,318	1,418,741	10,848	-	-	-	10,848	-	161,172	-	-	161,172	86,240	-	86,240
Shenoyne Valley Area Voc	1,344,952	1,217,455	9,309	-	-	-	9,309	-	138,306	-	-	138,306	74,005	-	74,005
Shenoyne Valley Spec Ed	2,954,058	2,674,023	20,446	-	-	-	20,446	-	303,775	-	-	303,775	162,545	-	162,545
Slope County	45,480	41,169	315	-	-	-	315	-	4,677	-	-	4,677	2,503	-	2,503
Solen - Cannonball School	3,279,481	2,968,597	22,699	-	-	-	22,699	-	337,240	-	-	337,240	180,451	-	180,451
Souris Valley Spec Ed	2,922,028	2,645,029	20,225	-	-	-	20,225	-	300,481	-	-	300,481	160,782	-	160,782
South Cent. Prairie Sp Ed	184,792	167,274	1,279	-	-	-	1,279	-	19,003	-	-	19,003	10,168	-	10,168
South Heart School	2,460,094	2,226,885	17,028	-	-	-	17,028	-	252,979	-	-	252,979	135,365	-	135,365
South Prairie Elem School	2,378,706	2,153,213	16,464	-	-	-	16,464	-	244,610	-	-	244,610	130,886	-	130,886
South Valley Spec Ed	1,254,211	1,135,316	8,681	-	-	-	8,681	-	128,975	-	-	128,975	69,012	-	69,012
Southwest Special Education Unit	120,374	108,963	833	-	-	-	833	-	12,378	-	-	12,378	6,623	-	6,623
St. John'S School	4,530,451	4,100,979	31,357	-	-	-	31,357	-	465,881	-	-	465,881	249,285	-	249,285
St. Thomas School	1,266,782	1,146,695	8,768	-	-	-	8,768	-	130,267	-	-	130,267	69,704	-	69,704
Stanley School	5,608,135	5,076,502	38,817	-	-	-	38,817	-	576,702	-	-	576,702	308,583	-	308,583
Starkweather School	1,107,595	1,002,599	7,666	-	-	-	7,666	-	113,898	-	-	113,898	60,945	-	60,945
Sterling School	409,277	370,479	2,833	-	-	-	2,833	-	42,087	-	-	42,087	22,520	-	22,520
Strasburg School District	1,620,982	1,467,319	11,220	-	-	-	11,220	-	166,691	-	-	166,691	89,193	-	89,193
Surrey School	4,259,074	3,855,327	29,479	-	-	-	29,479	-	437,974	-	-	437,974	234,352	-	234,352
Sweet Briar Elem School	143,687	130,066	995	-	-	-	995	-	14,776	-	-	14,776	7,906	-	7,906
Tgu School District	4,981,897	4,509,630	34,482	-	-	-	34,482	-	512,304	-	-	512,304	274,125	-	274,125
Thompson School	3,718,021	3,365,565	25,734	-	-	-	25,734	-	382,336	-	-	382,336	204,581	-	204,581
Tioga School	4,680,215	4,236,546	32,394	-	-	-	32,394	-	481,281	-	-	481,281	257,525	-	257,525
Turtle Lake-Mercer School	2,406,013	2,177,931	16,653	-	-	-	16,653	-	247,418	-	-	247,418	132,389	-	132,389
Twin Buttes Elem. School	879,441	796,073	6,087	-	-	-	6,087	-	90,436	-	-	90,436	48,391	-	48,391
Underwood School	2,842,840	2,573,348	19,677	-	-	-	19,677	-	292,338	-	-	292,338	156,425	-	156,425
United School	5,529,907	5,005,690	38,275	-	-	-	38,275	-	568,658	-	-	568,658	304,279	-	304,279
Upper Valley Spec Ed	4,212,737	3,813,383	29,158	-	-	-	29,158	-	433,209	-	-	433,209	231,803	-	231,803
Valley - Edinburg School	2,797,498	2,532,305	19,363	-	-	-	19,363	-	287,676	-	-	287,676	153,930	-	153,930

The accompanying notes are an integral part of the Schedule of Pension Amounts by Employer

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Schedule of Pension Amounts by Employer
As of and for the year ended June 30, 2014
With Net Pension Liability for June 30, 2013

Employer Name	Deferred Outflows of Resources						Deferred Inflows of Resources					Pension Expense			
	Net Pension Liability for the year ended June 30, 2013	Net Pension Liability for the year ended June 30, 2014	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
Valley City School	11,623,335	10,521,481	80,451	-	-	-	80,451	-	1,195,265	-	-	1,195,265	639,565	-	639,565
Velva School	4,622,071	4,183,914	31,992	-	-	-	31,992	-	475,302	-	-	475,302	254,326	-	254,326
Wahpeton School	12,440,870	11,261,517	86,109	-	-	-	86,109	-	1,279,334	-	-	1,279,334	684,549	-	684,549
Ward County	51,951	47,026	360	-	-	-	360	-	5,342	-	-	5,342	2,859	-	2,859
Warwick School	3,037,899	2,749,916	21,027	-	-	-	21,027	-	312,397	-	-	312,397	167,158	-	167,158
Washburn School	2,851,545	2,581,227	19,737	-	-	-	19,737	-	293,233	-	-	293,233	156,904	-	156,904
West Fargo School	86,768,515	78,543,146	600,568	-	-	-	600,568	-	8,922,684	-	-	8,922,684	4,774,371	-	4,774,371
West River Student Services	1,151,918	1,042,720	7,973	-	-	-	7,973	-	118,455	-	-	118,455	63,383	-	63,383
Westhope School	1,867,264	1,690,253	12,924	-	-	-	12,924	-	192,017	-	-	192,017	102,745	-	102,745
White Shield School	2,735,627	2,476,298	18,935	-	-	-	18,935	-	281,313	-	-	281,313	150,526	-	150,526
Williston School	27,706,904	25,080,381	191,773	-	-	-	191,773	-	2,849,189	-	-	2,849,189	1,524,551	-	1,524,551
Wilmac Special Education	4,921,218	4,454,703	34,062	-	-	-	34,062	-	506,065	-	-	506,065	270,786	-	270,786
Wilton School	2,262,546	2,048,064	15,660	-	-	-	15,660	-	232,665	-	-	232,665	124,495	-	124,495
Wing School	1,255,461	1,136,448	8,690	-	-	-	8,690	-	129,103	-	-	129,103	69,081	-	69,081
Wishek School	2,176,493	1,970,169	15,065	-	-	-	15,065	-	223,816	-	-	223,816	119,760	-	119,760
Wolfford School	914,353	827,675	6,329	-	-	-	6,329	-	94,026	-	-	94,026	50,312	-	50,312
Wyndmere School	2,723,959	2,465,736	18,854	-	-	-	18,854	-	280,113	-	-	280,113	149,884	-	149,884
Yellowstone Elem. School	919,319	832,170	6,363	-	-	-	6,363	-	94,536	-	-	94,536	50,585	-	50,585
Zeeland School	891,318	806,823	6,169	-	-	-	6,169	-	91,657	-	-	91,657	49,044	-	49,044
Total for all entities	\$ 1,157,555,127	\$ 1,047,822,708	\$ 8,012,012	\$ -	\$ -	\$ -	\$ 8,012,012	\$ -	\$ 119,035,086	\$ -	\$ -	\$ 119,035,086	\$ 63,693,590	\$ -	\$ 63,693,590

The accompanying notes are an integral part of the Schedule of Pension Amounts by Employer

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Notes to Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the year ended June 30, 2014

Note 1 – Nature and Organization of the Pension Plan

North Dakota Teachers' Fund for Retirement

The following brief description of TFFR is provided for general information purposes only. Participants should refer to NDCC Chapter 15-39.1 for more complete information.

TFFR is a cost-sharing multiple-employer defined benefit pension plan covering all North Dakota public teachers and certain other teachers who meet various membership requirements. TFFR provides for pension, death and disability benefits. The cost to administer the TFFR plan is financed by investment income and contributions.

Responsibility for administration of the TFFR benefits program is assigned to a seven-member Board of Trustees (Board). The Board consists of the State Treasurer, the Superintendent of Public Instruction, and five members appointed by the Governor. The appointed members serve five-year terms which end on June 30 of alternate years. The appointed Board members must include two active teachers, one active school administrator, and two retired members. The TFFR Board submits any necessary or desirable changes in statutes relating to the administration of the fund, including benefit terms, to the Legislative Assembly for consideration. The Legislative Assembly has final authority for changes to benefit terms and contribution rates.

Pension Benefits

For purposes of determining pension benefits, members are classified within one of three categories. Tier 1 grandfathered and Tier 1 non-grandfathered members are those with service credit on file as of July 1, 2008. Tier 2 members are those newly employed and returning refunded members on or after July 1, 2008.

Tier 1 Grandfathered

A Tier 1 grandfathered member is entitled to receive unreduced benefits when three or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher and the member has reached age 65, or the sum of age and years of service credit equals or exceeds 85. TFFR permits early retirement from ages 55 to 64, with benefits actuarially reduced by 6% per year for every year the member's retirement age is less than 65 years or the date as of which age plus service equal 85. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code.

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the three highest annual salaries earned divided by 36 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

Tier 1 Non-grandfathered

A Tier 1 non-grandfathered member is entitled to receive unreduced benefits when three or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher and the member has reached age 65, or has reached age 60 and the sum of age and years of service credit equals or exceeds 90. TFFR permits early retirement from ages 55 to 64, with benefits actuarially

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Notes to Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the year ended June 30, 2014

reduced by 8% per year from the earlier of age 60/Rule of 90 or age 65. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code.

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the three highest annual salaries earned divided by 36 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

Tier 2

A Tier 2 member is entitled to receive unreduced benefits when five or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher and the member has reached age 65, or has reached age 60 and the sum of age and years of service credit equals or exceeds 90. TFFR permits early retirement from ages 55 to 64, with benefits actuarially reduced by 8% per year from the earlier of age 60/Rule of 90 or age 65. In either case, benefits may

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the five highest annual salaries earned divided by 60 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

Death and Disability Benefits

Death benefits may be paid to a member's designated beneficiary. If a member's death occurs before retirement, the benefit options available are determined by the member's vesting status prior to death. If a member's death occurs after retirement, the death benefit received by the beneficiary (if any) is based on the retirement plan the member selected at retirement.

An active member is eligible to receive disability benefits when: (a) a total disability lasting 12 months or more does not allow the continuation of teaching, (b) the member has accumulated five years of credited service in North Dakota, and (c) the Board of Trustees of TFFR has determined eligibility based upon medical evidence. The amount of the disability benefit is computed by the retirement formula in NDCC Section 15-39.1-10 without consideration of age and uses the member's actual years of credited service. There is no actuarial reduction for reason of disability retirement.

Member and Employer Contributions

Member and employer contributions paid to TFFR are set by NDCC Section 15-39.1-09. Every eligible teacher in the State of North Dakota is required to be a member of TFFR and is assessed at a rate of 11.75% of salary as defined by NDCC Section 15-39.1-04. Every governmental body employing a teacher must also pay into TFFR a sum equal to 12.75% of the teacher's salary. Member and employer contributions will be reduced to 7.75% each when the fund reaches 100% funded ratio on an actuarial basis.

A vested member who terminates covered employment may elect a refund of contributions paid plus 6% interest or defer payment until eligible for pension benefits. A non-vested member who terminates covered employment must claim a refund of contributions paid before age 70½. Refunded members forfeit all

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Notes to Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the year ended June 30, 2014

service credits under TFFR. These service credits may be repurchased upon return to covered employment under certain circumstances, as defined by the NDCC.

Note 2 - Measurement Focus and Basis of Accounting

The schedules are presented in accordance with the standards issued by the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard setting body for establishing accounting principles generally accepted in the United States of America for governmental entities. As prescribed by GASB they are reported using the economic resources measurement focus and the accrual basis of accounting.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Fund for Retirement (TFFR) and additions to/deductions from TFFR's fiduciary net position have been determined on the same basis as they are reported by TFFR. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - Net Pension Liability

The net pension liability of \$1,047,822,708 was measured as of July 1, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employers' proportions of the net pension liability are based on the Employers' shares of covered payroll in the pension plan relative to the covered payroll of all participating TFFR employers.

Note 4 - Actuarial Assumptions

The total pension liability in the July 1, 2014 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	4.50% to 14.75%, varying by service, including inflation and productivity
Investment rate of return	8.00%, net of investment expenses
Cost-of-living adjustments	None

For inactive members and healthy retirees, mortality rates are based on 80% of GRS Table 378 and 75% of GRS Table 379. For active members, mortality rates are based on the post-retirement mortality rates multiplied by 60% for males and 40% for females. For disabled retirees, mortality rates are based on the RP-2000 Disabled-Life tables for Males and Females multiplied by 80% and 95%, respectively.

The actuarial assumptions used were based on the results of an actuarial experience study dated January 21, 2010. They are the same as the assumptions used in the July 1, 2014, funding actuarial valuation for TFFR.

North Dakota Retirement and Investment Office -
North Dakota Teachers' Fund for Retirement
Notes to Schedules of Employer Allocations and Pension Amounts by Employer
As of and for the year ended June 30, 2014

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target allocation are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equities	57%	7.53%
Global Fixed Income	22%	1.40%
Global Real Assets	20%	5.38%
Cash Equivalents	1%	0.00%

Discount rate

The discount rate used to measure the total pension liability was 8 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at rates equal to those based on the July 1, 2014, Actuarial Valuation Report. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2014.

Note 5 - ADDITIONAL FINANCIAL AND ACTUARIAL INFORMATION

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer (including the disclosure of the net pension liability and the unmodified audit opinion on the financial statements) is located in the North Dakota Retirement and Investment Office's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. The supporting actuarial information is included in the June 30, 2014, GASB Statements No. 67 and 68 Accounting and Financial Reporting for Pensions actuarial valuation for each retirement plan. The additional financial and actuarial information is available at www.nd.gov/rio or by contacting RIO at: ND Retirement and Investment Office, 1930 Burnt Boat Drive, P.O. Bo 7100, Bismarck, ND 58507-7100 or by calling (701) 328-9885.

**Independent Auditors' Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Governor Jack Dalrymple
The Legislative Assembly
David Hunter, Executive Director/CIO
State Investment Board
Teacher's Fund for Retirement Board
North Dakota Retirement and Investment Office

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the schedule of employer allocations and the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense as of and for the year ended June 30, 2014 and the net pension liability as of and for the year ended June 30, 2013 (specified column totals), included in the schedule of pension amounts by employer of the North Dakota Retirement and Investment Office - North Dakota Teachers' Fund for Retirement (TFFR), and have issued our report thereon dated April 10, 2015.

Internal Control over Financial Reporting

Management of the North Dakota Retirement and Investment Office (RIO), which includes TFFR, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audits, we considered RIO's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer, but not for the purpose of expressing an opinion on the effectiveness of RIO's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of RIO's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether RIO's schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of RIO's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RIO's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

Baltimore, Maryland

April 10, 2015

RETIREMENT AND INVESTMENT OFFICE AUDIT SERVICES

AUDIT ACTIVITIES REPORT FOR THE THIRD QUARTER JANUARY 1, 2015 – MARCH 31, 2015

The audit objective of Audit Services is twofold: first, to provide comprehensive, practical audit coverage of the Retirement and Investment Office (RIO) programs; second, to assist RIO management and the State Investment Board (SIB) by conducting special reviews or audits.

The SIB Audit Committee opted to postpone development of a detailed audit work program for Fiscal Year July 1, 2014 through June 30, 2015. The SIB Audit Committee did provide guidance related to audit activities and planning for Fiscal Year July 1, 2014 through June 30, 2015. The audit activities undertaken are consistent with the Audit Services charter and goals, and the goals of RIO. To the extent possible, our audits are being carried out in accordance with the International Standards for the Professional Practice of Internal Auditing. Audit effort is being directed to the needs of RIO and the concerns of management and the SIB Audit Committee.

Retirement Program Audit Activities

- **TFFR Compliance Audits**

We examine employer reporting to the Teachers' Fund for Retirement (TFFR) to determine whether retirement salaries and contributions reported for members of TFFR are in compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). Other reporting procedures reviewed during the audit process are calculation of service hours and eligibility for TFFR membership. A written report is issued after each audit examination is completed.

During the third quarter nine employer audits were completed, eight employer audits were in progress, and two employer audits were pending but not yet started. One Not In Compliance (NIC) Review was completed and one NIC Review was in progress. Five additional employers were notified of upcoming audits. The attached report details the current status of all audits remaining in the third audit cycle.

As of March 31, 2015 sixteen employer audits and two NIC Reviews have been completed for a total of eighteen audits.

This is an area that requires special emphasis due to the level of risk identified through previous audit results. Our long-range plans include auditing each employer over a five year period.

- **External Audit Support (GASB 68)**

GASB 68 Census Data Audit fieldwork was completed by our external audit partners January 19 – January 30, 2015. A total of seventeen employers received on-site visits from our external audit partners and a total of 202 member accounts were reviewed. External auditors were at the RIO on January 29, 2015 and Audit Services provided in office support. The GASB 68 Census Data Audits have been completed and two corrections were required. A memo from CliftonLarsonAllen related to the Census Data Audits was provided to the SIB Audit Committee at the meeting held February 26, 2015.

At the request of RIO's external auditor, CliftonLarsonAllen, Audit Services in cooperation with the Fiscal and Investment Operations Manager contacted thirty three employers and requested confirmation of TFFR contributions for the fiscal year ending June 30, 2014. Confirmation of TFFR contributions is required as a part of the financial statement audit, however due to significantly lower material thresholds related to the audit of the Schedule of Employer Allocations a larger sample size than usual was required.

- **TFFR File Maintenance**

Audit Services quarterly tests changes made to TFFR member account data by RIO employees.

Audit tables are generated and stored indicating any file maintenance changes made to member accounts. Our external auditors recommended that Audit Services review these tables on a regular basis. The third quarter TFFR File Maintenance audit was completed and no exceptions were noted.

- **Annual Salary Verification Project**

The accurate reporting of salary to TFFR by participating employers is vital to the administration of retirement benefits, therefore each year Retirement Services during the third quarter of the fiscal year undertakes an effort to verify salaries reported to TFFR for the prior fiscal year. Moving forward Audit Services will complete this annual project. In January 2015 fifty member accounts representing forty one employers for the fiscal years 2012-2013 and 2013-2014 were reviewed and the salary for each fiscal year was reconciled. Ultimately five member accounts required corrections.

Administrative and Investment Audits

- **Executive Limitation Audit**

Audit Services completed the Executive Limitations audit for the calendar year beginning January 1, 2014 and ending December 31, 2014. The purpose of the audit was to determine the Executive Director/CIO's level of compliance with State Investment Board

(SIB) Governance Manual Executive Limitation polices (A-1 through A-11). Audit Services is sufficiently satisfied that the Executive Director/CIO is in compliance with the SIB Governance Manual Executive Limitation polices A-1 through A-11. A final audit report was issued in February of 2015 and shared with the SIB Audit Committee at the meeting held February 26, 2015.

Audit Services facilitated a second organization wide survey of employees during the third quarter. The purpose of the survey was to provide employees the opportunity to evaluate their immediate supervisor as well as other members of the management staff. Employees were also asked to generate ideas related to improving organizational communication, productivity, morale and/or efficiency.

- **TFFR Cost Effective Benefit Payments**

Audit Services was asked by the Executive Director/CIO to verify if retirement benefits are being paid at TFFR on a cost effective basis according to the *Ends* policy in the SIB Governance Manual which supports one of the RIO's overall missions which is to ensure that TFFR benefit recipients receive their retirement benefits in a cost effective and timely manner. Initial planning work was undertaken in March 2015. The audit will commence in the fourth quarter and be completed by June 2015.

Professional Development Activities

In early January of 2015 a professional development plan was approved for the Supervisor of Audit Services. The Supervisor of Audit Services will begin pursuing a Certified Internal Auditor designation. Members of Audit Services also attended monthly IIA meetings of the Central NoDak Chapter.

SUMMARY

Audit effort will continue to be on those activities which are of greatest concern to the SIB Audit Committee, RIO management, and the external auditors.

**NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
SCHOOL DISTRICT AUDIT PROGRESS AND STATUS REPORT**

FISCAL YEAR JULY 1, 2014 - JUNE 30, 2015

	Size	Auditor	School District	Anticipated Notification Timeframe	100% or On-site	Info Request	Info Received	Audit Started	Report Date	Corrections to Retirement Services	Invoice/Check Received from Retirement Services	Status	Members	Days b/w Info Request and Received	Days b/w Info Received and Report	Days b/w Info Received and Start Date	Days b/w Start and Report	Days w/Retirement Services	Audit Findings	Hours to Complete
1		DT	South Heart School (New Admin 08/14)			5/28/2014	6/9/2014	6/19/2014	8/6/2014	7/21/2014	7/30/2014	Complete	31	12	58	10	48	9	Generally In Compliance	54
2		DT	Grand Forks - fiscal agent for the Red River Valley Ed. Cooperative			6/18/2013	7/22/2013	3/10/2014	9/10/2014	8/17/2014	9/4/2014	Complete	802	34	415	231	184	18	Generally In Compliance	157
3		DT	Flasher			2/18/2014	3/17/2014	5/29/2014	9/10/2014	8/26/2014	9/5/2014	Complete	22	27	177	73	104	10	Generally In Compliance	61
4		DT	Lake Region Spec Ed (New Admin 06/14)			5/28/2014	6/12/2014	9/16/2014	10/10/2014	N/A	N/A	Complete	29	15	120	96	24	N/A	In Compliance	27
5		DT	Oliver-Mercer Spec Ed			5/28/2014	6/26/2014	9/23/2014	12/8/2014	11/20/2014	12/1/2014	Complete	19	29	165	89	76	11	Generally In Compliance	87
6		TMB	Nesson (New Admin 06/14)			5/28/2014	6/13/2014	10/20/2014	12/9/2014	12/1/2014	12/8/2014	Complete	25	16	179	129	50	7	Generally In Compliance	35
7		TMB	Mayville-Portland C-G			9/16/2014	10/17/2014	12/2/2014	12/29/2014	N/A	N/A	Complete	49	31	73	46	27	N/A	In Compliance	22
8		TMB	Edmore			9/16/2014	11/3/2014	12/19/2014	1/26/2015	1/16/2015	1/23/2015	Complete	16	48	84	46	38	7	Generally In Compliance	36
9		TMB	Wolford			9/16/2014	10/16/2014	11/24/2014	1/21/2015	N/A	N/A	Complete	12	30	97	39	58	N/A	In Compliance	30
10	S	TMB	Page	November 2014		11/13/2014	12/15/2014	1/5/2015	2/3/2015	N/A	N/A	Complete	16	32	50	21	29	N/A	In Compliance	21
11		DT	Devil's Lake	September 2014		9/16/2014	10/13/2014	12/29/2014	3/5/2015	2/20/2015	3/4/2015	Complete	173	27	143	77	66	12	Generally In Compliance	86
12	S	TMB	Hazleton-Moffitt School** (New Bus Mgr/Admin 06/14)	May 2014		5/28/2014	6/18/2014	2/3/2015	3/6/2015	3/2/2015	3/6/2015	Complete	18	21	261	230	31	4	Generally In Compliance	16
13	M	TMB	North Border School District	November 2014		11/13/2014	12/19/2014	1/26/2015	3/19/2015	3/18/2015	3/19/2015	Complete	75	36	90	38	52	1	In Compliance	26
14		DT	Mohall/Lansford/Sherwood (New Bus Mgr)	April 2014		4/23/2014	5/27/2014	12/10/2014	3/20/2015	N/A	N/A	Complete	42	34	297	197	100	N/A	In Compliance	59
15	S	DT	Montpelior	December 2014		12/29/2014	1/26/2015	3/6/2015	3/27/2015	3/23/2015	3/26/2015	Complete	27	28	60	39	21	3	In Compliance	25
16	S	TMB	Selfridge	November 2014		11/13/2014	12/30/2014	2/19/2015	3/27/2015	N/A	N/A	Complete	23	47	87	51	36	N/A	In Compliance	17
17	S	DT	Munich	November 2014		11/13/2014	1/2/2015	2/27/2015	4/1/2015	3/31/2015	3/31/2015	Complete	32	50	89	56	33	0	In Compliance	41
18	S	TMB	Kensal	December 2014		12/29/2014	2/5/2015	3/11/2015	4/16/2015	N/A	N/A	Complete	21	38	70	34	36	N/A	In Compliance	14
19	M	TMB	Lewis & Clark School	December 2014		12/29/2014	2/10/2015	3/19/2015	5/1/2015	N/A	N/A	Complete	63	43	80	37	43	N/A	In Compliance	21
21	S	DT	South Prairie Elementary	November 2014		11/13/2014	12/23/2014	1/14/2015	5/13/2015	4/30/2015	5/11/2015	Complete	40	40	141	22	119	11	In Compliance	61
20		TMB	Billings Co. Sch. District****	September 2014		9/16/2014	10/23/2014	12/8/2014				In Progress	18	37	****ON HOLD - ESTIMATED COMPLETION DATE JULY 2015****					
22	S	DT	Glen Ullin**	May 2014		5/28/2014	7/10/2014	2/12/2015				In Progress	24	43		217				
23	L	TMB	Fargo	December 2014		12/29/2014	2/4/2015	2/25/2015				In Progress	1333	37		21				
24	L	DT	West Fargo	November 2014		11/13/2014	12/31/2014	3/23/2015				In Progress	875	48		82				
25	L	TMB	Dickinson	March 2015		3/30/2015	4/2/2015	4/28/2015				In Progress	332	3		26				
26	S	TMB	Emerado	March 2015		3/30/2015	4/20/2015	5/5/2015				In Progress	22	21		15				
27	S	DT	Sheyenne Valley Area Vocation***	December 2014		12/29/2014	3/2/2015	5/7/2015				In Progress	11	63		66				
28	S	DT	Ft. Totten	December 2014		12/29/2014	1/30/2015						36	32						
29	S	DT	North Valley Area Careers	March 2015		3/30/2015	4/27/2015						12	28						
30	S	DT	Southeast Region Career and Tech	March 2015		3/30/2015	4/23/2015						32	24						
31	M	DT	Wilmac Special Education (Temp Bus Mgr 08/14)	April 2015		4/15/2015	5/13/2015						58	28						
32	S	DT	Fordville-Lankin	May 2015									12							
33	S	TMB	James River Multidistrict	May 2015									20							
34	S	TMB	Kulm	May 2015									22							
35	S	DT	Litchville-Marion	June 2015																
36	S	TMB	Maple Valley (New Bus Mgr 06/14 & Admin 09/14)	June 2015																
37	S	TMB	New Public School (Williston) (New Admin 06/14)	June 2015																
38	S		Parshall	September 2015																
39	S		Solen-Cannonball	September 2015																
40	M		St John	September 2015																
41	S		Starkweather	September 2015																
42	S		Warwick	September 2015																
43	S		White Shield (Roseglen) (New Admin 09/14)	September 2015																
44	S		Wing (New Admin 10/14)	September 2015																

Average: 138 32 137 76 59 8 45

**NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
SCHOOL DISTRICT AUDIT PROGRESS AND STATUS REPORT**

FISCAL YEAR JULY 1, 2014 - JUNE 30, 2015

	Size	Auditor	School District	Anticipated Notification Timeframe	100% or On-site	Info Request	Info Received	Audit Started	Report Date	Corrections to Retirement Services	Invoice/Check Received from Retirement Services	Status	Members	Days b/w Info Request and Received	Days b/w Info Received and Report	Days b/w Info Received and Start Date	Days b/w Start and Report	Days w/Retirement Services	Audit Findings	Hours to Complete
YTD Assigned			Total Audit Days			Average Audit Days	Audits Completed	Total Hours	Average Hrs			Actual Audit Days								
19		DT	97			10	10	658	66			8.2								
18		TMB	50			5	10	236	24			3.0								

NOT IN COMPLIANCE FOLLOW-UP REVIEWS

	Size	Auditor	School District	100% or On-site	Info Request	Info Received	Review Started	Report Date	Corrections to Retirement Services	Invoice/Check Received from Retirement Services	Status	Members	Days b/w Info Request and Received	Days b/w Info Received and Report	Days b/w Info Received & Start Date	Days b/w Start and Report	Days w/Retirement Services	Audit Findings	Hours to Complete	
1	S	TMB	Halliday		2/26/2015	3/4/2015	N/A	N/A	N/A	N/A	N/A	11	N/A	N/A	N/A	N/A	N/A	See Explanation Below	N/A	
2	S	DT	McClusky		12/11/2014	12/23/2014	1/26/2015	3/12/2015	N/A	N/A	Complete	18	12	79	34	45	N/A	In Compliance	36	
3	S		Ft. Yates																	
4	S	TMB	Minnewaukan		3/3/2015	3/25/2015	3/27/2015				In Progress	36								
5	L	DT	Williston		1/7/2014	1/29/2014	4/14/2014	1/29/2015	1/14/2015	1/22/2015	Complete	217	22	365	75	290	8	Not In Compliance	130	
												TFFR Compliance Audit Scheduled for 2015-2016								
												Average: 71								

** Compliance audit will begin in February of 2015 following completion of GASB field work by Clifton Larson Allen.

***Business Manager on maternity leave, deadline for audit materials extended to March 6, 2015.

****Due to multiple errors discovered during audit process and multiple years of salary which will require corrections staff feels it is best to close 2014-2015 and then process any and all corrections.

Halliday NIC Review - Original TFFR Compliance Audit occurred during fiscal year ended June 30, 2011, six findings were noted. First NIC review completed during fiscal year ended June 30, 2013, 100% of District members were included in sample, failure to report in-staff sub pay continued to occur, District was found not in compliance a second time. Second NIC review was initiated during fiscal year ended June 30, 2015, request was made for itemized payroll and contracts for all members who received in-staff sub pay in 2013-2014. District indicated that the practice of receiving in-staff sub pay was discontinued at the District on July 1, 2013 and has been replaced by a "Gentleman's Agreement" between teachers. After discussions with staff the NIC review will not be pursued and Halliday will be placed into the next audit cycle as usual.



ND Retirement and Investment Office

*Teachers' Fund for Retirement
State Investment Board*

1930 Burnt Boat Drive
P.O. Box 7100
Bismarck, ND 58507-7100
Telephone 701-328-9885
Toll Free 800-952-2970
Fax 701-328-9897
www.nd.gov/rio

March 5, 2014

Jennifer Carlson
Executive Director
Northeast Educational Cooperative
Lake Area Career and Technology Center
205 16th St. NW.
Devils Lake, ND 58301

**RE: TFFR Compliance Audit for the Devils Lake School District/fiscal agent for the
Northeast Educational Cooperative**

Dear Ms. Carlson:

We have completed the audit for the Devils Lake School District who acts as the fiscal agent for the Northeast Educational Cooperative. The purpose of the audit was to ensure that retirement salaries reported by the District for members of the Teachers' Fund for Retirement (TFFR) were in compliance with the definition of salary as it appears in the NDCC 15-39.1-04(9). Other reporting procedures reviewed during the audit process included calculation of service hours and eligibility for TFFR membership.

We reviewed the salary and service hours reported for Julie Schuler, a retired teacher who had returned to teach. Her salary was reported correctly to TFFR. We did determine that the fiscal agent was not monitoring her service hours and did not report actual hours taught to TFFR. It is important for the District or the Cooperative to monitor her hours to ensure that the maximum hours are not exceeded.

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in TFFR reporting salary requirements. The website address is www.nd.gov/rio/TFFR/Publications. If you have any questions regarding the audit, please contact me at the Administrative Office (1-800-952-2970).

Sincerely,

Fay Kopp, CRA
Deputy Executive Director- Chief Retirement Officer

c: Business Manager-Kathy Ellison

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
DEVILS LAKE SCHOOL DISTRICT
MARCH 5, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined (see Primary Test).

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited (See Primary Test).

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDINGS

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the Devils Lake School District were generally compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following findings were noted.

1. The District reported ineligible Harmony House salary.
2. The District did not issue written agreements for summer salary.
3. Service hours were reported incorrectly for two members.

RECOMMENDATIONS AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding 1:

After reviewing the duties for the salary, the Deputy Executive Director - Chief Retirement Officer determined the Harmony House salary was not reportable to TFFR. The District reported ineligible Harmony House salary for four members. RIO will refund the contributions for the four members (see Primary Test and Worksheet for Salary Changes). The members will be notified about the account change.

Finding 2:

The District did not issue written agreements for summer salary. TFFR recommends that the District provide written agreements for all members. A written agreement can be a contract, school board minutes or other official document evidencing a contractual relationship between a teacher and a participating employer. If written agreements are not issued to a teacher from outside the District or teachers without a continuing contract with the District, the salary would not be reported. One member did not have a written agreement or continuing agreement with the District in 2012/13, so salary and service hours will be deleted and contributions will be refunded (See Primary Test and the Worksheet for Salary Changes). RIO will notify the member that adjustments have been made to her account.

Finding 3:

The District reported service hours incorrectly for two members. One member's account will be corrected and the member will be notified about the account change (see Schedule 5 for the member). The second member affected was a retired teacher who had returned to teach. The District was not monitoring the retired teacher's hours and did not report the actual hours taught. It is important to monitor the hours to ensure that maximum hours allowed are not exceeded. No correction was made to her account.

The amount of contributions overpaid by the District is \$10,758.62 (See Schedule 2). The check for the amount overpaid will be sent to the Business Manager. Please provide a written response on the District's intent to correct the above errors in future reporting to TFFR by April 9, 2015.

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.



Dottie Thorsen
Auditor

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
HAZELTON-MOFFIT PUBLIC SCHOOL DISTRICT
MARCH 6, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2011/12 through 2012/13 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined. See Schedule 1 - Primary Test.

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited. See Schedule 1 - Primary Test.

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2011/12 through 2012/13. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDINGS

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2011/12 through 2012/13 reported by the Hazelton Moffit Public School District are generally in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following findings were noted.

1. The District did not report eligible in-staff subbing pay for one member.
2. The District did not report eligible superintendent salary for one member.
3. The District reported service hours incorrectly for one member.

4. The District did not issue written agreements for summer salary.

RECOMMENDATIONS AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding 1:

The District did not report eligible in-staff subbing pay for one member. It was determined this was an isolated error. This error caused a shortage of contributions, due to the immaterial amount corrections will not be made to the member account. Please reference attached Schedule 1 - Primary Test.

Finding 2:

The District did not report eligible superintendent salary for one member. It was determined this was an isolated error, although the exact cause of the error could not be determined. This error caused a shortage of contributions and the material salary amount will be corrected. RIO will notify the member that adjustments have been made to their account. It is the responsibility of the District to collect the contributions owed by the member. Please reference attached Schedule 1 - Primary Test and Salary Correction Worksheet.

Finding 3:

The District reported service hours incorrectly for one member. Corrections will be made to the member account. RIO will notify the member that adjustments have been made to their account. Please reference attached Service Hours Correction Worksheet.

Finding 4:

The District did not issue written agreements for summer salary. A written agreement can be a contract, school board minutes, or other official document evidencing a contractual relationship between a teacher and a participating employer. If written agreements are not issued to teachers from outside the District or teachers without a continuing contract with the District, the salary should not be reported.

The amount of the contributions underpaid by the District is \$384.71. An invoice for the amount of contributions due is included. Please reference attached Summary Schedule 2. Please provide payment for the contributions due and provide a written response on the District's intent to correct the above findings by April 16, 2015.

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.


Terra L. Miller Bowley
Supervisor of Audit Services

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
NORTH BORDER PUBLIC SCHOOL DISTRICT
MARCH 18, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined. See Schedule 1 - Primary Test.

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited. See Schedule 1 - Primary Test.

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDINGS

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the North Border Public School District are in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following findings were noted.

1. The District was unable to provide a copy of a summer school written agreement for one member.
2. The District did not issue an addendum and/or revised contract for the superintendent.
3. The District reported service hours incorrectly for one member.
4. The District does not monitor the hours worked by retirees who returned to covered employment to ensure they do not exceed the maximum allowable hours.

RECOMMENDATIONS AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding 1:

The District was unable to provide a copy of a summer school written agreement for one member. The District confirms that a written agreement is usually issued for summer school, in particular for drivers' education. However the District was unable to produce a written agreement issued for drivers' education for 2012/13. The District did produce a written agreement for the subsequent year and time cards for both years under audit. It appears poor record keeping occurred. No changes will be made to the member account. In the future, if written agreements are not issued to teachers from outside the District or to those teachers without continuing contracts with the District, the salary should not be reported. A written agreement can be a contract, school board minutes, or other official document evidencing a contractual relationship between a teacher and a participating employer.

Finding 2:

The District did not issue an addendum and/or revised contract for the superintendent for 2012/13. A three year contract was issued in March 2011 to the superintendent with the option to renegotiate the terms of the contract in the second and third years. It was noted during the course of the audit that the superintendent's employment contract was not revised to reflect changes to the prior agreement negotiated between the superintendent and the District in 2012/13. It is recommended that any and all contracts be updated to properly reflect changing terms and conditions as needed.

Finding 3:

The District reported service hours incorrectly for one member. The District is required to report actual hours worked by part-time teachers to TFFR. The member account will be corrected. Please reference attached Service Hours Correction worksheet.

Finding 4: The District does not monitor the hours worked by retirees who returned to covered employment to ensure they do not exceed the maximum allowable hours. State law allows retirees who are receiving TFFR retirement benefits to return to covered employment under certain limitations. If the retiree exceeds the limitations, TFFR must discontinue payment of retirement benefits. One such limitation which must be adhered to is the General Rule - Annual Hour Limit, retirees who return to covered employment under the General Rule are restricted in the hours which can be worked based on the length of the contract issued. The District is required to report actual hours worked by retirees who have returned to covered employment to TFFR. It is recommended that the District establish procedures to monitor retirees who have returned to covered employment to ensure proper reporting of hours to TFFR.

Please provide a written response on the District's intent to correct the above findings by April 24, 2015.

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.


Terra L. Miller Bowley
Supervisor of Audit Services

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
SELFRIIDGE PUBLIC SCHOOL DISTRICT
MARCH 19, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined. See Primary Test.

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited. See Primary Test.

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDINGS

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the Selfridge Public School District were in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following finding was noted.

1. The District did not report eligible in-staff substitute pay for one member.

RECOMMENDATIONS AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding 1:

The District did not report eligible in-staff substitute pay for one member. It was determined that this was an isolated data entry error. The error caused a shortage of contributions to be paid. Due to the immaterial amount of the error, adjustments will not be made to the member account. See Primary Test.

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.


Terra L. Miller-Bowley
Supervisor of Audit Services

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
MOHALL/LANSFORD/SHERWOOD SCHOOL DISTRICT
MARCH 20, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2011/12 through 2012/13 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined (See Primary Test).

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited (See Primary Test).

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2011/12 through 2012/13. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDING

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2011/12 through 2012/13 reported by the Mohall/Lansford/Sherwood School District were in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following finding was noted.

The District did not have the proper documents to support salary and service hours for a retired teacher that had returned to teach.

RECOMMENDATION AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding:

The District correctly filed the Retired Member Employment notification forms and paid contributions for a retired teacher who returned to teach in 2011/12 and 2012/13. However, all of the salary reported to TFFR could not be identified. The salary and service hours will not be adjusted due to the lack of documentation maintained by the prior Business Manager. It is important for the District to monitor the salary reported because of the annual limits set for service hours under the General Rule which are based on contract length. State law allows retirees who are receiving TFFR retirement benefits to return to covered employment under certain limitations. If the retirees exceed the limitations, TFFR must discontinue payment of retirement benefits. The District is required to report actual hours worked by retirees who have returned to covered employment to TFFR. It is recommended that the District establish procedures to monitor retirees who have returned to covered employment to ensure proper reporting of hours and salary. The process and procedures for reporting a retired teacher can be found on page 31 of the *TFFR Employer Guide* (see above website address).

The written response on the District's intent to correct the finding for future reporting to TFFR is due April 28, 2015.

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.



Dottie Thorsen
Auditor

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
MONTPELIER SCHOOL DISTRICT
MARCH 27, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined (See Primary Test).

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited (See Primary Test).

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDING

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the Montpelier School District were in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following finding was noted.

The District reported salary in the wrong fiscal year for one member.

RECOMMENDATION AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

The District reported salary in the wrong fiscal year for one member. This error was an isolated incident. I reviewed summer salary for two other members where salary was correctly reported. The member's account will be corrected. RIO will notify the member that an adjustment has been made to his account (see Primary Test and Worksheet for Changes in Salary and Contributions).

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.



Dottie Thorsen
Auditor

Enclosures

MEMORANDUM

FROM: Dottie Thorsen, Auditor

TO: Fay Kopp, Deputy Executive Director-Retirement Officer
Shelly Schumacher, Retirement Program Manager

DATE: May 5, 2015

SUBJECT: TFFR File Maintenance Audit
Third Quarter 2014-15
(January, February, and March 2015)

Conclusion: No exceptions were noted.

These were the audit procedures for the quarterly audit.

- 1) I ran and reviewed the table reports generated by CPAS for all RIO employees - eight employees had transactions.
- 2) I reviewed all of the transactions on the IT Supervisor and Data Processing Coordinator's table reports. I compared their log of transactions with the transactions listed on their table reports. Their logs list the transactions and the employee who requested the account change.
- 3) I received monthly reports from IT listing refunds paid to members. I randomly selected one of the refunded accounts to review. The account value for the member was refunded March 1, 2015. All of the required information and documents were found on CPAS and Filenet.
- 3) I received monthly reports from IT listing purchase payments from members who purchased time as installation purchases. I randomly selected one of the accounts to review. The member was purchasing two years refunded time. All of the required documents were listed on his accounts in CPAS and Filenet.
- 4) I compared the information on seven member action forms with the information posted on CPAS.

MEMORANDUM

TO: Shelly Schumacher, Retirement Program Manager

FROM: Terra Miller Bowley, Supervisor of Audit Services

DATE: February 25, 2015

**SUBJECT: Annual Salary Verification
Fiscal Years – 2012/13 and 2013/14**

The accurate reporting of salary, member contributions, employer contributions, and service time is vital to the administration of retirement benefits. Each year during the third quarter the North Dakota Teacher's Fund for Retirement (TFFR) randomly selects a group of member accounts and requests additional information regarding the salary which has been reported to TFFR for the prior year in an effort to ensure accuracy in reporting by Districts. Audit Services has been asked to assist with this process.

The salary reported to TFFR for fiscal years 2012-2013 and 2013-2014 was verified for fifty selected member accounts representing forty one Districts. See Salary Verification Worksheet. The following findings were noted:

1. Williston Public School District failed to report eligible professional development stipend(s) in 2012-2013. The Williston Public School District also failed to report eligible contract salary in 2012-2013. In 2013-2014 the Williston Public School District completed a retro pay correction which ultimately resulted in an overpayment of member and employer contributions to TFFR. The Williston Public School District did not notify TFFR of this correction and a refund was not issued. Two member accounts were materially impacted. See Salary Correction Worksheet and Williston Public School District Schedule 2 – Summary.
2. Napoleon Public School District reported an ineligible flexible spending account deduction causing contributions to be underpaid in September, October, and November of 2013. The Napoleon Public School District also reported ineligible tournament manager pay causing contributions to be overpaid in November, December, and March of 2013. One member account was materially impacted. See Salary Correction Worksheet and Napoleon Public School District Schedule 2 – Summary.

3. McKenzie County Public School District reported curriculum development pay in 2013-2014 for an individual who did not have a continuing contract with the District and/or a written agreement. One member account was materially impacted - both salary and service hours. See Salary Correction Worksheet, McKenzie County Public School District Schedule 2 – Summary, and McKenzie County Public School District Schedule 5 – Service Hours Correction.

4. North Valley Area Career and Technology Center reported eligible extra-curricular pay in the wrong fiscal year. One member account was materially impacted. See Salary Correction Worksheet and North Valley Area Career and Technology Center Schedule 2 – Summary.

Audit Services recommends that invoice(s) be generated for the net amount of contributions underpaid and refunds issued for the net amount of contributions overpaid to the respective Districts. The five impacted member accounts should be corrected given the material nature of the errors and members notified accordingly.

Audit Services will maintain all workpapers, electronic communication, supporting documentation (payroll records, contracts, etc.) and all other information obtained per the Retirement and Investment Office (RIO) retention schedule.

**NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE AUDIT DIVISION
 AUDIT SERVICES
 BUDGETED AND ACTUAL HOURS FOR THE FISCAL YEAR JULY 1, 2014 TO JUNE 30, 2015**

2014-15	2014-15	YTD		1ST QTR	2ND QTR	3RD QTR	4TH QTR
BUDGET	BUDGET	HOURS	UNDER/	HOURS	HOURS	HOURS	HOURS
HOURS	HOURS	7/1/2014 -	(OVER)	7/1/2014 -	10/1/2014 -	1/1/2015	4/1/2015 -
(2 FTE'S)	(1 FTE'S)	6/30/2015	BUDGET	9/30/2014	12/31/2014	3/31/2015	6/30/2015

1. Audit

Employer Audits: TFFR

TFFR Compliance Audits	856.50	175.00	254.00	427.50
Not In Compliance (NIC) Reviews	154.00	29.50	55.00	69.50
Audit Planning and Notifications	133.00	39.50	40.75	52.75

Agency Audits: TFFR

Benefit Payments (Deaths, Long-Term Annuitants, Outstanding Checks, Purchases, and Refunds)	68.25	68.25	0.00	0.00
TFFR File Maintenance	59.75	19.50	21.75	18.50

Agency Administrative/Investment Audits:

Executive Limitations	143.76	0.00	94.50	49.26
Investment Audits	0.00	0.00	0.00	0.00
RIO External Audit - GASB 67 and 68, RFP Process, External Audit, etc.	41.75	7.75	19.50	14.50
Special Project - <i>Annual Salary Verficiation</i>	73.00	0.00	0.00	73.00
Special Project - <i>TFFR Cost Effective Benefit Payments</i>	3.00	0.00	0.00	3.00

Total Audit Hours 1533.01 339.50 485.50 708.01 0.00

2. Administrative

Administrative - Staff Mtgs, Time Reports, Email, Records Retention, General Reporting	254.25	84.50	61.25	108.50
Audit Committee/SIB/TFFR Attendance and Preparation	154.00	0.00	83.25	70.75
Professional Development/CE/General Education	35.50	0.00	28.75	6.75

Total Administrative Hours 443.75 84.50 173.25 186.00 0.00

3. Audit Training - Supervisor of Audit Services 155.50 0.00 150.75 4.75

4. Annual/Sick Leave, Breaks, and Holidays 417.50 104.50 185.50 127.50

Total Budget Hours 61% 4,160 3,555 2,549.76 528.50 995.00 1026.26 0.00

Note: Audit Supervisor Started 10/13/2014 - Additional hours have been added to the 2014-2015 Budget Hours to reflect additional staff member.

Total Budget Hours for 2014/15 4,160
 Budget Hours for D. Thorsen 2,080
 Budget Hours for T. Miller Bowley 1,475

MEMORANDUM

TO: State Investment Board (SIB) Audit Committee

FROM: Terra Miller Bowley, Supervisor of Audit Services

DATE: May 21, 2015

SUBJECT: Fourth Quarter Audit Activities Update

This memorandum provides an update regarding audit activities which have occurred from April 1, 2015 – May 15, 2015.

Retirement Program Audit Activities

As of May 15, 2015 four employer audits have been completed, seven employer audits are in progress, and one not in compliance review is in progress. Four employer audits are pending but not yet started. Year to date a total of twenty employer audits have been completed and two not in compliance reviews have been completed for a total of twenty two audits.

Audit Services was asked by the Executive Director/CIO to verify if retirement benefits are being paid at TFFR on a cost effective basis according to the *Ends* policy in the SIB Governance Manual which supports one of the RIO's overall missions which is to ensure that TFFR benefit recipients receive their retirement benefits in a cost effective and timely manner. A significant amount of work was completed on this audit during April 2015 including process documentation, sample selection and initial testing activities. It is anticipated that the final report will issued in early June 2015.

Annual audit planning for the upcoming fiscal year (2015-2016) was also completed in April 2015. Preparation for the upcoming in office visit by our external audit partners, CliftonLarsonAllen, was also completed in May 2015.

Professional Development Activities

Training presented by the local IIA chapter, Central NoDak, was attended by audit services personnel in April and May. Training topics included fraud and business communication (written and oral). The Audit Supervisor also attended ACL Analytics training in early May.

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
MUNICH SCHOOL DISTRICT
APRIL 1, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined (See Primary Test).

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited (See Primary Test).

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDING

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the Munich School District were in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following findings were noted.

1. The District reported ineligible bus subbing for one member.
2. The District reported service hours incorrectly for one member.

RECOMMENDATION AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding 1:

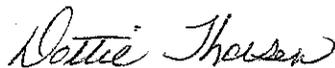
The District reported ineligible bus subbing for one member (isolated occurrence). Other bus salary paid to the same member was not reported to TFFR. Since the amount of the ineligible bus salary reported was immaterial, no correction will be made to the member's account (See Primary Test).

Finding 2:

The District reported service hours incorrectly for one member. The member's account will be corrected and she will be notified about the account change (see Schedule 5 for the member).

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.



Dottie Thorsen
Auditor

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
KENSAL PUBLIC SCHOOL DISTRICT
APRIL 16, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined. See Schedule 1 - Primary Test.

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited. See Schedule 1 - Primary Test.

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDINGS

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the Kensal Public School District are in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following finding was noted.

1. The District reported service hours incorrectly for one member.

RECOMMENDATIONS AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding 1:

The District reported service hours incorrectly for one member. The District is required to report actual hours worked by part-time teachers to TFFR. The member was employed by multiple districts in 2012-2013 and 2013-2014 and earned a full year of service credit with another district. Therefore the member account will not be corrected.

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.



Terra L. Miller Bowley
Supervisor of Audit Services

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
LEWIS AND CLARK PUBLIC SCHOOL DISTRICT
MAY 1, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined. See Schedule 1 - Primary Test.

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited. See Schedule 1 - Primary Test.

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDINGS

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the Lewis and Clark Public School District are in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). There were no exceptions noted.

RECOMMENDATIONS AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.



Terra L. Miller Bowley
Supervisor of Audit Services

Enclosures

**REPORT ON COMPLIANCE AUDIT
FOR REPORTING AND PAYMENTS
TO THE TEACHERS' FUND FOR RETIREMENT
SOUTH PRAIRIE SCHOOL DISTRICT
MAY 13, 2015**

PURPOSE

The Teachers' Fund for Retirement (TFFR) Board of Trustees, through the Retirement and Investment Office (RIO), is responsible for ensuring that required reports and payments for TFFR members are made by public school districts and other member employers. This responsibility is contained in Chapter 15-39.1, NDCC, and most specifically, section 15-39.1-23, NDCC.

An Audit Program (AP) has been established within RIO to carry out this responsibility. This AP is in conjunction with and in addition to the audit performed by RIO's external auditors. Independent reports are filed with the RIO/TFFR Management upon completion and the Audit Committee of the State Investment Board (SIB) quarterly.

SCOPE

This audit is designed to test the accuracy of retirement salaries and contributions reported by the employer to determine compliance with the definition of salary as it appears in NDCC 15-39.1-04(9). The employer's master contracts, employer payment plan, salary schedules, extra-curricular payment schedules, along with the individual teacher contracts, are used in the examination.

A representative sample of TFFR accounts was selected from members of the District for the 2012/13 through 2013/14 school years. For each school year under audit, member accounts were selected from the final Employer's Report of Member and Employer Contributions. Member contributions, employer contributions, and salaries reported for the selected members were examined (see Primary Test).

The Primary Test calculates the member and employer contributions due to TFFR based on the information provided by the employer. The results are then compared to the amounts actually reported by the employer for the years being audited (see Primary Test).

The Primary Test did not disclose any reporting procedure used by the District that would affect a large portion of the population for fiscal years 2012/13 through 2013/14. Therefore, the Primary Test was not expanded to include 100 percent of the members.

However, it is the policy of the TFFR Board that the time limitation applied to reporting errors shall be from the onset of the error or 36 months prior to the beginning of the current school year.

FINDINGS

In our opinion, for the time period covered in the audit, the retirement salaries for fiscal years 2012/13 through 2013/14 reported by the South Prairie School District were in compliance with the definition of salary as it appears in NDCC 15-39.1-04 (9). The following findings were noted.

1. The District reported salary in the wrong fiscal year for one member.
2. The District reported ineligible bus and driving salary for two members.
3. The District did not issue a written agreement for summer salary for one member.

RECOMMENDATIONS AND CORRECTIVE ACTION

TFFR recommends that District personnel review the *TFFR Employer Guide* for assistance in reporting salary to TFFR. The website address is www.nd.gov/rio/TFFR/Publications.

Finding 1:

The District reported June driving salary in the wrong fiscal year for one member. Salary should be reported to TFFR in the fiscal year in which the pay is earned. The teacher reported the June salary to the District after the fiscal year had closed and the District reported it to TFFR in July when the salary was paid. When this situation occurs, the District needs to notify RIO personnel that a portion of the salary being reported is for the prior fiscal year. The account will be corrected (see Finding 2).

Finding 2:

The District reported ineligible busing and driving salary for two members. Since the busing salary was an immaterial amount, no correction will be made to the account. The contributions for the driving salary reported will be refunded to the District and the member's account will be corrected. This error caused an overpayment of contributions. RIO will notify the member that an adjustment has been made to her account (see the Primary Test and Worksheet for Changes in Salaries and Contributions).

Finding 3:

The District currently issues written agreements for summer salary. However, in July of 2013 the District reported July salary without a written agreement for a teacher that left the District. In order to report salary to TFFR, the District must issue some form of a written agreement. A written agreement can be a contract, school board minutes or other official document evidencing a contractual relationship between a teacher and a participating employer. If written agreements are not issued to a teacher from outside the District or teachers without a continuing contract with the District, the salary would not be reported. No correction will be made to the member's account because the amount of the salary was immaterial. Since the member earned a full year of service credit in another District in 2013/14, there was no need to delete the service hours.

The amount of contributions overpaid by the District was \$83.30 (Schedule 2). The check for the amount overpaid will be sent to the Business Manager. **Please provide a written response on the District's intent to correct the above errors in future reporting to TFFR by June 15, 2015.**

The findings and recommendations in this compliance audit are based on state statutes and rules in effect during the audit period. Legislative and rule changes may occur after the audit period. Therefore, any future modifications to negotiated agreements, salary schedules, or special payments should be discussed with TFFR in advance to confirm whether amounts should be reported as eligible TFFR salary and subject to member and employer contributions. Written authorization and documentation describing the payment details will be requested in order to make eligible salary determinations.

In addition to the compliance audit, all accounts are reviewed as members notify the TFFR of their intent to retire.



Dottie Thorsen
Auditor

Enclosures

MEMORANDUM

TO: State Investment Board (SIB) Audit Committee
FROM: Terra Miller Bowley, Supervisor of Audit Services
DATE: May 21, 2015
SUBJECT: Government Finance Officers Association Award

The North Dakota Retirement and Investment Office (RIO) has once again been awarded a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2014.

Following is a memo from Executive Director/CIO David Hunter as well as additional information regarding the award and a thank you to staff who contributed to this achievement.

To: State Investment Board

From: Dave Hunter, Executive Director / CIO

Date: March 23, 2015

RE: **Certificate of Achievement for Excellence in Financial Reporting**

Government Finance Officers Association (“GFOA”) Award:

The North Dakota Retirement and Investment Office received a **Certificate of Achievement for Excellence in Financial Reporting** from the GFOA for its Comprehensive Annual Financial Report (“CAFR”) for the year ended June 30, 2014. This marks the 17th consecutive year that RIO been awarded this honor. RIO’s CAFR was judged by an impartial panel to meet the high standards of the program including demonstrating a constructive “spirit of full disclosure” to clearly communicate its financial story. **“The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.”**

I would like to sincerely thank our entire accounting and financial reporting team for this outstanding achievement including Connie Flanagan, Susan Walcker, Cody Schmidt, Dottie Thorsen, Bonnie Heit, Darlene Roppel, Darren Schulz and Fay Kopp.



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

March 13, 2015

Lt. Governor Drew Wrigley
Chair, State Investment Board
North Dakota Retirement and Investment Office
PO Box 7100
Bismarck ND 58507-7100

Dear Lt. Governor Wrigley:

We are pleased to notify you that your comprehensive annual financial report for the fiscal year ended **June 30, 2014** qualifies for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An award for the Certificate of Achievement has been shipped to:

Connie Flanagan
Fiscal and Investment Operations Manager

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort. In addition, details of recent recipients of the Certificate of Achievement and other information about Certificate Program results are available in the "Awards Program" area of our website, www.gfoa.org.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,
Government Finance Officers Association

Stephen J. Gauthier, Director

Technical Services Center

SJG/ds

RECEIVED

MAR 16 2015

NDRIO



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

03/13/2015

NEWS RELEASE

For Information contact:
Stephen Gauthier (312) 977-9700

(Chicago)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **North Dakota Retirement and Investment Office** by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s), department or agency designated by the government as primarily responsible for preparing the award-winning CAFR. This has been presented to:

Connie Flanagan, Fiscal and Investment Operations Manager

The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association serving approximately 17,500 government finance professionals with offices in Chicago, IL, and Washington, D.C.

RECEIVED
MAR 16 2015
NDRIO



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**North Dakota Retirement
and Investment Office**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

MEMORANDUM

TO: State Investment Board (SIB) Audit Committee

FROM: Terra Miller Bowley, Supervisor of Audit Services

DATE: May 21, 2015

SUBJECT: 2015-2016 Audit Services Workplan

The following information details the proposed workplan for Audit Services for 2015-2016. This workplan represents what Audit Services anticipates will be accomplished in the upcoming fiscal year, however needs and priorities may change and this workplan may require adjustments. Any anticipated changes will be discussed with the SIB Audit Committee as they are identified. Frequency, hours, and reporting are addressed where applicable. Any items denoted with an asterisk (*) are audits newly assigned and not previously performed, therefore it is anticipated that actual frequency, hours, and reporting will deviate from estimates presented.

RETIREMENT PROGRAM AUDITS:

- **Teachers' Fund For Retirement (TFFR) Compliance Audits**

TFFR Compliance Audits review employer reporting to TFFR. A total of 35 TFFR Compliance Audits will be completed per fiscal year. On average TFFR Compliance Audits of small employers require 30 hours, medium employers require 50 hours, and large employers require 70 hours. Given the unpredictable nature of TFFR Compliance Audits an additional 150 hours have been added to allow for unforeseen circumstances. Not In Compliance (NIC) Reviews audit not in compliance employers from prior fiscal years. No NIC Reviews will be required in 2015-2016. If needed, on average NIC Reviews require 50 hours. Each fiscal year 40 employers receive audit notifications. Six or more audit notifications are sent every two to three months throughout the fiscal year. Each notification on average requires 4 hours to complete. During the fourth quarter of each fiscal year Audit Services undertakes audit planning for the upcoming fiscal year. Yearly audit planning can require up to 90 hours.

TFFR Compliance Audit Reporting: Filed with Deputy Executive Director/Chief Retirement Officer and school district upon completion and with the SIB Audit Committee quarterly.

- **Regional Education Associations (REA) Audits***

Currently there are eight REAs created under North Dakota Century Code with the same legal standing as school districts with the authority to carry out the same activities as school districts. Additional information regarding REAs can be obtained via their website - <http://www.ndrea.org>. REAs employ TFFR eligible staff as well as many retirees that have returned to covered employment. Often TFFR reporting is facilitated through a designated fiscal agent. Staff has concerns regarding REA reporting to TFFR simply because little is known about REAs. Audit Services would like to create and implement an audit program which addresses REAs. It is anticipated that creation of the audit program and the completion of two REA audits will require 75 hours.

REA Audit Reporting: Filed with the Deputy Executive Director/Chief Retirement Officer, REA, REA fiscal agent, and SIB Audit Committee upon completion.

- **Benefit Payments Audit**

On an annual basis a review of deaths, long outstanding checks, purchase of service, and refunds is completed to determine that established policy and procedures are being followed by Retirement Services employees. This audit requires 50 hours to complete.

Benefit Payments Audit Reporting: Filed with the Deputy Executive Director/Chief Retirement Officer and SIB Audit Committee upon completion. Results made available for external auditor review.

- **TFFR File Maintenance Audit**

On a quarterly basis changes made to TFFR member account data by Retirement and Investment Office (RIO) employees are reviewed. Audit tables are generated and stored indicating any file maintenance changes made to member accounts. Each TFFR File Maintenance Audit requires 20 hours to complete.

TFFR File Maintenance Audit Reporting: Filed with the Deputy Executive Director/Chief Retirement Officer upon completion and with the SIB Audit Committee Quarterly. Results made available for external auditor review.

- **Annual Salary Verification Project**

On an annual basis during the third quarter Audit Services will verify salaries reported to TFFR for the prior fiscal year for 50 randomly selected member accounts. All TFFR participating employers will be included in the population from which the sample is derived. A total of 65 hours have been allocated for this project.

Annual Salary Verification Project Reporting: Filed with the Retirement Program Manager and SIB Audit Committee upon completion.

- **TFFR Cost Effective Benefit Payments/Benefit Recalculation***

One of the missions of the RIO is to ensure that TFFR benefit recipients receive their retirement benefits in a cost effective and timely manner. On an annual basis Audit Services has been asked to verify that this mission is being achieved. As part of this overall process Audit Services will also verify the accuracy of benefit payments via the recalculation of benefits. It is anticipated that this will require 80 hours to complete.

TFFR Cost Effective Benefit Payments/Benefit Recalculation Reporting: Filed with the Executive Director/CIO, Deputy Executive Director/Chief Retirement Officer, SIB Audit Committee, and SIB upon completion.

AGENCY ADMINISTRATIVE AND INVESTMENT AUDITS:

- **Executive Limitation Audit**

On an annual basis the Executive Director/CIO's compliance with the State Investment Board (SIB) Governance Manual Executive Limitation Policies A-1 through A-11 is reviewed. The RIO conducts two employee opinion surveys on an annual basis. Audit Services creates, administers, and compiles the results for each of these surveys. Audit Services will also facilitate and compile the results of the annual Executive Review Committee survey administered to members of the SIB. Approximately 90 hours have been allotted to complete these tasks.

Executive Limitation Audit Reporting: Filed with Executive Director/CIO, SIB Audit Committee, and SIB upon completion.

- **Investment Performance Summary Review***

Audit Services will review the reasonableness of the "Investment Performance Summary" table in RIO's CAFR for the last five fiscal years ended June 30, 2015 and annualized returns for the 3, 5, 10, and 20 years ended June 30, 2015. Approximately 60 hours have been allotted to complete this task.

Investment Performance Summary Review Reporting: Filed with the Executive Director/CIO, Fiscal and Investment Operations Manager, and SIB Audit Committee upon completion.

- **Schedule of Investment Fees Review***

Audit Services will review the reasonableness of the "Schedule of Investment Fees" in RIO's CAFR for the last six fiscal years ended June 30, 2015. Approximately 60 hours have been allotted to complete this task.

Schedule of Investment Fees Review Reporting: Filed with the Executive Director/CIO, Fiscal and Investment Operations Manager, and SIB Audit Committee upon completion.

- **Investment Management Fees Review***

Audit Services will review the reasonableness of the five largest investment management fees and five largest incentive/investment performance fees for the fiscal year ended June 30, 2015. Approximately 60 hours have been allotted to complete this task.

Investment Management Fees Reporting: Filed with the Executive Director/CIO, Fiscal and Investment Operations Manager, and SIB Audit Committee upon completion.

- **RIO External Auditor Assistance**

Audit Services assists our external auditor, CliftonLarsonAllen, with a variety of tasks related to the annual financial audit of RIO, GASB 68 Census Data Audits, etc. It is anticipated that external auditors will require approximately 40 hours of assistance from Audit Services.

- **Special Projects**

These hours are designated for yet to be identified projects or audits requested by the Executive Director/CIO, Deputy Executive Director/Chief Retirement Officer, and/or the SIB Audit Committee. Given the undefined nature of any audits or projects which may fall into this category 120 hours has been allocated for special projects. Hours can be reallocated as priorities are evaluated.

ADMINISTRATIVE ACTIVITIES (NON AUDIT RELATED):

- **Administrative – Staff Mtgs, Time Reports, Email, Records Retention, General Reporting**

Meetings include monthly Audit Services staff meetings, monthly RIO staff meetings, and various other meetings which require attendance by Audit Services. Management of email and completion of audit time tracking reports is included here along with any records management activities. Approximately 45 minutes per day has been allocated for administrative activities.

- **Audit Committee/SIB/TFFR Preparation and Attendance**

Any hours related to the preparation of materials for Audit Committee, SIB, and TFFR meetings are allocated here, approximately 160 hours. Audit Services attends Audit Committee meetings and the Supervisor of Audit Services also attends all SIB and TFFR meetings. Attendance at Audit Committee, SIB, and TFFR meetings requires approximately 4 hours per meeting.

- **Professional Development/CE/General Education**

Audit Services is a member of the Institute of Internal Auditors (IIA) and attends monthly meetings along with bi-annual seminars. A member of Audit Services attends a national industry conference on an annual basis. The Supervisor of Audit Services is also pursuing a professional designation which will require ongoing continuing education. Each staff member has been allotted 40 hours.

- **Audit Services Procedure Manual**

Audit Services believes the creation of an Audit Services policy and procedure manual is a much needed and time worthy pursuit. It is anticipated a 120 hours will be dedicated to this task.

ANNUAL LEAVE, SICK LEAVE, and HOLIDAYS:

		Thorsen	Miller Bowley	
Annual Leave				
D. Thorsen 14 hrs/month	14 hours x 12 months	168	96	264
T. Miller Bowley 8 hrs/month	8 hours x 12 months			
State Holidays + 4 hours Christmas Eve	10 days x 8 hours/day + 4 hours	84	84	168
Sick Leave	10 days x 8 hours/day	80	80	160

**NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
 AUDIT SERVICES DIVISION
 BUDGETED HOURS FOR THE FISCAL YEAR JULY 1, 2015 TO JUNE 30, 2016**

	2015-2016 BUDGET HOURS (2 FTE'S)
1. Audit	
Retirement Program Audits:	
TFFR Compliance Audits	1,890
REA Audits	75
Benefit Payments Audit	50
TFFR File Maintenance Audits	80
Annual Salary Verification Project	65
TFFR Cost Effective Benefit Payments/Benefit Recalculation	80
Agency Administrative and Investment Audits:	
Executive Limitations Audit	90
Investment Performance Summary Review	60
Schedule of Investment Fees Review	60
Investment Management Fees Review	60
RIO External Auditor Assistance	40
Special Projects	120
Total Audit Hours	2,670
2. Administrative	
Administrative - Staff Mtgs, Time Reports, Email, Records Retention, General Reporting	400
Audit Committee/SIB/TFFR Attendance and Preparation	250
Professional Development/CE/General Education	160
Audit Services Procedure Manual	120
Annual Leave, Sick Leave, and Holidays	592
Total Administrative Hours	1,522
Total Budget Hours	4,192

Total Budget Hours for 2015-2016	4,192
Budget Hours for D. Thorsen	2,096
Budget Hours for T. Miller Bowley	2,096

MEMORANDUM

TO: State Investment Board (SIB) Audit Committee

FROM: Terra Miller Bowley, Supervisor of Audit Services

DATE: May 21, 2015

**SUBJECT: Participating Employer Risk Assessment Fiscal Year 2015-2016
Current Year and Future TFFR Compliance Audit Planning**

A list of TFFR participating employers is provided annually by the Retirement and Investment Office (RIO) Information Systems Division. Per the most recent information available, TFFR has 216 participating employers including school districts, special educational units, vocational centers, state agencies, county superintendents, and others.

TFFR Compliance Audits are not conducted on school districts, special educational units, vocational centers, state agencies, county superintendents, and others with 10 or fewer eligible employees. Eligible state agencies will be included in the upcoming fourth audit cycle. Previously state agencies were not audited by Audit Services. Therefore, a total of 178 TFFR participating employers will require a Compliance Audit in the upcoming audit cycle slated to commence in early 2016.

A risk assessment was conducted on 174 audit eligible TFFR participating employers. A risk assessment could not be completed on the 4 state agencies which will require TFFR Compliance Audits during the fourth audit cycle as these agencies were previously not audited by Audit Services. Risk factors considered included – changes in key personnel (superintendent/business manager), prior compliance audit results, not in compliance review results, change in payment model, and years since last audit. Staff concerns regarding reporting accuracy and timeliness were also considered. The results of the risk assessment were then used to create current year and long range TFFR Compliance Audit plans. Long range TFFR Compliance Audit plans will be reviewed on an annual basis and modified as needed.

Current year and long range TFFR Compliance Audit plans assume 35 compliance audits will be completed each fiscal year. Any Not In Compliance (NIC) Reviews which may be needed will be undertaken as required and the schedule will be adjusted accordingly. A maximum of four medium sized employers and two to three large employers will be included per fiscal year. At least one state agency will be included each fiscal year. The 4th audit cycle is anticipated to begin in January or February of 2016.

PARTICIPATING EMPLOYER RISK ASSESSMENT FISCAL YEAR 2015-2016

RISK FACTORS AND SCORING:

Change in Key Personnel: New Superintendent/Business Manager

1 - New Superintendent/Business Manager Since Last Audit
0 - No Change in Key Personnel Since Last Audit

Prior Compliance Audit Results

3 - Not In Compliance
2 - Generally In Compliance
1 - In Compliance
0 - Current Year Audit - Report Pending

NIC Review Results

3 - Not In Compliance
2 - Generally In Compliance
1 - In Compliance
0 - No NIC Review

Change in Payment Model

1 - Payment Model Change Since Last Audit
0 - Payment Model Unchanged Since Last Audit

Years Since Last Audit

3 - 5 or More
2 - 3 to 4
1 - 1 to 2
0 - Less Than 1

Staff Concerns

1 - Reporting Accuracy and Timeliness Concerns
0 - No Staff Concerns

EMPLOYER #	EMPLOYER NAME	CATEGORY	# TEACHERS	AUDIT HOURS	SIZE	CHANGE KEY PERSONNEL	PRIOR COMPLIANCE AUDIT RESULTS	NIC REVIEW RESULTS	CHANGE PAYMENT MODEL	YEARS SINCE LAST AUDIT	STAFF CONCERNS	RISK SCORE	COMMENTS
27-014	YELLOWSTONE ELEM. SCHOOL	SCHOOL DISTRICTS	11	30	Small	1	3	0	1	3	1	9	2015-2016
06-001	BOWMAN SCHOOL	SCHOOL DISTRICTS	53	50	Medium	1	2	0	1	3	0	7	2015-2016
25-001	VELVA SCHOOL	SCHOOL DISTRICTS	44	30	Small	1	3	1	0	2	0	7	2015-2016
02-007	BARNES COUNTY NORTH	SCHOOL DISTRICTS	30	30	Small	1	2	0	0	3	0	6	2015-2016
53-006	EIGHT MILE SCHOOL	SCHOOL DISTRICTS	23	30	Small	0	3	1	0	2	1	7	2015-2016
13-019	HALLIDAY SCHOOL	SCHOOL DISTRICTS	12	30	Small	1	3	0	0	2	0	6	2015-2016
07-027	POWERS LAKE SCHOOL	SCHOOL DISTRICTS	25	30	Small	1	3	1	0	1	0	6	2015-2016
41-006	SARGENT CENTRAL SCHOOL	SCHOOL DISTRICTS	28	30	Small	0	2	0	1	3	0	6	2015-2016
34-118	VALLEY - EDINBURG SCHOOL	SCHOOL DISTRICTS	31	30	Small	1	1	0	1	3	0	6	2015-2016
45-013	BELFIELD PUBLIC SCHOOL	SCHOOL DISTRICTS	34	30	Small	1	1	0	0	3	0	5	2015-2016
07-036	BURKE CENTRAL SCHOOL	SCHOOL DISTRICTS	19	30	Small	1	1	0	0	3	0	5	2015-2016
09-017	CENTRAL CASS SCHOOL	SCHOOL DISTRICTS	63	50	Medium	1	1	0	0	3	0	5	2015-2016
24-056	GACKLE-STREETTER PUB SCH	SCHOOL DISTRICTS	18	30	Small	1	2	0	0	2	0	5	2015-2016
43-004	FORT YATES SCHOOL	SCHOOL DISTRICTS	30	30	Small	1	3	0	0	1	0	5	2015-2016
40-029	ROLETTE SCHOOL	SCHOOL DISTRICTS	22	30	Small	1	2	0	1	1	1	6	2015-2016
53-001	WILLISTON SCHOOL	SCHOOL DISTRICTS	251	70	Large	1	3	3	0	2	1	10	2016-2017 - Recent NIC Review included 2012/13 and 2013/14 salaries. Next full audit must be conducted after July 2016.
42-019	MCCLUSKY SCHOOL	SCHOOL DISTRICTS	18	30	Small	1	3	1	0	2	0	7	2016-2017 - Recent NIC Review included 2013/14 salary. Next full audit must be conducted after July 2016.
09-400	ND CENTER FOR DISTANCE EDUCATION	STATE AGENCIES	42	30	Small	0	0	0	0	0	0	0	2016-2017 - State agency previously not audited by Audit Services, added to fourth cycle.
40-001	DUNSEITH SCHOOL	SCHOOL DISTRICTS	53	50	Medium	0	3	1	0	1	0	5	2016-2017
21-001	MOTT-REGENT SCHOOL	SCHOOL DISTRICTS	32	30	Small	1	1	0	0	2	1	5	2016-2017
53-099	GRENORA SCHOOL	SCHOOL DISTRICTS	23	30	Small	1	1	0	0	3	0	5	2016-2017
20-018	GRIGGS COUNTY CENTRAL SCH	SCHOOL DISTRICTS	32	30	Small	1	2	0	0	2	0	5	2016-2017
09-002	KINDRED SCHOOL	SCHOOL DISTRICTS	56	50	Medium	0	3	1	0	1	0	5	2016-2017
39-028	LIDGERWOOD SCHOOL	SCHOOL DISTRICTS	22	30	Small	1	1	0	0	3	0	5	2016-2017
28-050	MAX SCHOOL	SCHOOL DISTRICTS	26	30	Small	1	1	0	0	3	0	5	2016-2017
03-005	MINNEWAUKAN SCHOOL	SCHOOL DISTRICTS	29	30	Small	1	3	0	0	1	1	6	2016-2017 - NIC Review currently in progress includes 2013/14 salary. Next full audit must be conducted after July 2016.
19-018	ROOSEVELT SCHOOL	SCHOOL DISTRICTS	12	30	Small	1	1	0	0	3	0	5	2016-2017
28-051	GARRISON SCHOOL	SCHOOL DISTRICTS	44	30	Small	1	1	0	1	2	0	5	2016-2017
53-015	TIOGA SCHOOL	SCHOOL DISTRICTS	45	30	Small	1	1	0	1	2	0	5	2016-2017
27-002	ALEXANDER SCHOOL	SCHOOL DISTRICTS	19	30	Small	1	1	0	0	2	0	4	2016-2017
07-014	BOWBELLS SCHOOL	SCHOOL DISTRICTS	13	30	Small	1	1	0	0	2	0	4	2016-2017
51-001	MINOT SCHOOL	SCHOOL DISTRICTS	685	70	Large	1	1	0	0	3	0	5	2016-2017
34-006	CAVALIER SCHOOL	SCHOOL DISTRICTS	41	30	Small	1	1	0	0	2	0	4	2016-2017
49-003	CENTRAL VALLEY SCHOOL	SCHOOL DISTRICTS	23	30	Small	1	1	0	0	2	0	4	2016-2017

EMPLOYER #	EMPLOYER NAME	CATEGORY	# TEACHERS	AUDIT HOURS	SIZE	CHANGE KEY PERSONNEL	PRIOR COMPLIANCE AUDIT RESULTS	NIC REVIEW RESULTS	CHANGE PAYMENT MODEL	YEARS SINCE LAST AUDIT	STAFF CONCERNS	RISK SCORE	COMMENTS
12-001	DIVIDE SCHOOL	SCHOOL DISTRICTS	41	30	Small	1	1	0	0	2	0	4	2016-2017
35-005	RUGBY SCHOOL	SCHOOL DISTRICTS	58	50	Medium	1	1	0	0	3	0	5	2016-2017
23-003	EDGELEY SCHOOL	SCHOOL DISTRICTS	26	30	Small	1	1	0	0	2	0	4	2016-2017
11-040	ELLENDALE SCHOOL	SCHOOL DISTRICTS	35	30	Small	0	1	0	0	3	0	4	2016-2017
46-019	FINLEY-SHARON SCHOOL	SCHOOL DISTRICTS	22	30	Small	1	1	0	0	2	0	4	2016-2017
38-026	GLENBURN SCHOOL	SCHOOL DISTRICTS	35	30	Small	0	2	0	0	2	0	4	2016-2017
52-038	HARVEY SCHOOL	SCHOOL DISTRICTS	42	30	Small	0	1	0	0	3	0	4	2016-2017
49-007	HATTON EIELSON PSD	SCHOOL DISTRICTS	27	30	Small	0	1	0	1	2	0	4	2016-2017
01-013	HETTINGER SCHOOL	SCHOOL DISTRICTS	35	30	Small	0	1	0	0	3	0	4	2016-2017
49-009	HILLSBORO SCHOOL	SCHOOL DISTRICTS	44	30	Small	0	1	0	1	2	0	4	2016-2017
46-010	HOPE SCHOOL	SCHOOL DISTRICTS	11	30	Small	1	1	0	0	2	0	4	2016-2017
02-002	VALLEY CITY SCHOOL	SCHOOL DISTRICTS	84	50	Medium	0	1	0	1	3	0	5	2016-2017
13-016	KILLDEER SCHOOL	SCHOOL DISTRICTS	48	30	Small	1	1	0	0	2	0	4	2016-2017
22-001	KIDDER COUNTY SCHOOL DISTRICT	SCHOOL DISTRICTS	46	30	Small	1	1	0	0	2	0	4	2016-2017
32-066	LAKOTA SCHOOL	SCHOOL DISTRICTS	25	30	Small	0	1	0	0	3	0	4	2016-2017
18-044	LARIMORE SCHOOL	SCHOOL DISTRICTS	43	30	Small	0	1	0	0	3	0	4	2016-2017
03-006	LEEDS SCHOOL	SCHOOL DISTRICTS	23	30	Small	0	2	0	0	2	0	4	2017-2018
18-400	ND SCHOOL FOR BLIND	STATE AGENCIES	15	30	Small	0	0	0	0	0	0	0	2017-2018 - State agency previously not audited by Audit Services, added to fourth cycle.
08-001	BISMARCK PUBLIC SCHOOLS	SCHOOL DISTRICTS	1,092	70	Large	1	1	0	0	2	0	4	2017-2018
05-001	BOTTINEAU SCHOOL	SCHOOL DISTRICTS	67	50	Medium	0	1	0	0	3	0	4	2017-2018
24-002	NAPOLEON SCHOOL	SCHOOL DISTRICTS	33	30	Small	1	1	0	0	2	0	4	2017-2018
18-129	NORTHWOOD SCHOOL	SCHOOL DISTRICTS	28	30	Small	1	1	0	0	2	0	4	2017-2018
50-008	PARK RIVER AREA SCHOOL DISTRICT	SCHOOL DISTRICTS	50	30	Small	1	1	0	0	2	0	4	2017-2018
06-033	SCRANTON SCHOOL	SCHOOL DISTRICTS	22	30	Small	0	1	0	0	3	0	4	2017-2018
02-201	SHEYENNE VALLEY SPEC ED	SPECIAL EDUCATION UNITS	28	30	Small	1	1	0	1	1	0	4	2017-2018
39-201	SOUTH VALLEY SPEC ED	SPECIAL EDUCATION UNITS	26	30	Small	0	1	0	0	3	0	4	2017-2018
29-027	BEULAH SCHOOL	SCHOOL DISTRICTS	65	50	Medium	1	1	0	0	2	0	4	2017-2018
28-072	TURTLE LAKE-MERCER SCHOOL	SCHOOL DISTRICTS	27	30	Small	1	2	0	0	1	0	4	2017-2018
28-001	WILTON SCHOOL	SCHOOL DISTRICTS	27	30	Small	1	1	0	0	2	0	4	2017-2018
05-054	NEWBURG UNITED DISTRICT	SCHOOL DISTRICTS	16	30	Small	0	1	0	0	2	0	3	2017-2018
25-014	ANAMOOSE SCHOOL	SCHOOL DISTRICTS	14	30	Small	0	1	0	0	2	0	3	2017-2018
16-049	CARRINGTON SCHOOL	SCHOOL DISTRICTS	50	30	Small	0	1	0	0	2	0	3	2017-2018
33-001	CENTER STANTON SCHOOL	SCHOOL DISTRICTS	27	30	Small	1	1	0	0	1	0	3	2017-2018
32-001	DAKOTA PRAIRIE SCHOOL	SCHOOL DISTRICTS	34	30	Small	0	1	0	0	2	0	3	2017-2018
50-003	GRAFTON SCHOOL	SCHOOL DISTRICTS	84	50	Medium	0	2	0	0	2	0	4	2017-2018
25-057	DRAKE SCHOOL	SCHOOL DISTRICTS	13	30	Small	1	1	0	0	1	0	3	2017-2018
34-019	DRAYTON SCHOOL	SCHOOL DISTRICTS	27	30	Small	0	1	0	0	2	0	3	2017-2018
19-049	ELGIN-NEW LEIPZIG SCHOOL	SCHOOL DISTRICTS	21	30	Small	1	1	0	0	1	0	3	2017-2018
39-018	FAIRMOUNT SCHOOL	SCHOOL DISTRICTS	20	30	Small	0	1	0	0	2	0	3	2017-2018
30-001	MANDAN PUBLIC SCHOOLS	SCHOOL DISTRICTS	317	70	Large	1	1	0	0	2	0	4	2017-2018
30-039	FLASHER SCHOOL	SCHOOL DISTRICTS	23	30	Small	0	2	0	0	1	1	4	2017-2018
39-008	HANKINSON SCHOOL	SCHOOL DISTRICTS	29	30	Small	1	1	0	0	1	0	3	2017-2018
23-008	LAMOURE SCHOOL	SCHOOL DISTRICTS	30	30	Small	0	1	0	0	2	0	3	2017-2018
10-023	LANGDON AREA SCHOOL	SCHOOL DISTRICTS	38	30	Small	0	1	0	0	2	0	3	2017-2018
09-097	NORTHERN CASS SCHOOL DIST	SCHOOL DISTRICTS	49	30	Small	1	1	0	0	1	0	3	2017-2018
15-036	LINTON SCHOOL	SCHOOL DISTRICTS	32	30	Small	0	1	0	0	2	0	3	2017-2018
27-001	MCKENZIE COUNTY SCHOOL	SCHOOL DISTRICTS	87	50	Medium	0	1	0	0	2	1	4	2017-2018
27-036	MANDAREE SCHOOL	SCHOOL DISTRICTS	31	30	Small	0	1	0	0	2	0	3	2017-2018
09-007	MAPLETON ELEM. SCHOOL	SCHOOL DISTRICTS	11	30	Small	1	1	0	0	1	0	3	2017-2018
41-002	MILNOR SCHOOL	SCHOOL DISTRICTS	31	30	Small	0	1	0	0	2	0	3	2017-2018
53-002	NESSON SCHOOL	SCHOOL DISTRICTS	27	30	Small	0	2	0	0	1	0	3	2017-2018
21-009	NEW ENGLAND SCHOOL	SCHOOL DISTRICTS	24	30	Small	0	1	0	0	2	0	3	2018-2019
36-400	ND SCHOOL FOR DEAF	STATE AGENCIES	16	30	Small	0	0	0	0	0	0	0	2018-2019 - State agency previously not audited by Audit Services, added to fourth cycle.
14-002	NEW ROCKFORD SHEYENNE SCHOOL	SCHOOL DISTRICTS	39	30	Small	0	1	0	1	1	0	3	2018-2019
18-001	GRAND FORKS SCHOOL	SCHOOL DISTRICTS	763	70	Large	0	2	0	0	1	0	3	2018-2019
37-019	LISBON SCHOOL	SCHOOL DISTRICTS	61	50	Medium	0	1	0	0	2	0	3	2018-2019
48-010	NORTH STAR	SCHOOL DISTRICTS	34	30	Small	1	1	0	0	1	0	3	2018-2019
11-041	OAKES SCHOOL	SCHOOL DISTRICTS	41	30	Small	1	1	0	0	1	0	3	2018-2019

EMPLOYER #	EMPLOYER NAME	CATEGORY	# TEACHERS	AUDIT HOURS	SIZE	CHANGE KEY PERSONNEL	PRIOR COMPLIANCE AUDIT RESULTS	NIC REVIEW RESULTS	CHANGE PAYMENT MODEL	YEARS SINCE LAST AUDIT	STAFF CONCERNS	RISK SCORE	COMMENTS
29-201	OLIVER - MERCER SPEC ED	SPECIAL EDUCATION UNITS	18	30	Small	0	2	0	0	1	0	3	2018-2019
45-034	RICHARDTON-TAYLOR	SCHOOL DISTRICTS	35	30	Small	0	1	0	0	2	0	3	2018-2019
45-009	SOUTH HEART SCHOOL	SCHOOL DISTRICTS	31	30	Small	0	2	0	0	1	0	3	2018-2019
31-002	STANLEY SCHOOL	SCHOOL DISTRICTS	62	50	Medium	1	1	0	0	1	0	3	2018-2019
15-015	STRASBURG SCHOOL DISTRICT	SCHOOL DISTRICTS	19	30	Small	1	1	0	0	1	0	3	2018-2019
51-041	SURREY SCHOOL	SCHOOL DISTRICTS	43	30	Small	1	1	0	0	1	0	3	2018-2019
18-061	THOMPSON SCHOOL	SCHOOL DISTRICTS	37	30	Small	1	1	0	0	1	0	3	2018-2019
18-128	MIDWAY SCHOOL	SCHOOL DISTRICTS	31	30	Small	0	1	0	0	1	0	2	2018-2019
50-020	MINTO SCHOOL	SCHOOL DISTRICTS	23	30	Small	0	1	0	0	1	0	2	2018-2019
28-008	UNDERWOOD SCHOOL	SCHOOL DISTRICTS	32	30	Small	1	1	0	0	1	0	3	2018-2019
51-007	UNITED SCHOOL	SCHOOL DISTRICTS	52	50	Medium	0	1	0	0	2	0	3	2018-2019
28-004	WASHBURN SCHOOL	SCHOOL DISTRICTS	32	30	Small	0	1	0	0	2	0	3	2018-2019
26-019	WISHEK SCHOOL	SCHOOL DISTRICTS	25	30	Small	1	1	0	0	1	0	3	2018-2019
30-049	NEW SALEM-ALMONT	SCHOOL DISTRICTS	35	30	Small	0	1	0	0	1	1	3	2018-2019
17-003	BEACH SCHOOL	SCHOOL DISTRICTS	40	30	Small	0	1	0	0	1	0	2	2018-2019
40-027	BELCOURT SCHOOL	SCHOOL DISTRICTS	110	70	Large	0	1	0	0	1	0	2	2018-2019
14-200	E CENTRAL CTR EXC CHILDN	SPECIAL EDUCATION UNITS	16	30	Small	0	1	0	0	1	0	2	2018-2019
36-002	EDMORE SCHOOL	SCHOOL DISTRICTS	15	30	Small	0	2	0	0	0	0	2	2018-2019
37-024	ENDERLIN AREA SCHOOL DISTRICT	SCHOOL DISTRICTS	36	30	Small	0	1	0	0	1	0	2	2018-2019
52-025	FESSENDEN-BOWDON SCHOOL	SCHOOL DISTRICTS	20	30	Small	0	1	0	0	1	0	2	2018-2019
49-200	GST EDUCATIONAL SERVICES	SPECIAL EDUCATION UNITS	30	30	Small	0	1	0	0	1	0	2	2018-2019
15-006	HAZELTON - MOFFIT SCHOOL	SCHOOL DISTRICTS	16	30	Small	0	2	0	0	0	0	2	2018-2019
29-003	HAZEN SCHOOL	SCHOOL DISTRICTS	52	50	Medium	0	1	0	0	1	0	2	2018-2019
30-013	HEBRON SCHOOL	SCHOOL DISTRICTS	25	30	Small	0	1	0	0	1	0	2	2018-2019
51-028	KENMARE SCHOOL	SCHOOL DISTRICTS	33	30	Small	0	1	0	0	1	0	2	2018-2019
36-201	LAKE REGION SPEC ED	SPECIAL EDUCATION UNITS	29	30	Small	0	1	0	0	1	0	2	2018-2019
03-009	MADDOCK SCHOOL	SCHOOL DISTRICTS	20	30	Small	0	1	0	0	1	0	2	2018-2019
18-125	MANVEL ELEM. SCHOOL	SCHOOL DISTRICTS	23	30	Small	0	1	0	0	1	0	2	2018-2019
49-010	MAY-PORT C-G SCHOOL	SCHOOL DISTRICTS	49	30	Small	0	1	0	0	1	0	2	2019-2020
30-400	ND YOUTH CORRECTIONAL CNT	STATE AGENCIES	23	30	Small	0	0	0	0	0	0	0	2019-2020 - State agency previously not audited by Audit Services, added to fourth cycle.
47-003	MEDINA SCHOOL	SCHOOL DISTRICTS	21	30	Small	0	1	0	0	1	0	2	2019-2020
20-007	MIDKOTA	SCHOOL DISTRICTS	24	30	Small	0	1	0	0	1	0	2	2019-2020
36-001	DEVILS LAKE SCHOOL	SCHOOL DISTRICTS	172	70	Large	0	2	0	0	0	0	2	2019-2020
40-004	MT PLEASANT SCHOOL	SCHOOL DISTRICTS	32	30	Small	0	1	0	0	1	0	2	2019-2020
51-004	NEDROSE SCHOOL	SCHOOL DISTRICTS	24	30	Small	0	1	0	0	1	0	2	2019-2020
31-001	NEW TOWN SCHOOL	SCHOOL DISTRICTS	85	50	Medium	0	1	0	0	1	0	2	2019-2020
41-003	NORTH SARGENT SCHOOL	SCHOOL DISTRICTS	24	30	Small	0	1	0	0	1	0	2	2019-2020
26-009	ASHLEY SCHOOL	SCHOOL DISTRICTS	20	30	Small	0	1	0	0	1	0	2	2019-2020
47-010	PINGREE - BUCHANAN SCHOOL	SCHOOL DISTRICTS	19	30	Small	0	1	0	0	1	0	2	2019-2020
39-044	RICHLAND SCHOOL	SCHOOL DISTRICTS	31	30	Small	0	1	0	0	1	0	2	2019-2020
09-200	RURAL CASS SPEC ED	SPECIAL EDUCATION UNITS	22	30	Small	0	1	0	0	1	0	2	2019-2020
51-016	SAWYER SCHOOL	SCHOOL DISTRICTS	21	30	Small	0	1	0	0	1	0	2	2019-2020
51-200	SOURIS VALLEY SPEC ED	SPECIAL EDUCATION UNITS	24	30	Small	0	1	0	0	1	0	2	2019-2020
34-043	ST. THOMAS SCHOOL	SCHOOL DISTRICTS	17	30	Small	0	1	0	0	1	0	2	2019-2020
47-001	JAMESTOWN SCHOOL	SCHOOL DISTRICTS	211	70	Large	0	1	0	0	1	0	2	2019-2020
25-060	TGU SCHOOL DISTRICT	SCHOOL DISTRICTS	45	30	Small	0	1	0	0	1	0	2	2019-2020
50-200	UPPER VALLEY SPEC ED	SPECIAL EDUCATION UNITS	53	50	Medium	0	1	0	0	1	0	2	2019-2020
45-200	WEST RIVER STUDENT SERVICES	SPECIAL EDUCATION UNITS	12	30	Small	0	1	0	0	1	0	2	2019-2020
05-017	WESTHOPE SCHOOL	SCHOOL DISTRICTS	21	30	Small	0	1	0	0	1	0	2	2019-2020
03-029	WARWICK SCHOOL	SCHOOL DISTRICTS	33	30	Small	0	0	0	0	0	1	1	2019-2020
43-008	SELFRIDGE SCHOOL	SCHOOL DISTRICTS	17	30	Small	0	0	0	0	0	1	1	2019-2020
39-042	WYNDMERE SCHOOL	SCHOOL DISTRICTS	29	30	Small	0	1	0	0	1	0	2	2019-2020
26-004	ZEELAND SCHOOL	SCHOOL DISTRICTS	11	30	Small	0	1	0	0	1	0	2	2019-2020
38-001	MOHALL LANSFORD SHERWOOD	SCHOOL DISTRICTS	42	30	Small	0	1	0	0	0	0	1	2019-2020
34-100	NORTH BORDER SCHOOL	SCHOOL DISTRICTS	55	50	Medium	0	1	0	0	0	0	1	2019-2020
09-080	PAGE SCHOOL	SCHOOL DISTRICTS	13	30	Small	0	1	0	0	0	0	1	2019-2020
35-001	WOLFORD SCHOOL	SCHOOL DISTRICTS	11	30	Small	0	1	0	0	0	0	1	2019-2020
31-003	PARSHALL SCHOOL	SCHOOL DISTRICTS	35	30	Small	0	0	0	0	0	1	1	2019-2020
18-127	EMERADO ELEMENTARY SCHOOL	SCHOOL DISTRICTS	15	30	Small	0	0	0	0	0	0	0	2019-2020
50-005	FORDVILLE LANKIN SCHOOL	SCHOOL DISTRICTS	13	30	Small	0	0	0	0	0	0	0	2019-2020
03-030	FORT TOTTEN SCHOOL	SCHOOL DISTRICTS	29	30	Small	0	0	0	0	0	1	1	2019-2020

EMPLOYER #	EMPLOYER NAME	CATEGORY	# TEACHERS	AUDIT HOURS	SIZE	CHANGE KEY PERSONNEL	PRIOR COMPLIANCE AUDIT RESULTS	NIC REVIEW RESULTS	CHANGE PAYMENT MODEL	YEARS SINCE LAST AUDIT	STAFF CONCERNS	RISK SCORE	COMMENTS
30-048	GLEN ULLIN SCHOOL	SCHOOL DISTRICTS	25	30	Small	0	0	0	0	0	0	0	2019-2020
23-724	JAMES RIVER MULTIDISTRICT SPEC ED UNIT	SPECIAL EDUCATION UNITS	21	30	Small	0	0	0	0	0	0	0	2019-2020
47-019	KENSAL SCHOOL	SCHOOL DISTRICTS	12	30	Small	0	0	0	0	0	0	0	2020-2021
39-037	WAHPETON SCHOOL	SCHOOL DISTRICTS	111	70	Large	0	1	0	0	1	0	2	2020-2021
23-007	KULM SCHOOL	SCHOOL DISTRICTS	22	30	Small	0	0	0	0	0	0	0	2020-2021
51-161	LEWIS AND CLARK SCHOOL	SCHOOL DISTRICTS	49	30	Small	0	0	0	0	0	0	0	2020-2021
09-001	FARGO PUBLIC SCHOOLS	SCHOOL DISTRICTS	1,101	70	Large	0	0	0	0	0	0	0	2020-2021
02-046	LITCHVILLE-MARION SCHOOL	SCHOOL DISTRICTS	20	30	Small	0	0	0	0	0	0	0	2020-2021
09-004	MAPLE VALLEY SCHOOL	SCHOOL DISTRICTS	34	30	Small	0	0	0	0	0	0	0	2020-2021
47-014	MONTPELIER SCHOOL	SCHOOL DISTRICTS	21	30	Small	0	0	0	0	0	0	0	2020-2021
50-201	NORTH VALLEY AREA CAREER	VOCATIONAL CENTERS	12	30	Small	0	0	0	0	0	0	0	2020-2021
04-001	BILLINGS CO. SCHOOL DIST.	SCHOOL DISTRICTS	16	30	Small	0	0	0	0	0	0	0	2020-2021
39-200	SE REGION CAREER AND TECH	VOCATIONAL CENTERS	26	30	Small	0	0	0	0	0	0	0	2020-2021
45-001	DICKINSON SCHOOL	SCHOOL DISTRICTS	281	70	Large	0	0	0	0	0	0	0	2020-2021
53-008	NEW PUBLIC SCHOOL	SCHOOL DISTRICTS	36	30	Small	0	0	0	0	0	0	0	2020-2021
02-200	SHEYENNE VALLEY AREA VOC	VOCATIONAL CENTERS	11	30	Small	0	0	0	0	0	0	0	2020-2021
43-003	SOLEN - CANNONBALL SCHOOL	SCHOOL DISTRICTS	29	30	Small	0	0	0	0	0	0	0	2020-2021
51-070	SOUTH PRAIRIE ELEM SCHOOL	SCHOOL DISTRICTS	25	30	Small	0	0	0	0	0	0	0	2020-2021
40-003	ST. JOHN'S SCHOOL	SCHOOL DISTRICTS	41	30	Small	0	0	0	0	0	0	0	2020-2021
10-019	MUNICH SCHOOL	SCHOOL DISTRICTS	19	30	Small	0	0	0	0	0	0	0	2020-2021
36-044	STARKWEATHER SCHOOL	SCHOOL DISTRICTS	12	30	Small	0	0	0	0	0	0	0	2020-2021
09-006	WEST FARGO SCHOOL	SCHOOL DISTRICTS	833	70	Large	0	0	0	0	0	0	0	2020-2021
28-085	WHITE SHIELD SCHOOL	SCHOOL DISTRICTS	29	30	Small	0	0	0	0	0	0	0	2020-2021
53-200	WILMAC SPECIAL EDUCATION	SPECIAL EDUCATION UNITS	42	30	Small	0	0	0	0	0	0	0	2020-2021
08-028	WING SCHOOL	SCHOOL DISTRICTS	18	30	Small	0	0	0	0	0	0	0	2020-2021

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CURRENT YEAR AND FUTURE TFFR COMPLIANCE AUDIT PLANNING

TFFR COMPLIANCE AUDITS
FISCAL YEAR 2014 - 2015
TOTAL AUDIT HOURS = 260

	AUDIT CYCLE	EMPLOYER	SIZE	ESTIMATED HOURS
1	3 RD	South Prairie Elem	Small	30
2	3 rd	Glen Ullin	Small	30
3	3 rd	Ft. Totten	Small	30
4	3 rd	Fargo	Large	70
5	3 rd	Lewis and Clark	Small	30
6	3 rd	West Fargo	Large	70

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TFFR COMPLIANCE AUDITS
 FISCAL YEAR 2015 - 2016
 TOTAL AUDIT HOURS = 1,150

	AUDIT CYCLE	EMPLOYER	SIZE	ESTIMATED HOURS
1	3 RD	Billings County	Small	30
2	3 rd	Sheyenne Valley Area Tech	Small	30
3	3 rd	North Valley Area Career and Tech	Small	30
4	3 rd	SE Region Career and Tech	Small	30
5	3 rd	Dickinson	Large	70
6	3 rd	Wilmac Special Ed	Medium	50
7	3 rd	Emerado	Small	30
8	3 rd	Fordville-Lankin School	Small	30
9	3 rd	James River Multidistrict	Small	30
10	3 rd	Kulm	Small	30
11	3 rd	Litchville-Marion	Small	30
12	3 rd	Maple Valley	Small	30
13	3 rd	New Public	Small	30
14	3 rd	Parshall	Small	30
15	3 rd	Solen-Cannonball	Small	30
16	3 rd	St. John	Small	30
17	3 rd	Starkweather	Small	30
18	3 rd	Warwick	Small	30
19	3 rd	White Shield	Small	30
20	3 rd	Wing	Small	30
ESTIMATED COMPLETION 3RD AUDIT CYCLE - DECEMBER 2015/JANUARY 2016 ESTIMATED START 4TH AUDIT CYCLE - JANUARY/FEBRUARY 2016				
21	4 TH	Yellowstone Elem. School	Small	30
22	4 TH	Bowman School	Medium	50
23	4 TH	Velva School	Small	30
24	4 TH	Barnes County North	Small	30
25	4 TH	Eight Mile School	Small	30
26	4 TH	Halliday School	Small	30
27	4 TH	Powers Lake School	Small	30
28	4 TH	Sargent Central School	Small	30
29	4 TH	Valley-Edinburg School	Small	30
30	4 TH	Belfield Public School	Small	30
31	4 TH	Burke Central School	Small	30
32	4 TH	Central Cass School	Medium	50
33	4 TH	Gackle-Streeter School	Small	30
34	4 TH	Fort Yates School	Small	30
35	4 th	Rolette School	Small	30

TFFR COMPLIANCE AUDITS
 FISCAL YEAR 2016 - 2017
 TOTAL AUDIT HOURS = 1,210

	AUDIT CYCLE	EMPLOYER	SIZE	ESTIMATED HOURS
1	4 TH	Williston School	Large	70
2	4 TH	McClusky School	Small	30
3	4 th	ND Center For Distance Education	Small	30
4	4 TH	Dunseith School	Medium	50
5	4 TH	Mott-Regent School	Small	30
6	4 TH	Grenora School	Small	30
7	4 TH	Griggs County Central School	Small	30
8	4 TH	Kindred School	Medium	50
9	4 TH	Lidgerwood School	Small	30
10	4 TH	Max School	Small	30
11	4 TH	Minnewaukan School	Small	30
12	4 TH	Garrison School	Small	30
13	4 TH	Roosevelt School	Small	30
14	4 TH	Tioga School	Small	30
15	4 TH	Alexander School	Small	30
16	4 TH	Bowbells School	Small	30
17	4 TH	Minot	Large	70
18	4 TH	Cavalier School	Small	30
19	4 TH	Central Valley School	Small	30
20	4 TH	Divide School	Small	30
21	4 TH	Rugby School	Medium	50
22	4 TH	Edgeley School	Small	30
23	4 TH	Ellendale School	Small	30
24	4 TH	Finley-Sharon School	Small	30
25	4 TH	Glenburn School	Small	30
26	4 TH	Harvey School	Small	30
27	4 TH	Hatton Eielson PSD	Small	30
28	4 TH	Hettinger School	Small	30
29	4 TH	Hillsboro School	Small	30
30	4 TH	Hope School	Small	30
31	4 TH	Valley City School	Medium	50
32	4 TH	Killdeer School	Small	30
33	4 TH	Kidder County School	Small	30
34	4 TH	Lakota School	Small	30
35	4 TH	Larimore School	Small	30

TFFR COMPLIANCE AUDITS
 FISCAL YEAR 2017 - 2018
 TOTAL AUDIT HOURS = 1,210

	AUDIT CYCLE	EMPLOYER	SIZE	ESTIMATED HOURS
1	4 th	Leeds School	Small	30
2	4 th	ND School for Blind	Small	30
3	4 TH	Bismarck Public Schools	Large	70
4	4 TH	Bottineau School	Medium	50
5	4 TH	Napoleon School	Small	30
6	4 TH	Northwood School	Small	30
7	4 TH	Park River School	Small	30
8	4 TH	Scranton School	Small	30
9	4 TH	Sheyenne Valley Spec Ed	Small	30
10	4 TH	South Valley Spec Ed	Small	30
11	4 TH	Beulah School	Medium	50
12	4 TH	Turtle Lake-Mercer School	Small	30
13	4 TH	Wilton School	Small	30
14	4 TH	Newburg United District	Small	30
15	4 TH	Anamoose School	Small	30
16	4 TH	Carrington School	Small	30
17	4 TH	Center Stanton School	Small	30
18	4 TH	Dakota Prairie School	Small	30
19	4 TH	Grafton School	Medium	50
20	4 TH	Drake School	Small	30
21	4 TH	Drayton School	Small	30
22	4 TH	Elgin-New Leipzig School	Small	30
23	4 TH	Fairmount School	Small	30
24	4 TH	Mandan Public School	Large	70
25	4 TH	Flasher School	Small	30
26	4 TH	Hankinson School	Small	30
27	4 TH	Lamoure School	Small	30
28	4 TH	Langdon Area School	Small	30
29	4 TH	Northern Cass School District	Small	30
30	4 TH	Linton School	Small	30
31	4 TH	McKenzie County School	Medium	50
32	4 TH	Mandaree School	Small	30
33	4 TH	Mapleton Elem School	Small	30
34	4 TH	Minor School	Small	30
35	4 TH	Nesson School	Small	30

TFFR COMPLIANCE AUDITS
FISCAL YEAR 2018 - 2019
TOTAL AUDIT HOURS = 1,210

	AUDIT CYCLE	EMPLOYER	SIZE	ESTIMATED HOURS
1	4 TH	New England School	Small	30
2	4 th	ND School for Deaf	Small	30
3	4 th	New Rockford Sheyenne School	Small	30
4	4 TH	Lisbon School	Medium	50
5	4 TH	Grand Forks School	Large	70
6	4 TH	North Star	Small	30
7	4 TH	Oakes School	Small	30
8	4 TH	Oliver-Mercer Spec Ed	Small	30
9	4 TH	Richardton-Taylor School	Small	30
10	4 TH	South Heart School	Small	30
11	4 TH	Stanley School	Medium	50
12	4 TH	Strasburg School District	Small	30
13	4 TH	Surrey School	Small	30
14	4 TH	Thompson School	Small	30
15	4 TH	Midway School	Small	30
16	4 TH	Minto School	Small	30
17	4 TH	Underwood School	Small	30
18	4 TH	United School	Medium	50
19	4 TH	Washburn School	Small	30
20	4 TH	Wishek School	Small	30
21	4 TH	New Salem – Almont	Small	30
22	4 TH	Beach School	Small	30
23	4 TH	Belcourt School	Large	70
24	4 TH	E Central Ctr Exc Childn	Small	30
25	4 TH	Edmore School	Small	30
26	4 TH	Enderlin Area School District	Small	30
27	4 TH	Fessenden-Bowdon School	Small	30
28	4 TH	GST Educational Services	Small	30
29	4 TH	Hazelton-Moffit School	Small	30
30	4 TH	Hazen School	Medium	50
31	4 TH	Hebron School	Small	30
32	4 TH	Kenmare School	Small	30
33	4 TH	Lake Region Spec Ed	Small	30
34	4 TH	Maddock School	Small	30
35	4 TH	Manvel Elem School	Small	30

TFFR COMPLIANCE AUDITS
 FISCAL YEAR 2019 - 2020
 TOTAL AUDIT HOURS = 1,190

	AUDIT CYCLE	EMPLOYER	SIZE	ESTIMATED HOURS
1	4 TH	May-Port CG School	Small	30
2	4 th	ND Youth Correctional Center	Small	30
3	4 TH	Medina School	Small	30
4	4 th	Midkota	Small	30
5	4 TH	Devils Lake School	Large	70
6	4 TH	Mt Pleasant School	Small	30
7	4 TH	Nedrose School	Small	30
8	4 TH	Ashley School	Small	30
9	4 TH	New Town School	Medium	50
10	4 TH	North Sargent School	Small	30
11	4 TH	Pingree-Buchanan School	Small	30
12	4 TH	Richland School	Small	30
13	4 TH	Rural Cass Spec Ed	Small	30
14	4 TH	Sawyer School	Small	30
15	4 TH	Souris Valley Spec Ed	Small	30
16	4 TH	St. Thomas School	Small	30
17	4 TH	Jamestown School	Large	70
18	4 TH	TGU School District	Small	30
19	4 TH	Upper Valley Spec Ed	Medium	50
20	4 TH	West River Services	Small	30
21	4 TH	Westhope School	Small	30
22	4 TH	Warwick School	Small	30
23	4 TH	Selfridge School	Small	30
24	4 TH	Wyndmere School	Small	30
25	4 TH	Zeeland School	Small	30
26	4 TH	Mohall Lansford Sherwood	Small	30
27	4 TH	North Border School	Medium	50
28	4 TH	Page School	Small	30
29	4 TH	Wolford School	Small	30
30	4 TH	Parshall School	Small	30
31	4 TH	Emerado Elementary School	Small	30
32	4 TH	Fordville Lankin School	Small	30
33	4 TH	Fort Totten School	Small	30
34	4 TH	Glen Ullin School	Small	30
35	4 TH	James River Multidistrict Spec Ed	Small	30

TFFR COMPLIANCE AUDITS
 FISCAL YEAR 2020 - 2021
 TOTAL AUDIT HOURS = 850

	AUDIT CYCLE	EMPLOYER	SIZE	ESTIMATED HOURS
1	4 TH	Kensal School	Small	30
2	4 TH	Wahpeton School	Large	70
3	4 TH	Kulm School	Small	30
4	4 th	Lewis and Clark	Small	30
5	4 th	Fargo Public Schools	Large	70
6	4 th	Litchville-Marion School	Small	30
7	4 th	Maple Valley School	Small	30
8	4 th	Montpelier School	Small	30
9	4 th	North Valley Area Career	Small	30
10	4 th	Billings County School	Small	30
11	4 th	SE Region Career and Tech	Small	30
12	4 th	Dickinson School	Large	70
13	4 th	New Public School	Small	30
14	4 th	Sheyenne Valley Area Voc	Small	30
15	4 th	Solen-Cannonball School	Small	30
16	4 th	South Prairie Elem School	Small	30
17	4 th	St. John's School	Small	30
18	4 th	Starkweather School	Small	30
19	4 th	Munich School	Small	30
20	4 th	West Fargo School	Large	70
21	4 th	White Shield School	Small	30
22	4 th	Wilmac Special Education	Small	30
23	4 th	Wing School	Small	30
ESTIMATED COMPLETION 4TH AUDIT CYCLE				

SIB AUDIT COMMITTEE PROPOSED MEETING DATES JULY 2015 - JUNE 2016

JULY 2015	AUGUST 2015	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015
<p>TFFR Mtg.:</p> <ul style="list-style-type: none"> - 07/23/2015 - 1:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 07/24/2015 - Retreat 	<p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 08/28/2015 - 8:30 AM - Noon 	<p>TFFR Mtg.:</p> <ul style="list-style-type: none"> - 09/24/2015 - 1:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 09/25/2015 - 8:30 AM – Noon <p>SIB Audit Committee:</p> <ul style="list-style-type: none"> - Friday - 09/25/2015 - 1:00 – 3:00 PM 	<p>TFFR Mtg.:</p> <ul style="list-style-type: none"> - 10/22/2015 - 1:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 10/23/2015 - 8:30 AM – Noon 	<p>SIB Audit Committee:</p> <ul style="list-style-type: none"> - Thursday - 11/19/2015 - 3:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 11/20/2015 - 8:30 AM – Noon <p>Financial Audit Report – External Auditors</p>	
JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016
<p>TFFR Mtg.:</p> <ul style="list-style-type: none"> - 01/21/2016 - 1:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 01/22/2016 - 8:30 AM - Noon 	<p>SIB Audit Committee:</p> <ul style="list-style-type: none"> - Thursday - 02/25/2016 - 3:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 02/26/2016 - 8:30 AM – Noon <p>Executive Limitations Audit Report and SIB Survey Results</p>	<p>TFFR Mtg.:</p> <ul style="list-style-type: none"> - 03/17/2016 - 1:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 03/18/2016 - 8:30 AM – Noon <p>March 25, 2016 is Good Friday, State Holiday</p>	<p>TFFR Mtg.:</p> <ul style="list-style-type: none"> - 04/21/2016 - 1:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 04/22/2016 - 8:30 AM – Noon 	<p>SIB Audit Committee:</p> <ul style="list-style-type: none"> - Thursday - 05/26/2016 - 3:00 – 5:00 PM <p>SIB Mtg.:</p> <ul style="list-style-type: none"> - 05/27/2016 - 8:30 AM – Noon <p>Fiscal Year Financial Audit Scope and Approach – CliftonLarsonAllen</p>	

INFORMATIONAL

TO: State Investment Board Audit Committee
FROM: Dave Hunter
DATE: May 15, 2015
SUBJECT: Legislative Update – RIO Budget

SB 2022 – The 64th Legislative Assembly adjourned without approving SB 2022 which contained the biennial appropriation for RIO and PERS. RIO notes that the Government Operations Sub-committee of the House Appropriations Committee adopted multiple amendments to this bill. One of the PERS related amendments included a provision to add legislators to the PERS board (in addition to several amendments relating to a new health insurance agreement). RIO did not receive any materially adverse or negative feedback from the House or Senate relating to RIO's budget request or any other RIO related areas. In contrast, the House Appropriations Committee reinstated RIO's original \$50,000 budget request for additional staff compensation after RIO provided supporting testimony.

Current Actions: RIO and PERS respectfully requested the Attorney General provide an opinion on whether and to what extent these agencies are authorized to make expenditures during the next biennium. **RIO believes the Attorney General will likely issue this opinion prior to the biennium.** Depending on the outcome of that opinion, *RIO may request the SIB to approve an Emergency Commission application for additional funding so as to allow RIO to continue operating under normal conditions until further notice.*



ND Retirement and Investment Office

*Teachers' Fund for Retirement
State Investment Board*

1930 Burnt Boat Drive
P.O. Box 7100
Bismarck, ND 58507-7100
Telephone 701-328-9885
Toll Free 800-952-2970
Fax 701-328-9897
www.nd.gov/rio

May 4, 2015

Attorney General Wayne Stenehjem
State Capitol
600 E. Boulevard Ave.
Dept. 125
Bismarck, ND 58505

As you are undoubtedly aware the Sixty-Fourth Legislative Assembly adjourned without approving Senate Bill 2022. This bill contained the biennial appropriation for both the North Dakota Public Employees Retirement System and the North Dakota Retirement and Investment Office including the North Dakota Teachers' Fund for Retirement. On behalf of these agencies, we respectfully request your opinion on whether and to what extent these agencies are authorized to make expenditures during the 2015-2017 biennium, for expenses that include but are not limited to member, dependent, and beneficiary benefits, consultant and vendor fees, investments and investment related costs, staff and manager salaries, board member pay and other operating expenses.

David Hunter
Executive Director / Chief Investment Officer
ND Retirement and Investment Office

Sparb Collins
Executive Director
ND Public Employees Retirement System

cc: Fay Kopp, NDRIO Deputy Executive Director, NDTFFR Chief Retirement Officer
Sharon Schlermeister, NDPERS Chief Operating Officer