



THE PARTICIPATOR

WINTER 2025

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NORTH DAKOTA
NDIRF
INSURANCE
RESERVE FUND

FROM THE CEO

Dear NDIRF Member,

As CEO of the North Dakota Insurance Reserve Fund (NDIRF), I want to thank you for your continued trust in our organization. Since stepping into this role in July, I have prioritized building stronger relationships with stakeholders, including the North Dakota Insurance Department. This commitment stems from a shared goal: ensuring that NDIRF remains a trusted and effective partner in managing risk for North Dakota's political subdivisions.

Recently, the Insurance Department conducted a market conduct examination of the NDIRF. While this examination highlighted areas for improvement, it also provided an opportunity to reinforce our mission and values.

As a member-owned, nonprofit insurance coverage provider, the NDIRF has always been guided by the principles of fairness, accountability, and service to its members. I want to share the findings from this examination, provide context, and detail the steps we are taking to address the identified issues.

Who We Are

First, it is important to clarify a key misconception: the NDIRF is not a state agency, and it was not created by statute. The NDIRF was established in 1986 by North Dakota's political subdivisions to meet their unique insurance needs. We are owned and governed by our members, and our

mission is to provide stable, affordable coverage while safeguarding public assets.

Since our founding, the NDIRF has saved members—and by extension, taxpayers—an estimated \$150 million. This stability has allowed political subdivisions to allocate resources effectively, benefiting the communities they serve.

Market Conduct Examination Findings

The market conduct examination conducted by the North Dakota Insurance Department focused on claims handling practices and compliance with regulatory standards. While it affirmed many of our strengths, it also identified areas where improvement is needed:

- **Claims Documentation:** Some claim files lacked sufficient detail, such as adjuster reports, photographs, and legal analyses. This made it difficult for the Insurance Department to understand the basis for decisions.
- **Equity in Claims Handling:** Differences were noted between how first-party (member) and third-party claims were processed, raising concerns about consistency.
- **Communication on Claim Denials:** Denial letters often lacked detailed explanations, leaving claimants without a clear understanding of the decision.

It is important to note that the

Insurance Department stated repeatedly during its presentation to the Legislative Audit and Fiscal Review Committee (LAFRC) that the examination did not assess whether claims were correctly approved or denied. Instead, the focus was on whether there was enough information in the files to explain the decisions made to an outside reviewer.

Providing Context for the Findings

We recognize the need to address the findings, but it is equally important to provide context:

- **Claims Handling Practices:** Many files closed without payment are “notice-only” files, set up to collect documentation or track potential claims that do not materialize. These closures are being misrepresented as liability denials.
- **Third-Party Claims Statistics:** Although it has been reported that 71.5% of files closed without payment are third-party claims, during the audit period, only 27% of these closures have resulted from liability denials—much lower than recent media implications.
- **Accuracy of Findings:** Our internal audit, conducted by Farley Consulting, reviewed some of the same files examined by the Insurance Department and found discrepancies in their conclusions. For example, some files labeled as deficient by the Insurance Department were found to contain the required documentation by Farley Consulting.

- **Unique Role of NDIRF:** Unlike for-profit insurers, the NDIRF balances fairness to claimants with the responsibility to protect the financial stability of our member-owned pool.

Steps We Are Taking to Improve

The NDIRF is committed to constructive collaboration with the Insurance Department to address the findings. Our efforts include:

- **Enhanced Claims Documentation:** We are implementing standardized checklists for all claim files to ensure that every decision is fully documented and easy to understand.
- **Fair Treatment Across Claims:** Our claims philosophy is being revised to ensure consistent handling of all claims, whether they involve members or third parties.
- **Clearer Communication:** Denial letters will include explanations referencing specific policy language and supporting evidence.
- **Engaging Legal Expertise:** For complex cases, we will consult external legal counsel to ensure compliance with state laws and legal precedents.

Looking Ahead

The NDIRF has always strived to serve its members with integrity and excellence. While we are implementing necessary improvements, I am proud of what the NDIRF has accomplished and the value it provides to North Dakota's political subdivisions.

The recent focus on the NDIRF's operations has also raised broader questions about the statutory framework for governmental liability in North Dakota. Legislative changes in this area could have significant fiscal ramifications for political subdivisions and taxpayers. We are dedicated to collaborating with lawmakers and stakeholders to ensure thoughtful, balanced discussion.

Our Commitment to You

The NDIRF exists to serve its members, and your input is critical as we move forward. I encourage you to reach out with any questions, concerns, or suggestions. Transparency, collaboration, and accountability will guide our efforts as we continue to protect the assets and resources that North Dakota communities rely on every day.

If you would like to review the Insurance Department's Market Conduct Examination as well as the results of our triennial claims audit which was recently conducted by Farley Consulting, please submit your request to Info@ndirf.com. Please feel free to reach out to me with any questions regarding these reports.

Thank you for your continued trust in the NDIRF. What you do matters, and we are here for you and remain committed to helping you navigate the challenges and opportunities ahead.

Sincerely,



Keith Pic
NDIRF CEO

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DO NOT SLIP ON SNOW REMOVAL AND FALL INTO A LAWSUIT

Provided by **Brian D. Schmidt**

Attorney at Law and Partner at Smith Porsborg Schweigert, Armstrong, Moldenhauer & Smith

Winter is in full force in North Dakota. This means snow and ice will likely accumulate on the sidewalks and steps of courthouses, city halls, and various local government buildings across the State. In general, a

political subdivision is not liable for injuries arising from the natural accumulation of snow and ice on sidewalks not abutting political subdivision property. See *Makeeff v. City of Bismarck*, 2005 ND 60, 693 N.W.2d 639. However, the analysis is different when applied to areas abutting property owned by a political subdivision.

The North Dakota Supreme Court addressed this issue in *Makeeff* where the plaintiff slipped on an outdoor stairway leading out of the Bismarck Civic Center at approximately 9:30 or 10:00 p.m. *Makeeff*, 2005 ND at ¶ 2, 963 N.W.2d 639. There was no record of any precipitation falling that day; however, members of the plaintiff's family testified it was foggy and misting. *Id.* at ¶¶ 4-6. Additionally, there was evidence that "several other persons had been injured that day because of the icy steps." *Id.* at ¶ 26. The City produced evidence that it applied "ice melt" on the stairway at 12:00 p.m. and at 8:00 p.m. earlier that day. *Id.* at ¶ 6. The City claimed it could not be liable under North Dakota law if it did not create an unnatural and unreasonably dangerous condition and even if a dangerous condition existed, it had no prior notice of it. *Id.* at ¶ 9.

The Court disagreed with the City's claim that it was automatically immune from liability under these



circumstances. In short, the Court held that since evidence showed it was "overcast and drizzling and the stairway was slippery," Civic Center employees applied "ice melt"

earlier in the day, and other individuals also slipped and fell, a jury could conclude the City "had notice of the slippery conditions." *Id.* at ¶ 26. Specifically, the Court held it was proper to consider whether "the City acted reasonably both in its failure to warn and in its maintaining the Civic Center steps in a reasonably safe condition in view of all the circumstances, including the likelihood of injury to another, the seriousness of the injury, and the burden of avoiding the risk." *Id.* at ¶ 27.

Put simply, each slip and fall case will rise and fall on its own set of circumstances. As a political subdivision, you have a responsibility to keep the premises abutting your buildings in a reasonably safe condition. Under the guidance in *Makeeff*, you will be best served by ensuring potentially slippery areas are kept clear of snow and ice to the extent possible. Additionally, you will want to place a sign to notify the public of the potential for slippery conditions abutting your buildings. This is especially true in high traffic areas. Once you become aware of a slippery condition, you need to take steps to mitigate the snow and ice as soon as possible. Also, it is important to document the actions taken to mitigate snow and ice accumulation (i.e. date and time of shoveling, application of "ice melt," placing of a sign, etc...). Keeping records of your efforts to

mitigate snow and ice accumulation can be vital in the defense of a slip and fall lawsuit.

While perfection is not the applicable legal standard, you will want to ensure adequate attention is given to snow and ice conditions around government buildings. Additional attention to snow and ice removal can save you from the inconvenience of litigation and preserve taxpayer money.

COVERAGE TERMS DEFINED: STATED AMOUNT COVERAGE

If you don't frequently work with NDIRF coverage forms and applications, you might be unfamiliar with some of the terms they contain. Our Coverage Terms Defined segment breaks down these terms to help you further understand the value of NDIRF coverage. *Look for this segment in each Participator newsletter as well as on our blog at www.NDIRF.com>News>Our Blog.*

NDIRF Director of Underwriting Jeff Tescher has provided answers to our stated amount coverage questions below.

What is Stated Amount Coverage?

The NDIRF offers stated amount coverage for only emergency services vehicles. This coverage type enables your entity to determine—or state—the amount for which it would like to cover its emergency services vehicle(s). In the event a covered loss occurs, the NDIRF would pay repair costs without deduction for depreciation or the amount shown in the schedule—the stated amount—whichever is less.

Stated amount coverage is an

effective coverage for emergency services vehicles because these vehicles are often highly specialized, making your entity better equipped to determine the appropriate coverage amount.



Stated amount coverage is different from actual cash value (ACV). Stated amount coverage is determined by your entity, and ACV is generally determined by the market value of the vehicle. Under stated amount coverage, in the event of a total loss, when the cost of repairing the vehicle without depreciation is more than the amount the vehicle is scheduled for—the stated amount—the amount scheduled will be paid without depreciation.

What Should Your Entity Consider When Determining Stated Amount Coverage?

To determine stated amount coverage, your entity should consider vehicle repair and replacement costs and the

normal complement of equipment vehicles contain. Examples of the normal complement of equipment include, but are not limited to, hoses, nozzles, couplings, light bars, sirens, radios, ladders, axes, fire extinguishers, water tanks, pumps, etc. Examples of equipment that would not be considered within the normal complement of equipment include helmets, turn out gear, gloves, jaws of life, smoke fans, portable generators, diving gear, cell phones, pagers, aircraft, or other vehicles that can be flown. Equipment can also be covered under public assets coverage.

Contact your entity's local agent to review coverage options and cost estimates.

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Community Members at Island Fest. Photo Credit: Fargo Park District

MEMBER FEATURE: FARGO PARK DISTRICT

Written by Joanna Drennen, MASCM, SHRM-CP

NDIRF Marketing and Communications Manager, HR Collaborative Executive Director

The Fargo Park District (District) boasts 2,400 acres of park land, 124 miles of trails, and over 1,000 programs, providing the City of Fargo's more than 125,000 residents various options to get together and be active.

It's a big task, but armed with a new strategic plan and the addition of a safety specialist, the District's 155 full-time and nearly 1,000 seasonal employees are well-equipped for the job.

Wondering what's in the new strategic plan or how the safety specialist supports the District's employees across its nine departments? You'll have to keep reading to find out!



Meet Executive Director Susan Faus

I was lucky enough a few weeks ago to spend some time with the District's Executive Director Susan Faus to get the inside scoop, quickly learning her ambition to lead the creation and implementation of the District's new strategic plan is strengthened by her own experience – and it's an experience she wants to share.

"I was always drawn to spending time in parks as a child growing up," she said, explaining she was always involved in different activities and

sports.

As we continued talking, I learned she grew up in small town southwest of St. Cloud, Minn., frequently visiting her grandparents in Fargo who introduced her to many of the area's parks.

After high school graduation, she attended North Dakota State University, earning a degree in Corporate and Community Fitness while playing basketball and running track for the Bison.

She went on to earn a master's degree in Sport Management from the University of Kentucky (Lexington,

KY), during which she worked at the area's local YMCA. She returned to Minnesota in 2006, continuing her career with the organization as the Director of Sales for the YMCA of the Twin Cities in Minneapolis.

She landed her first job working for park districts in 2012 at the City of Edina, a Minneapolis suburb, starting as a Senior Recreation Facility Manager. She was promoted one year later to Assistant Parks and Recreation Director. She served in this position for nearly 10 years before accepting the Deputy Director of Parks and Recreation position at the City of Bloomington, another Minneapolis suburb.

Nearly three-and-a-half years later, a Deputy Director of Administration position at the Fargo Park District opened and Faus, who shared she had always thought about returning to Fargo, made the move. In Nov. 2022, she joined the District, overseeing its finance, human resources, IT, and marketing and sales departments as well as its golf pro shops, Valley Senior Services, and the Fargo Parks Sports Center.

When the District's Park Board Commissioners were looking in the summer of 2023 for its next Executive Director, Faus, who had served as Interim Executive Director, was a natural choice to fill the opening. She was named Executive Director in Dec. 2023. The District's announcement shared the following quote from Fargo Park Board Commissioner Jerry Rostad:

"Susan has demonstrated exceptional leadership during her time as both interim executive director and deputy director of administration...This paired with her extensive experience in parks and recreation make her an ideal candidate for this important role. The Fargo Park Board is confident in her ability to guide the Fargo Park District to new heights and continue the tradition of providing outstanding recreational opportunities for our community" (accessed 2025 Feb. 14 from www.FargoParks.com).

In addition to her experience as a parks professional and leader, Faus's perspective on how parks enhance people's lives and her commitment to ensuring they continue to serve that purpose is inspiring.

"What I love about our parks and facilities is how we connect people," she said. "We bring people together and really create those community gathering spaces which I think is really important for building community and providing that quality of life for people."

Strategic Planning

Shortly after moving into the Executive Director role, Faus led the District through a comprehensive strategic planning process. She explained that although the District had gone through strategic planning processes in the past, internal surveys and community member feedback showed these stakeholders wanted more information about how the plan was going to be implemented, and they wanted a clear idea on the District's vision for future growth.

"It was an intentional process," Faus said. "It was a very inclusive process. We brought in external community leaders along with employees, so I feel like we were

really able to hear many different viewpoints," she added, saying their perspectives helped the District's leadership further understand its strengths and opportunities.

One of the first action items implemented following this process was the creation and communication of the District's new mission and values:

Mission: Growing community through places, spaces and experiences.

Values: Be Authentic. Be Bold. Be Collaborative.

Faus shared she's excited about these statements because they accurately describe the District's role in the Fargo community and help employees and community members understand what it sets out to achieve every day.

"Our mission communicates that we are investing in the quality of our community's parks and facilities," she said. "That we are developing and maintaining the amenities in



*Fargo Park District Executive Director Susan Faus
Photo Credit: Fargo Park District*

the community that are important to people, like parks, trails, and facilities, and that we are offering diverse programming and events by providing year-round activities for people of all ages, from youth to seniors.”

“Internally, we’re being intentional about helping our leadership and employees see how their everyday work is connected to our mission because I think it helps employees to see the impact of their work,” she added. “We’re recognizing, encouraging, and celebrating employees who are taking those extra steps to participate in different trainings or professional development, and we’re emphasizing how every role from park maintenance to events to concessions directly impacts our community.”

Programming + Events

When I asked Faus to give examples of some of the District’s signature or most-anticipated program or events, she first acknowledged the fantastic work of the District’s programming and events team. Then, she highlighted the following:

- **Island Park Show:** This event is “one of the largest outdoor events of the summer put on by the Fargo Park District. Its purpose is to support our local and nationwide craft participants on a wide variety of vendors and their original handcrafted work. We encourage our vendors to bring a variety of arts including homemade crafts such as jewelry, woodwork, photography, clothing, food items, and much more. This event is free

to the public” (accessed 2025 Feb. 14, from www.FargoParks.com). In 2025, the Island Park Show is happening from Aug. 23-24, 2025. Refer to the District’s website for times and further information.

- **Midwest Kid Fest:** This event “hosts interactive educational booths, life-sized games, an entertainment stage, petting zoo, strolling entertainment and more” (accessed 2025 Feb. 14, from www.FargoParks.com) at the District’s Island Park. This free event is open to the public and is happening on June 14, 2025. Refer to the District’s website for times and further information.

Community Partnerships

As with many programs and events hosted by local governments, community partnerships and sponsorships are critical to enhancing attendee experience as well as the variety of programs and events offered.

So, understandably, Faus shared one of the District’s strategic plan initiatives is to focus on relationships.

“This initiative means that we’ll focus on relationships with organizations in the community, such as different nonprofit organizations, service groups, and clubs that reach people with artistic, academic, athletic, or



Community Members at Broadway Square’s tree lighting event. Photo Credit: Fargo Park District



Aerial view of Broadway square. Photo Credit: Fargo Park District

other interests,” she said. “We really want to expand our programming and see what we can do to further support community members’ mental, social, and emotional health.”

“I think anytime you’re working with stakeholders, you have to make time to have a conversation, listen to what’s important to them, and hear their ideas,” she added, saying this process has helped the District learn how it can work with other organizations.

One of the District’s recent partnerships that has garnered a lot of success is its collaboration with the City of Fargo and Fargo’s Downtown Community Partnership (DCP) for their improvements to Broadway Square, a “half-acre of community gathering space for the public, located at the corner of Broadway and 2nd Avenue N. in the heart of Downtown

Fargo” (accessed 14 Feb. 2025, www.FargoParks.com). This space received a DCP Downtown Monument Award and was recognized in 2024 with a Mainstreet Initiative Award for creating a healthy and vibrant community space.

“We’re really proud of the partnership the park district has with the DCP and the City of Fargo in maintaining Broadway Square,” Faus said. “We took a collaborative approach with DCP and the City of Fargo in 2024 because the space had the potential to offer so much more to the community. We’re really working together to make sure that it’s vibrant and that there are activities and events going on because it’s a downtown gathering space for people in the community. It’s definitely a key destination.”

General Policy and Procedures

In addition to prioritizing relationships in its new strategic plan, the District prioritized safety and risk management, hiring a Safety Supervisor in 2024 to standardize its safety processes, implement consistent department-specific training, and maintain and enhance the District’s existing safety initiatives. The District’s existing safety processes and initiatives include:

- When a safety and/or risk management incident occurs, the District’s employees notify their Department Supervisors. Supervisors respond to the incident, advancing it accordingly (ex. referring for medical attention, etc.). Supervisors then complete an Incident Report

and Investigation Report. The Investigation Report documents specific details about the event and the Supervisor’s recommendation for corrective action. The Investigation Report is then shared by the Supervisor with their Department Director, allowing them to discuss how the incident could have been prevented and review the corrective action plan. Incident Reports and Investigation Reports are then reviewed by the District’s Safety Committee.

- An 11-person Safety Committee meets monthly to review reported District-wide safety and/or risk management issues. The Committee is comprised of employees who represent different departments across the District. The Committee shares its safety report on the District’s intranet site, ensuring all employees can access and review incidents that occurred and their respective corrective actions.
- Articles that provide safety and risk management information and education are shared in the District’s weekly overview, an email sent to all employees and board members.
- In addition to articles generated from only the District’s safety and risk management incidents, the District shares information and education provided by North Dakota’s Workforce Safety & Insurance.
- Safety and risk management

training is hosted annually during one of the District’s all staff meetings.

“There is no incident too small to identify,” Faus said. “We need to make sure that everything is being documented, tracked, and reviewed to make sure that we’ve looked for opportunities for us to potentially make changes in how we’re doing things to prevent an incident from repeating.”

Faus shared the District’s leadership team operates under the open-door policy, encouraging employees to bring forward not only safety and/or risk management issue but ideas that align with the District’s mission and could help it further enhance community members’ lives.

“One thing we’re constantly talking about with our team is encouraging all employees to share their ideas in conversation and during meetings,” she said. “We also encourage collaboration across departments because many of our successful programs and events are planned by people who work in different areas, and they’re seeing things from a different lens and sharing their ideas and coming together.”

What the Future Holds

I wrapped up my conversation with Fargo Park District Executive Director Susan Faus by asking her what she’s most looking forward to in the next year, three years, or five years. While it would have been easy for her to say, “EVERYTHING!”, and I know she’d mean it, I appreciated

her thoughtfulness in sharing the following three – one of which is sure to make a splash.

The District is currently working on a Park System Master Plan that evaluates its entire park system, looking in-depth at all its amenities and comparing them to the amenities of other comparable communities. The plan's goal is to provide a vision for what the next 20 years will look like for the District.

"That, to me, is so exciting because it's going to help us provide not only the direction but the strategy," she said. "We've got a social pinpoint we're using right now to collect as much community member feedback as possible."

"The Fargo-Moorhead area is growing, and it's a destination," she continued. "I feel like parks are such an important piece in providing quality of life and bringing people to the community for tourism and workforce development."

The District is anxiously awaiting the reopening of Island Park Pool this summer. Faus shared the pool has been completely renovated, so she's excited for the District to offer a greatly improved amenity to help community members cool off during the state's warmest months.

Lastly, Faus shared she's excited to just continue creating connections and developing partnerships within the community.

"Really looking at, you know, sports

are such a big part of what we do, but I think there's really an opportunity for our [the District's] programming to expand," she said. "We're going to pursue other programming, putting a great focus on our senior population, arts, culture – there's just a lot more that we have an opportunity to get involved with and expand in our community."

Maybe I'm speaking out of turn, but on behalf of all readers, we're excited to see the District's expansion, and we know it's well-positioned to implement and sustain new programming that will enhance the way it serves its community.

CLAIMS CORNER:

NDIRF CLAIMS DEPARTMENT WELCOMES NEW LEADERSHIP

Provided by Tony Burbach

NDIRF Director of Claims

As we leave 2024 in our rear-view mirror and look forward to the changes a new year brings, I want to make sure you are aware of changes that have occurred within the NDIRF Claims Department.

This past August, I took over the role of Director of Claims. I came to NDIRF with 33 years of insurance experience, including roles from Claims Adjuster to Claims Manager. I also spent some time as a Regional Claims Liaison. My prior role was with a commercial carrier, where I spent my last 31 years. In the last six months, I have been working with some great people at both NDIRF and its membership. I am looking forward to what the future holds for NDIRF and

proud to be a part of building that future.

I am not the only change that occurred in the NDIRF Claims Department. On Dec. 9, 2024, Kristin Ziegler was hired to take on the role of Assistant Director of Claims.

Like me, Kristin joins the NDIRF after a 26-year career at a commercial carrier. In her prior role, Kristin supervised and trained claims professionals in a regional supervisory role. Kristin has various professional designations, including an Associate in Claims (AIC), Associate in Insurance (AINS), and a Senior Claims Law Associate (SCLA). The talent and experience she brought to the NDIRF has already greatly

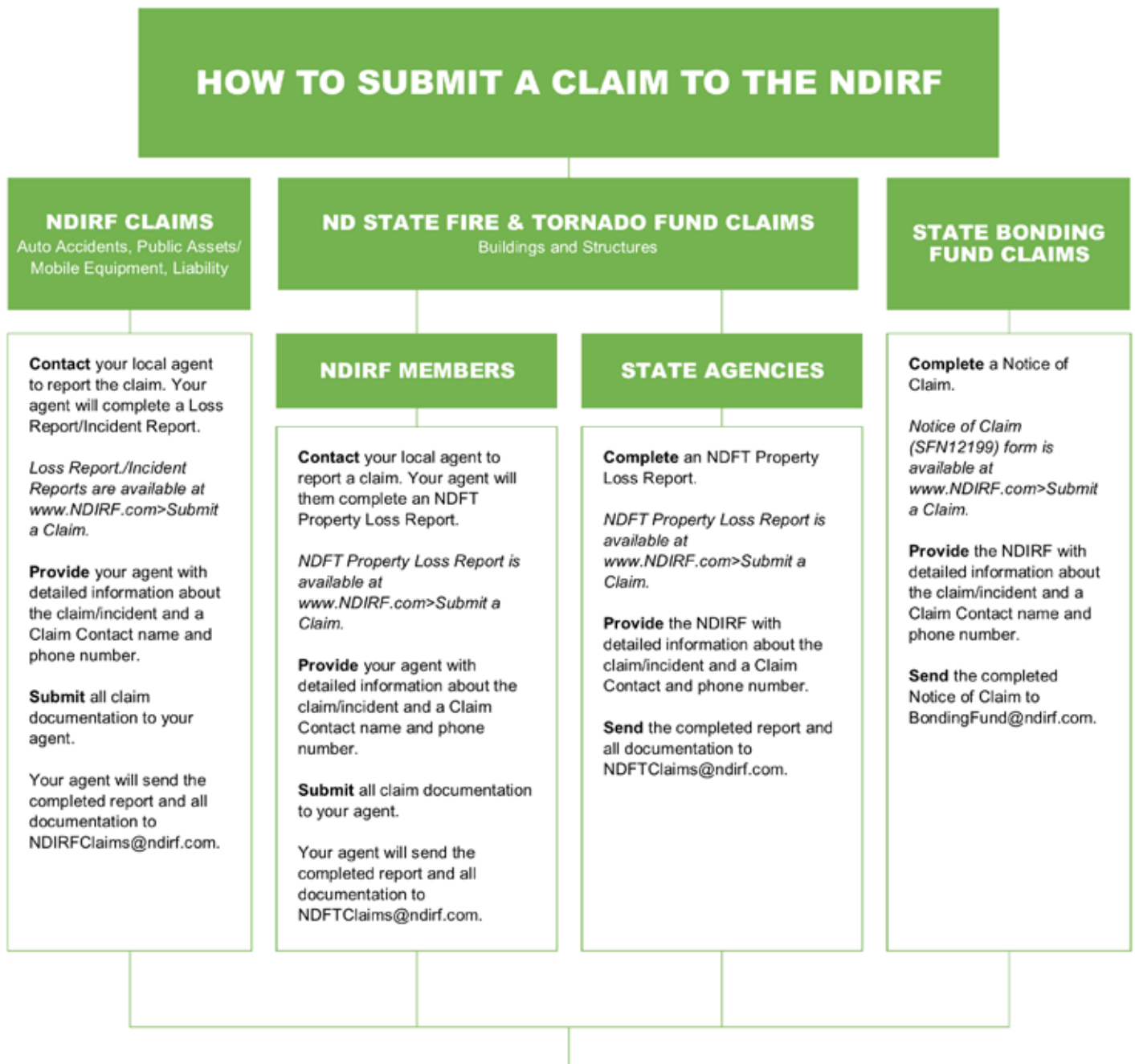
benefitted our organization's members and employees.

submission process for each NDIRF coverage type and NDIRF-administered coverage type.

How to Submit a Claim

For my first Claims Corner, I have included our How to Submit a Claim to the NDIRF chart. This chart walks your entity's representatives and local agent through the claims

If you have any questions for the NDIRF Claims Department, please contact us at NDIRFClaims@ndirf.com.



Claims are received and reviewed by the NDIRF's in-house claims teams, and an NDIRF adjuster is assigned to the claim. The adjuster will reach out to the Claim Contact regarding the claim.

SUMMONS AND COMPLAINT

If your first loss notice is the service of a Summons and Complaint, attach a copy of it to the report you submit to the NDIRF.

***A Summons and Complaint must be responded to within 21 days from the date it's served. Failure to respond within this timeframe may result in a judgment being filed.**

QUESTIONS

Contact Director of Claims Tony Burbach at Tony.Burbach@ndirf.com or (701) 751-9105.

DATA BREACH RISKS ARE MORE COMPLICATED THAN MANY KNOW

Provided by Walter Hoffman

Vice President, Public Sector, Sontiq (a TransUnion Company)

Risk teams are no strangers to the nuanced threat of data breaches and system compromises. Yet an emerging peril is making breach risk management even more complicated. The rise of the third-party breach, sometimes called a supply-chain attack, is adding to the list of risks faced by public sector organizations.

Third-Party Breaches on the Rise

An analysis of U.S. data breaches in TransUnion's 2023 Omnichannel Fraud Report showed a 145% increase in third-party breaches between 2020 and 2022. The severity of the breaches, in terms of the potential identity and fraud risks measured by TransUnion's Breach Risk Score algorithm, also rose by 23%.

Cybercriminals favor third-party breaches mainly because of the scale they provide. Penetrating the cyber defenses of a large enterprise can take months of research and multiple attempts. Targeting smaller service providers – which often have less robust cybersecurity resources – can give attackers access to the

data and systems of dozens of the organizations that vendor services. With less effort and higher volume of targets, bad actors realize significant financial gain.



Disproportionate Impact on the Public Sector

While third-party breaches can happen to organizations in any sector, last year's MOVEit breach is an example that drastically impacted public institutions.

While colleges and universities have taken the greatest hit, a significant number of government agencies and public health programs were also affected. Sensitive personal data was stolen from several high-profile users of the platform, including

the US departments of Energy and Agriculture; New York City School District; registries of motor vehicles in Oregon and Louisiana; Colorado's state health agency; and more than 850 colleges and universities.

Criminal access to private personal data, such as student records and driver's license information, exposed millions of constituents to the risks of identity theft, social engineering scams and financial schemes.

Numerous Post-Breach Risks Impact

Public Organizations

As risk management teams plan for potential third-party breaches, they should establish controls and mitigation strategies that not only help reduce the risk of such attacks, but also help the organization recover in the wake of an incident.

Some of the considerations to weigh when planning those strategies include:

- Ongoing disruption of services or benefits for constituents. By their nature, third-party breach

forensics takes longer, often delaying restoration of critical systems and processes.

- Undue stress and hardship among employees. Whether fielding calls from upset constituents or losing access to technology, breaches can make even menial tasks a headache.
- Exposure of internal and employee data. Cybercriminals frequently seek personal data of employees to help them pull off sophisticated social engineering schemes that can provide access to the employer’s systems.
- Loss of trust that can occur among constituents, the public and funding sources.

- Long-tail exposure of sensitive data. Once stolen data is brokered on the dark web, it can cause problems for victims for years.
- Compliance with state notification rules. Regulations are wildly varied depending on the state, the size of the breach and even the sector – and they frequently change.

After rampant attacks in 2023, cybercriminals are eyeing opportunities to replicate their success in 2024, so the threat of supply chain attacks is only expected to increase. Make sure your team has taken the proactive steps to minimize the risk of being caught in a supply-chain attack – and that your

organization has a response plan in place to enable a fast, effective reaction if an incident does occur.

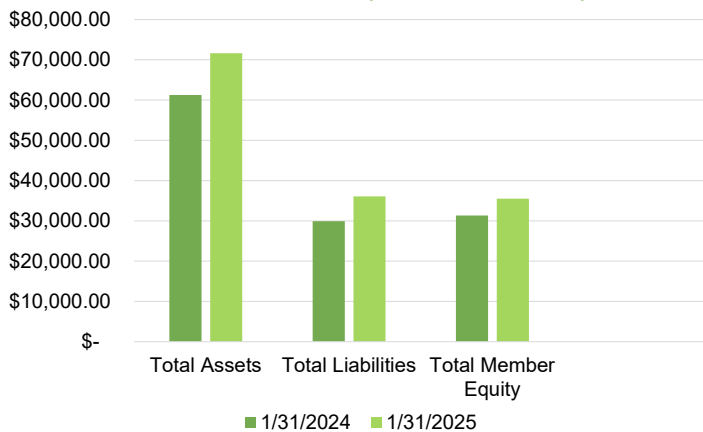
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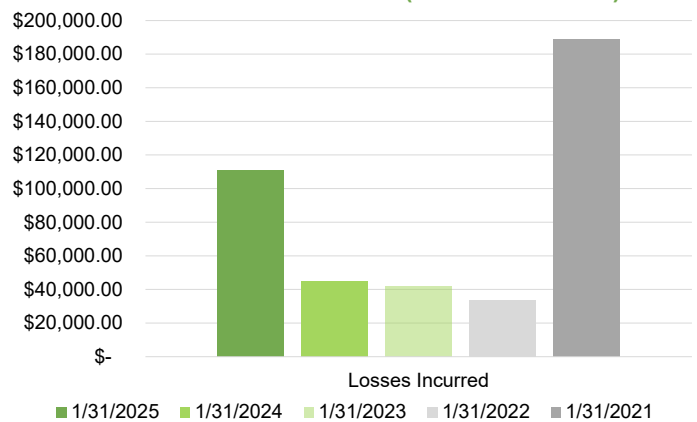
FINANCIAL INSIGHTS

As of Jan. 1, 2025, the NDIRF remains in a strong financial position with assets at \$70.6 million, including over \$35 million in member equity. Our loss ratio through the month was 63%. While this percentage is above our budgeted loss ratio of 60%, given past-year’s loss performance, we’re confident this percentage will return to at or below our budgeted loss ratio amount over the next few months.

BALANCE SHEET (IN THOUSANDS)



YTD LOSSES INCURRED (IN THOUSANDS)





UNDERSTANDING PERFORMANCE IMPROVEMENT PLANS

Written by Joanna Drennen, SHRM-CP, MASCM

NDIRF Marketing and Communications Manager, HR Collaborative Executive Director

A Performance Improvement Plan (PIP) is a document that “identifies the problems, goals, and time frame to achieve the goals” (HR Collaborative for Local Government – Human Resource Reference

Guide, p. 5-2) regarding an employee’s performance.

The primary goal of a PIP is to provide a clear roadmap for improvement, offering guidance and support to the employee in overcoming challenges.

A PIP is typically initiated when an employee’s performance falls below expectations or when specific issues need addressing. “Ideally, the supervisor and HR should collaborate to create the PIP together” (Mooney, J. Creating a Performance Improvement Plan: Role for HR, Supervisors. Accessed 5 February 2024 from Creating a Performance Improvement Plan: Role for HR, Supervisors (shrm.org).

Building an effective PIP involves several key steps. First, clearly identify the performance issues that need improvement, ensuring they are specific, measurable, and aligned with your entity’s goals. Set realistic and achievable performance goals, outlining the expected outcomes and timelines.



Next, outline the support and resources available to the employee, such as training, mentoring, or additional tools. Regular feedback and monitoring mechanisms should be established to track progress and address

concerns promptly. In its Human Resource Reference Guide, the HR Collaborative recommends supervisors conduct regularly scheduled meetings with the employee to assess progress toward meeting PIP goals (p. 5-2) and modify goals as needed.

Communication is vital throughout the PIP process, fostering an open and transparent dialogue between the employee and supervisor. A successful PIP not only focuses on addressing performance issues but also aims to empower employees to reach their full potential within your entity.

By providing a structured framework for improvement, a Performance Improvement Plan not only addresses performance gaps but also fosters a positive and collaborative approach to professional development. It creates a pathway for employees to succeed, enabling employees to contribute meaningfully to your entity’s success.

NDIRF WELCOMES NEW EMPLOYEES

DANI KRAUSE, RENAE KONDOS, KRISTIN ZIEGLER RECENTLY JOIN NDIRF

Please join us in welcoming Dani Krause, Renae Kondos, and Kristin Ziegler to the NDIRF!

Dani Krause, Staff Legal Counsel

Dani Krause joined the NDIRF as Staff Legal Counsel, a new position within the nonprofit, member-owned organization. In this role, Krause is responsible for performing internal policy and coverage document legal analysis and review, providing human resource management risk control information and education, and leading government relations efforts for local and state elected officials.

Krause holds a bachelor's from North Dakota State University and a law degree from the University of North Dakota School of Law. She brings over 10 years of legal experience to the NDIRF, including seven years as in-house counsel, specializing in litigation and employment law.

Krause is a licensed attorney in North Dakota, Minnesota, and the U.S. District Court for the District of North Dakota. She serves on the Board of Directors for Legal Services of North Dakota.

Renae Kondos, Administrative Services Manager

Renae Kondos is the NDIRF's new Administrative Services Manager, replacing Nancy Reis who retired in January 2025. In this role, Kondos is responsible for developing and administering the NDIRF's human resource programs, maintaining compliance with applicable human resource laws and regulations, and managing building and property maintenance.

Kondos holds an associate degree in accounting and finance. She brings nearly 11 years of human resource management, retirement plan administration, and operational office experience to the NDIRF.

Kristin Ziegler, Assistant Director of Claims

Kristin Ziegler is the NDIRF's new Assistant Director of Claims. In this role, Ziegler is responsible for supervising NDIRF claims department employees, providing support and expert advice to employees and the Director of Claims, and adjusting and settling claims.

Ziegler holds a bachelor's degree from Minot State University. She brings over 26 years of insurance industry experience, serving in roles from claims assistant and senior adjuster to supervisor. In the supervisory role, Ziegler led adjusters in 18 western U.S. states.

She holds a Senior Claim Law Associate (SCLA) designation from the American Educational Institute (AEI), the insurance industry's leader in claims law education, and Associate in Insurance (AINS) and Associate in Claims (AIC) designations from The Institutes, the insurance industry's leading continuing education organization.



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NEW BOARD MEMBERS: WELCOME, LYLE AND SCOTT!

Please join us in welcoming Lyle Bopp (Counties) and Scott Ouradnik (Counties) to our NDIRF Board of Directors!

Bopp serves as a Sargent County Commissioner (Forman, N.D.). He has 36 years of experience as a North Dakota States Attorney (Sargent County) and 45 years of experience as an attorney and owner of Bopp Law Office (Forman, N.D.). Bopp holds a bachelor's degree from the University of North Dakota and a law degree from the University of North Dakota School of Law. **Bopp was serving as Sargent County's States Attorney in 1986 when the NDIRF was formed, seeing first-hand the liability insurance crisis that resulted in a loss of coverage for the county.**

Ouradnik serves as a Slope County Commissioner (Amidon, N.D.). In addition to being self-employed as a rancher and real estate agent, Ouradnik is a dedicated public servant who has held elected and volunteer leadership positions throughout his life. He holds a bachelor's degree from Dickinson State University. Ouradnik looks forward to helping the NDIRF continue to be the leader in providing risk management to North Dakota political subdivisions.

UPCOMING EVENTS

NDRPA CPSI Course	NDLC Spring Workshop	NDIRF Annual Meeting	NDIRF Board Meeting	NDIRF Board Meeting
March 11-13	March 19-20	May 8	May 8	Sept. 4
Bismarck, ND	Bismarck, ND	Bismarck, ND	Bismarck, ND	Bismarck, ND
NDRPA.com	NDLC.org	NDIRF.com	NDIRF.com	NDIRF.com