



Montana Teachers' Retirement System
Policy 2-0500-003
Privacy and Security of Personal Information and
Notification of a Cyber/Data System Security Incident

Section: Organizational

Implementer: All TRS Personnel

Effective Date: February 2, 2012

Revision Date: May 8, 2026

Purpose:

This policy sets forth TRS's objectives for maintaining the privacy and security of personal information gathered, maintained, used, and disclosed by TRS personnel as necessary to conduct the business of TRS and to implement Montana state policy for notification of affected individuals of a cyber security incident involving TRS data systems.

Definitions:

Breach – the unauthorized access to or acquisition of data that materially compromises the security, confidentiality, or integrity of the personal information maintained by TRS or by a third party on behalf of TRS.

Cyber/Data System Security Incident (incident) – An event that raises concerns of a breach that has not been confirmed or investigated by the appropriate state authority or law enforcement.

Individual – a human being.

Person – an individual, a partnership, a corporation, an association, or a public organization of any character.

Personal information (may be referred to as “personally identifiable information” or “PII”) – a first name or first initial with a last name in combination with any one or more of the following data elements when the name and data elements are not encrypted, except that the following data elements are not personal information if they are publicly available information that is lawfully made available to the general public from federal, state, local, or tribal government records:

- A. a social security number
- B. a tax identification number
- C. an identity protection personal identification number issued by the IRS
- D. a driver's license number
- E. an identification number issued pursuant to 61-12-501, MCA

- F. a tribal identification number or enrollment number
- G. an identification number issued by any state, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, or American Samoa
- H. an account number or credit or debit card number in combination with any required security code, access code, or password that would permit access to a person's financial account
- I. medical record information

Redact – to alter personal information contained within data to make all or a significant part of the data unreadable.

Third party – a person or another state agency who is not a TRS staff member, a third-party agent, or the member, retiree, joint annuitant, beneficiary, or alternate payee to whom the personal information pertains.

Third-party agent – a person with a contractual obligation to perform a function for TRS, which function requires disclosure by TRS to the third-party agent of some personal information data elements, or access to TRS data systems that contain personal information.

TRS Personnel – all members of the TRS board of trustees and all employees of TRS.

Truncate – to provide no more than the last four digits of an identification number to a third-party agent.

Policy:

A. Privacy and Security of Personal Information/Social Security Numbers

1. TRS is required to gather, maintain, use, and disclose personal information, including the social security numbers of members, retirees, joint annuitants, beneficiaries, and alternate payees, in order to administer the retirement system, including in order to comply with state and federal law pertaining to tax reporting of benefits paid by the retirement system. TRS also must obtain financial account information pertaining to individuals to whom it pays benefits for the purpose of effectuating direct deposit or other appropriate transfer of payments due to a retiree, joint annuitant, beneficiary, or alternate payee. TRS must obtain and may disclose medical record information for the purpose of making initial and ongoing determinations of eligibility for disability retirement benefits.
2. TRS will gather, maintain, use and disclose personal information of members, retirees, joint annuitants, beneficiaries, and alternate payees only as necessary to properly administer the retirement system, and as otherwise allowed or required by law. TRS staff shall access, use, and disclose such personal information only as necessary to perform assigned job functions.

3. To perform assigned job functions, all TRS staff members will need to acquire personal information and access data systems and documents containing personal information, including social security numbers and financial account information, of any member, retiree, joint annuitant, beneficiary, or alternate payee. All TRS staff members are authorized to acquire and access such personal information as necessary to perform assigned job functions.
4. TRS will gather full social security numbers only as necessary to initially establish the identity of a TRS member, retiree, joint annuitant, beneficiary or alternate payee, or as necessary to verify and document the identity of a specific member, retiree, joint annuitant, beneficiary, or alternate payee related to remittance of contributions or other payments of amounts owed to the retirement system, payment of benefits, distribution of benefits under a family law order, disclosure of personal information pursuant to an authorization to disclose, or in other circumstances in which full match of name and social security number are necessary to verify the identity of the individual. In all other circumstances, TRS will gather, use, and disclose only truncated social security numbers for purposes of verifying the identity of an individual previously identified to the retirement system through submission of a full social security number.
5. TRS may disclose personal information, including full social security numbers, to a third-party agent as necessary for the third-party agent to perform the functions contracted for, and to maintain the integrity of individual identification in records maintained by TRS and the third-party agent. Except as necessary for performance of the contracted functions and to maintain the integrity of individual identification in multiple record sets, TRS shall disclose only truncated social security numbers to a third-party agent.
6. Other than as described in this policy, TRS will not disclose personal information to any third party unless such disclosure is expressly authorized by the individual to whom the personal information pertains or by a representative of the individual acting under authority of law (power of attorney, order of guardianship or conservatorship, order of appointment of personal representative in a probate proceeding, etc.), or as otherwise allowed or required by law.
7. In any circumstance in which any record/document that includes a full social security number is to be disclosed to a third party, TRS staff shall redact or truncate the social security number, if appropriate and as appropriate to the purpose for the disclosure.
8. TRS staff shall dispose of any record/document that contains personal information in conformity with TRS's protocols for secure disposal/shredding of personal information.
9. TRS staff will not store or maintain any unencrypted record or document that includes the personal information of any member, retiree, joint annuitant, beneficiary, or alternate payee on any portable electronic device or media (e.g., laptop or notebook computer, tablet, smartphone, USB drive, computer disk, or other device or media) except as necessary to perform assigned job functions for which such personal information is necessary. Such personal information may be maintained on a portable device or media

only for the period of time necessary to perform the assigned job function, and only while the portable device or media is under the active, personal control of the TRS staff member. Such personal information stored or maintained on a portable device or media must, at a minimum, be protected by a secure password and other security measures and protocols as required by applicable state and TRS security policies.

10. TRS will contractually require that all third-party agents to whom personal information is disclosed by TRS have an information security policy designed to safeguard personal information.

B. Reporting a Cyber/Data System Security Incident

1. Upon discovery or notification of a potential Cyber Attack, Cyber Incident, Data System Incident:
 - a. TRS staff shall report a potential information system incident to TRS management.
 - b. TRS management shall notify the Risk Management & Tort Defense Division (RMTD) and the state's Chief Information Officer.
 - c. TRS management shall prepare and review an Incident Report using a form provided by RMTD or obtained from the RMTD website.
2. TRS management must submit the accurately completed and signed incident report to RMTD within 2 business days.
3. TRS shall not contact individuals whose information may have been released or law enforcement unless TRS management has assessed the incident with RMTD and has been directed to do so by RMTD.

If the incident is determined to be a breach, TRS will work with RMTD to determine how and when to report the breach to law enforcement agencies in compliance with the law and the requirements of the insurance carrier for Cyber/Data security incidents.

4. TRS will contractually require that all third-party agents to whom personal information is disclosed by TRS provide notice to TRS of an incident that involves the third-party agent's data systems and require the third-party agent to provide full disclosure and assistance to TRS management and RMTD in conformity with this policy.
5. Affected individuals will be notified in accordance with RMTD guidance.

Cross Reference:

§§ 2-6-1501 through 2-6-1504, MCA

Signature:

By board action taken on (date) May 8, 2026, and by my signature below, the TRS board has authorized implementation of this original or modified policy. The effective date of this policy is:

X the date of board action set forth above
_____ (date) _____.

BY: Daniel Chamberlin, Vice Chair

Printed name and role

/s/ Daniel Chamberlin

Signature

TRS policies may be amended or revoked from time to time, effective from the date of board action or later date as specified in the policy. The official version of any TRS policy is the version currently posted on the [TRS Board Policies webpage](#) and deviation will be resolved in favor of the official version. Please review the material online prior to placing reliance on printed or archived versions.