



**SERS Retirement Board Agenda
July 20, 2023, 8:30 a.m.**

Click the link to join the Zoom meeting:

<https://ohsers.zoom.us/j/92427977497?pwd=eG1uRHY2UUN4Q2V1bXd4OWdyekwxQT09>

Meeting ID: 924 2797 7497

Password: 12345

To join by phone, dial: (301) 715-8592 & enter the meeting ID: **924 2797 7497** and password: **12345**

PLEDGE OF ALLEGIANCE

1. Oath of Office
2. Roll Call
3. Approval of Out-of-State Board Travel (R)

CONSENT AGENDA (R)

4. Approval of the **June 15, 2023**, Retirement Board Meeting Minutes
5. Summary of Investment Transactions – **May 1, 2023 to May 31, 2023**
6. Retirement Report
 - Superannuations and Survivor Benefits
 - Special Cases
7. Disability Report
 - Approval of Disability Benefits
 - Disapproval of Disability Benefits
 - Termination of Disability Benefits – Any Occupation
 - Approval of Appeal of Personal Appearance
 - Approval of Appeal of Termination- Any Occupation
 - Approval of Appeal of Termination on Personal Appearance – Any Occupation

INVESTMENT REPORT

8. Monthly Investment Report
9. Investment Committee Policy Discussion

EXECUTIVE DIRECTOR'S REPORT

10. Executive Director's Update
11. Review of Administrative Expenses
12. Amended SERS Board Meeting Policy (R)
13. Amended Retirement Board Member Election Policy (R)
14. Election of Employee Member (R)
15. Election of Retiree Member (R)
16. Executive Session pursuant to R.C. 121.22(G)(3) to discuss imminent court action (R) **10:00 a.m.**
17. Definition of Compensation Discussion

RETIREMENT REPORT

18. Executive Session pursuant to R.C. 121.22 (G)(5) to review applications for Disability Retirement Benefits *(if needed)* (R)

COMPENSATION COMMITTEE REPORT

19. Compensation Committee Update

BOARD COMMUNICATION AND POLICY ISSUES

20. Committee Appointments
21. Calendar Dates for Future Board Meetings
22. Continued or New Business
 - Board Information Requests and Follow-up Items

Adjournment (R)

OATH OF OFFICE

OATH OF OFFICE OF AIMEE RUSSELL
MEMBER OF THE RETIREMENT BOARD OF THE
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

I, AIMEE RUSSELL, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of Ohio; that I will not knowingly violate or willfully permit to be violated any of the provisions of law applicable to this Retirement System, and that I will diligently and honestly administer the affairs of the said office and duties as a member of the Retirement Board of the School Employees Retirement System of Ohio during the period for which I was appointed.

AIMEE RUSSELL

SWORN TO and SUBSCRIBED before me this 20th day of July, 2023.

Notary Public

ATTESTED BY:

Richard Stensrud, Executive Director

Frank Weglarz, Chairperson

FY2024 SERS Board Roll Call

Frank Weglarz

Matthew King

Jeffrey DeLeone

James Haller

Catherine Moss

Barbra Phillips

James Rossler

Aimee Russell

Daniel Wilson

APPROVAL OF OUT-OF-STATE BOARD TRAVEL

_____ moved and _____ seconded the motion that the travel request by a Board Member to travel and receive reimbursement for the following out-of-state conference and meeting be approved.

Conference	Attendee	Conference Date(s)	Conference Location	Estimate of Expenses
IFEBP 69th Annual Employee Benefits Conference & Pre-Conference	Aimee Russell	September 30 – October 4, 2023	Boston, MA	\$5362
IFEBP 69th Annual Employee Benefits Conference & Pre-Conference	Barbra Phillips	September 30 – October 4, 2023	Boston, MA	\$4207

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Matthew King	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____
Frank Weglarz	_____	_____	_____

CONSENT AGENDA

1. Minutes of the
 - a. **June 15, 2023**, Retirement Board meeting
2. Summary of Investment Transactions – **May 1, 2023 to May 31, 2023**
3. Retirement Report
 - a. Superannuations and Survivor Benefits and Transfers
 - b. Special Cases
4. Disability Report
 - a. Approval of Disability Benefits
 - b. Disapproval of Disability Benefits
 - c. Termination of Disability Benefits – Any Occupation
 - d. Approval of Appeal of Personal Appearance
 - e. Approval of Appeal of Termination – Any Occupation
 - f. Approval of Appeal of Termination on Personal Appearance – Any Occupation

APPROVAL OF CONSENT AGENDA

_____ moved and _____ seconded the motion to approve the Consent Agenda, which includes the following items:

1. Minutes of the
 - a. **June 15, 2023**, Retirement Board meeting
2. Summary of Investment Transactions – **May 1, 2023 to May 31, 2023**
3. Retirement Report
 - a. Superannuations and Survivor Benefits and Transfers
 - b. Special Cases
4. Disability Report
 - a. Approval of Disability Benefits
 - b. Disapproval of Disability Benefits
 - c. Termination of Disability Benefits – Any Occupation
 - d. Approval of Appeal of Personal Appearance
 - e. Approval of Appeal of Termination – Any Occupation
 - f. Approval of Appeal of Termination on Personal Appearance – Any Occupation

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Matthew King	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____
Frank Weglarz	_____	_____	_____

SERS Retirement Board Meeting Minutes

June 15, 2023

The nine hundredth and sixtieth meeting of the Retirement Board of the School Employees Retirement System was held in the boardroom at 300 E. Broad Street, Columbus, Ohio, and streamed via Zoom videoconferencing on Thursday, June 15, 2023.

Pledge of Allegiance

The SERS Retirement Board meeting convened at 8:35 a.m. with the Pledge of Allegiance.

Roll Call

Following the Pledge of Allegiance, the roll call was as follows: Jeffrey DeLeone, Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, and Daniel Wilson. Absent: James Rossler. Also attending in person was Lisa Reid, representative of the Ohio Attorney General's Office and various members of the SERS staff. Several SERS staff members and members of the public attended virtually.

Board Member Proclamation

The Retirement Board of the School Employees Retirement System of Ohio adopted the following resolution on June 15, 2023 to honor Hugh W. Garside, Jr.

Whereas, the School Employees Retirement System of Ohio provides pension benefits to more than 236,000 active and retired non-teaching public school employees; and

Whereas, Mr. Garside dedicated six exceptional years of service to the members and retirees of the School Employees Retirement System of Ohio as a Trustee on the Retirement Board; and

Whereas, Mr. Garside provided extraordinary leadership as Chair and Vice-Chair of the SERS Retirement Board during the 2019-2021 sustainability sessions that were necessary to keep SERS financially strong long into the future; and

Whereas, Mr. Garside always displayed a calm yet determined demeanor during Board and Committee discussions, and his preparation and thoughtfulness were instrumental in keeping those discussions focused and informative; and

Whereas, Mr. Garside has been a trusted and dependable liaison for SERS during interactions with OASBO and a regular participant at SERS' annual advocacy roundtable; and

Whereas, Mr. Garside regularly voiced support for and encouragement to staff in all departments whose innovations and daily work benefits the members and retirees; and

Whereas, Mr. Garside's integrity, dedication, and fortitude have made an unforgettable impression on all who have attended a SERS Board meeting during his tenure; now therefore;

Be it resolved that the Retirement Board of the School Employees Retirement System of Ohio applauds and recognizes Mr. Hugh W. Garside, Jr. for his stewardship, service, and devotion to the retirement security of Ohio's non-teaching public school employees.

The board thanked Mr. Garside for his many years of service and wished him well in his future endeavors.

SERS Retirement Board Meeting Minutes

June 15, 2023

Approval of Out-of-State Board Travel

Barbra Phillips moved and Frank Weglarz seconded the motion that the travel request by a Board Member to travel and receive reimbursement for the following out-of-state conference and meeting be approved.

Conference	Attendee	Conference Date(s)	Conference Location	Estimate of Expenses
NCPERS 2023 Public Pension Funding Forum	Catherine Moss	August 20 - 22, 2023	Chicago, IL	\$2645.00

Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Consent Agenda

The consent agenda for **June 15, 2023**, included:

- Minutes of the May 18, 2023, Retirement Board meeting
- Summary of Investment Transactions for the period of April 1, 2023, to April 30, 2023
- Retirement Report – Superannuations, Survivor Benefits, and Transfers
- Disability Report – Approval of Disability Benefits, Disapproval of Disability Benefits, Termination of Disability Benefits – Any Occupation, Approval of Appeal for Disability Benefits

Barbra Phillips moved and Catherine Moss seconded the motion to approve the Consent Agenda of the Retirement Board meeting held on Thursday, June 15, 2023. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Investment Report

Annual Investment Plan FY2024

SERS Chief Investment Officer, Farouki Majeed, opened his investment report by asking the board if there were any questions about the Investment Plan that was introduced at the last meeting.

After questions and a brief discussion, Barbra Phillips moved and Frank Weglarz seconded the motion to approve the Annual Investment Plan for fiscal year ending June 30, 2024 (“the FY24 Plan”), as presented to the Board on June 15, 2023. The FY24 Plan replaces the FY23 Plan originally approved June 16, 2022. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Monthly Investment Report

Mr. Majeed continued by providing the board with the Monthly Investment Report. Mr. Majeed provided an overview of the economic and financial outlook stating the fed raised interest rates 10 times over the last year and more hikes are expected before the end of 2023. There was a pause in interest rate hikes to see how the rate increases have affected the economy. However, Mr. Majeed reported there is still a chance that we will fall into a recession by the end of the calendar year. SERS investment staff will continue to monitor the situation and provide updates to the board as needed.

After answering several questions and a robust discussion, the board thanked Mr. Majeed for his report.

SERS Retirement Board Meeting Minutes

June 15, 2023

Executive Director's Report

Ohio Retirement Study Council (ORSC)

SERS Executive Director, Richard Stensrud, opened his report stating that the June ORSC meeting was cancelled. The next meeting is scheduled for July 13, 2023, or at the call of the Chair.

State Legislative Activity

Mr. Stensrud continued, reporting that the Ohio House Pension Committee voted unanimously to approve HB 146, which contained SERS CBBC legislation. It is now waiting to be scheduled for a vote before the full House.

Mr. Stensrud also reported that HCR 6, urging Congress to repeal WEP and GPO also passed out of committee. HCR 6 is not binding, but rather an indication of the legislature's advocacy. There has been no traction at the federal level, and it seems that no reform will happen until broader SSI reform happens.

Mr. Stensrud continued, stating that Operating Budget (HB 33) hearings continue in the Senate Finance committee. A substitute amendment was adopted last week and there were no provisions included regarding CBBC. Hearings were scheduled for today at 10:00 a.m. Following the hearings, HB 33 will go back to the House for another approval agreement. SERS leadership is very pleased with the progress that has been made. Mr. Stensrud offered a sincere thank you to several staff members and stakeholders at the capitol for their work to make this happen.

Board Chair Jeff DeLeone added his thanks and stated the work was a team effort. Mr. Stensrud agreed, showing his appreciation for those who helped and credited the good working relationships with stakeholders as the reason for the success.

Administrative Expenses

SERS Chief Financial Officer Marni Hall provided a brief overview of SERS administrative expenses. With no questions, Ms. Hall moved on to her request for board approval of the FY2024 Administrative budget.

FY2024 Administrative Budget

Ms. Hall opened her budget presentation addressing some questions that were asked at the last board meeting regarding salaries. Ms. Hall shared a five-year salary and wage history with corresponding headcount. Ms. Hall stated SERS administrative budget salaries and wages are based on budgeted FTE and SERS aggressively fills open positions, as noted by our low vacancy rate. Ms. Hall further explained that salaries and wages are a component of the major category Personnel, which include base wages, overtime, incentive compensation and paid leave. The projected negative variance for FY2023 salaries and wages is due to higher-than-expected overtime, incentive compensation, and paid leave. However, total Personnel expenses are projected to finish FY2023 under budget.

Ms. Hall continued, stating as part of the annual budget cycle, we track the budget as a percentage of actuarial accrued liabilities, a number that increases as our membership grows. This measurement is another way we ensure our budget growth is in line with the volume of our business. Ms. Hall also reported consistent with SERS annual budget cycle, approval is being requested for two budgets through separate resolutions at the June meeting:

1. SERS' Operating and Capital budgets for the next fiscal year, totaling \$37.4 million. This represents a \$20,484 increase over the May presentation, which was updated based on a recent employment contract negotiation line item.
2. Transfer of funds to OSERS Holdings, LLC to cover the net operating expenses of OSERS Broad Street, LLC, in the amount of \$1.7 million.

SERS Retirement Board Meeting Minutes

June 15, 2023

Budget Resolution – FY2024 SERS Administrative Budget

Hugh Garside moved and Catherine Moss seconded that the following budget of \$37,357,382 for the fiscal year beginning July 1, 2023, and ending June 30, 2024, be approved, with such approval effective June 30, 2023.

<i>Expense Classification</i>	<i>Budget</i>
Personnel	\$ 25,471,425
Professional Services (including Investment-Related Consultants)	6,456,305
Communications	1,015,710
Other Operating Expenses	4,413,942
SERS Administrative Expenses	\$ 37,357,382
Administrative Budget	\$ 37,357,382

Be it further provided that the Board has reviewed the estimated fees and expenses for operation of the investment program and authorizes the payment of actual fees to such service providers and in such amounts as is set by the contract with the individual service providers. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Operating Transfer Resolution – FY2024

Frank Weglarz moved and Catherine Moss seconded that SERS transfer to OSERS Holdings, LLC up to \$1,697,957 for payment of building operations and LLC expenses of OSERS Holdings for the fiscal year beginning July 1, 2023, and ending June 30, 2024 with such approval effective June 30, 2023. OSERS Holdings, LLC shall report quarterly to the SERS Board of Trustees on the expenditure of all funds and receipt of all revenues. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Filing of Proposed Amended Administrative Rules

SERS General Counsel Joe Marotta spoke to the board regarding the following proposed amended administrative rules:

3309-1-18 Payment of contributions

This rule addresses contribution and surcharge payments. The proposed amendments to paragraphs (B), (D), and (H) change the point of reference for deadlines regarding the payment of contributions from the date the payment was remitted to the date SERS receives the payment. An amendment to paragraph (C) reflects that reports are now posted online to eSERS (a secure intranet site for use by SERS employers). Amendments to paragraphs (E) and (G) reflect changes to the payment of state operating funds to community schools and science, technology, engineering, and mathematics (STEM) schools enacted by the 134th General Assembly in HB 110. For SERS purposes the changes were not substantive; however, changes to statute citations necessitate conforming amendments in the rule.

3309-1-04 Election of retirement board members.

This rule specifies the process for conducting retirement board elections. The proposed amendments permit SERS to provide nominating petitions in an electronic format in addition to paper. The amendments expressly permit the use of electronic signatures for the electronic petitions. In order for this rule to be effective in time for August collection of signatures, Legal is requesting to file this rule as an emergency rule.

SERS Retirement Board Meeting Minutes

June 15, 2023

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rule as an emergency and regular rule: 3309-1-04 Election of retirement board members. Barbra Phillips moved and Frank Weglarz seconded that proposed amended rule 3309-1-04 be filed with JCARR as an emergency and regular rule as discussed. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Legal Counsel also discussed with the Retirement Board filing with JCARR the following proposed amended rule: 3309-1-18 Payment of contributions. Catherine Moss moved and Frank Weglarz seconded that proposed amended rule 3309-1-18 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

The board took a break at 10:10 a.m.

The board reconvened at 10:18 a.m.

Definition of Compensation Discussion

General Counsel Joe Marotta and Legal Counsel Susan Russell introduced the Definition of Compensation discussion. There was a robust discussion regarding what constitutes compensation and what that means to employers and each employee. Ms. Russell stated that compensation definitions vary depending on who is asked. The board discussed incentive pay, longevity pay, hourly wages, salaries, lump sum payments, and other payments made "in lieu of salary."

Mr. Stensrud chimed in, stating that we need to have consistent definitions for compensation across all levels of employment. Then we need to decide if certain levels of unique compensation should be counted. The goal is to find a definition for compensation that can be applied consistently across the board.

Board members expressed a desire to define compensation that applies to all classes and to that effort, the employment classes also need to be defined. Counsel concurred that there is not currently a definition that clarifies employee classifications.

Also discussed was the need to define the compensation that contractors receive and if the definition of a contractor's compensation aligns with regular employee compensation.

Board member Daniel Wilson asked that this topic be a monthly discussion with no hard deadline. Other board members agreed and asked SERS staff to look at what other systems outside of Ohio are doing regarding defining compensation.

Health Care Report

Premiums and Plan Design Changes

SERS Director of Health Care, Christi Pepe reported on the proposed changes to the health care program for 2024. To summarize:

Medicare Premiums and Benefits

1. No changes to the Aetna Medicare Advantage premium are proposed.
2. The Medicare prescription drug network will be transitioned to Express Scripts' National Medicare Performance Network.
3. Out-of-pocket Part D prescription drug expenses will not exceed the federally established limit for 2024.
4. The in-network specialist physician office visit copay will decrease to \$20 from \$30.
5. A quarterly \$60 over-the-counter product benefit available through CVS pharmacies or for home delivery will be provided as part of the Aetna Medicare Advantage plan.

SERS Retirement Board Meeting Minutes

June 15, 2023

Traditional Choice Premiums

The Aetna Traditional Choice premium will be reduced to \$539 based on the actuary's recommendation.

Non-Medicare Premiums and Benefits

1. The Aetna Choice POS II premium will remain the same.
2. Aetna Choice copayments for primary care and specialist office visits will be reduced from \$20 to \$10 and \$40 to \$25 respectively.
3. The AultCare premium will increase by approximately 4%.
4. The Wraparound HRA total annual reimbursement limit will increase to \$2,100.
5. Wraparound HRA reimbursement will be available for any out-of-pocket Marketplace covered service expense, eliminating current service category limitations.

Dental Plan

The SERS dental benefit is offered by Delta Dental. The benefits are not changing for 2024. Dental premiums will increase to \$30.37 for a benefit recipient, \$60.74 with one dependent, and \$91.35 for a benefit recipient and two or more dependents for 2024. Premiums will be stable for the 2024 and 2025 two-year enrollment period.

Vision Plan

SERS vision coverage is offered by VSP. The program is also fully supported by member premiums. Benefits are not changing for 2024. Vision premiums will remain unchanged for 2024. Premiums will be stable for the 2024 and 2025 two-year enrollment period.

Following a brief discussion, it was moved by Hugh Garside and seconded by Frank Wegrarz to approve the 2024 health care premiums in Appendix A and the plan design changes in Appendix B. The premiums and plan design changes are effective January 1, 2024. Upon roll call, the vote was as follows: Yea: Frank Wegrarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

It was moved by Matthew King and seconded by James Haller to approve the 2024 and 2025 dental and vision premiums as described in Appendix A. The premiums are effective January 1, 2024. Upon roll call, the vote was as follows: Yea: Frank Wegrarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Health Care Premium Discount Program (Safety Net)

Ms. Pepe continued, discussing the Health Care Premium Discount Program. The 2024 Health Care Premium Discount Program is offered only to applicants enrolled in a SERS Medicare Advantage plan and to "split families" in which only one spouse is enrolled in a SERS Medicare Advantage plan.

Eligibility for the Health Care Premium Discount Program during the 2024 calendar year will be based upon the applicant's qualifying household income for calendar year 2022. Medicare Part B reimbursement is excluded from the definition of qualifying household income. Members who are determined eligible by manual application will be presumed to be eligible in subsequent years.

If the applicant's qualifying household income, less the total annual SERS medical premium for the applicant and covered dependents, is less than or equal to 175% of the 2023 federal (U.S. Department of Health and Human Services) poverty level for the household size, the applicant will be eligible to have 25% of his/her share of the SERS premium subsidized by SERS.

If the applicant's qualifying household income, less the total annual SERS medical premium for the applicant and covered dependents, is more than 175% of the 2023 federal poverty level for the household size, the applicant may request special consideration. Special consideration will be given to applicants providing written evidence satisfactory to SERS' staff that a material change in the applicant's financial circumstance

SERS Retirement Board Meeting Minutes

June 15, 2023

subsequent to calendar year 2022 has caused the applicant's qualifying household income, less the total annual SERS medical premium for the applicant and covered dependents, to become less than or equal to 175% of the 2023 federal poverty level for the household size.

Effective January 1, 2024, SERS health care participants approved by Medicare for the non-institutionalized Part D low-income subsidy program, which has similar household income eligibility requirements to the Premium Discount Program, will be automatically enrolled into the Premium Discount Program. Previously approved participants will continue to be enrolled for the program in 2024 without reapplication.

It was moved by Catherine Moss and seconded by James Haller to approve the 2024 Health Care Premium Discount Program. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Adoption of Restated Health Care Plan

Mr. Marotta reported that SERS' Health Care Plan and Trust ("HC Plan") was last restated in 2000. The attached proposed restated HC Plan, which would be effective July 1, 2023, is based on the 2000 HC Plan. The purpose of the proposed restated HC Plan is to update content that is no longer current. SERS Legal consulted with outside health care legal counsel at Calfee, Halter & Griswold in Cleveland to develop the proposed restated HC Plan.

A Health Care Plan is intended to outline the benefits, rights, and obligations of participants and to provide the guidelines within which the Plan Administrator operates the Plan. To this end the SERS HC Plan describes eligibility, participation, contributions, benefits, and claims procedures. It also addresses compliance with federal and state law, coordination of benefits, subrogation and assignment, and administration matters.

The proposed restated HC Plan incorporates some content from health care plan documents as well as Ohio Revised Code Chapter 3309 and SERS administrative rules and sets forth additional content directly into the Plan to supplement the incorporated terms.

Legal Counsel discussed with the Retirement Board the "SERS Health Care Plan and Trust" restated July 1, 2023. Barbra Phillips moved and Frank Weglarz seconded the motion to adopt the "SERS Health Care Plan and Trust" restated July 1, 2023. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Retirement Report

There was no executive session for the retirement report.

Compensation Committee Report

Compensation Committee Chair Daniel Wilson provided a brief update on the meeting held earlier this morning. The board then convened into executive session.

Barbra Phillips moved and Catherine Moss seconded the motion that the Board convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

The board convened in executive session at 11:36 a.m.

The board reconvened in open session at 11:48 a.m.

SERS Retirement Board Meeting Minutes

June 15, 2023

It was moved by Daniel Wilson and seconded by Matthew King that as recommended by the Compensation Committee, Executive Director Richard Stensrud receive a 5.5% merit increase in salary effective the first pay date in Fiscal Year 2024. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

Audit Committee Report

Chief Audit Officer Jeff Davis provided an update on the work being done in the Audit Committee. Mr. Davis advised that there is a new external auditor, Plante Moran, who was invited to this month's meeting & they provided a presentation on accounting standards. Plante Moran will work closely with Mr. Davis and will have a final audit report for the board by December. Mr. Davis also reported on the FY2023 audit plan that is wrapping up and provided a preview of the FY2024 Audit Plan. Also discussed in the Audit committee meeting was the CAO's FY2024 goals, which were approved.

Audit Committee Chair Barbra Phillips commented that Mr. Davis continues to do a wonderful job. She stated her appreciation for the ERM work that has been done and thanked Mr. Davis for his continued hard work.

Hugh Garside moved and Catherine Moss seconded the motion that the Board convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

The board convened in executive session at 11:55 a.m.

The board reconvened in open session at 12:08 p.m.

It was moved by Catherine Moss and seconded by Barbra Phillips that as recommended by the Audit Committee, SERS Chief Audit Officer Jeff Davis receive a 5.5% merit increase in salary effective the first pay date in Fiscal Year 2024. Upon roll call, the vote was as follows: Yea: Frank Weglarz, Hugh Garside, James Haller, Matthew King, Catherine Moss, Barbra Phillips, Daniel Wilson, and Jeffrey DeLeone. Absent: James Rossler. The motion carried.

The board took a lunch break at 12:10 p.m.

The board reconvened after lunch at 1:00 p.m.

Executive Director's Report (cont.)

Board Self-Assessment

SERS Executive Director Richard Stensrud opened the discussion by reminding the board that this process started a couple of years ago and this discussion is a continuation of what was previously discussed. Mr. Stensrud wanted to provide the opportunity to discuss how the board is functioning.

Board Chair Jeff DeLeone stated that the board has done a lot of good work and remains as efficient as possible. Mr. DeLeone wants to continue focusing on how to improve on the work already being done.

Board member Daniel Wilson expressed his thoughts stating the board meetings are a good length (of time) and he would prefer to take full advantage of the full day Thursday rather than breaking meetings up into two days, where they would potentially meet on Friday morning. Mr. Wilson wants to make the best use of each board member's time. He also expressed his appreciation for the investment reporting and wants to know how and when benchmarks change over time. Mr. Wilson also wanted to acknowledge the great job SERS staff has done communicating with the board and other stakeholders.

SERS Retirement Board Meeting Minutes

June 15, 2023

Board member Hugh Garside expressed he had similar sentiments as the other board members. Mr. Garside thinks the biggest accomplishments of this board is the health care plan and its continued sustainability. Funding for 30 years is unique. Mr. Garside also enjoys the respect and compassion shown by each board member for not only the members but for each other.

Board Vice Chair Frank Weglarz stated he thinks orientation should be longer and more robust. Mr. Weglarz would like to implement a policy that allows new and existing board members to tour each department to get a better understanding of how the working being done affects each member. Mr. Weglarz appreciates the diverse make-up of the board and appreciates that even when disagreements occur, they are respectful and the passion is for the sake of the SERS members. Mr. Weglarz is also pleased that SERS offers its own health care plan and in-house counselors to help with retirement planning. Mr. Weglarz expressed he's extremely proud to sit on this board.

Board member Catherine Moss stated that onboarding should be updated and suggested that SERS staff use the newest board member's upcoming onboarding as an opportunity to gauge success and work on improving the process.

Board member James Haller agreed with the other board members, stated that the onboarding process is like "drinking from a fire hose" and would like to see changes that will improve the onboarding the process. Mr. Haller also noted the board members come from unique backgrounds and that diversity makes for a well-functioning board.

Board member Matthew King agreed onboarding was like drinking from a fire hose and even with his financial background, it was a long learning process. Mr. King felt he had on the job training while on this board. Mr. King suggested providing onboarding again six months after starting a new term to ask clarifying questions. Mr. King also expressed appreciation that this board is proactive vs. reactive and each board member is encouraged to voice their opinions. Mr. King stated he wants to continue to have pension and healthcare sustainability discussions and feels those discussions are a great practice even if no action is taken.

Board member Barbra Phillips echoed the other board members' sentiments. Ms. Phillips feels onboarding has always been an issue. She also noted that even when there is friction among board members, good things come from those conflicts. Ms. Phillips noted that the board members need to begin thinking about succession planning and replacements while they are still on the board; this could open up opportunities for mentoring and building a pipeline of future board members. Ms. Phillips also encouraged board members to embrace and take advantage of more learning opportunities and expressed her gratitude for the training and educational opportunities she's received as a board member.

Mr. Stensrud thanked the board for their candor and thinks the board self-assessment is a good exercise. Mr. Stensrud plans to write up a summary of the discussion and will allow board members to add to it. Mr. Stensrud expressed his appreciation for the honest and open conversations and understands the board has the trust of its members because of the transparency demonstrated at each meeting. Mr. Stensrud closed by stating this will be an annual discussion topic and looks forward to further discussion.

Board Officer Elections

As Chairperson for the SERS Board, Jeff DeLeone opened the floor for nominations for the incoming Board Chairperson. Catherine Moss nominated current Vice Chairperson, Frank Weglarz, as Chair. Hugh Garside and Daniel Wilson also nominated Mr. Weglarz. Jeffrey DeLeone declared that Frank Weglarz Chairperson for fiscal year 2024.

Jeffrey DeLeone then opened the floor for nominations for Vice Chairperson. Daniel Wilson nominated Matthew King as Vice Chairperson. With no other nominations, Matthew King was declared Vice Chairperson for fiscal year 2024.

SERS Retirement Board Meeting Minutes

June 15, 2023

Board Communication and Policy Issues

Board Information Request & Follow Up Items

The board expressed interest in creating a more robust onboarding experience. Several suggestions were made, and staff will review those suggestions to make improvements moving forward.

In addition, one board member requested more information regarding Artificial Intelligence (AI) and how SERS will approach this new technology.

It was also requested that the board revisit SERS rate of return based on marketplace expectations. The board would like to have the proper context from advisors regarding our rate of return.

Calendar Dates for Future Board Meetings

The board reviewed the meeting dates for 2023 and 2024.

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2023

AUDIT COMMITTEE MEETINGS

September 20, 2023 - 2:30 p.m. (Weds.)
December 20, 2023 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

July 20, 2023 – 7:30 a.m. (Thurs.) * *Special Meeting* *
September 21, 2023 – 7:30 a.m. (Thurs.)
December 21, 2023 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

September 21, 2023 – 12:30 p.m. (Thurs.)
December 21, 2023 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

July 20 – 21, 2023 - 8:30 a.m. (Thurs. and Fri.)
September 21 – 22, 2023 - 8:30 a.m. (Thurs. and Fri.)
October 19 – 20, 2023 - 8:30 a.m. (Thurs. and Fri.)
November 16 – 17, 2023 - 8:30 a.m. (Thurs. and Fri.)
December 21 – 22, 2023 - 8:30 a.m. (Thurs. and Fri.)

SERS Retirement Board Meeting Minutes

June 15, 2023

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2024 **

AUDIT COMMITTEE MEETINGS

March 20, 2024 – 2:30 p.m. (Weds.)
June 19, 2024 – 2:30 p.m. (Weds.)
September 18, 2024 - 2:30 p.m. (Weds.)
December 18, 2024 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 21, 2024 – 7:30 a.m. (Thurs.)
June 20, 2024 – 7:30 a.m. (Thurs.)
July 18, 2024 – 7:30 a.m. (Thurs.) * **Special Meeting** *
September 19, 2024 – 7:30 a.m. (Thurs.)
December 19, 2024 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

March 21, 2024 – 12:30 p.m. (Thurs.)
June 20, 2024 – 12:30 p.m. (Thurs.)
September 19, 2024 – 12:30 p.m. (Thurs.)
December 19, 2024 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

February 15 - 16, 2024 - 8:30 a.m. (Thurs. and Fri.)
March 21 - 22, 2024 – 8:30 a.m. (Thurs. and Fri.)
April 18 – 19, 2024 - 8:30 a.m. (Thurs. and Fri.)
May 16 – 17, 2024 – 8:30 a.m. (Thurs. and Fri.)
June 20 - 21, 2024 - 8:30 a.m. (Thurs. and Fri.)
July 18 – 19, 2024 – 8:30 a.m. (Thurs. and Fri.)
September 19 – 20, 2024 – 8:30 a.m. (Thurs. and Fri.)
October 17 – 18, 2024 – 8:30 a.m. (Thurs. and Fri.)
November 21 – 22, 2024 – 8:30 a.m. (Thurs. and Fri.)
December 19 – 20, 2024 – 8:30 a.m. (Thurs. and Fri.)

**** Please note that these dates and times are tentative.**

Adjournment

Board Chair, Jeffrey DeLeone, moved to adjourn to meet on Thursday, July 20, 2023, at 8:30 a.m. for the next SERS regularly scheduled Retirement Board meeting.

The SERS board meeting adjourned at 1:47 p.m.

Jeffrey DeLeone, Board Chair

Richard Stensrud, Secretary

SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

Summary of Investment Transactions to be
Reported to the Retirement Board for
Ratification in July

The following is a summary of the investment transactions made during the period of May 1, 2023 through May 31, 2023. A detailed list of these transactions can be found in the Board Agenda mailed prior to the Retirement Board Meeting.

A. PURCHASES

Asset Class	Approximate Cost (in millions)
Global Equities	\$ 187.3
Fixed Income	402.1
Private Equity Capital Calls	26.1
Real Asset Capital Calls	3.2
Opportunistic & Tactical	0.4
Global Private Credit	11.4
Cash Equivalents	295.8

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	\$ 246.3	(\$5.6)
Fixed Income	371.0	(5.8)
Private Equity distributions	7.8	n/a
Real Asset distributions	18.4	n/a
Opportunistic & Tactical	0.2	n/a
Global Private Credit	n/a	n/a
Cash Equivalents	275.1	n/a

Memo

To: Retirement Board
From: Farouki Majeed
cc: Richard Stensrud, Karen Roggenkamp
Date: July 7, 2023
Re: **Investment Report for the July Board Meeting**

The Investment Report for the Board includes the following agenda items:

- Monthly Investment report for the period ended May 31, 2023.
- Investment Committee Policy Discussion (no vote required).

Included with the advance Board materials are the following reports prepared by Staff:

- Monthly Top 20 Equity and Fixed Income Holdings Reports – May 31, 2023.
- Monthly Compliance Update memo – May 31, 2023.

If anyone has any questions prior to the Board meeting, please email me at fmajeed@ohsers.org.



Ohio SERS Investment Report

Monthly Report to the Board

For the period ending: May 31, 2023

Prepared by Investment and IAD Staff

Farouki Majeed, Chief Investment Officer

Meeting Date: July 2023



Investment Agenda

- Monthly Investment Report (May 31, 2023)
- Investment Committee Policy – Discussion (no vote required)



Economic and Financial Market Outlook

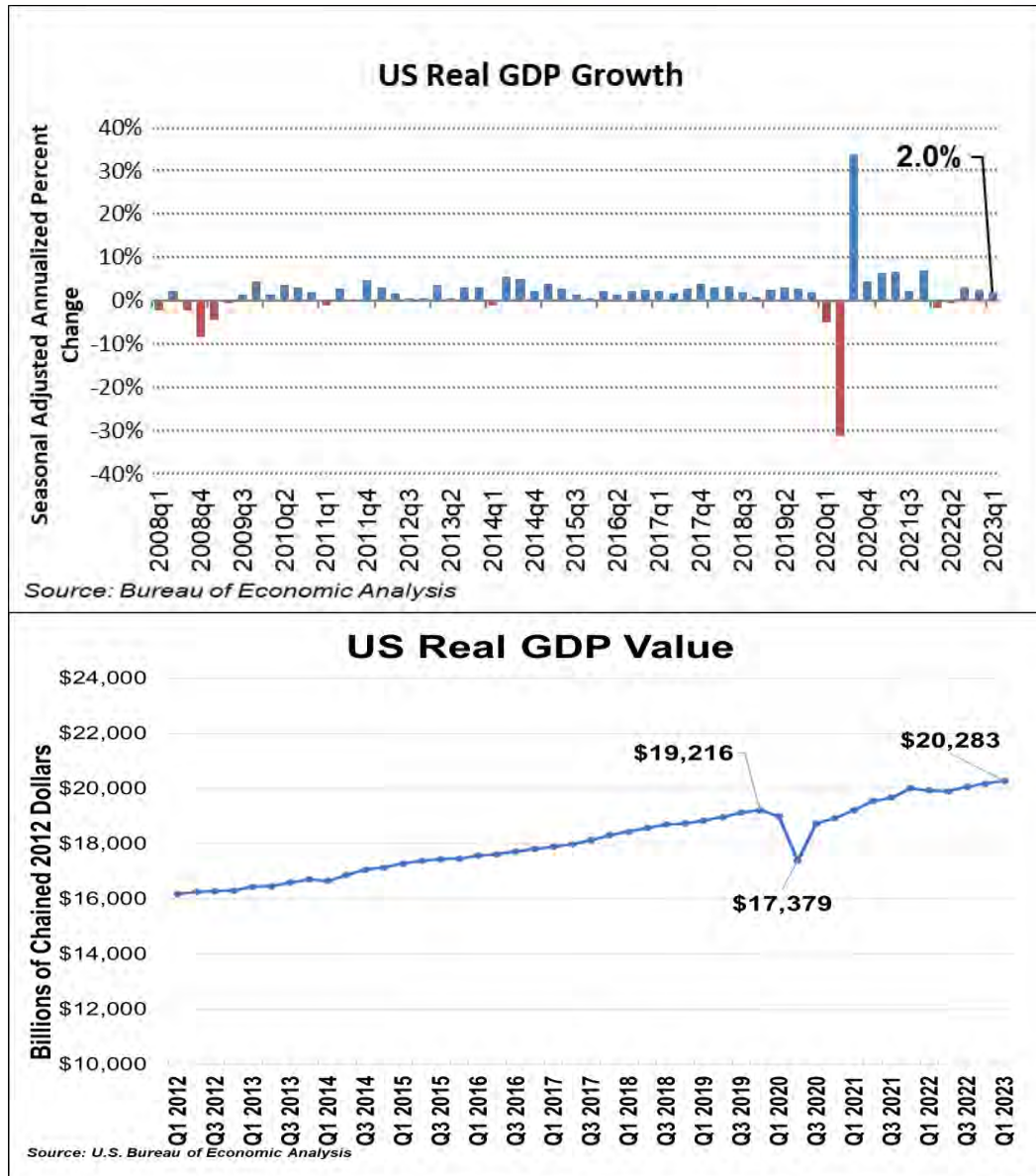
- US growth slowed but remained resilient. Q1 2023 growth rate was revised up by 0.70% to 2.0% in the third estimate due to upward revisions to consumer spending and exports. The main drivers of Q1 GDP were increases in personal consumption expenditures (+4.2%), exports (+7.6%), and government spendings (+5.0%). (Source: *Bureau of Economic Analysis*)
- US labor market added 339,000 jobs in May. The unemployment rate rose to 3.7% from 3.4%. The labor force participation rate held at 62.6%, remaining below the pre-pandemic level of 63.3%, indicating a tight labor market. (Sources: *Bureau of Labor Statistics and Department of Labor*)
- US headline inflation declined to 4.0% and the core inflation was slightly down to 5.3% in May. The energy index was down 11.7% while the food index was up 6.7% for the last 12 months. (Source: *Bureau of Labor Statistics*).
- The 10-year Treasury nominal yield was 3.81% as of June end, increasing 17 bps from May. The current 10-year real yield, estimated by the gap between the 10-year Treasury nominal yield and the current headline inflation improved to (0.19%) in May. The Fed Funds rate currently is in the range of 5.00-5.25%, the highest level over the last 15 years.
- The S&P Case-Shiller 20-City home price index gained 0.9% for the month of April, but the annual return was negative 1.7%, down from (1.1%) in the previous month.
- Consumer Sentiment Index released by Thomson Reuters and University of Michigan improved to 64.4 in June but remaining below the historical average. June US Economic Surprise index stayed positive at 41.8. The May Leading Economic Index (LEI) issued by the Conference Board was 106.7, down 4.3% from 6 months ago.
- Both US and Global Manufacturing PMI readings remained below 50, indicating contraction. High interest rates and high inflation continue to be the largest challenges to the US and global economy. (Source: *Institute for Supply Management*).
- Equity markets were up in June, finishing FY23 with gains. For the 1-year period, US market (Russell 3000) and Non-US Developed markets (MSCI World ex-USA) gained 18.95% and 17.41%, respectively; the Emerging markets lagged with a return of 1.75%.
- The US fixed income market, Bloomberg Barclay's US Aggregate Bond Index, was down 0.36% in June. The index returned (0.99%) for FY23.

Notes: Acronym – PMI – Purchasing-Managers' Index



ECONOMY

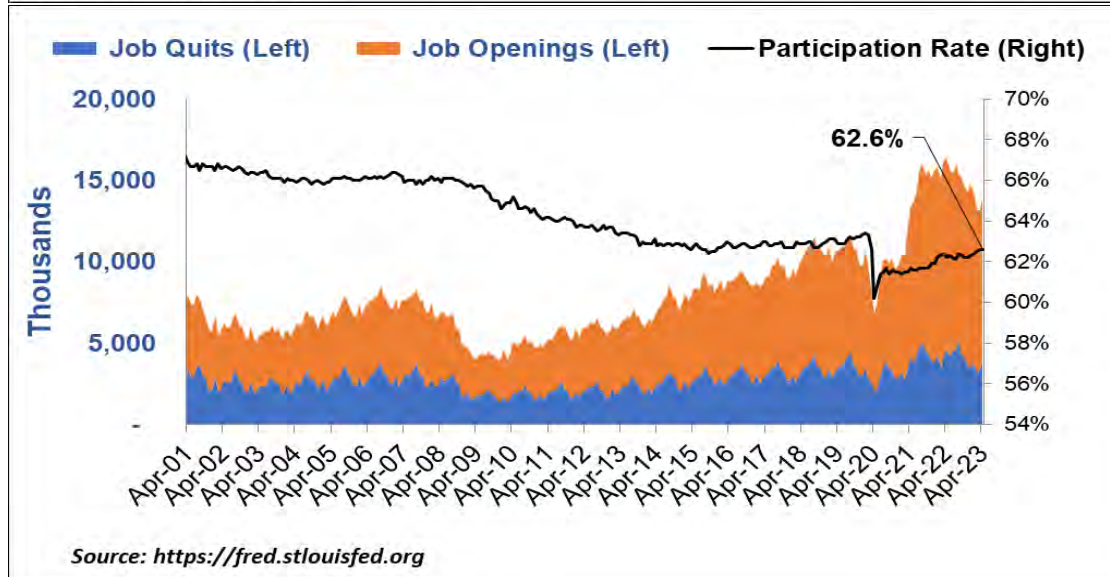
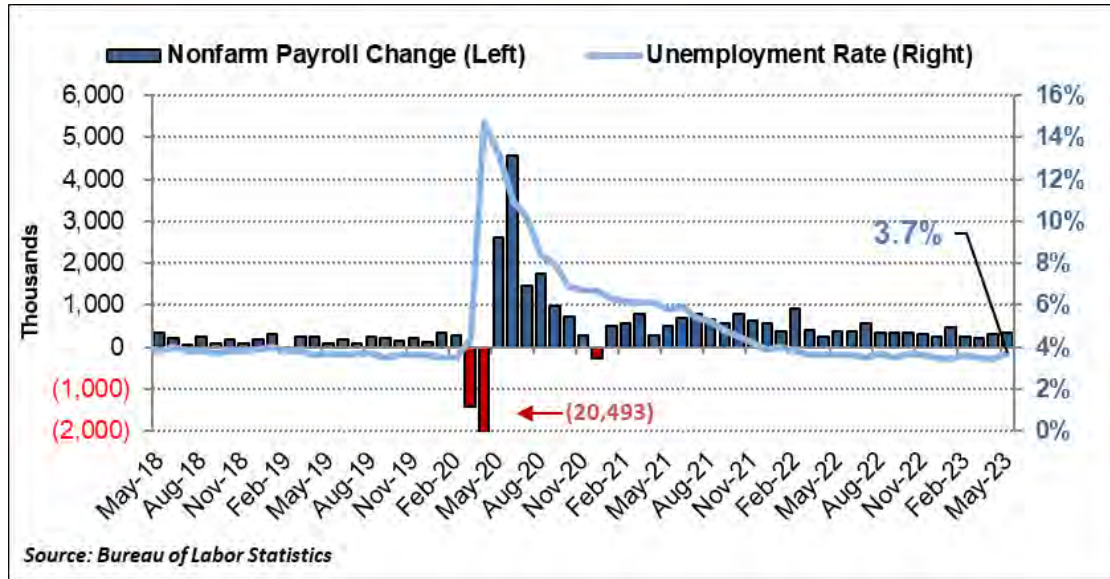
US Real Gross Domestic Product





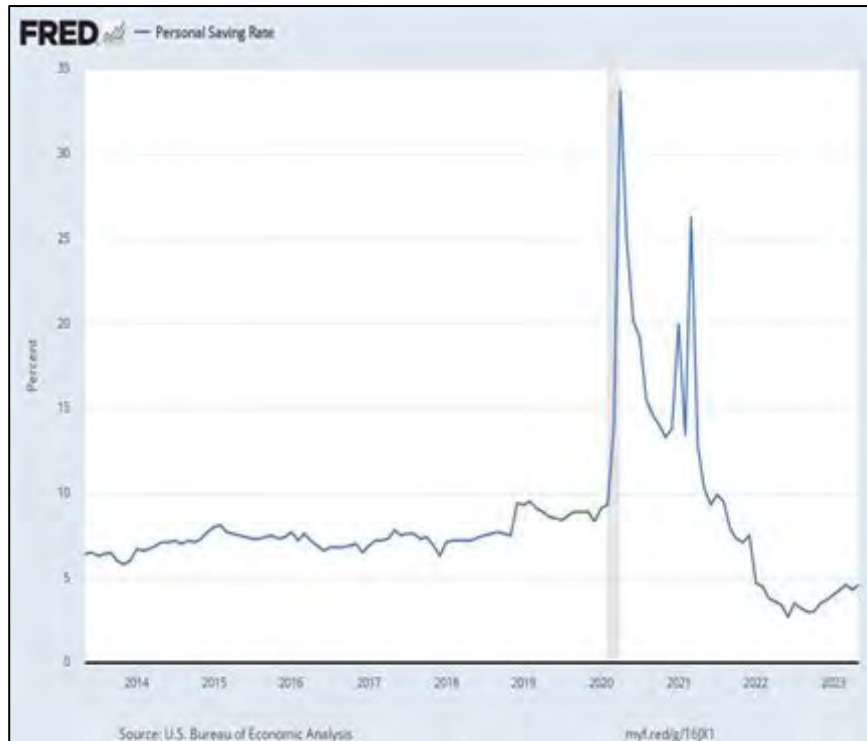
ECONOMY

US Labor Market





ECONOMY Personal Savings Rate & Personal Expenditures: Goods



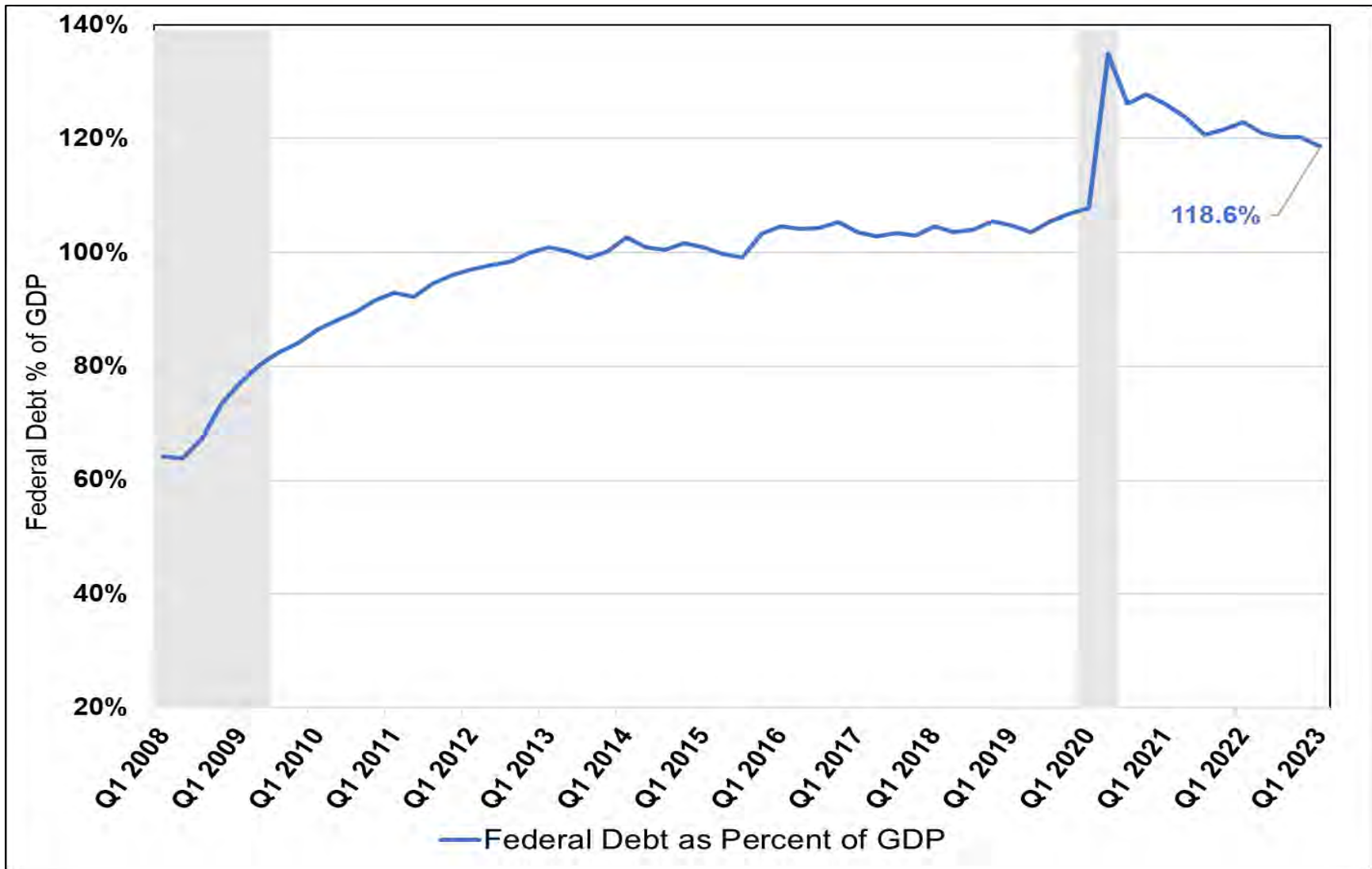
Date	Annual Personal Savings Rate
Jun-19	8.5%
Jun-20	20.1%
Jun-21	9.3%
Jun-22	2.7%
May-23	4.6%

Date	Personal Consumption Expenditures: Goods Change from Prior Year
Jun-19	3.0%
Jun-20	5.7%
Jun-21	17.1%
Jun-22	8.9%
May-23	2.2%

Source: FRED, U.S. Bureau of Economic Analysis



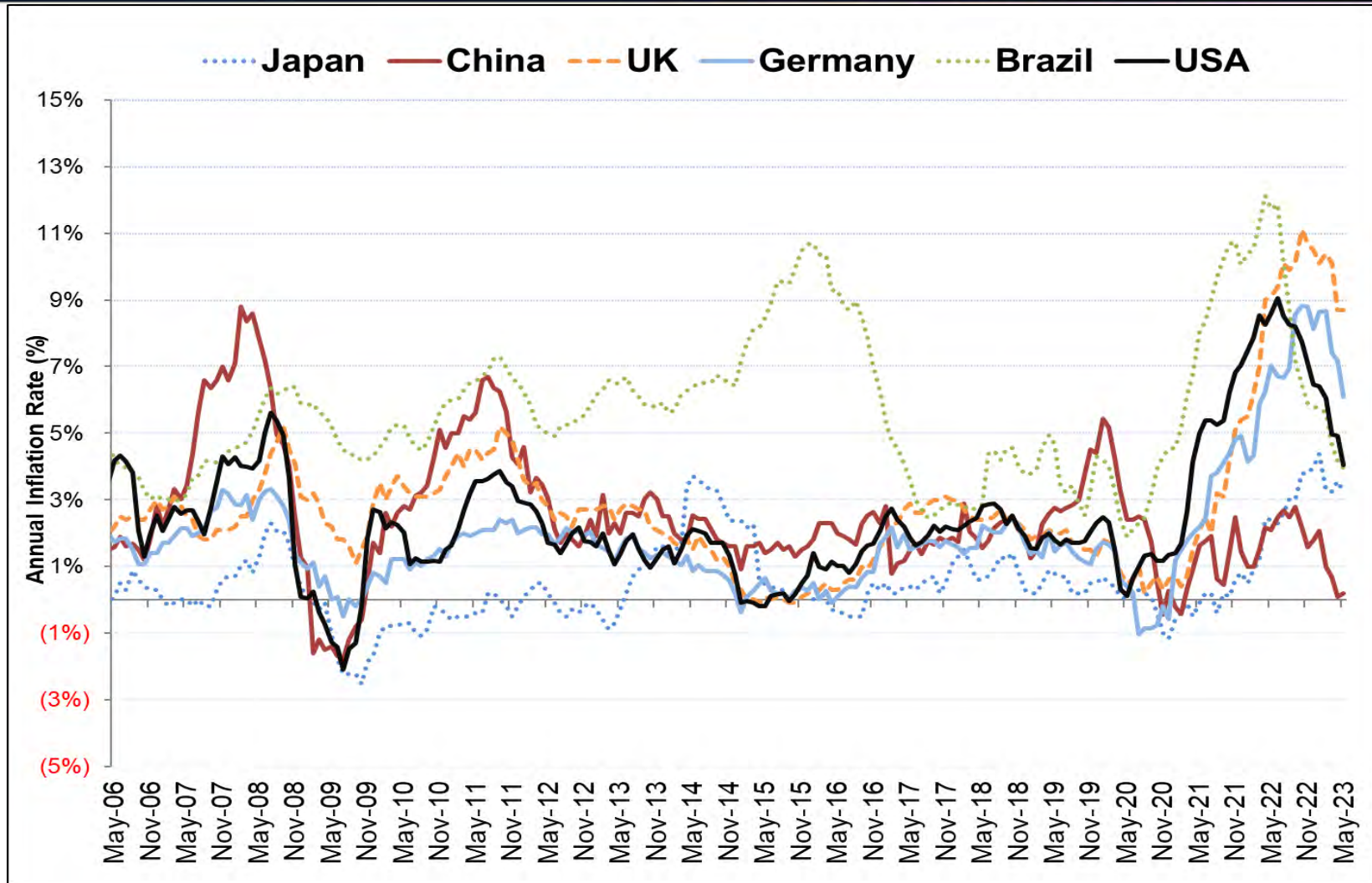
ECONOMY Federal Debt as Percent of GDP



Source: FRED, U.S. Office of Management and Budget



ECONOMY **Headline Inflation**



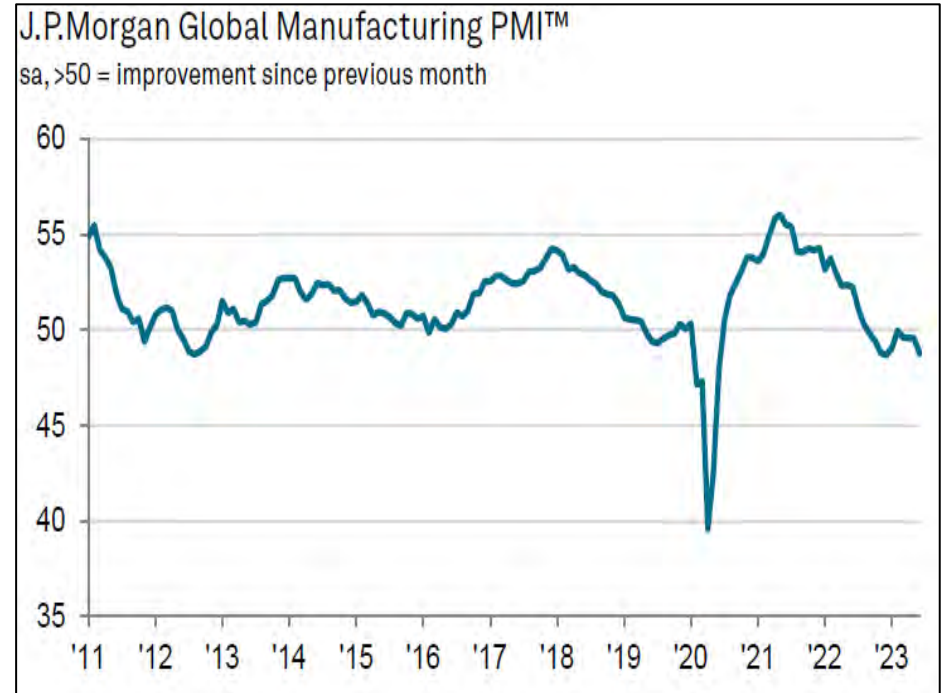
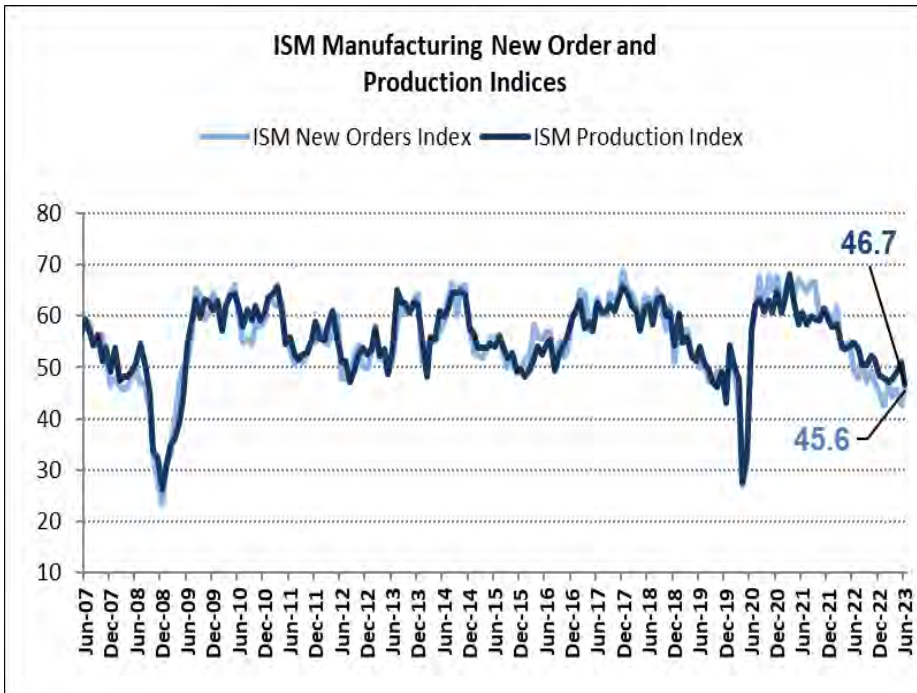
	Japan	China	UK	Germany	Brazil	USA
May-23	3.2	0.2	8.7	6.1	3.9	4.1

Sources: www.ons.gov.uk, www.oecd.org, www.inflation.eu, and www.tradingeconomics.com



ECONOMY

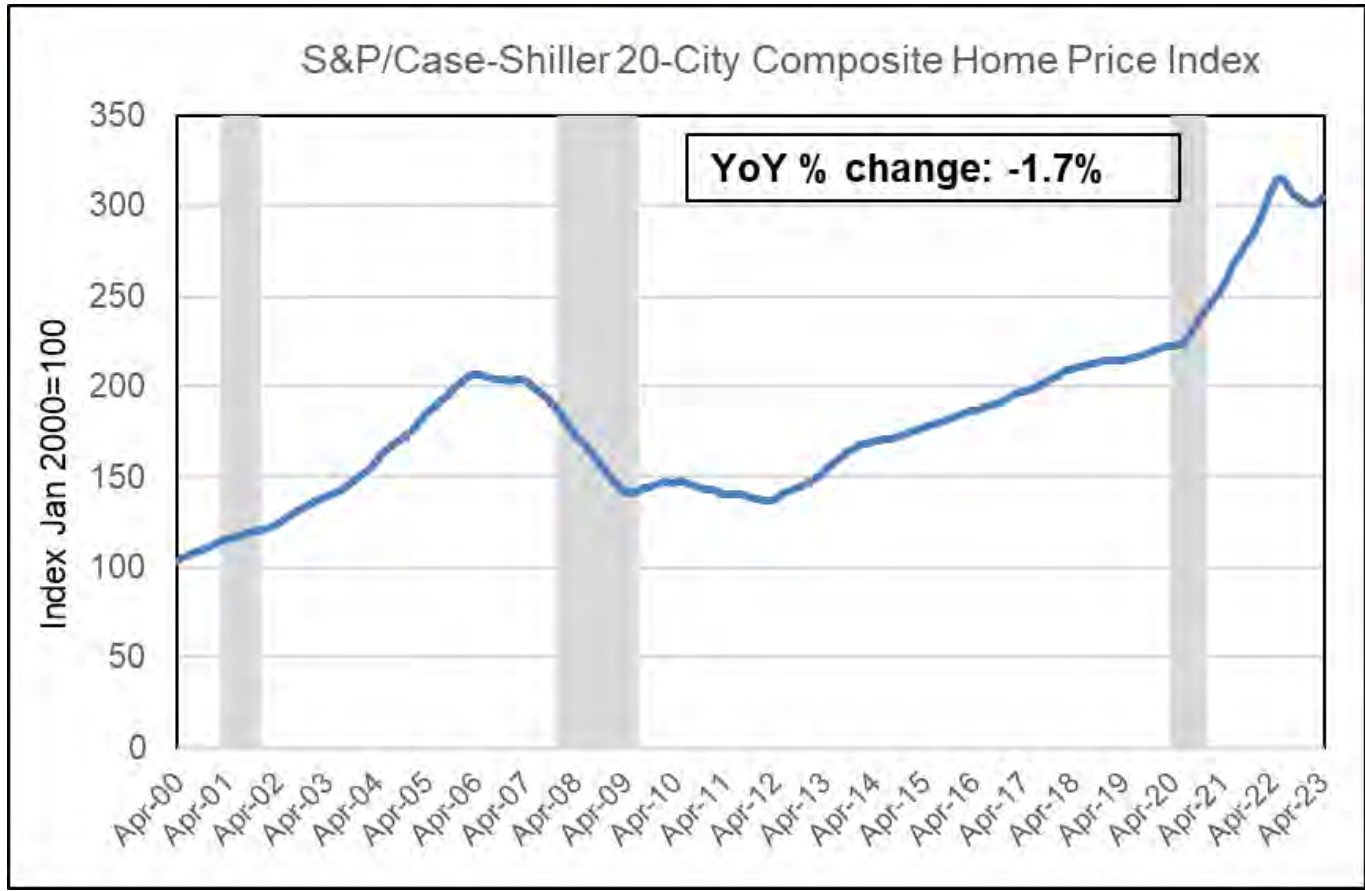
US & Global Manufacturing Activities



Source: Manufacturing ISM Report On Business & JPMorgan Global Manufacturing PMI™
Notes: Acronym – ISM – Institute of Supply Management; PMI – Purchasing Managers Index



ECONOMY **US Housing Market**



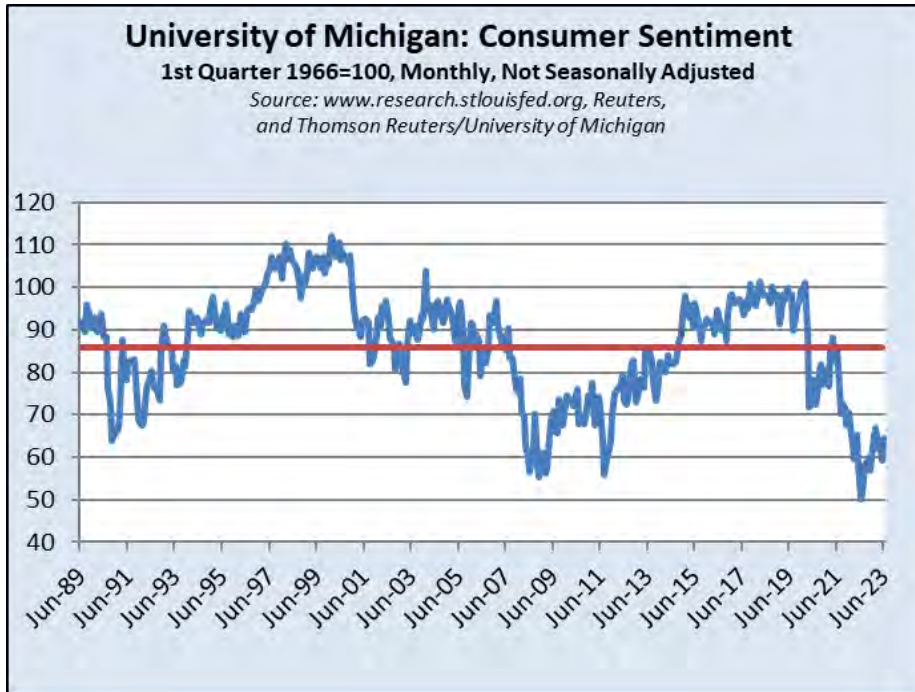
Date	S&P Case-Shiller 20-City Home Price Index January 2000 = 100, Seasonally Adjusted
Jul-19	216.09
Jul-20	225.11
Jul-21	270.07
Jul-22	313.16
Apr-23	304.82

Source: www.research.stlouisfed.org



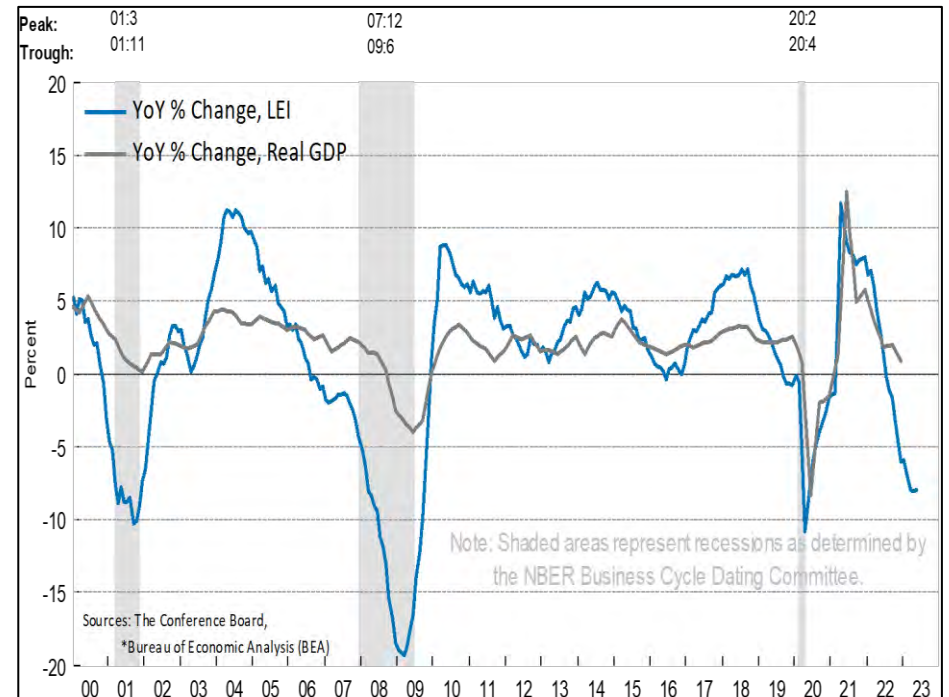
ECONOMY

Consumer Sentiment



Index of Consumer Sentiment				
May-23	Jun-23	Jun-22	M-M Change	Y-Y Change
59.2	64.4	50.0	8.8%	28.8%

The Leading Economic Index (LEI)



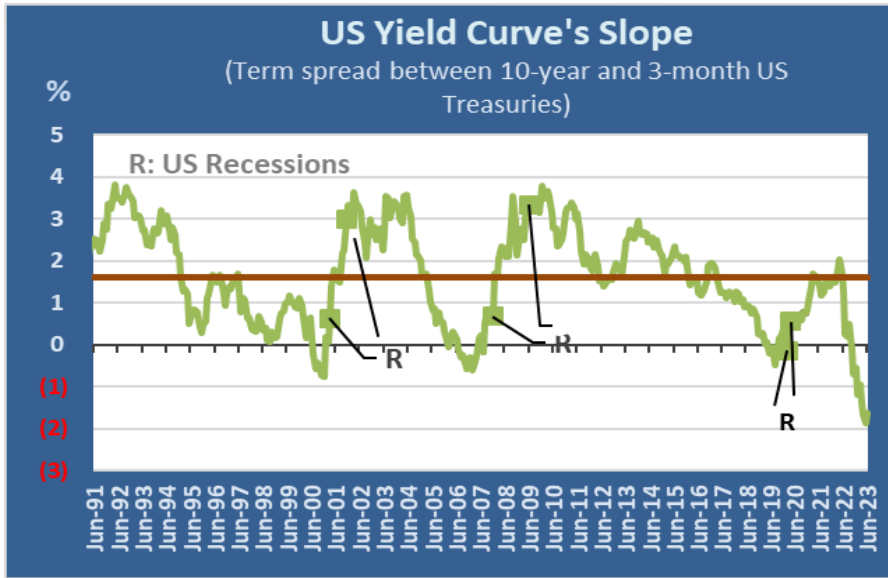
Shaded areas represent US recessions

Index	Apr-23	May-23	Month -Month Percent Change	6-Month Percent Change (Nov-May)
LEI	107.5 r	106.7 p	-0.7	-4.3

p Preliminary; r Revised; Indexes equal 100 in 2016

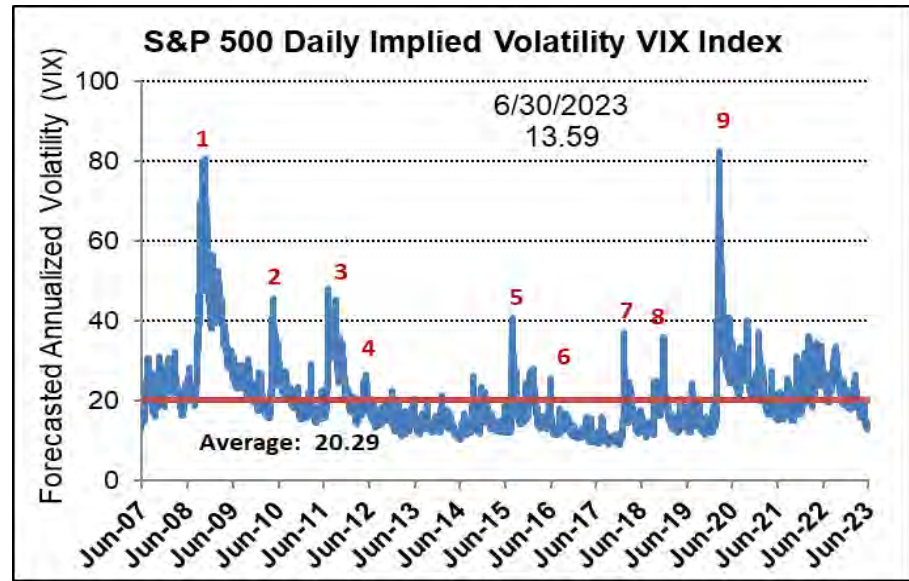
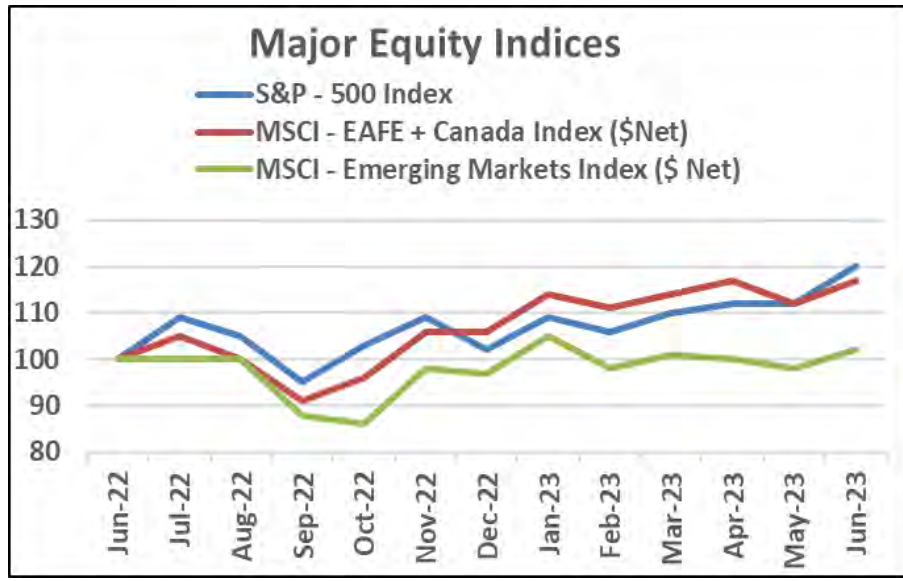


ECONOMY





MARKETS **Equity**

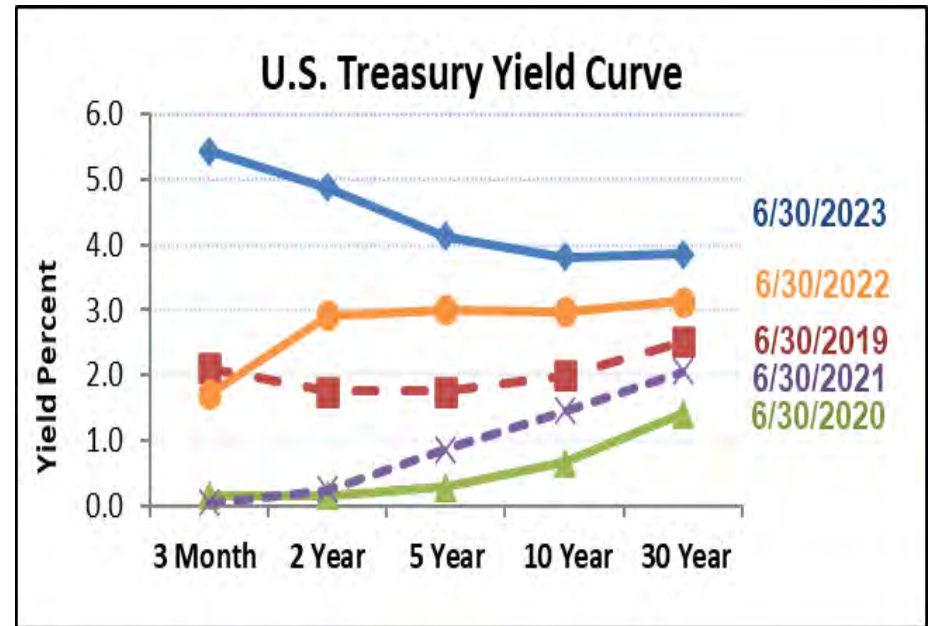
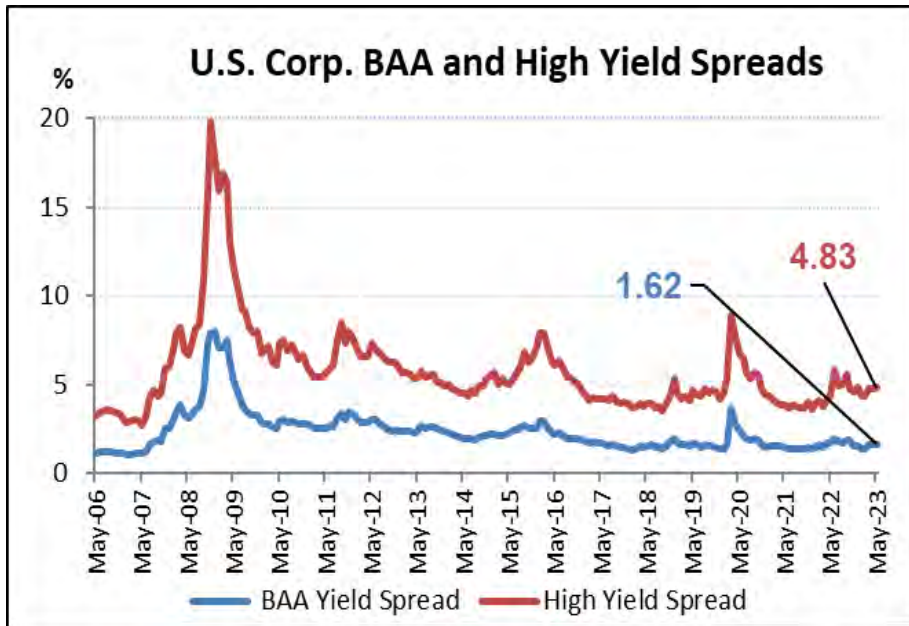


	Return as of 6/30/2023	
	1 Year	FY 2023
S&P 500	19.59	19.59
MSCI - EAFE + Canada Index (\$Net)	17.41	17.41
MSCI - Emerging Markets Index (\$Net)	1.75	1.75

- 1** 2008 (Nov.) Financial Crisis S&P 500: - 48.8%
- 2** 2010 (May) Flash crash; Europe/ Greece debt S&P 500: -16%
- 3** 2011 (Aug.) US downgrade, Europe periphery S&P 500: -19.4%
- 4** 2012 (June) Eurozone double dip S&P 500: -9.9%
- 5** 2015 (Aug.) Global slowdown, China, Fed S&P 500: -12.4%
- 6** 2016 (Feb.) Oil crash, US recession fear, China S&P 500: -10.5%
- 7** 2018 (Feb.) Inflation, trade, tech S&P 500 : -10.2%
- 8** 2018 (Dec.) Interest rate hike, trade tension, global slowdown S&P 500: -10.5%
- 9** 2020 (Mar.) Coronavirus, S&P 500 : -23.7%



MARKETS Fixed Income





MARKETS Foreign Exchange



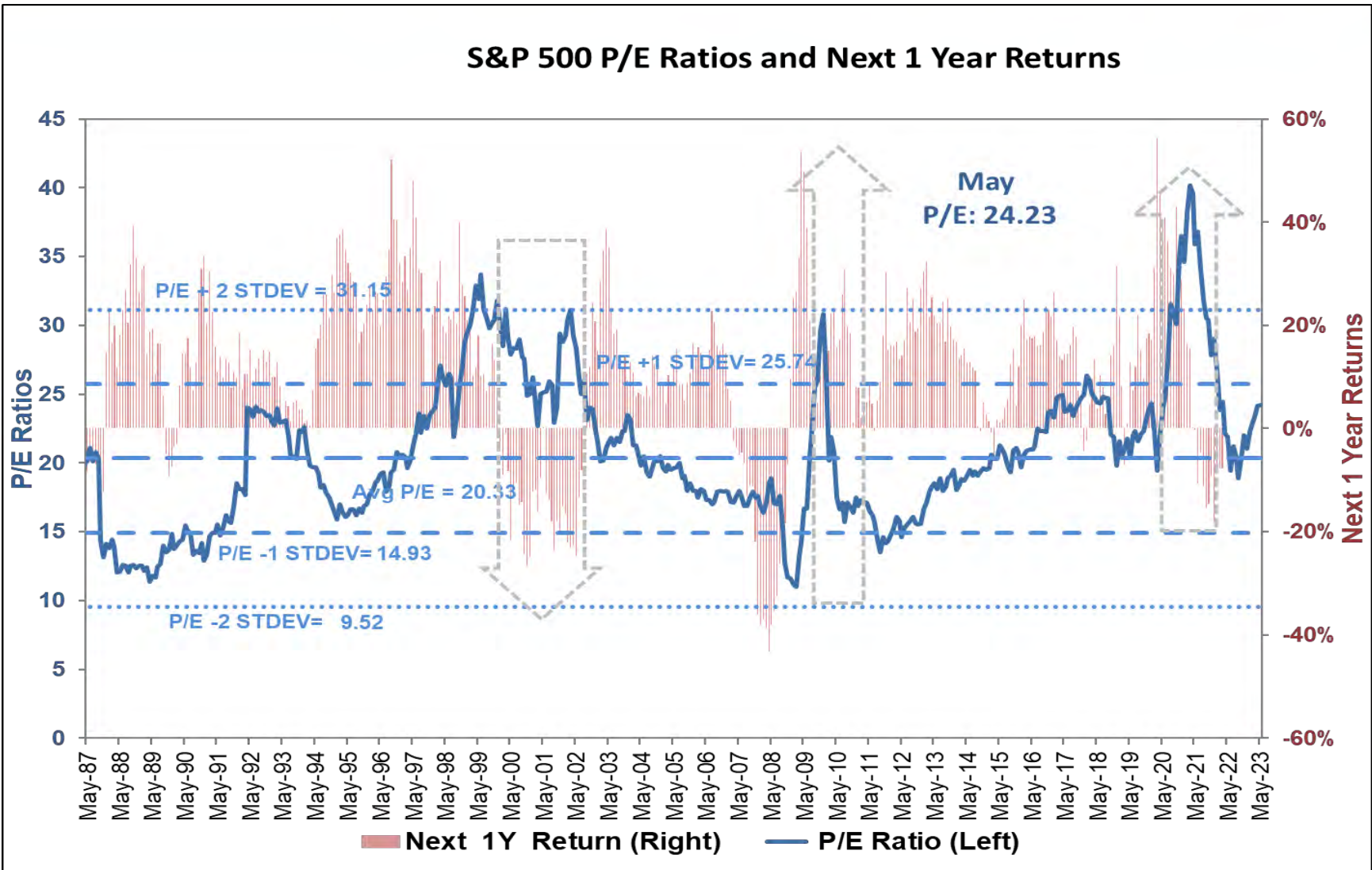
Date	Nominal Broad U.S. Dollar Index January 2006=100
June-19	114.56
June-20	120.86
June-21	112.85
June-22	121.05
June-23	119.89

Date	U.S. / Euro Foreign Exchange Rate U.S. Dollars to One Euro
June-19	1.14
June-20	1.12
June-21	1.18
June-22	1.05
June-23	1.09



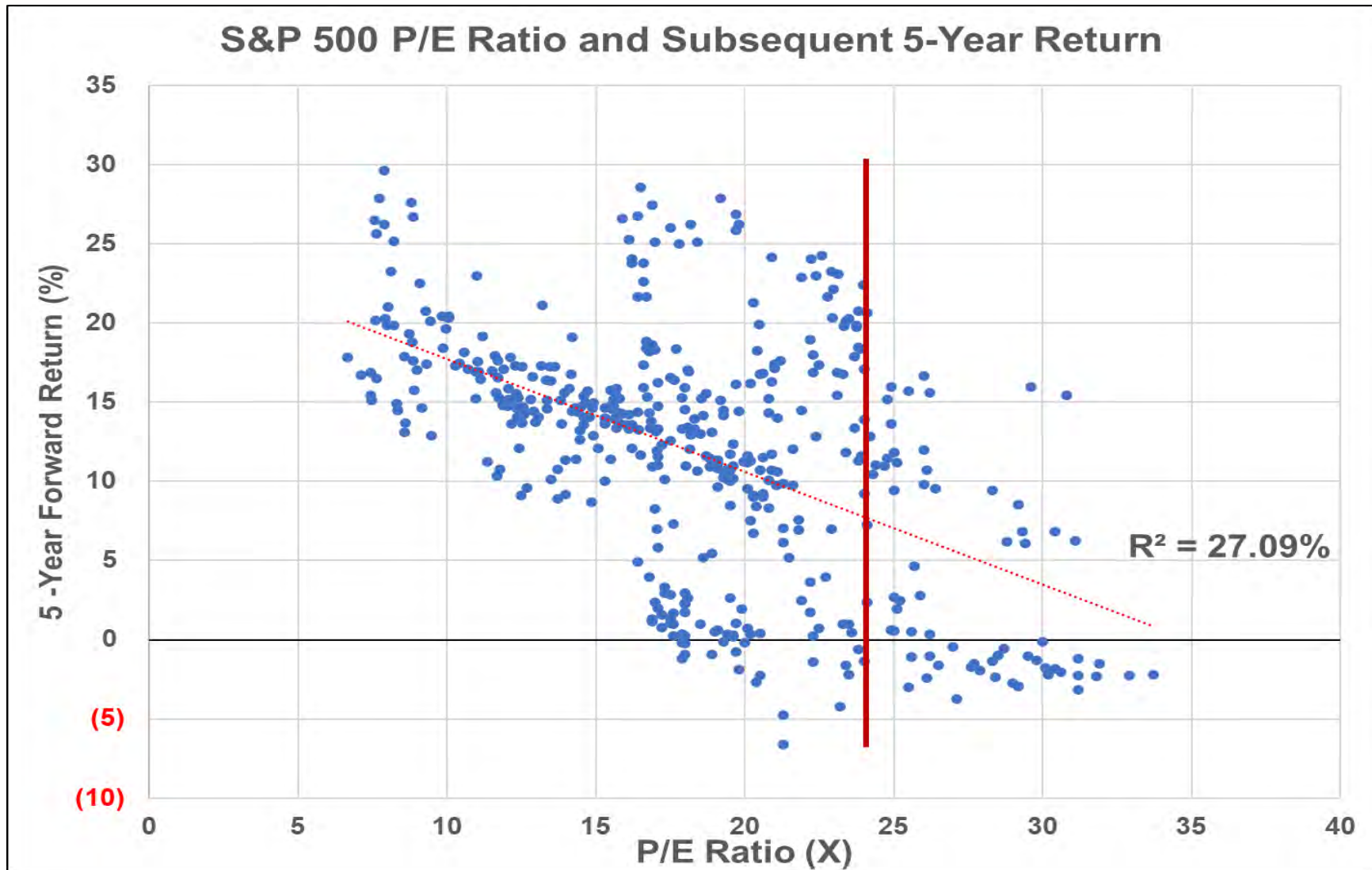
VALUATION **US Equity**

S&P 500 P/E Ratios and Next 1 Year Returns



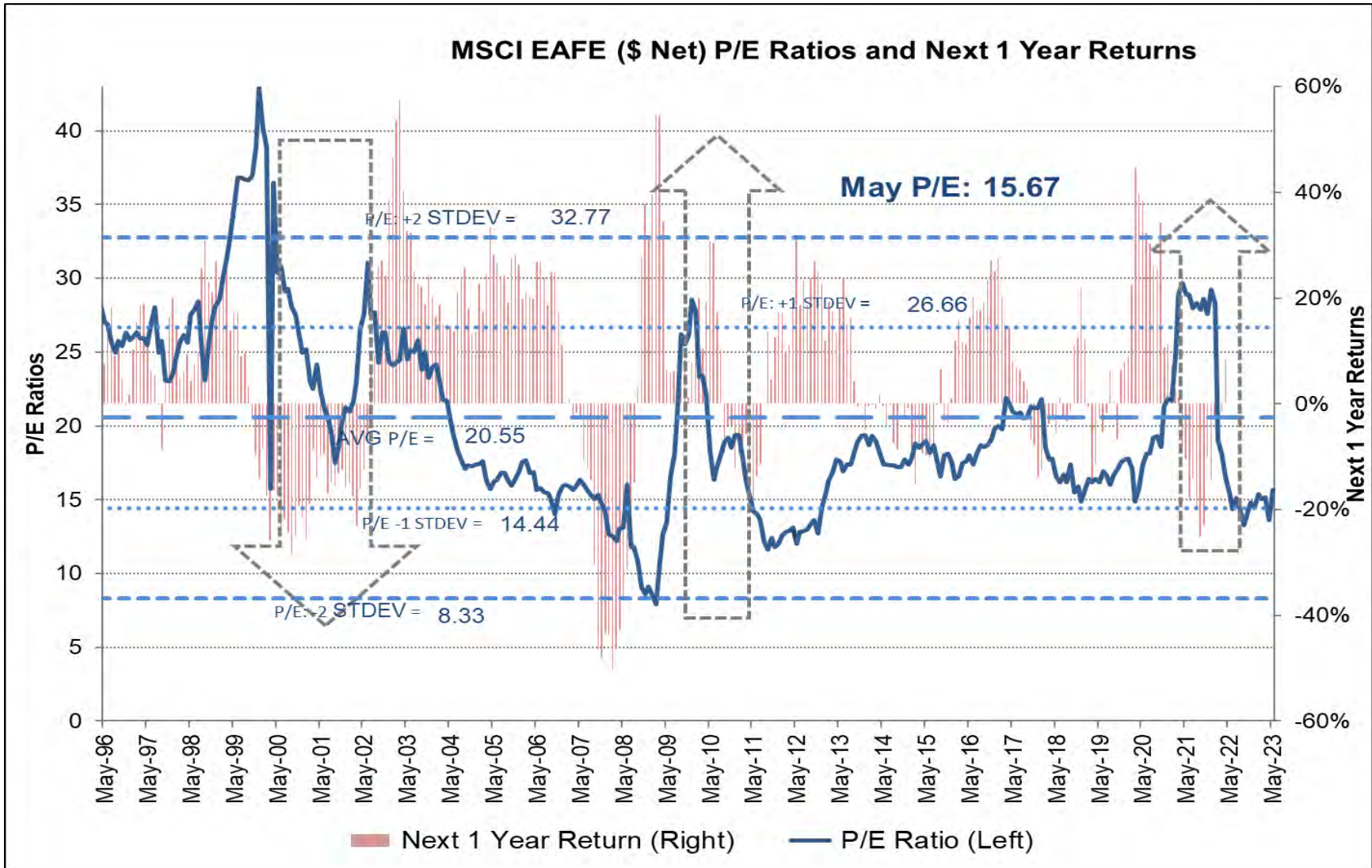


VALUATION **US Equity**



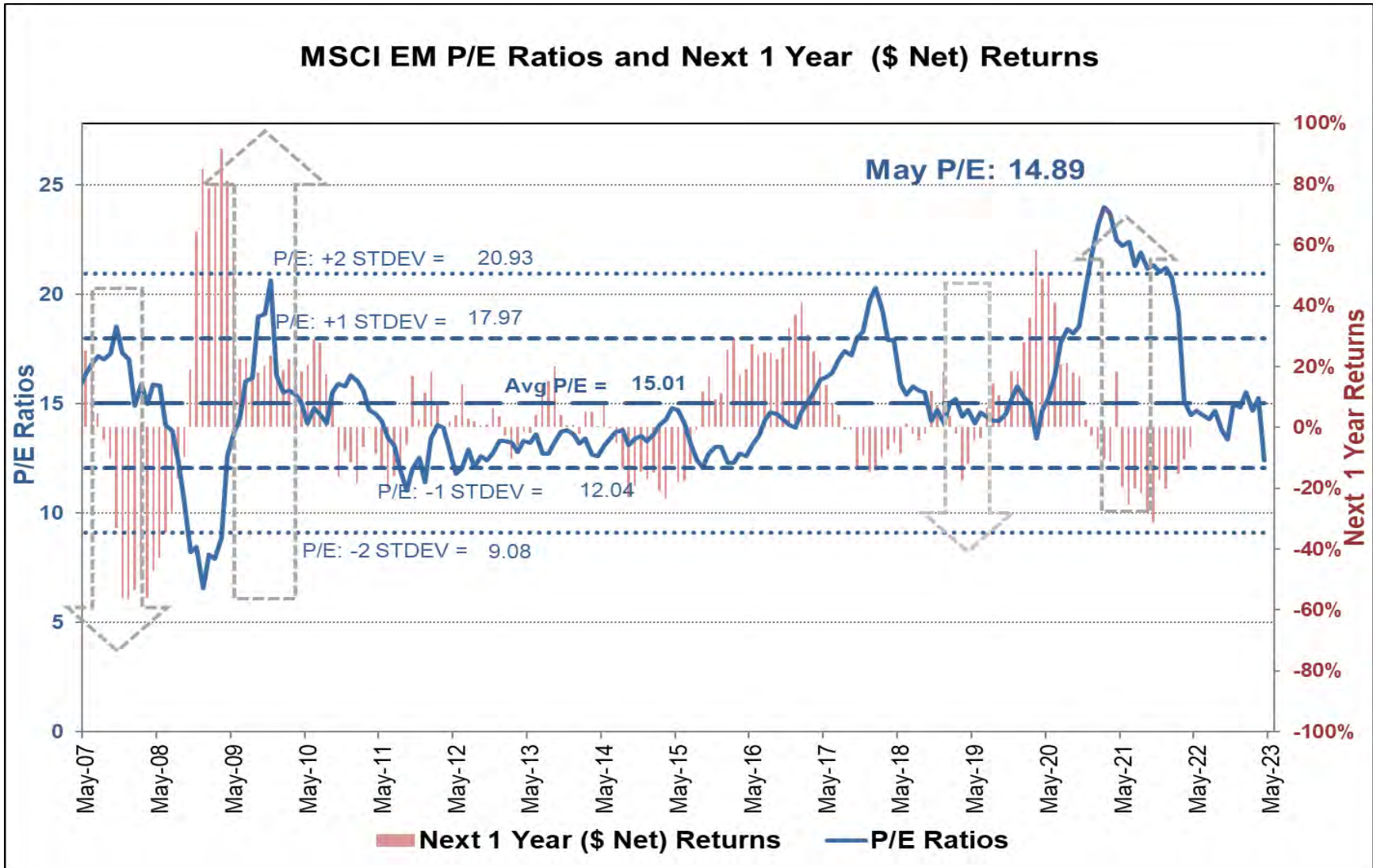


VALUATION Non US Developed Market Equity





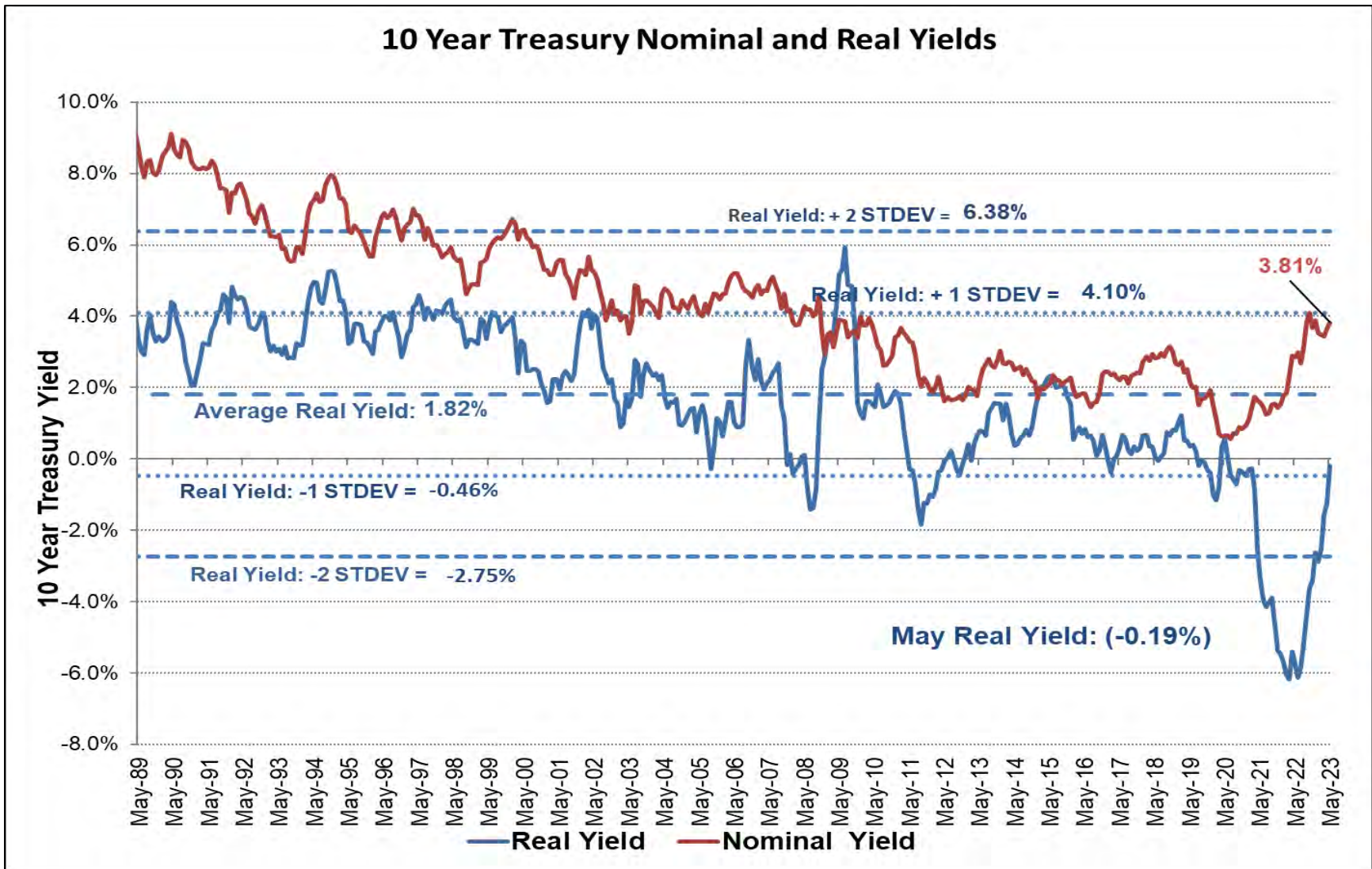
VALUATION Emerging Market Equity



Source: Wilshire Compass



VALUATION US Treasury Bonds



Sources: Wilshire Compass and U.S. Bureau of Labor Statistics



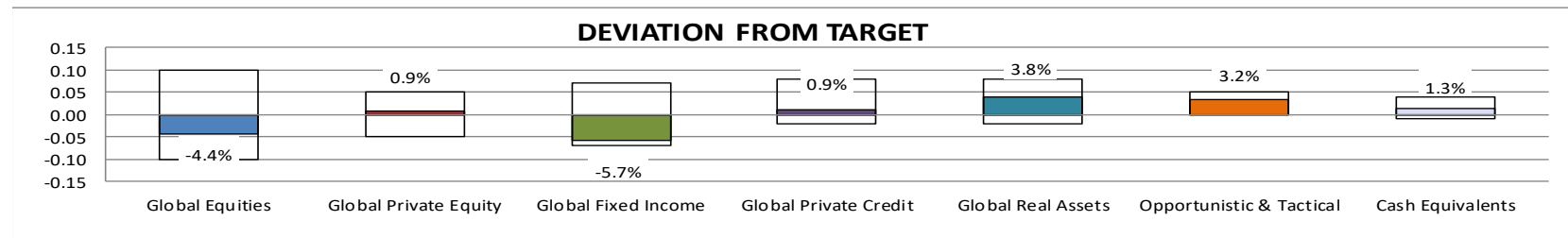
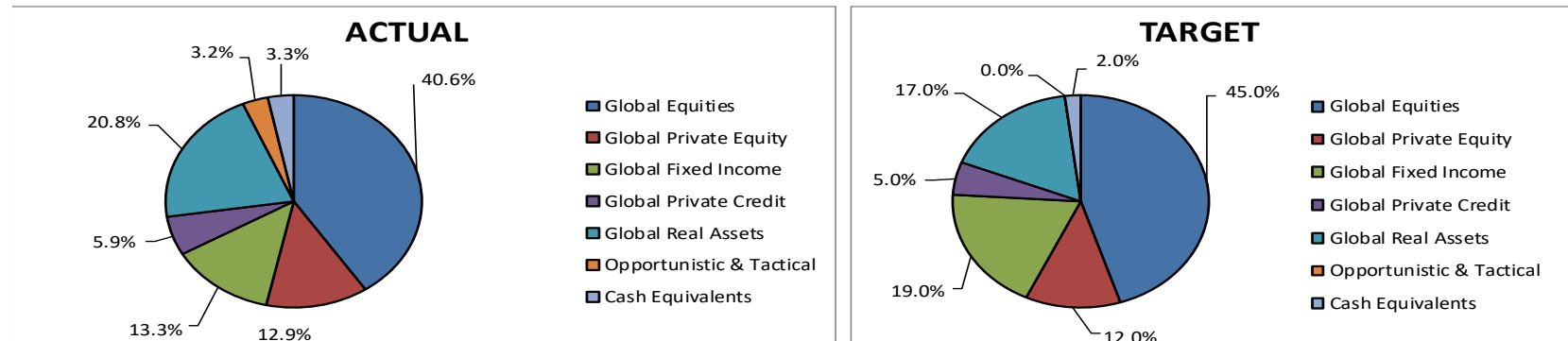
SERS' Investment Portfolios Review



Total Fund Asset Allocation

Asset Class	Market Value \$	Actual	Target	Range
Global Equities	7,061,241,740	40.6%	45.0%	35% - 55%
Global Private Equity	2,243,723,409	12.9%	12.0%	8% - 16%
Global Fixed Income	2,312,436,264	13.3%	19.0%	12% - 26%
Global Private Credit	1,033,855,108	5.9%	5.0%	3% - 7%
Global Real Assets	3,626,215,275	20.8%	17.0%	14% - 22%
Opportunistic & Tactical	563,707,449	3.2%	0.0%	0% - 7%
Cash Equivalents	566,438,651	3.3%	2.0%	0% - 5%
Short-Term	528,170,130	3.0%	2.0%	
Russell EA Overlay	0	0.0%	0.0%	
Aegis - Alpha Overlay	947	0.0%	0.0%	
Direct Rebalance Overlay	0	0.0%	0.0%	
Transition / Operational Account	1,662,542	0.0%	0.0%	
Currency Overlay	36,605,034	0.2%	0.0%	
Total Fund	17,407,617,896	100.0%	100.0%	

Source: BNY Mellon GRS

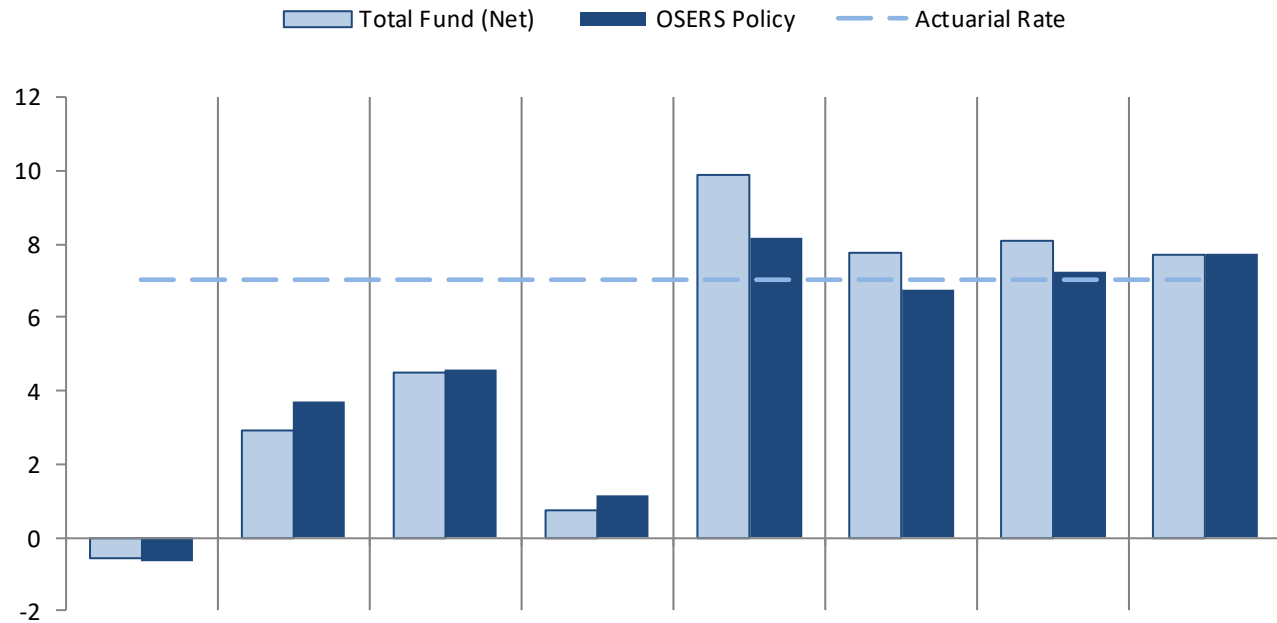




Total Fund Performance

Current Benchmark:

- 45% MSCI ACWI (Net Dividends)
- 12.00% Burgiss All Private Equity benchmark (1q lag) (BAPE)
- 19.00% Bloomberg Aggregate Bond
- 17.00% NCREIF Property (1q lag)
- 5.00% 90 Day T-Bill + 4.5%
- 2.00% FTSE 30 Day T-Bill



Actuarial Rate

(7.0% effective 7/1/21, adopted 4/15/21)

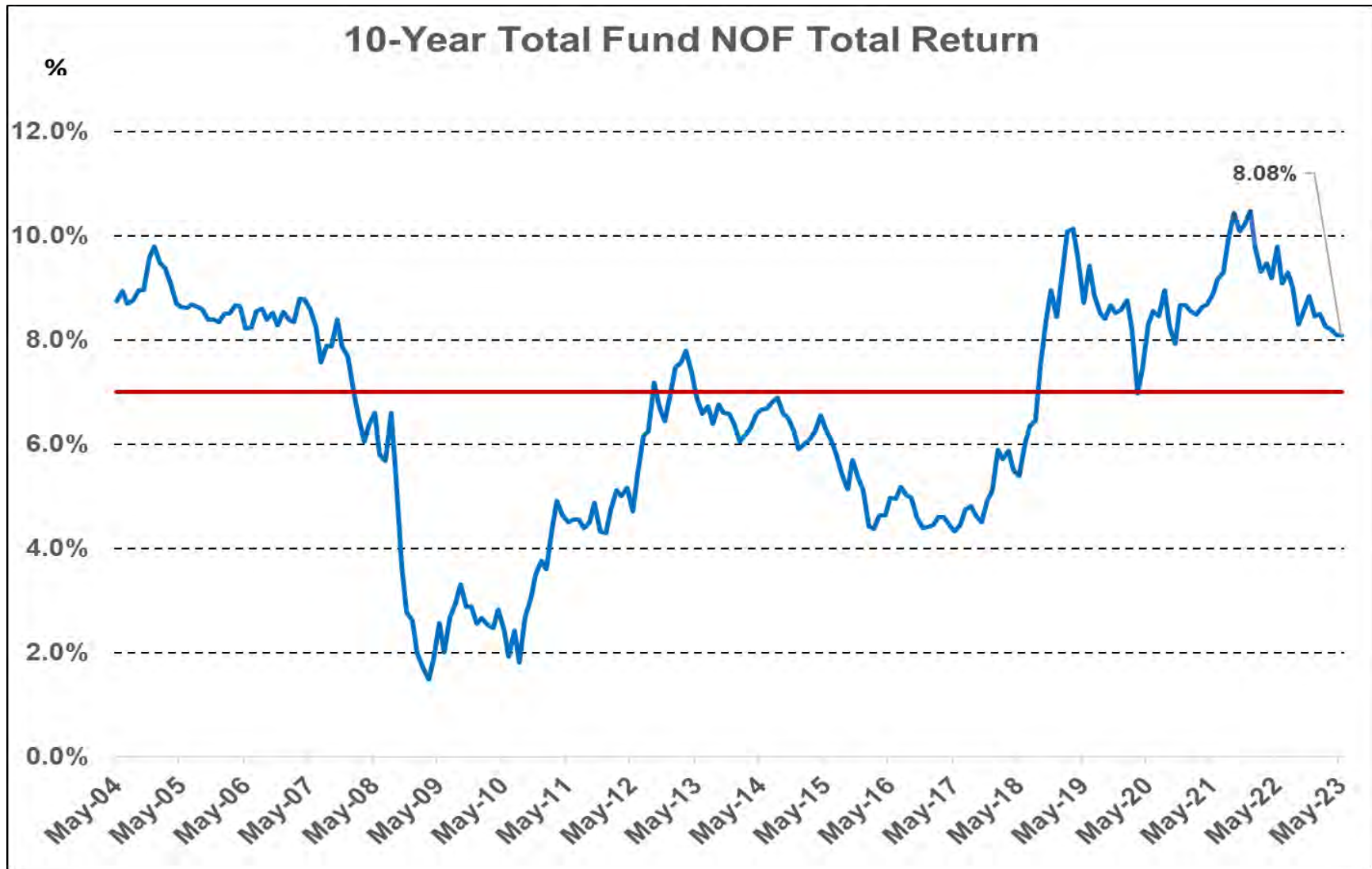
	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD*
Total Fund (Gross)	(0.53)	3.10	5.13	1.49	10.55	8.40	8.76	8.27
Total Fund (Net)	(0.54)	2.91	4.52	0.76	9.87	7.73	8.08	7.74
OSERS Policy	(0.65)	3.68	4.57	1.16	8.17	6.74	7.23	7.71
Value Added (Net of Fee)	0.10	(0.77)	(0.05)	(0.41)	1.70	0.98	0.84	0.03

Source: BNY Mellon GRS

*ITD is Inception date 10/1/1994 (28 years and 8 months)

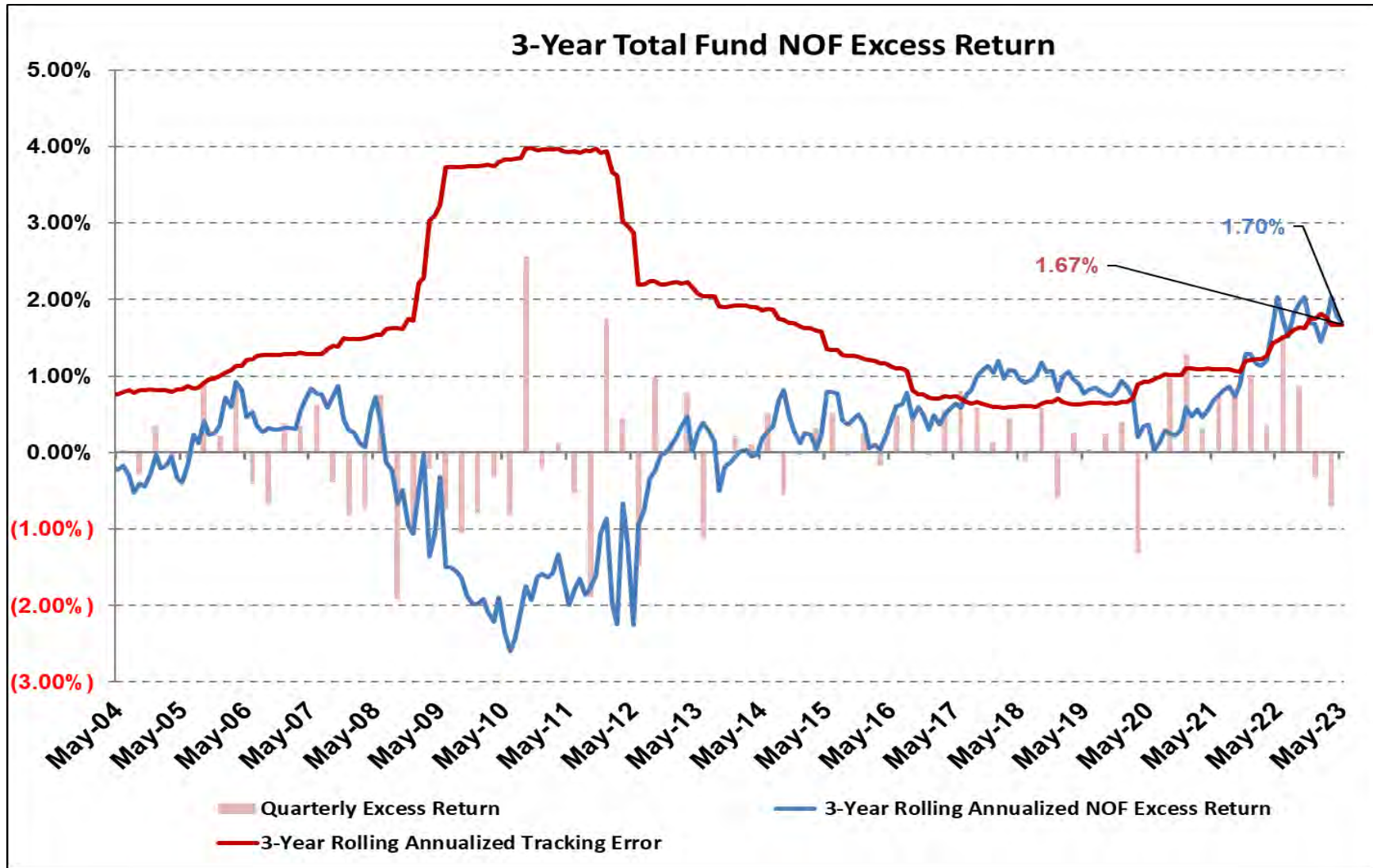


Total Fund Performance



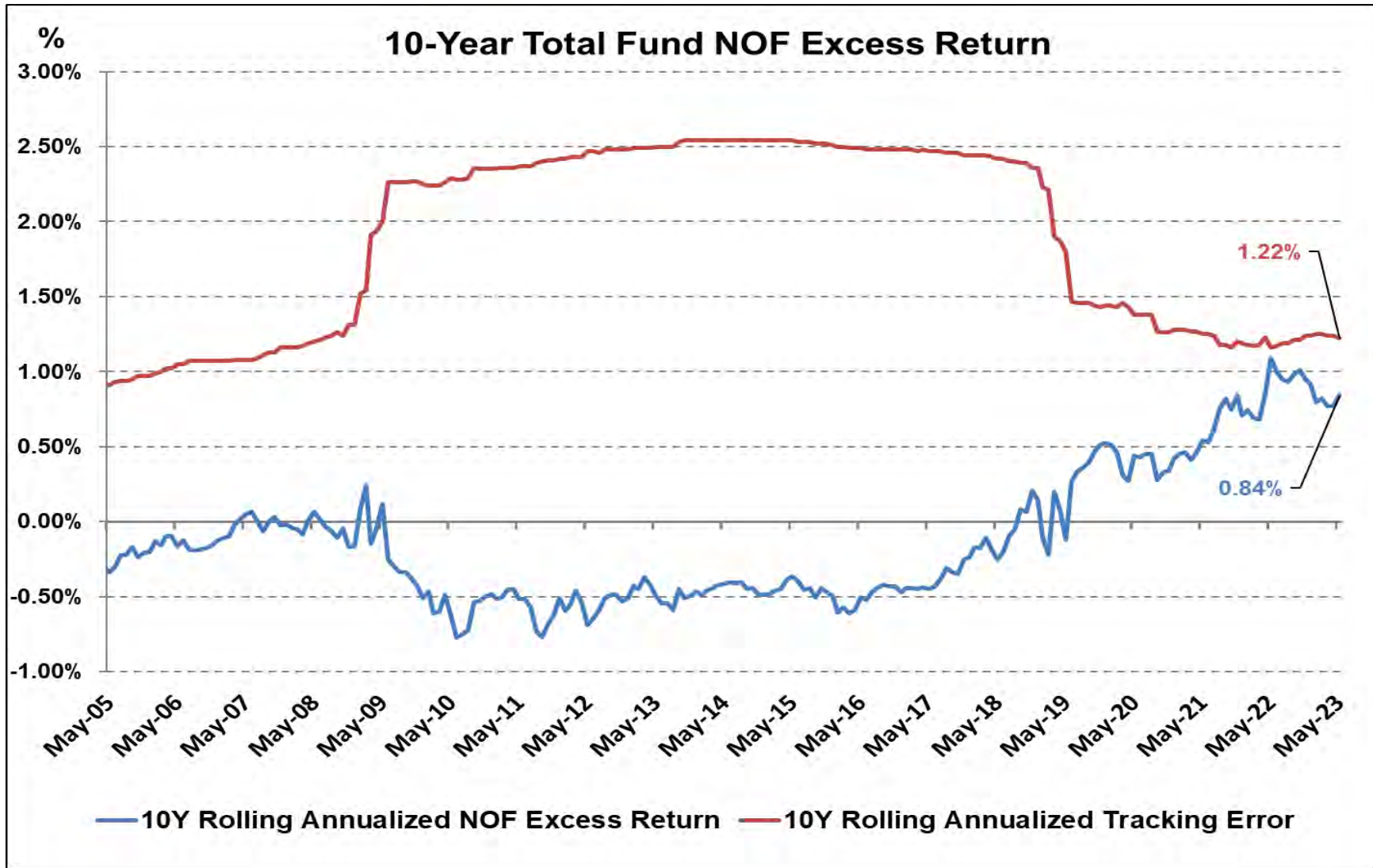


Total Fund Performance



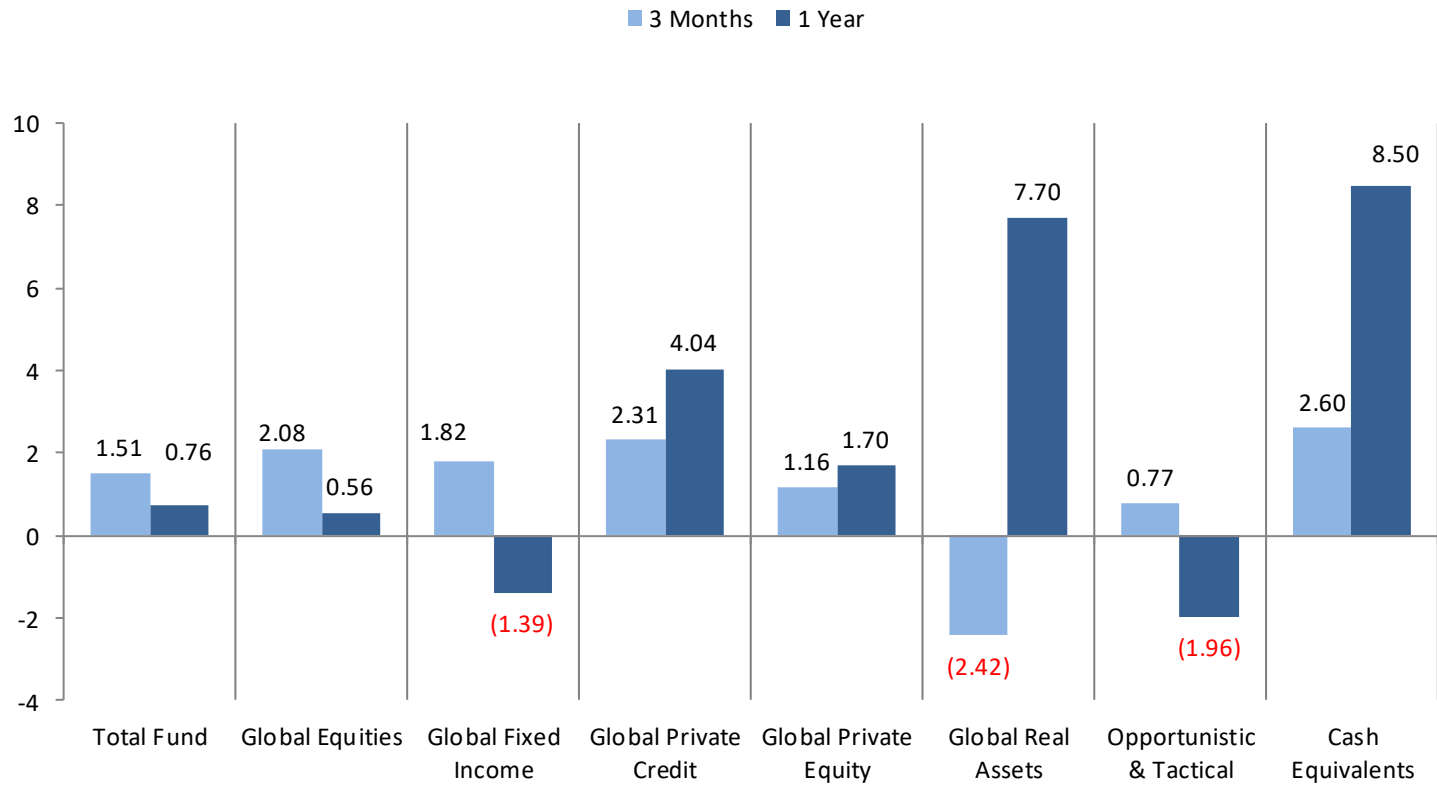


Total Fund Performance





Total Fund and Asset Class Performance (Net)

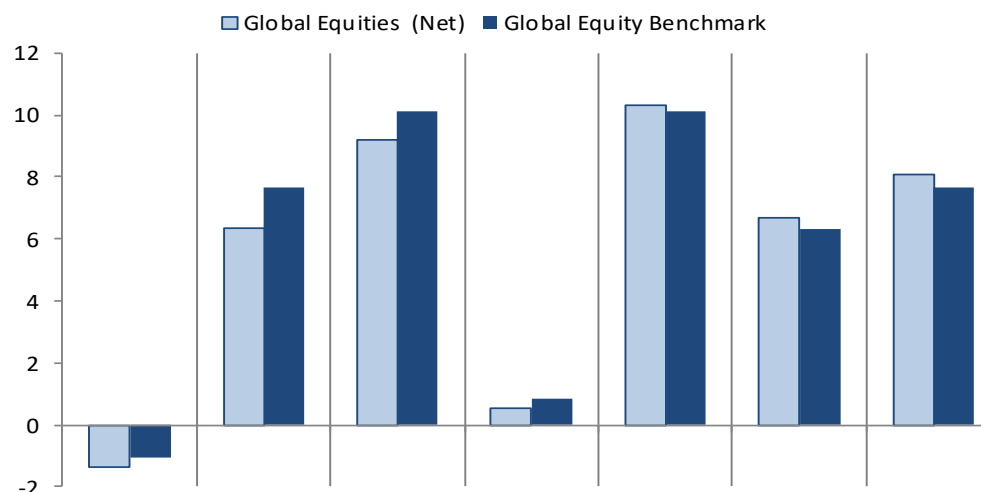


Source: BNY Mellon GRS



Global Equities Performance

Current Benchmark:
MSCI ACWI (Net Dividends)



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Global Equities (Gross)	(1.36)	6.47	9.46	0.81	10.62	7.02	8.43
Global Equities (Net)	(1.38)	6.35	9.22	0.56	10.30	6.71	8.09
Global Equity Benchmark	(1.07)	7.68	10.13	0.86	10.12	6.35	7.69
Value Added (Net of Fee)	(0.31)	(1.33)	(0.91)	(0.30)	0.18	0.36	0.40
Regional US Equity	(0.39)	6.70	9.63	0.89	11.20	9.39	11.06
Russell 3000 Index	0.39	8.74	11.35	2.03	12.25	10.07	11.45
Value Added (Net of Fee)	(0.78)	(2.04)	(1.72)	(1.15)	(1.05)	(0.68)	(0.39)
Regional Non-US Equity	(3.49)	5.30	7.84	(0.65)	8.90	3.62	4.94
Custom Non-US Equity BM	(3.64)	4.77	7.88	(1.28)	7.14	2.17	3.69
Value Added (Net of Fee)	0.15	0.53	(0.04)	0.63	1.76	1.45	1.25

Source: BNY Mellon GRS

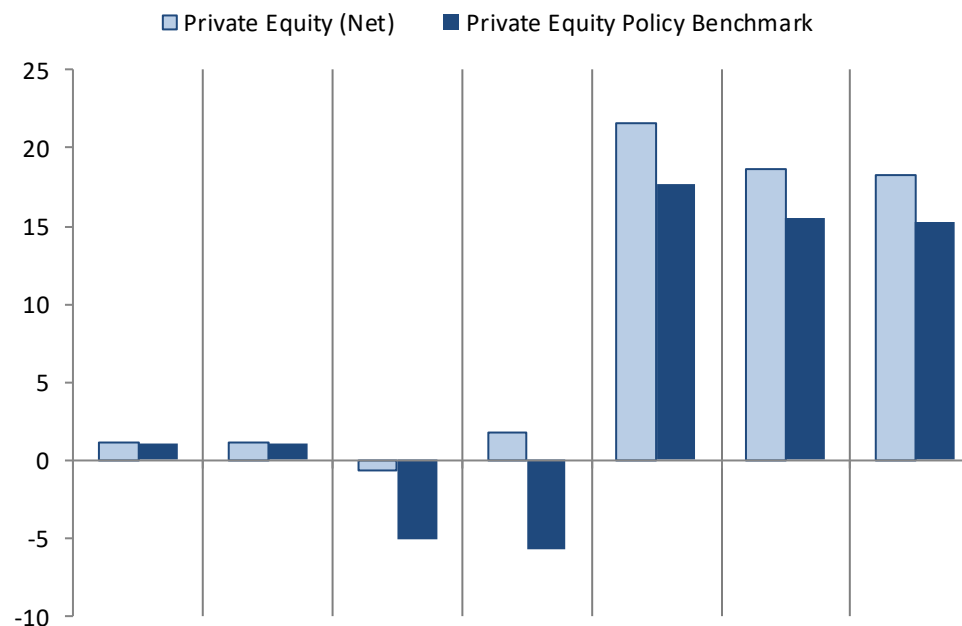


Global Private Equity Performance

Results as of: 03/31/2023

Current Benchmark:

Burgiss All Private Equity Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Private Equity (Gross)	1.56	1.56	0.70	3.43	23.52	20.43	19.99
Private Equity (Net)	1.16	1.16	(0.61)	1.70	21.64	18.66	18.28
Private Equity Policy Benchmark	1.04	1.04	(5.02)	(5.76)	17.69	15.52	15.30
Value Added (Net of Fee)	0.12	0.12	4.41	7.46	3.96	3.14	2.99

Source: BNY Mellon GRS

The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

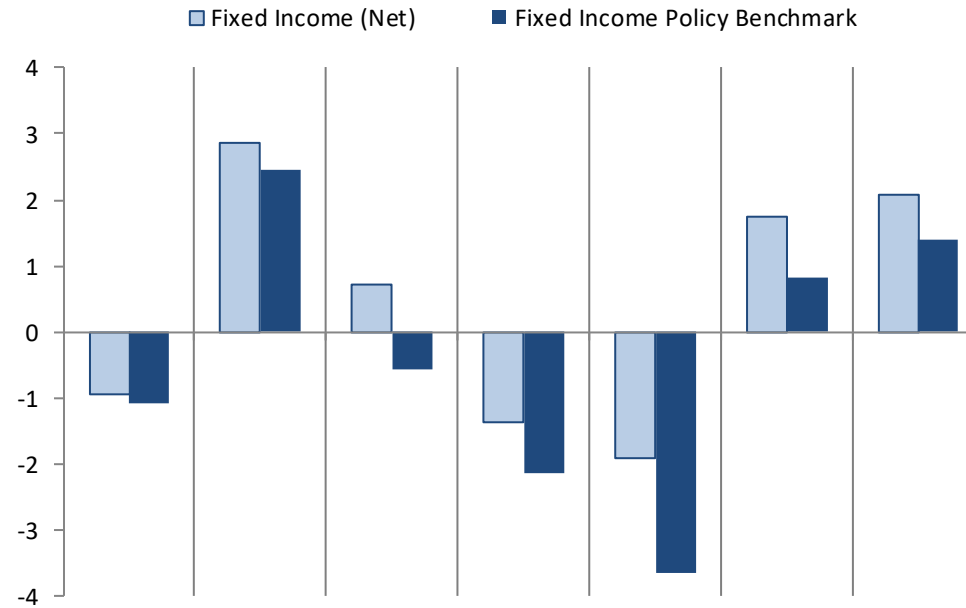
Global Private Equity performance is reported one quarter in arrears.



Global Fixed Income Performance

Current Benchmark:

Bloomberg Aggregate Bond Index



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Fixed Income (Gross)	(0.94)	2.98	0.94	(1.13)	(1.66)	2.00	2.31
Fixed Income (Net)	(0.95)	2.88	0.71	(1.39)	(1.92)	1.75	2.07
Fixed Income Policy Benchmark	(1.09)	2.46	(0.58)	(2.14)	(3.65)	0.81	1.39
Value Added (Net of Fee)	0.14	0.42	1.30	0.75	1.73	0.94	0.68

Source: BNY Mellon GRS

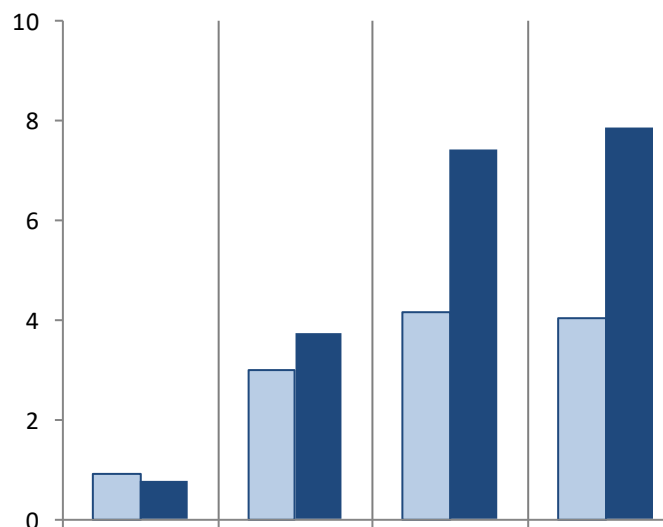


Global Private Credit Performance

Current Benchmark:

90 Day T-Bill + 4.5%

■ Global Private Credit (Net)
 ■ Global Private Credit Policy Benchmark



	1 Month	CYTD	FYTD	1 Year
Global Private Credit (Gross)	0.91	3.47	5.38	5.61
Global Private Credit (Net)	0.91	2.99	4.16	4.04
Global Private Credit Policy Benchmark	0.78	3.75	7.41	7.88
Value Added (Net of Fee)	0.14	(0.77)	(3.26)	(3.83)

Source: BNY Mellon GRS

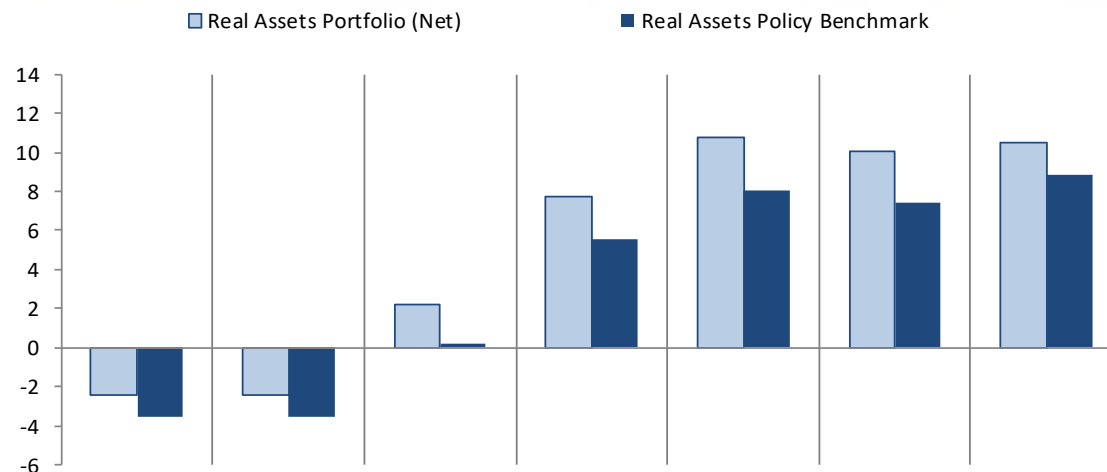
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.



Global Real Assets Performance

Results as of: 03/31/2023

Current Benchmark:
NCREIF Property Index (1q lag)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Real Assets Portfolio (Gross)	(2.23)	(2.23)	2.85	8.60	11.68	10.97	11.57
Real Assets Portfolio (Net)	(2.42)	(2.42)	2.21	7.70	10.79	10.02	10.52
Real Assets Policy Benchmark	(3.50)	(3.50)	0.19	5.53	8.06	7.46	8.82
Real Assets Value Added (NOF)	1.08	1.08	2.02	2.17	2.73	2.56	1.70
Real Assets Core (Net)	(4.84)	(4.84)	1.65	9.84	12.61	10.81	10.74
Real Assets Policy Benchmark	(3.50)	(3.50)	0.19	5.53	8.06	7.46	8.82
Real Assets Core Value Added (NOF)	(1.34)	(1.34)	1.46	4.31	4.55	3.35	1.92
Real Assets Non-Core (Net)	(1.42)	(1.42)	(4.00)	0.47	6.31	6.96	9.76
Real Assets Policy Benchmark	(3.50)	(3.50)	0.19	5.53	8.06	7.46	8.82
Real Assets Non-Core Value Added (NOF)	2.08	2.08	(4.19)	(5.06)	(1.75)	(0.50)	0.94
Real Assets Infrastructure (Net)	2.55	2.55	5.47	7.84	8.17	10.69	n/a
Real Assets Policy Benchmark	(3.50)	(3.50)	0.19	5.53	8.06	7.46	n/a
Real Assets Infrastructure Value Added (NOF)	6.05	6.05	5.28	2.31	0.11	3.23	n/a

Source: BNY Mellon GRS

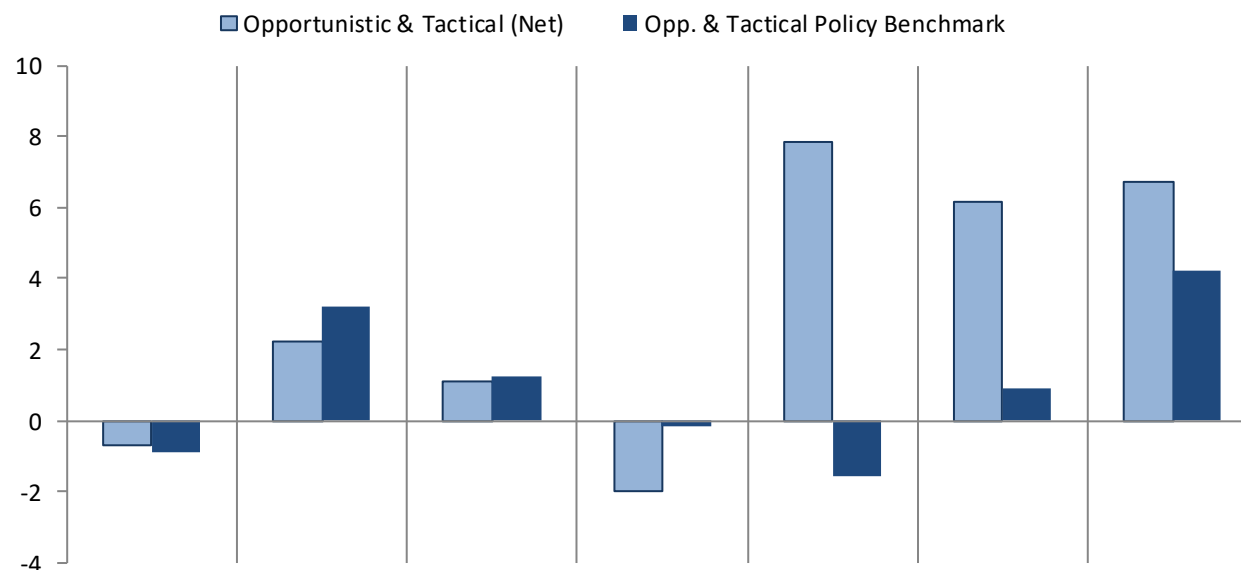
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Real Assets performance is reported one quarter in arrears.



Opportunistic & Tactical Performance

Current Benchmark:
 Bloomberg Aggregate
 Bond Index + 2%



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Opportunistic & Tactical (Gross)	(0.68)	2.47	1.92	(0.96)	9.01	7.56	8.76
Opportunistic & Tactical (Net)	(0.68)	2.20	1.11	(1.96)	7.83	6.15	6.72
Opp. & Tactical Policy Benchmark	(0.90)	3.23	1.24	(0.14)	(1.55)	0.88	4.25
	0.22	(1.03)	(0.14)	(1.82)	9.38	5.27	2.47

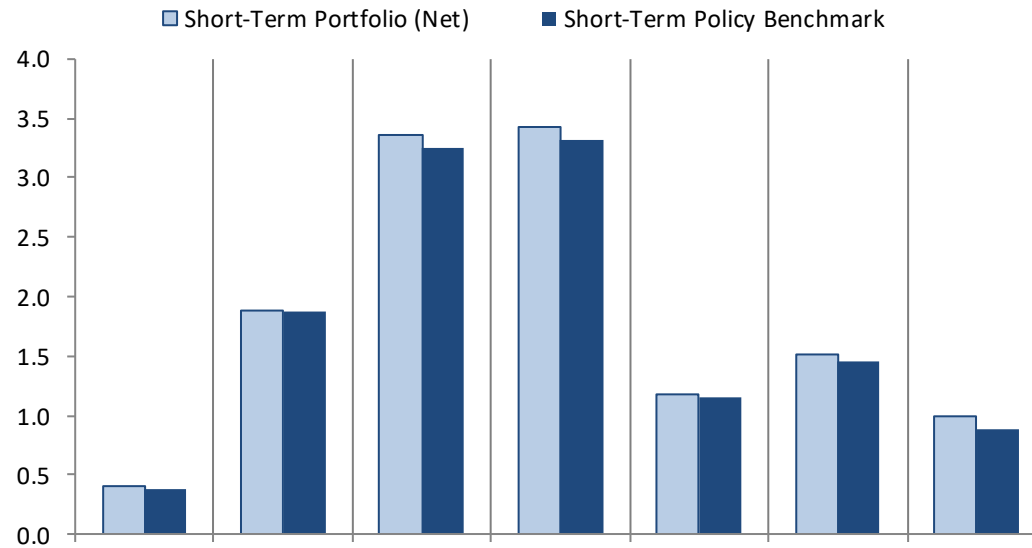
Source: BNY Mellon GRS



Short-Term Performance

Current Benchmark:

FTSE 30 Day Treasury Bill Index

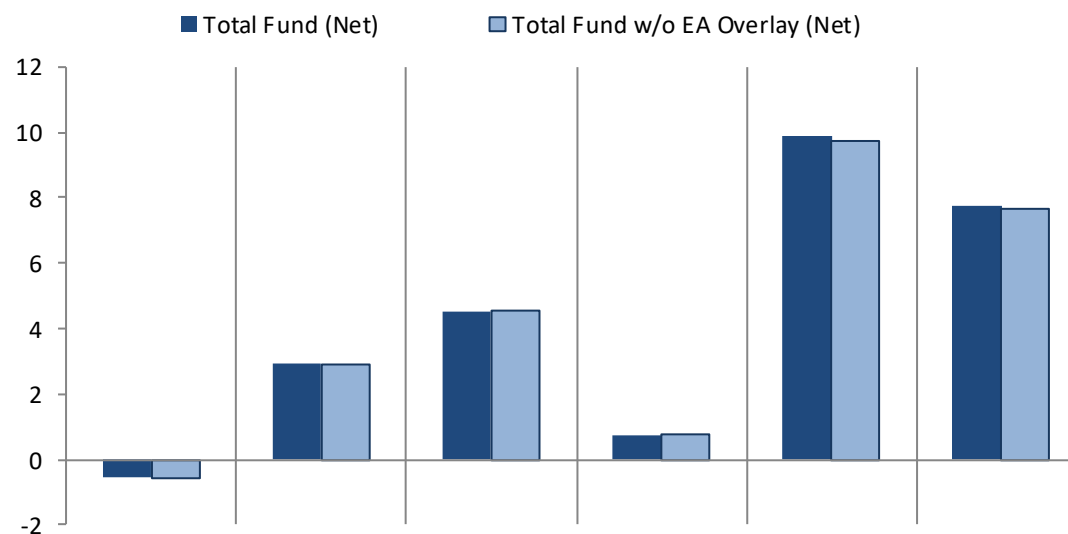


	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Short-Term Portfolio (Gross)	0.41	1.89	3.36	3.43	1.17	1.52	1.00
Short-Term Portfolio (Net)	0.41	1.89	3.36	3.43	1.17	1.52	1.00
Short-Term Policy Benchmark	0.37	1.87	3.26	3.32	1.15	1.45	0.89
Value Added (Net of Fee)	0.04	0.02	0.10	0.11	0.02	0.07	0.11

Source: BNY Mellon GRS



Enhanced Asset Overlay Performance

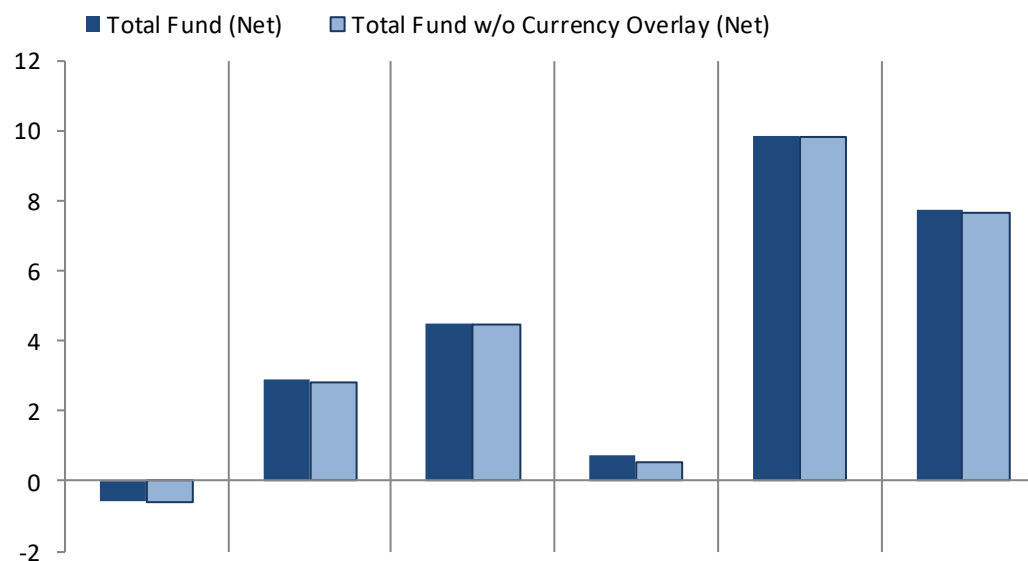


	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year
Total Fund (Gross)	(0.53)	3.10	5.13	1.49	10.55	8.40
Total Fund w/o EA Overlay (Gross)	(0.53)	3.11	5.16	1.52	10.36	8.35
Total Fund (Net)	(0.54)	2.91	4.52	0.76	9.87	7.73
Total Fund w/o EA Overlay (Net)	(0.54)	2.91	4.55	0.78	9.71	7.69
EA Overlay Impact (Net of Fee)	0.00	(0.01)	(0.03)	(0.03)	0.16	0.04

Source: BNY Mellon GRS



Currency Overlay Performance



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year
Total Fund (Gross)	(0.53)	3.10	5.13	1.49	10.55	8.40
Total Fund w/o Currency Overlay (Gross)	(0.61)	3.01	5.00	1.21	10.45	8.32
Total Fund (Net)	(0.54)	2.91	4.52	0.76	9.87	7.73
Total Fund w/o Currency Overlay (Net)	(0.62)	2.82	4.45	0.55	9.80	7.67
Currency Overlay Impact (Net of Fee)	0.08	0.09	0.07	0.21	0.07	0.05

Source: BNY Mellon GRS



Proposed Investment Agenda – Next Meeting

- Wilshire Quarterly Performance Report (June 30, 2023)
- Investment Report (June 30 & July 31, 2023)



Investment Committee

INV1-024

Effective Date:	01/20/2012	Revision Date:	05/18/2024-TBD	Audience:	Investments
Owner:	Investments	Certifier:	Farouki Majeed, Richard Stensrud	Co-Owner (s):	None
Document Links:	Purpose , Policy , Procedure , Definitions , Related Documents , Policy History				

Purpose

The purpose of this policy is to define structure, rules, and procedures for the Investment Committee and Opportunistic Team in accordance with the Statement of Investment Policy (INV1-001) and the Opportunistic and Tactical Investment Policy (INV1-004).

Policy

INVESTMENT COMMITTEE:

- Structure:** The Investment Committee (“Committee”) is comprised of the Chief Investment Officer (CIO), who serves as Chairperson (“Chair”), Senior Investment Officers (SIO), and Investment Officers (IO), ~~Associate Investment Officers (AIO), with the requisite experience as determined by the CIO,~~ all who are licensed Ohio State Retirement System Investment Officers (“SRSIOs”), and one Investment Operations staff member to serve as Secretary. All members except the Secretary are voting members. ~~An AIO shall be in the role at least six months prior to casting votes.~~ The Executive Director is a non-voting member of the Committee. The Executive Director, ~~Investment Compliance Risk Management~~ Department, General Counsel, and Chief Financial Officer, or their respective designees, as well as Associate Investment Officers and Analysts, are required to attend all meetings.
- Rules:** The Chair presides over Committee meetings. A majority of in person voting members of the Committee, one of whom must be the Chair, constitute a quorum. A quorum is required for voting. Voting members who are unable to attend Committee meetings may call-in to participate in the meeting, but are not permitted to vote and do not count toward a quorum. Meetings are convened by the Chair when a vote or important discussion is to take place. In scheduling meetings the Chair will make every effort to provide notice to Committee members at least one week in advance. An affirmative vote by the Committee requires a majority vote of the voting members present in-person at the Committee meeting and an affirmative vote by the Chair. In the case of a tie vote, the CIO has the authority to break a tie in favor of the vote. The

Secretary records and maintains minutes of Committee meetings and records all votes.

3. **Sponsors:** Each investment must have at least two Sponsors responsible for leading due diligence efforts and preparing and presenting recommendations. Sponsors shall be SRSIOs; however, the CIO will not act as a Sponsor unless the situation warrants the CIO's involvement, which will be documented in the recommendation to the Committee.

OPPORTUNISTIC INVESTMENTS:

1. **Structure:** The CIO may form an Opportunistic team comprised of a subset of Investment staff to assist the CIO in managing the opportunistic portfolio. When staff identifies a viable investment opportunity, the CIO will determine whether the opportunity is in accordance with the Opportunistic and Tactical Investment Policy (INV1-004). Opportunistic investments must be approved by the CIO and the Committee.
2. Opportunistic investments are subject to the same rules and procedures contained in this document.

CO-INVESTMENTS:

1. In order to allow time flexibility for the approval of co-investment opportunities, the CIO has authority under the Statement of Investment Policy (INV1-001), as approved by the Board, to either unilaterally approve co-investment or to present a co-investment to the Committee for approval.
2. If the CIO approves a co-investment without Committee consideration, the Sponsors shall present all of the applicable documentation required under paragraph 2 of the Investment Approval Procedure to the Committee at the next scheduled meeting.
3. When the CIO chooses to have a co-investment presented to the Committee, the co-investment is subject to the same rules and procedures contained in this document.

Procedure [Investment Approval](#)

Investment Approval

1. Investment Thesis:

- a. Once a potential investment is identified for possible approval, the Sponsors of the investment will prepare a written Investment Thesis ("Thesis") and distribute copies to the Executive Director, ~~the Investment Compliance Risk Management~~ Department, General Counsel, Chief Financial Officer, and Committee members for initial review and comment. The Executive Director may direct comments in writing to the CIO. Initial comments should be sent to the Sponsors within one week of receipt of the Thesis.
-

- b. The Sponsors will keep Committee members informed about any changes to the Thesis, progress with due diligence, and expected timeframes for completion of relevant actions.

2. Investment Recommendation and Supporting Documents:

- a. When the Sponsors are ready to seek Committee approval for the investment, they will prepare and distribute to Committee members, the Executive Director, ~~Investment Compliance Risk Management~~ Department, General Counsel, and Chief Financial Officer a detailed written investment recommendation justifying the investment.
- b. Supporting documents shall also be distributed to the Committee including:
 - i. An opinion letter from the Investment Consultant as to the proposed investment's compliance to policies;
 - ii. An investment checklist identifying the status of supporting documents;
 - iii. An operational due diligence report on private investments. Investments in publicly traded securities as well as co-investments made to approved funds are exempt from this requirement.
 - iv. The Sponsors will make every effort to provide the investment recommendation and supporting documents one week in advance, but in no event will the investment recommendation and supporting documents be distributed less than 24 hours in advance of the scheduled Committee meeting, unless a shorter time period is agreed to by the Chair.

3. Approvals:

- a. The Chair will schedule a Committee meeting when appropriate.
- b. When the Chair convenes the Committee, he/she will direct the Sponsors to present the investment to the Committee and allow sufficient time for discussion among Committee members.
- c. If the Committee is satisfied with the Sponsors' presentation and all questions or issues have been addressed, the Chair will call for a vote. The Secretary will keep the minutes and record the vote of each Committee member.
- d. If the Committee approves the investment under the "Rules" section of the policy, no further Committee action is required. If the investment is not approved by the Committee, the Chair may direct the Sponsors to perform additional due diligence or provide additional information, and reconvene the Committee for another vote at a later date.
- e. The CIO shall have veto authority on any investment approved by the ~~Committee presented to the Committee~~ should there be material new information or changes in the investment criteria.

- f. The CIO shall have authority to approve termination of a manager or refer such recommendations to the Committee depending on the circumstances or urgency.
- g. Within five business days after the meeting the Secretary will distribute the minutes to the Sponsors for comment. Once the minutes have been finalized by the Secretary, the Secretary will sign the minutes, submit them to the Chair for signature, and distribute to the Committee.
- h. Any significant change to the specific approval of an investment shall be brought back to the Committee for approval. However, if there is any later change to the legal structure of an approved investment any time after an investment has been approved and legal documents have been executed, including situations where a manager is converting a fund to a new limited partnership, new legal documents can be executed without additional committee approval.
- i. Following a Request for Proposal (RFP) search for public market investment managers, more than one manager may be recommended and approved by the Committee. ~~The legal documents for each approved manager shall be executed within twelve months of the RFP due date (Response Date). If a Committee-approved manager is to be funded more than 90 days after the Committee approval date, the Sponsors shall submit an updated investment recommendation memo to the Committee for informational purposes prior to execution of the legal documents.~~ Once the RFP search is completed and final recommendations are submitted to the Committee, the RFP is considered closed.
- j. Investment recommendations for private investments should include an operational due diligence report prepared by the Investment Accounting Department or other designated parties. If such report is not presented at the time of the Committee approval, then it must be submitted to the Committee prior to executing legal documents.
- j-k. If legal documents are to be executed more than 120 days after the Committee approval date, the Sponsors shall submit a summary memo updating any new information to the Committee confirming the good standing of the Committee decision prior to execution of the legal documents. After legal documents are executed, the CIO will decide when to appropriately fund the mandate.

4. Document Execution:

- a. The CIO is authorized to execute necessary documents (such as NDAs), after review by the legal department, during the due diligence process prior to IC approval.
 - a-b. Once an investment is approved by the Committee, and prior to initial funding, all legal documents will be sent in no particular order to:
-

- i. SERS' ~~Investment Compliance Risk Management~~ Department, who will affirm that the investment meets the requirements of the Statement of Investment Policy (INV1-001), and
 - ii. SERS' Legal Department, who must approve all legal documents related to the investment.
- c. Prior to funding an ~~approved~~ investment approved by the IC, a Request for Review and Signature form signature cover page must be signed by (1) a Sponsor representing the investment, (2) the CIO or Assistant Director of Investments (representing him/herself and the Committee), (3) a representative of the ~~Investment Compliance Risk Management~~ Department, (4) an attorney in SERS' Legal Department, and (5) the Executive Director (ED) or Deputy Executive Director (DED). If either the ED or DED chooses not to sign the signature ~~cover page form due to a perceived violation of SERS policy or applicable law~~, the ED or DED shall convene a dialogue with the CIO concerning opposition to the investment. During the course of conversation, the CIO may provide reasons for the ED or DED to reconsider the decision. Without the signature of the ED or DED there is no authority to execute the investment contract. In such instances the ED or DED shall provide a memo to the Board and CIO outlining the reasons for the veto.
 - ~~b-d.~~ Once the signature ~~form cover page~~ has been signed by all parties listed in paragraph (b) above, either the CIO or ~~Executive Director~~ED may execute any documents necessary to complete the investment.

5. Additional Commitments

- a. The CIO has authority to approve an additional commitment to an approved private market investment and will provide an informational memo to the Committee.
- b. In the case of investments in private market open-end funds and publicly traded equity and fixed income strategies, the CIO has authority to add to or detract from existing allocations without Committee approval.

6. Board Reporting:

- a. The Sponsors' investment recommendation and the Committee meeting minutes will be distributed to the Board on a monthly basis. Ongoing reporting, monitoring, and performance measurement will be consistent with reporting for all other investments of the Total Fund.
- b. Updates on Committee activities and manager hirings / terminations will be provided to the Board on a monthly basis.
- b-c. The Investment Committee Policy shall be reviewed with the Board by the CIO on an annual basis for informational purposes.

Definitions

Co-Investment – A direct investment in a single asset of a private market fund, made alongside the Fund’s investment in the asset; typically involves more attractive terms and shorter time frames than those of the Fund.

Investment Thesis – An initial investment memo outlining the proposed investment, its merits and risks, and the rationale for including it in a portfolio.

Sponsors – Investment Staff members who jointly recommend an investment. These individuals shall be licensed as State Retirement System Investment Officers.

State Retirement System Investment Officers – Individual SERS investment staff members who are licensed by the Division of Securities in the Ohio Department of Commerce in accordance with Ohio Revised Code Section 1707.01.

Related Documents and Information

Statutes: N/A

Rules: N/A

Document Links: [Purpose](#), [Policy](#), [Procedure](#), [Definitions](#), [Related Documents](#), [Policy History](#)

Forms: Request for Review and Signature (Form 75.350)

Policy History

Version 1 – January 20, 2012 – Created – Approved by Robert Cowman and Lisa Morris

Version 2 – February 11, 2013 – Edited – Approved by Farouki Majeed and Lisa Morris

Version 3 – April 3, 2013 – Edited – Approved by Farouki Majeed and Lisa Morris

Version 4 – August 6, 2013 – Edited – Approved by Farouki Majeed and Lisa Morris

Version 5 – February 22, 2016 – Edited – Approved by Farouki Majeed and Lisa Morris

Version 6 – September 27, 2016 – Edited - Approved by Farouki Majeed and Lisa Morris

Version 7 – February 1, 2017 – Edited, Approved by Farouki Majeed and Helen Ninos

Version 8 – March 19, 2018 - Edited, Approved by Farouki Majeed and Richard Stensrud

Version 9 – June 9, 2020 – Edited, Approved by Farouki Majeed and Richard Stensrud

Version 10 – May 18, 2021 – Edited, Approved by Farouki Majeed and Richard Stensrud

Memo

To: SERS Retirement Board
From: Richard Stensrud
CC: Karen Roggenkamp, Joe Marotta
Date: July 14, 2023
Re: COLA Parameters

Every fall the SERS Board determines what the Cost of Living Adjustment (COLA) will be for the next calendar year for the pension benefits SERS provides to retirees. Given the importance of the COLA to both SERS' retirees and the long term sustainability of the pension fund, as prudent fiduciaries the Board takes into account a number of variables in determining the COLA for the upcoming year. This memorandum will outline those variables for the purpose of assisting the Board in making future COLA determinations and providing transparency for stakeholders into the basis for the Board's decision.

Discussion:

As described below, under the governing law the SERS Board has wide discretion with respect to setting the COLA. The discussion in this memorandum is not intended to curtail or limit that discretion, but rather, to support that discretion by noting factors the Board will consider in exercising the discretion.

Under the COLA statute, the Consumer Price Index (CPI) for the previous year is a starting point consideration in the COLA determination, but it does not control what the COLA will be. Instead, the statute provides that the Board can authorize a COLA that is below the CPI if SERS' actuary attests that doing so is advisable to protect the fiscal integrity of the pension fund. Impairment to the fiscal integrity of the pension fund can mean negative impact on any or all of the pension fund's funded status, amortization period, cash flow and sustainability.

Under the statute the Board can also authorize a COLA that is above the CPI if the actuary attests that doing so will not materially impair the fiscal integrity of the pension fund. As noted above, impairment to the fiscal integrity of the fund can include negative impact on the pension fund's funded status, amortization period, cash flow or sustainability.

The COLA statute also establishes a 2.5% ceiling on the COLA that can be provided. This is subject to the same discretion and impact considerations noted above.

In sum, consideration of any potential COLA will include assessment of its impact on:

- The funded ratio of the plan;
- The amortization period for retiring any unfunded liability;
- The cash flow of the plan (i.e., the income derived from contributions and investment returns compared to the outgoing payment of benefits); and
- Long term sustainability of the fund.

Investment experience is a critical consideration in assessing the health and resiliency of a pension fund as it has a substantial impact on the funded ratio, the amortization period, cash flow and sustainability.

- Investment experience is considered in absolute terms – i.e., what the return was – and also relative to the investment return assumption used for actuarial purposes – currently 7%.
- Investment experience is also considered retrospectively – i.e., what it has been previously – and prospectively – i.e., what it might be in the future.
- And investment experience is considered in both shorter time periods – e.g., one year – and longer time periods – e.g., the four-year smoothing period used for actuarial purposes.

Investment experience above the investment return assumption results in an actuarial gain which will have a positive impact on funded status and the amortization period. Investment experience below the investment return assumption will result in an actuarial loss which has a negative impact on the funded status and the amortization period.

Taken together, assessment of the impact of investment experience on the COLA determination will include the following considerations:

- Whether the investment return for the year just ended is above the investment return assumption.
- Whether the investment return for the four-year smoothing period is above the investment return assumption.
- Whether the investment experience that will be smoothed in over the following three years push upward or downward on the funded ratio.
- Whether the investment experience for the ten-year period is above the investment return assumption.
- Whether the investment experience for the year just ended is above 0%.
- Whether the forward-looking investment experience is projected to be above or below the investment return assumption.

Another consideration is the actuarial assumption used in determining future expected COLAs. Currently the actuary assumes that future COLAs will be 2%. Accordingly, a COLA greater than 2% will result in an actuarial loss, and a COLA less than 2% will result

in an actuarial gain. As previously noted, an actuarial gain will have a positive impact on funded status and the amortization period and an actuarial loss will have a negative impact on funded status and the amortization period.

The Board may also consider:

- Whether the pension fund must be and remain at or above a given funded ratio in order to provide a COLA.
- Whether the amortization period for the pension fund must be and remain at or below a given time period in order to provide a COLA.
- Whether the level of negative cash flow of the pension fund must be and remain at or below a given level in order to provide a COLA.

In its discretion, the Board may consider other relevant factors as warranted by the circumstances.

Conclusion:

In making the COLA determination, the Board assesses the factors and considerations noted above collectively. The weight or importance of any single factor or consideration will be determined by the Board based on the Board's assessment of the prevailing circumstances, long term sustainability of the pension fund and fairness to SERS' retirees.

Memo

To: SERS Retirement Board
From: Richard Stensrud
CC: Karen Roggenkamp, Marni Hall
Date: July 14, 2023
Re: Review of 7% Assumed Rate of Return

At the June 2023 Board Meeting the question was raised as to whether the current 7.0% assumed rate of return remains appropriate.

Attached is a memo from Cavanaugh Macdonald explaining the annual process to review the actuarial assumed rate of return as required by ASOP No. 27 – *Selection of Economic Assumptions for Measuring Pension Obligations*. As you will see, based on this assessment, Cavanaugh Macdonald believes the current 7% return assumption continues to be a reasonable assumption for use in the upcoming actuarial valuation as of June 30, 2023.

As you will recall, as part of the 2022 actuarial audit of the June 30, 2021 valuation, auditing actuary Milliman reviewed the actuarial assumptions and found them reasonable, and did not recommend modification to the investment return assumption at this time. They did recommend off-cycle reviews be presented to the Board if it is determined by the actuary that a change should be considered prior to the next experience study. The Cavanaugh Macdonald analysis is consistent with that guidance.

As a national point of reference, the National Association of State Retirement Administrators (NASRA) released an issue brief in March 2023, titled *Public Pension Plan Investment Return Assumptions*. The brief discussed how investment return assumptions are established and evaluated, and the challenging investment environment public retirement systems currently face. There are 131 plans in the NASRA dataset with data updated as of November 2022. The average investment return assumption in this dataset was 6.93%.

Finally, for historical reference purposes the following page provides a history of the SERS assumed rate of return dating back to 1981.

I hope this information is helpful. I will be happy to answer any questions.

SERS Assumed Rate of Return History

2022	7.00%
2021	7.00%
2020	7.50%
2019	7.50%
2018	7.50%
2017	7.50%
2016	7.50%
2015	7.75%
2014	7.75%
2013	7.75%
2012	7.75%
2011	7.75%
2010	8.00%
2009	8.00%
2008	8.00%
2007	8.00%
2006	8.00%
2005	8.25%
2004	8.25%
2003	8.25%
2002	8.25%
2001	8.25%
2000	8.25%
1999	8.25%
1998	8.25%
1997	8.25%
1996	8.25%
1995	7.75%
1994	7.75%
1993	7.75%
1992	7.75%
1991	7.75%
1990	7.50%
1989	7.50%
1988	7.50%
1987	7.50%
1986	7.50%
1985	7.50%
1984	7.50%
1983	7.50%
1982	7.50%
1981	7.50%



MEMORANDUM

From: Cavanaugh Macdonald Consulting, LLC

Subject: Interim Review of the Assumed Rate of Return

The assumed investment return is one of the most significant assumptions in the annual actuarial valuation process as it is used to discount the expected benefit payments for all active, inactive, and retired members of the System. Minor changes in this assumption can have a major impact on the annual actuarial valuation.

The Actuarial Standards Board has issued Actuarial Standard of Practice (ASOP) No. 27, *“Selection of Economic Assumptions for Measuring Pension Obligations,”* which provides guidance to actuaries in selecting economic assumptions – primarily, investment return, discount rate, post-retirement benefit increases, inflation, and compensation increases for the purpose of measuring benefit obligations under defined benefit plans. Professional judgment is used to estimate possible future economic outcomes based on a mixture of past experience and future expectations. In setting the assumption, the actuary should consider several factors, including the purpose and nature of the measurement, and appropriate recent and long-term historical economic data, and an estimate of the actuary’s expectation about future experience. Finally, the actuary’s recommendation should have no significant bias. However, the standard explicitly advises the actuary not to give undue weight to recent experience.

As required by the ASOP 27, the assumed rate of return is evaluated every year in each valuation. The analysis is based on a review of the System’s target asset allocations along with updated capital market assumptions. Due to the volatility of capital market assumptions, we don’t necessarily make recommendations to change the assumed rate of return in between experience studies unless there is concrete evidence such as a significant change in the System’s asset allocation or a significant economic event. Our philosophy is to monitor the assumed rate of return over several time periods to see if trends are developing before we recommend changing the assumed rate of return.

We have reviewed the recent changes to the asset allocation and in our professional opinion the current assumed rate of return of 7.00% remains a reasonable assumption for use in the June 30, 2023 actuarial valuation.

Memo

To: Retirement Board
From: Chris Collins
cc: Richard Stensrud, Karen Roggenkamp
Date: July 10, 2023
Re: **Federal Legislative Report**

OVERVIEW

Congress is heading toward the end of the fiscal year, September 30th, with no clear plan on how to resolve the growing disparity between the House Republicans, on one hand, and the Senate Democrats and the President, on the other, regarding funding levels for federal programs.

Soon after enactment of legislation to suspend the debt ceiling and set new spending caps for the next two upcoming fiscal years, conservative House Republicans balked at those levels and are demanding an additional reduction of \$120 billion in fiscal year 2024. House appropriators are approving bills at the reduced levels, which will set up contentious floor consideration later this summer.

As we've seen for decades now, a short-term Continuing Resolution will be necessary to fund the federal government after September 30th. However, hardline House Republicans may threaten a government shutdown to force negotiations on additional spending cuts. Questions already are being raised on whether the fiscal turmoil will lead to a massive end-of-year agreement that includes further spending and changes to the tax code. As state and local governmental retirement plans are qualified under federal tax law, any changes to the tax code need to be watched closely.

Meanwhile, the House Financial Services Committee is spending considerable time on matters related to environmental, social, and governance (ESG) investing. Earlier this year the committee created an ESG Working Group on which only Republicans serve. The Working Group recently released an interim report with the following priorities:

- Reform the proxy voting system to safeguard the interests of retail investors.
- Promote transparency, accountability, and accuracy in the proxy advisory system.
- Enhance accountability in shareholder voting by aligning voting decisions with economic interests of shareholders.
- Increase transparency and oversight of large asset managers to ensure their practices reflect the pecuniary interest of retail investors.
- Improve ESG rating agency accountability and transparency to safeguard retail shareholders.
- Strengthen oversight and conduct through investigations into federal regulatory efforts that would contort our financial system into a vehicle to implement climate policy.

- Demand transparency, responsibility, and adherence to statutory limits from financial and consumer regulatory agencies.
- Protect U.S. companies from burdensome EU regulations, safeguarding American interests in global markets.

In addition, a senior member of the committee, Rep. Andy Barr (R-KY), recently introduced H.R. 4237 which, in part, would require a study of state and local governmental plans. Specifically, the U.S. Comptroller General, who is the head of the Government Accountability Office (GAO), would conduct a study on the potential impact on the federal government of underfunded state and local pension plans. The study would include the following:

- (1) the extent to which such pension plans subordinate the pecuniary interests of participants and beneficiaries to ESG or other objectives; and
- (2) legislative and administrative actions that, if implemented at the federal level, would prevent such pension plans from subordinating the interests of participants and beneficiaries to ESG objectives.

Finally, another senior member of the committee, Rep. Bill Huizenga (R-MI), has introduced H.R. 4168, which is designed to block the Securities and Exchange Commission's (SEC) proposed regulation to require public companies to make certain disclosures on greenhouse gas emissions.

Specifically, the legislation would amend both the Securities Act of 1933 and the Securities Exchange Act of 1934 by amending them to state that an "issuer is only required to disclose information in response to a disclosure obligation adopted by the Commission to the extent the issuer has determined that such information is important with respect to a voting or investment decision regarding such issuer."

Spending disputes and anti-ESG legislation are expected to fill the House legislative calendar this summer and early fall.

Supreme Court actions

The Supreme Court wrapped up its term, but not before issuing a landmark decision that ruled colleges and universities can no longer take race into consideration as a specific basis in admissions.

Chief Justice John Roberts wrote the opinion for the 6-3 majority in the case that combined two cases -- Students for Fair Admissions v Harvard and Students for Fair Admissions. v. University of North Carolina -- saying the schools' admissions programs violated the Equal Protection Clause because they failed to offer "measurable" objectives to justify the use of race. Justices Sonia Sotomayor and Ketanji Brown Jackson wrote scathing dissents.

President Joe Biden strongly disagreed with the ruling and said his administration vowed to take "swift action" to support diversity in higher education, laying out a series of steps it will take through the Department of Education and other relevant agencies.

The Court issued several other significant rulings in the final week of its term. Two cases addressed student-loan forgiveness. In one case, Department of Education v Brown, the plaintiff was ruled not to have had standing. But in Biden v Nebraska, the Court ruled the Secretary of Education does not have authority to establish a student loan forgiveness program that will cancel roughly \$430 billion in debt principal and affect nearly all borrowers. The 6-3 decision by Roberts strikes down Biden's plan for federal student loan forgiveness so the millions of federal borrowers will not see their debts decreased or erased.

In a case that pitted free speech and religious freedom against LGBTQ+ rights – Creative 303 v. Elenis -- the court sided with the website designer, Lorie Smith, who did not want to make websites for same-sex marriages. The 6-3 decision written by Justice Neil Gorsuch, ruled that the First Amendment prohibits Colorado from forcing Smith to create expressive designs messages with which she disagrees.

In an opinion earlier in June in U.S. v. Texas, the Court sided with the Biden administration allowing its rules and guidelines on immigration enforcement to stay in place and rejecting the standing of Texas and Louisiana to sue.

Two important voting rights cases also were decided this term with the Court upholding Section 2 of the Voting Rights Act with a 5-4 decision authored by Roberts in the case of Allen v Milligan.

In Moore v Harper, the justices rejected the so-called “independent state legislature theory” that could have given state legislatures broad power over federal elections, without any role for state courts in supervising the exercise of that power. Roberts also wrote the opinion for the 6-3 majority in this case.

WINDFALL ELIMINATION PROVISION (WEP) AND GOVERNMENT PENSION OFFSET (GPO)

Legislation to reform the Windfall Elimination Provision (WEP) was reintroduced in the House of Representatives by Ranking Member of the Ways and Means Committee, Rep. Richard Neal (D-MA). The Public Servants Protection and Fairness Act, H.R. 4260, is the latest iteration of WEP reform and would grant relief to current WEP-affected individuals by providing them with an extra \$150 a month and instituting a new WEP formula for future retirees.

H.R. 4260 would provide current WEP-affected Social Security beneficiaries and those turning 62 before 2025 an extra \$150 a month, starting nine months after enactment and continuing for as long as those individuals are eligible to receive Social Security benefits. The relief amount cannot exceed the size of each person’s current WEP reduction.

Future retirees will be eligible for a new formula, called the Public Servant Protection (PSP) formula. The PSP formula would calculate a benefit amount based on the proportion of lifetime earnings covered by Social Security. The legislation stipulates that future retirees will receive the higher benefit of the two formulas, protecting individuals from being worse off under the new PSP formula. H.R. 4260 also maintains the current WEP exemptions for those who have 30 or more years of Social Security covered employment or if they do not receive any pension from their public employment.

Unfortunately, despite significant support from co-sponsors and outside organizations the legislation has less chance to get consideration than it did last Congress since Neal is no longer in the majority and his long-time colleague who proposed similar legislation, Rep. Kevin Brady (R-TX), has retired.

HEALTH CARE

The House Committee on Energy & Commerce Subcommittee on Oversight & Investigations held a hearing examining the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)’s implementation along with the ongoing challenges it poses for physicians and patients. Chairman Griffith (R-VA) provided opening remarks explaining that MACRA has provided many benefits since its enactment in 2015, such as eliminating the sustainable growth rate (SGR) model and transitioning from a fee-for-service system to that of value-based care through the merit-based incentive payment system (MIPS) and alternative payment models (APMs). During the hearing, the

discussion covered concerns about current reporting requirements and quality measures, with members calling requirements bureaucratic and overly burdensome, especially for small and rural practices. Several members raised the issue of inadequate physician reimbursement amidst physician shortages and advocated for legislation implementing an annual inflation-based update. The hearing featured witness testimony from individuals representing the following organizations: Paragon Institute, National Association of ACOs, America's Physician Groups, Austin Regional Clinic in Texas, Warren Alpert Foundation Professor of Health Care, and Harvard Medical School Department of Health Care Policy.

The House Education & the Workforce Subcommittee on Health, Education, Labor, and Pensions held a hearing on strengthening the health care market. The hearing focused on policies that would drive down costs and empower consumers by expanding their choices. There was a specific focus on exploring solutions to increase transparency for consumers in the health care market. The hearing highlighted potential changes to the transparency-in-coverage rule that would expand transparency requirements for providers and increase standardization in the data shared by insurance companies. Several members also spoke about consolidation in both the hospital and pharmaceutical markets as well as the negative impacts the recent uptick in consolidation has on the consumer. The hearing featured witness testimony from stakeholder representatives and academics from the following organizations: Employers' Forum of Indiana, Families USA, Pharmaceutical Care Management Association, Affirmed Rx, and Georgetown University Center on Health Insurance Reforms.

On Wednesday June 21st, more than 230 House members and 61 Senators sent a letter to the Centers for Medicare & Medicaid Services (CMS) requesting changes to a December 2022 proposed rule that streamlines the prior authorization (PA) process for insurers and providers. The bipartisan group of lawmakers are led by Rep. Susan DelBene (D-WA) and request CMS to promptly finalize the rule and include provisions from DelBene's Improving Seniors' Timely Access to Care Act to improve the prior authorization process for Medicare Advantage plans. The letter specifically asks for CMS to establish a mechanism for real-time electronic prior authorization decisions for routinely approved items and services, require that plans respond to PA requests within 24 hours for urgent care, and require detailed transparency metrics. The letter indicates that both the legislation and CMS's recent proposals would: 1) Establish an electronic PA (e-PA) process for MA plans; 2) Accelerate PA decision time frames; 3) Reduce the administrative burden for both providers and health plans, among other key contributions.

On June 29, the Public Sector Health Care Roundtable sent a letter to members of the congressional leadership to share its unique perspective on the issue of rising prescription drug prices and proposals to reform the Pharmacy Benefit Manager (PBM) industry. In the letter, the Roundtable –

- Urges Congress to consider the unique needs of public sector employees and retirees when addressing the issue of rising pharmaceutical prices, including protecting the passage of rebate savings onto plan sponsors.
- Supports reforms to the current rebate system to ensure formularies reflect clinical appropriateness rather than the best rebates and Congress' efforts to improve transparency across the pharmaceutical supply chain, including the PBM industry.
- Encourages Congress to examine the pharmaceutical industry's anticompetitive practices and build on the success of the Inflation Reduction Act (IRA) to rein in exorbitant drug prices. The proposed reforms are an important first step, but are alone insufficient because they fail to address the role of pharmaceutical manufacturers in high drug costs.

FEDERAL LEGISLATION BOARD REPORT
118th United States Congress
(Prepared by Chris Collins as of July 7, 2023)

H.R.82

SPONSOR: Rep. Graves, Garret (R-LA)

LAST ACTIONS: House - 01/09/2023 Referred to the House Committee on Ways and Means

CAPTION: Social Security Fairness Act of 2023

COMMENT: Repeals the GPO and WEP. 286 co-sponsors; ten Ohioans

S.597

SPONSOR: Sen. Brown, Sherrod [D-OH]

LAST ACTIONS: Senate - 03/01/2023 Read twice and referred to the Committee on Finance.

CAPTION: Social Security Fairness Act

COMMENT: Repeals the GPO and WEP. 44 co-sponsors

H.R.4260

SPONSOR: Rep. Neal, Richard (D-MA)

LAST ACTIONS: House - 06/21/2023 Referred to the House Committee on Ways and Means

CAPTION: To amend title II of the Social Security Act to provide an equitable Social Security formula for individuals with noncovered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision.

COMMENT: 94 co-sponsors; two Ohioans

STATE LEGISLATION BOARD REPORT
(Prepared by Chris Collins as of July 7, 2023)

135th General Assembly

SB6 ESG POLICIES-STATE ENTITIES (Schuring, K) - Regarding environmental, social, and corporate governance policies with respect to the state retirement systems, Bureau of Workers' Compensation, and state institutions of higher education.

Current Status: 05/23/2023, Referred to House Financial Institutions

HB4 LEGISLATIVE INTENT-ECONOMIC BOYCOTTS (Young, T., King, A.) To declare the General Assembly's intention to enact legislation regarding financial institutions and other businesses that conduct economic boycotts or discriminate against certain companies or customers based on certain factors.

Current Status: 02/16/2023, Referred to Financial Institutions Committee

HB33 FY24-25 OPERATING BUDGET (Edwards, J.) To make operating appropriations for the biennium beginning July 1, 2023, and ending June 30, 2025, to levy taxes, and to provide authorization and conditions for the operation of state programs. [Includes SERS' CBBC provision]

Current Status: 07/03/2023 SIGNED BY GOVERNOR; effective 7/1/23

HB146 SERS BENEFIT CAP (Bird, A.) To establish a contribution based benefit cap in calculating a School Employees Retirement System member's retirement benefit.

Current Status: 05/16/2023, REPORTED OUT, House Pensions, (Third Hearing)

HCR 6 URGE CONGRESS - REPEAL WINDFALL ELIMINATION PROVISION (King, Plummer) To urge Congress to repeal the Windfall Elimination Provision.

Current Status: 05/16/2023, REPORTED OUT AS AMENDED, House Pensions, (Third Hearing)

Finance Headline News – July 2023



- Budget Administration
 - FY23 administrative expenses will be final as of July 14th
 - June 2023 was a 3 pay period month.
 - Final budget to actual statement for FY23 will be presented at the September 2023 meeting.
- The following detailed reports are attached for further analysis:
 - FY23 Budget Administrative expense reports
 - Administrative expense summary for June 2023
 - Administrative expense detail for June 2023
 - Parameters report for June 2023
 - Financial highlights
 - As of May 2023

School Employees Retirement System of Ohio
REVIEW OF ADMINISTRATIVE EXPENSES
Jun-23

Expense Account	Vendor	Amount
53100 - Salaries & Wages	ADP, LLC	1,699,461.94
		Subtotal 1,699,461.94
53110 - Salaries & Wages - Overtime	ADP, LLC	2,927.81
		Subtotal 2,927.81
53111 - Vacation Leave Expense	ADP, LLC	245,143.72
		Subtotal 245,143.72
53112 - Sick Leave Expense	ADP, LLC	283,816.50
		Subtotal 283,816.50
53200 - Employer Contributions - PERS	ADP, LLC	262,633.43
		Subtotal 262,633.43
53300 - Group Life	American United Life Insurance Company	9,292.25
		Subtotal 9,292.25
53310 - Long Term Disability	American United Life Insurance Company	3,290.66
		Subtotal 3,290.66
53315 - Short Term Disability	American United Life Insurance Company	3,874.72
		Subtotal 3,874.72
53320 - Group Health Claims	Aetna Daily Wires - ESERS	158,377.09
		Subtotal 158,377.09
53321 - Group Health - Admin Fees	Aetna Admin - ESERS	7,513.74
		Subtotal 7,513.74
53322 - Prescription Claims	Express Scripts - Rebate Express Scripts - ESERS SaveonSP, LLC	(1,460.62) 96,064.04 8,125.77
		Subtotal 102,729.19
53324 - Group Health - Stop Loss Admin	Aetna Admin - ESERS	17,716.68
		Subtotal 17,716.68
53326 - Vision Claims	VSP - (OH)	2,448.73
		Subtotal 2,448.73
53327 - Vision Admin Fees	VSP - (OH)	121.68
		Subtotal 121.68
53330 - Group Health - Employee Cost	Employee Premiums	(55,685.83)
		Subtotal (55,685.83)
53331 - Group Health - Wellness Incentive	ADP, LLC	3,970.00
		Subtotal 3,970.00
53332 - Group Health - Tobacco Premiums	ADP, LLC	(1,020.00)
		Subtotal (1,020.00)
53340 - Medicare Premium - Employer	ADP, LLC ADP, LLC	26,697.32 0.01
		Subtotal 26,697.33
53380 - Deferred Compensation Match	ADP, LLC	7,110.00
		Subtotal 7,110.00
54100 - Actuarial Services	Cavanaugh MacDonald Consulting, LLC Cavanaugh MacDonald Consulting, LLC	12,000.00 11,022.00
		Subtotal 23,022.00
54310 - Custodial Fees	BNY Mellon Asset Servicing	94,094.87
		Subtotal 94,094.87
54320 - Custodial Banking	Fifth Third Bank Treasurer of State - Warrants Huntington National Bank	250.00 94.50 29,426.70
		Subtotal 29,771.20
54410 - Master Recordkeeper Fees	BNY Mellon Asset Servicing	120,000.00
		Subtotal 120,000.00
54420 - Investment Advisory Fees	Wilshire/Aksia	43,715.75
		Subtotal 43,715.75
54430 - Performance/Analytics Fee	BNY Mellon Asset Servicing Frank Russell Company	34,401.66 250.00

	Wilshire Advisors, LLC		3,000.00
		Subtotal	37,651.66
54520 - Medical Consultant	Borchers, M.D., Glen G.		3,750.00
		Subtotal	3,750.00
54610 - Special Counsel	Ice Miller LLP		605.00
	Seyfarth Shaw LLP		18,987.50
	Calfee Halter & Griswold LLP		247.50
		Subtotal	19,840.00
54620 - Technical	Sagitec Solutions, LLC		35,227.50
	LexisNexis Risk Data Management, Inc		3,713.46
	Sigital, LLC		647.50
	ComResource		6,842.50
	Merative US L.P.		29,500.00
	Improving Ohio, Inc.		875.00
		Subtotal	76,805.96
54630 - Other Professional Services	Wickert, Kimberly		540.00
	Cristo Rey Columbus High School		5,000.00
	Vorys Advisors LLC		3,333.33
	Contoural, Inc.		2,354.50
	Performance Leadership Group, LLC		5,625.00
	CMM Digitization Services, LLC		22,733.00
	Longenbaker Custom Framing		212.85
		Subtotal	39,798.68
55100 - Postage	Employee Postage Reimbursement		(27.50)
	Pitney Bowes Inc.		987.55
	United States Postal Service		140,000.00
	Columbus Courier & Freight LLC		141.90
	Unishippers Association		192.12
	FedEx		101.66
		Subtotal	141,395.73
55200 - Telecommunications Services	Verizon Wireless		626.14
	Nextel Communications		55.49
	AT&T		40.10
	LUMEN		3,121.12
	Spectrum		2,021.46
	Everstream Solutions LLC		1,376.00
	XO Verizon		2,900.14
		Subtotal	10,140.45
55300 - Member/Employer Education	Employer Training Fees- outreach attendee fees		(180.00)
	Holman, Carlisa		345.86
	Vaughan, Cameron		409.77
	Talbert, Katie		254.53
	Hilton Garden Inn		918.00
	Richards, Michelle		277.32
	Salt Fork Lodge & Conference Center		1,109.72
		Subtotal	3,135.20
55400 - Printing Paper	Sterling Paper Company		6,263.50
		Subtotal	6,263.50
55420 - Communications & Publications	Bindery and Specialties, Inc.		8,130.00
		Subtotal	8,130.00
56020 - Hardware Maintenance	Royal Document Destruction		3,277.00
		Subtotal	3,277.00
56030 - Software Maintenance	Sagitec Solutions, LLC		35,000.00
	Dell Marketing LP		18,612.00
		Subtotal	53,612.00
56035 - Software Subscriptions	Optiv Security, Inc.		1,991.68
	Shi International Corp.		13,509.95
	ADP, LLC		4,089.52
	Liquid Web Inc		653.14
	CDW-Government, Inc.		29,975.00
	Zoom		1,113.62
	OARnet		96,266.67
	Wellable LLC		473.20
	Expedient		13,380.40
		Subtotal	161,453.18
56040 - Hardware < \$5,000	Amazon.com		495.15
	Dell Marketing LP		32,440.00
	Lenovo		183.90
		Subtotal	33,119.05
56110 - Equipment Repairs & Maintenance	Fifth Third Bank - Ink Cartridge refund		(348.37)
	Ricoh USA, Inc		299.70
	Digital Print Solutions		1,953.70
	Canon Financial Services, Inc		2,191.27
	LD Products Inc.		82.96
	CDW-Government, Inc.		190.47
	Woodhull		577.98
	US Bank Equipment Finance		2,405.50
		Subtotal	7,353.21

56130 - Office Supplies & Expenses	Staples Business Advantage	95.09
	Amazon.com	11.79
	Presto Direct	66.19
	Subtotal	173.07
56150 - Furniture & Equipment < \$5,000	Home Depot	2,954.00
	Subtotal	2,954.00
56160 - Records Storage	Vital Records Holdings, LLC	1,259.00
	Subtotal	1,259.00
56210 - Seminars & Conferences	Employers Resource Association	510.00
	Public Sector Healthcare Roundtable	1,500.00
	Ohio State University	486.99
	National Association of Public Pension Attorneys	1,980.00
	Institutional Limited Partners Association	1,198.00
	Central Ohio Agile Association	1,100.00
	Subtotal	6,774.99
56310 - Travel & Transportation	McGary, David	2,076.93
	Price, Steve	6,710.89
	Kroger	52.21
	Rossler, James	48.62
	Haller, James	492.16
	Phillips, Barbra	816.42
	Baskaran, Thavamani	1,215.88
	Giant Eagle	67.95
	Sisson, Phil	1,121.42
	Sam's Club	96.62
	Bell, Joe	17.00
	Majeed, Farouki	1,176.63
	Moss, Catherine	684.51
	Wilson, Daniel L.	472.68
	King, Matt	359.01
	Weglarz, Frank	513.48
	Murta, Scott	1,684.51
	Bradley, Susan	17.00
	Market 65	365.00
	Marotta, Joe	498.95
Nist, Todd	469.96	
Genjigo	244.00	
Martini Modern Italian	509.68	
	Subtotal	19,711.51
56410 - Subscriptions	Wall Street Journal	311.92
	Constant Contact	250.00
	Financial Times	375.00
	Shutterstock, Inc.	58.00
	Harvard Business Review	145.13
	BCA Research Inc.	14,913.00
	Columbus Dispatch	427.20
	Economist	340.82
	Toledo Blade	25.98
	The Business Journals	190.00
	The Morning Pulse, Inc.	50.00
	Subtotal	17,087.05
56420 - Memberships	Ohio Society of CPAs	395.00
	Employers Resource Association	1,476.00
	Public Sector Healthcare Roundtable	2,800.00
	International Association of Business Communicators	95.00
	CFA Institute	459.00
	Association of Government Accountants	105.00
	CAIA Association	700.00
ARMA International	195.00	
	Subtotal	6,225.00
56610 - Operations Maintenance	South Central Power Company	33.00
	Northeast Ohio Natural Gas Corp.	350.16
	Subtotal	383.16
56630 - Interior Landscaping	Ambius Inc.	1,366.37
	Subtotal	1,366.37
56640 - Vehicle Expense	Moo Moo Car Wash	14.00
	Firestone Complete Auto Care	127.69
	BP Oil Company	57.51
	Speedway	34.00
	Sheetz	54.50
	Subtotal	287.70
56620 - Staff Support	ADP, LLC	5,096.00
	Panera Bread	314.62
	Premier ProduceOne	121.10
	Giant Eagle	131.98
	Amazon.com	595.00
	PayFlex Systems USA, Inc.	336.00
	Target	25.00
	Jimmy Johns	296.62
	Freedom A La Cart	403.25
	Aetna Behavioral Health, LLC	282.60
	ezCater	726.47
	Acorn Distributors Inc.	85.22

	Genjigo	274.90
	Al's Delicious Popcorn	135.00
	J's Sweet Treats	291.06
	Subtotal	9,114.82
56621 - Recruiting Expense	Fifth Third Bank - Indeed invoice adjustment	(2.74)
	Government Finance Officers Association	150.00
	LinkedIn Corporation	1,870.00
	ADP Screening & Selection Services	19.13
	Indeed	2,646.26
	Wiley	435.00
	Subtotal	5,117.65
56900 - Reimbursement of Leased Svcs	Reimbursement of Leased Services	(25,416.67)
	Subtotal	(25,416.67)
	Total SERS Administrative Expense	3,741,786.73

Note 1 - Preliminary results are based on invoices processed as of July 7, 2023 for services and goods received in FY2023. June books are kept open longer in order to record full accrual expenses for external reporting and auditing purposes.

School Employees Retirement System of Ohio

Preliminary summary of administrative operation expenses during the period **June 1, 2023-June 30, 2023**.

Actuals
Jun-2023

Account	Amount
Salaries & Wages	1,699,461.94
Salaries & Wages- Overtime	2,927.81
Vacation Leave Expense	245,143.72
Sick Leave Expense	283,816.50
Employer Contributions- PERS	262,633.43
Group Life	9,292.25
Long Term Disability	3,290.66
Short Term Disability	3,874.72
Group Health Claims	158,377.09
Group Health- Admin Fees	7,513.74
Prescription Claims	102,729.19
Group Health- Stop Loss Admin	17,716.68
Vision Claims	2,448.73
Vision Admin Fees	121.68
Group Health- Employee Cost	(55,685.83)
Group Health- Wellness Incentive	3,970.00
Group Health- Tobacco Premiums	(1,020.00)
Medicare Premium- Employer	26,697.33
Deferred Compensation Match	7,110.00
Actuarial Services	23,022.00
Custodial Fees	94,094.87
Custodial Banking	29,771.20
Master Recordkeeper Fees	120,000.00

Investment Advisory Fees	43,715.75
Performance/ Analytics Fee	37,651.66
Medical Consultant	3,750.00
Special Counsel	19,840.00
Technical	76,805.96
Other Professional Services	39,798.68
Postage	141,395.73
Telecommunications Services	10,140.45
Member/Employer Education	3,135.20
Printing Paper	6,263.50
Communications & Publications	8,130.00
Hardware Maintenance	3,277.00
Software Maintenance	53,612.00
Software Subscriptions	161,453.18
Hardware < \$5,000	33,119.05
Equipment Repairs & Maintenance	7,353.21
Office Supplies & Expenses	173.07
Furniture & Equipment < \$5,000	2,954.00
Records Storage	1,259.00
Seminars & Conferences	6,774.99
Travel & Transportation	19,711.51
Subscriptions	17,087.05
Memberships	6,225.00
Operations Maintenance	383.16
Interior Landscaping	1,366.37
Vehicle Expense	287.70
Staff Support	9,114.82
Recruiting Expense	5,117.65
Reimbursement of Leased Svcs.	(25,416.67)
Total Administrative Expenses	3,741,786.73

Note 1 - Preliminary results are based on invoices processed as of July 7, 2023 for services and goods received in FY2023. June books are kept open longer in order to record full accrual expenses for external reporting and auditing purposes.

				Budgeted		
Major Category/Sub-Major Category	Line Item	Vendor	FY2023 Budget	Year to Date Expense	Y/N?	Additional Information
PROFESSIONAL SERVICES			\$ 6,502,883.00	\$ 5,562,681.31		
ACTUARIAL ADVISORS			\$ 421,008.00	\$ 369,589.50		
	Actuarial	Cavanaugh Macdonald	272,508.00	286,339.50	Y	Actuarial Consultant
AUDITING			\$ 244,000.00	\$ 181,031.00		
	Auditing	RSM	184,000.00	152,444.00	Y	External Auditor
BANKING FEES			\$ 1,268,466.00	\$ 1,190,772.76	Y	
	Custodial Banking		1,073,544.00	1,019,206.31		
		Huntington	302,004.00	317,171.38	Y	Domestic Custodian
		BNYM	765,000.00	702,034.93	Y	International Custodian
	Administrative Banking	Huntington National Bank/ TOS	194,922.00	171,566.45	Y	Banking Services
INVESTMENT RELATED			\$ 2,664,622.00	\$ 2,432,601.03		
	Master Recordkeeper		1,116,000.00	1,011,276.32	Y	
	Investment Consulting & Advisory Services		650,000.00	535,770.56		
		Aksia	200,000.00	85,770.56	Y	Investment Consulting
		Wilshire	450,000.00	450,000.00	Y	Investment Consulting
	Performance Analytics Services		690,263.00	703,489.15		
		Barra-One Risk Mgmt Sys	238,445.00	238,445.00	Y	Investment Risk Analytics
		BNY Mellon GRS	412,800.00	412,569.92	Y	Investment Performance Analytics
TECHNICAL			\$ 1,859,787.00	\$ 1,343,687.02		
	Special Counsel		235,020.00	204,956.00	Y	
	Technical		1,202,316.00	790,840.69		
		Merative US L.P.	118,000.00	118,000.00	Y	Data Warehouse
		Sagitec	550,000.00	441,267.75	Y	SMART Development Resources
	Other Professional Services		422,451.00	347,890.33		
OTHER OPERATING EXPENSE			\$ 3,607,379.00	\$ 3,155,722.86		
COMPUTER SUPPORT SERVICES			\$ 2,343,770.00	\$ 2,099,661.72		
	Software Maintenance		1,004,851.00	894,914.52		
		Hyland	110,529.00	114,482.38	Y	ImageNow
		Dell	240,000.00	236,639.52	Y	Microsoft Enterprise Agreement
		Sagitec	420,000.00	385,000.00	Y	SMART Silver Support
	Software Subscriptions		1,183,234.00	1,062,943.77	Y	
		DRaaS	158,000.00	119,236.60	Y	Expedient
		Dynamo	128,000.00	161,167.58	Y	Dynamo Software, INC
		Carahsoft	124,688.00	109,855.20	Y	ServiceNow System
PROPERTY MANAGEMENT						
LIABILITY INSURANCE						
	Management Liability Insurance		518,000.00	519,591.00		
		Cyber Liability Insurance	118,000.00	105,264.25	Y	ARC Excess & Surplus, LLC
		Crime Fiduciary D&O Insurance	400,000.00	414,326.75	Y	ARC Excess & Surplus, LLC

PROJECT ITEMS

				Budgeted		
Major Category/Sub-Major Category	Line Item	Project	FY2023 Budget	YTD Expense	Y/N?	Additional Information
PROFESSIONAL SERVICES						
TECHNICAL						
		CBBC Programming	150,000.00	39,382.20	Y	CBBC programming

SERS

UNBUDGETED PROJECT ITEMS

				Budgeted		
Major Category/Sub-Major Cat	Line Item	Project	FY2023 Budget	YTD Expense	Y/N?	Expense Reallocation
Technical	Technical	Agile Coaching- Improving.com	\$ -	\$ 13,825.00	N	Technical
	Seminars and Conferences	Agile Coaching- Improving.com	\$ -	\$ 22,195.00	N	Seminars & Conferences

OSERS BROAD STREET, LLC

UNBUDGETED PROJECT ITEMS

				Budgeted		
Major Category	Line Item	Project	FY2023 Budget	YTD Expense	Y/N?	Additional Information

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

FINANCIAL HIGHLIGHTS

As of May 31, 2023 and 2022

(unaudited)

SERS (All Funds)	5/31/23 YTD	5/31/22 YTD	Comparative Difference	% Difference
<u>ADDITIONS</u>				
Employer Contributions	\$556,783,927	\$520,927,768	\$35,856,159	7%
Member Contributions	364,010,224	340,987,157	23,023,067	7
Health Care Premiums, Subsidies & Other Income	187,580,905	76,155,612	111,425,293	146
Total Investment Income, Net	646,108,791	185,961,576	460,147,215	247
TOTAL ADDITIONS	1,754,483,847	1,124,032,113	630,451,734	56
<u>DEDUCTIONS</u>				
Retirement, Disability, Survivor & Death Benefits	1,254,937,066	1,217,246,036	37,691,030	3
Health Care Expenses	193,182,417	119,202,083	73,980,334	62
Refunds & Transfers	101,088,245	82,534,771	18,553,474	22
Administrative Expenses (excluding Investments)	26,857,517	26,169,471	688,046	3
TOTAL DEDUCTIONS	1,576,065,245	1,445,152,361	130,912,884	9
Changes in Net Position	178,418,602	(321,120,248)	499,538,850	156
Net Position - Beginning	17,574,319,449	18,440,611,356	(866,291,907)	(5)
SERS Net Position - Ending	\$17,752,738,051	\$18,119,491,108	(\$366,753,057)	(2%)

HEALTH CARE FUND

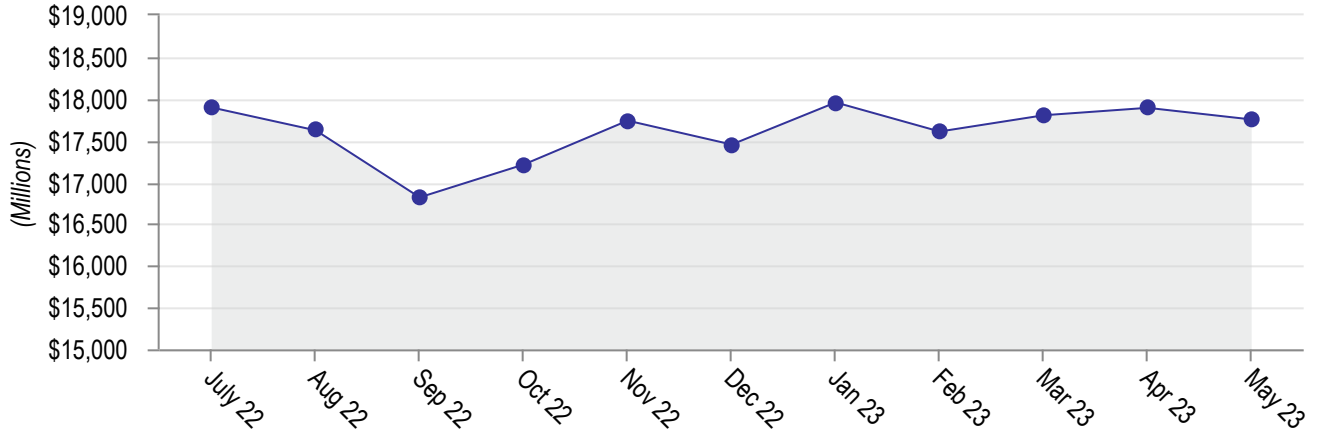
HEALTH CARE ADDITIONS

Employer Contributions	\$48,407,656	\$45,073,593	\$3,334,063	7%
Health Care Premiums	55,625,263	57,713,499	(2,088,236)	(4)
Medicare Subsidies & Other Income	131,955,642	18,442,113	113,513,529	616
Total Investment Income, Net	18,930,621	5,631,254	13,299,367	236
TOTAL HEALTH CARE ADDITIONS	254,919,182	126,860,459	128,058,723	101
TOTAL HEALTH CARE DEDUCTIONS	195,533,919	121,988,188	73,545,731	60
Changes in Net Position	59,385,263	4,872,271	54,512,992	1,119
Net Position - Beginning	611,574,409	600,330,188	11,244,221	2
SERS Health Care Fund Net Position - Ending	\$670,959,672	\$605,202,459	\$65,757,213	11%

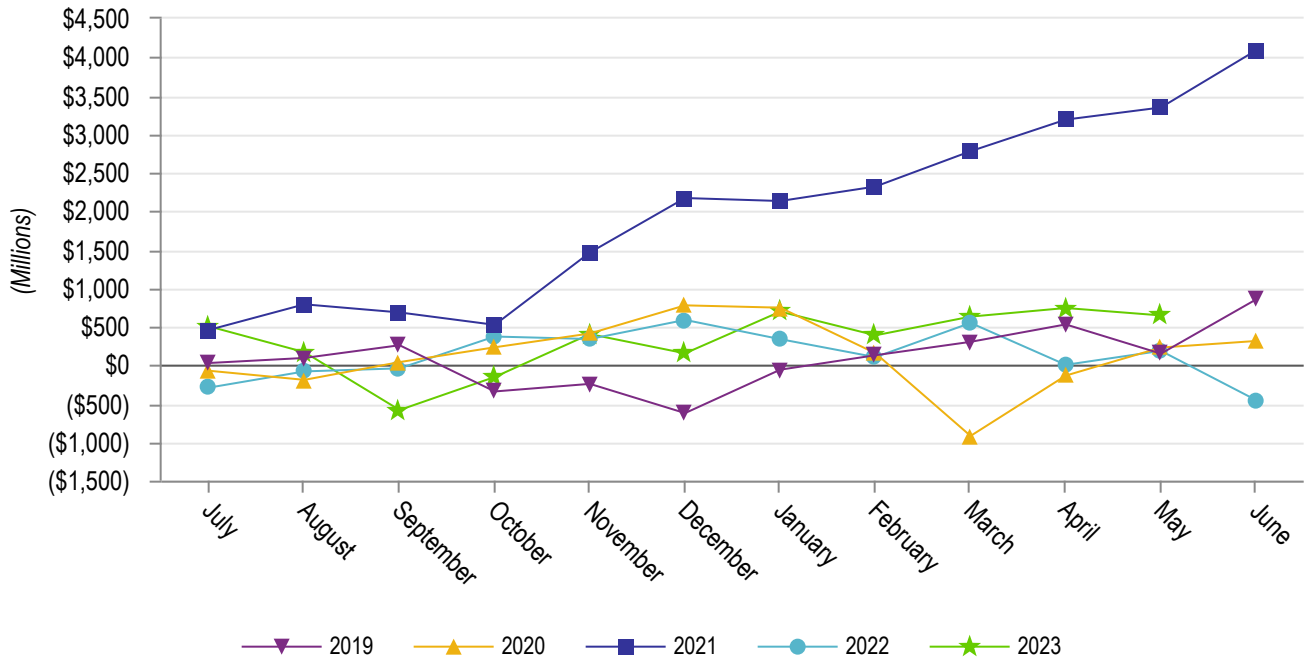
ADMINISTRATIVE EXPENSES

	5/31/23 YTD	Fiscal Year Annual Budget	% of Annual Budget
Personnel	\$21,582,163	\$24,392,195	88%
Professional Services	5,074,233	6,502,883	78
Communications	832,139	1,011,873	82
Other Operating Expenses	2,851,871	3,607,379	79
TOTAL ADMINISTRATIVE EXPENSES	\$30,340,406	\$35,514,330	85%

Total SERS Fund Balance for Previous 12 Months



Investment Income (includes realized and unrealized gains & losses)



Health Care Fund Balance Trend



Memo

To: Retirement Board
From: SERS Legal
CC: Richard Stensrud
Date: July 7, 2023
Re: Amendments to Board Policies

Legal is proposing amendments to update two Board policies. The updates are intended to address changes in staff titles, responsibilities, and processes. Below are summaries of the proposed changes.

1. **SERS Board Meeting Policy**

This policy addresses development of the Board meeting agenda and the items of business to be discussed. Updates to the policy reflect the use of the Consent Agenda to consolidate business that was previously addressed separately. Additional changes clarify standing agenda items and specify other items of business that are included when necessary.

2. **Retirement Board Member Election Policy**

This policy establishes the detailed procedure used by SERS staff to conduct the election of employee and retiree Board members, in compliance with SERS statutes and administrative rules. Updates to the procedure clarify staff responsibilities, specify the items addressed in the Board election resolution, and include the use of electronic nominating petitions.

The majority of updates are non-substantive; they involve reordering content to follow the sequence of events. Due to the amount of redlined content, a clean version of the proposed policy is also included in your materials for ease of reading.

AMENDED SERS BOARD MEETING POLICY

Legal discussed with the Board proposed amendments to the SERS Board Meeting Policy. After discussion, _____ moved and _____ seconded the motion to approve the amended policy effective July 20, 2023.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Matthew King	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____
Frank Weglarz	_____	_____	_____



SERS Board Meeting Policy

BD2-001

Effective Date:	01/01/2005	Revision Date:	07/16/2015 / 20/2023	Audience:	Board
Owner:	Board	Certifier:	Richard Stensrud	Co-Owner (s):	None
Document Links:	Purpose , Policy , Procedure , Definitions , Related Documents , Policy History				

Purpose

A nine member Board governs SERS. Regular Board meetings are held on the third Thursday, and Friday when necessary, of each month except January and August in the Board Room of the SERS building. If there is a holiday or other conflict, the Board will decide on another meeting date. Should circumstances dictate in any particular month, the Board Chair, or in the Board Chair's absence the Vice Chair, may, in collaboration with the Executive Director, cancel the meeting for that month.

Board meetings are held to conduct the business of the general administration and management of the School Employees Retirement System, which is vested in the SERS Board. During these meetings, the Board may adopt rules, approve resolutions, and authorize its administrative officers or committees, which are composed of Board members to act for the Board.

Policy

Membership

Board membership consists of four members elected from the SERS membership, two elected from SERS service and disability retirants, one [investment designee member](#) appointed by the Treasurer of State, an investment expert member appointed by the Governor, and an investment expert member jointly appointed by the Speaker of the House of Representatives and the President of the Senate.

Quorum

A majority of the total number of members who have been elected or appointed and are serving on the SERS Board at the time of the meeting constitutes a quorum for the transaction of any Board business and any action taken by the Board shall be approved by a majority of the total number of members who have been elected or appointed and are serving on the Board at the time of the vote.

Board Meeting Agenda

1. A Board meeting agenda is drawn up by the [Senior Executive and Board Administrator/Administrative Officer](#), ~~who serves as the Board Secretary~~, after

consultation with the Board Chair, Executive Director, Department Directors, and Disability and Survivor Benefits Managers in the Member Services Department.

2. Approximately one week prior to the Board meeting, each Board member is provided with the meeting agenda, ~~which includes the following and materials, and such other materials as necessary:~~
 - a. ~~A letter signed by the Executive Director stating the agenda for the Board Day.~~
 - b. ~~Minutes of the previous month's Board meeting to be approved/disapproved.~~
 - c. ~~Disability appeal hearing statement of facts, if a hearing is scheduled.~~
 - d. ~~Disability and superannuation retirements and survivor benefit applications to be approved/disapproved at the Board meeting.~~
 - e. ~~The previous month's System operating expenses as submitted by the Finance Department.~~

Conduct of Board Meetings

1. The Board meeting is presided over by the Board Chair who is elected by the Board membership. If the Chair is unable to attend, the Vice Chair, who is also elected by the Board membership, will preside. Questions on parliamentary procedure may be resolved in accordance with Robert's Rules of Order, but are not required to be resolved in such a manner.

2. Pledge of Allegiance

- ~~2.3.~~ After the initial roll call vote, items of business, including, but not limited to the following, are considered by the Board in the order determined, without objection, by the Chair:

- a. Roll Call

The Board meeting is opened ~~by the Board Secretary~~ with a roll call of members to establish that a quorum is present. Motions made and seconded by Board members during the meeting are approved/disapproved by roll call vote taken by the ~~Senior Executive and Board Administrator~~ Board Secretary in the following order:

1. Vice Chair
2. Members
3. Chair (to break tie votes)

- b. Approval of Minutes~~Consent Agenda~~

The ~~minutes of the previous Board meeting are~~ following items are consolidated and approved by a roll call vote of the members present:-

1. Minutes of the previous Board meeting
2. Summary of Investment Transactions
3. Retirement Report – This includes superannuation retirements,

survivor benefit applications, transfers, and special cases.

4. Disability Report

c. Investment Report

Matters related to System investments are reviewed. Recommendations of the Investment Department are reviewed and are approved/disapproved by roll call vote.

e.d. Executive Director's Report

The Executive Director's report on matters pertaining to internal operations of the System and pending legislation at the state and federal level is submitted and discussed.

e. The following items of business are included, when necessary:

a. Executive Session for Disability Appeals~~Special Resolutions~~

b. Health Care Report~~and Cases, and~~

a. Matters relating to administration of the health care program are reviewed and approved/disapproved by roll call vote. ~~System Business~~

~~—Special resolutions, cases, and System business is discussed and approved/disapproved by roll call vote.~~

d. Disability Cases

~~—The Board reviews the evidence and recommendations, and then grants or denies the disability application by roll call vote.~~

e. Superannuation and Survivor Benefits Cases

~~—Superannuation retirements and survivor benefit applications are formally approved by roll call vote.~~

f. Investment Transactions

~~—The previous month's summary of investment transactions as submitted by the Investment Department are approved by roll call vote.~~

g. Investment Review

~~—Matters related to System investments are reviewed. Recommendations of the Investment Department are reviewed and are approved/disapproved by roll call vote.~~

c. Committee Reports

This includes updates from the Compensation, Audit, and Technology Committees.

d. Approval of Out-of-State Board Travel

f. [Board Communication and Policy Issues](#)

[This includes a review of future Meeting Date](#)

~~—Board meeting dates are set for the following year and reviewed monthly, continued or new business, and Board information requests.~~

~~Old Business~~

~~h. New Business~~

~~i.g. Adjournment~~

Special Board Meetings

Special Board meetings and special meetings of an emergency nature may be held at the call of the Board Chair, or in the event of the Chair's absence or incapacity, at the call of the Vice Chair. Should both the Chair and Vice Chair be absent or incapacitated, any two members of the Board may call a special meeting. The [Senior Executive and Board Administrator](#)~~Executive Administrative Officer~~ will notify all Board members when a special Board meeting has been called. Notice to members of the public and the media shall be given as provided in Rule 3309-1-25. The same rules of conduct for a regular Board meeting apply to special meetings. The [Senior Executive and Board Administrator](#) ~~Executive Administrative Officer, acting as Board Secretary,~~ will call the roll, record votes, and take minutes, which are then approved at the next scheduled Board meeting.

Procedures None

Definitions

None

Related Documents and Information

Statutes: 3309.04, 3309.05, ~~3309.06~~, 3309.09

Rules: 3309-1-25

Document Links: [Purpose](#), [Policy](#), [Procedure](#), [Definitions](#), [Related Documents](#), [Policy History](#)

Forms: ---

Policy History

Version 1 – January 1, 2005 – Created – Approved by Board

Version 2 – February 1, 2006 – Edited – Approved by Board

Version 3 – July 16, 2015 – Edited – Approved by Board

AMENDED RETIREMENT BOARD MEMBER ELECTION POLICY

Legal discussed with the Board proposed amendments to the Retirement Board Member Election Policy. After discussion, _____ moved and _____ seconded the motion to approve the amended policy effective July 20, 2023.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Matthew King	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____
Frank Weglarz	_____	_____	_____



Retirement Board Member Election Policy

BD4-009

Effective Date:	07/03/2008	Revision Date:	03/24/2019/20/2023	Audience:	Everyone
Owner:	Board	Certifier:	Richard Stensrud	Co-Owner (s):	Finance, Member Services
Document Links:	Purpose , Policy , Procedure , Definitions , Related Documents , Policy History				

Purpose

All elections for employee or retirant members of the School Employees Retirement System Board are conducted under the direction of the Board.

Policy

The Executive Director will be responsible for conducting the election in accordance with the Ohio Revised Code, Administrative Rules, [and Board policies](#), and ~~SERS~~ procedures.

Procedure [Retirement Board Member Election Procedure](#)

Retirement Board Member Election Procedure

This procedure describes the requirements, steps, and responsibilities to conduct an election of a SERS Board member in accordance with the Ohio Revised Code, Administrative Rules, and policies of the Board.

~~PART I~~ [Election Schedule, Materials, and Communications](#)

[A. Setting the Election Schedule](#)

- [1. The General Counsel will prepare a Board resolution for election of an employee member and/or election of a retiree member, as appropriate, for presentation at the July Board meeting of the fiscal year in which a Board member's term ends.](#)
- [2. The Board resolution shall identify: the date nominating petitions signature gathering may begin, the deadline nominating petitions and Certification Forms must be received by SERS, the deadline ballots must be received](#)

Formatted: Space After: 10 pt

Formatted: Font: (Default) Arial, 12 pt, Underline

Formatted: Add space between paragraphs of the same style

by SERS, and the date of the election (i.e. when ballots are counted).

B. Election Materials and Communication

The Communications staff will be responsible for:

1. Preparing candidate ~~Information Package and Form~~selection packets
2. Preparing election notices to be included in the Employer Bulletin, Future Matters News and Views, and Focus, and placed on the ehsers.org-SERS website and the SERS Facebook pagessocial media channels.
3. Preparing election posters to be distributed to all school districts and school buildings within a school district
4. Preparing the paper and electronic Official Nominating Ppetitionss form
5. Preparing ballots
- ~~6. Obtaining a photograph and biographical material for each candidate to be published and distributed with the ballot~~
- ~~7.6. _____~~Preparing an announcement of the Judges' Certification of the election results.

PART II Candidate Qualifications/Nominations

~~The Executive Administrative Officer to the Executive Director will prepare a resolution for election of an employee member and/or election of a retiree member, as appropriate, inserting the dates specified by the Executive Director, for presentation by the Executive Director at the July Board meeting of the fiscal year in which a Board member's term ends.~~

A. Candidate Election Packets

1. ~~The~~ Communications staff will post the election packets on the SERS website on the date specified in the Board resolution~~control the issuance of the election packets.~~
2. Election ~~p~~packets contain contents
 - a. ~~i~~Information on eligibility, retirement board duties, fiduciary duties, ethics, removal from office, and campaign finance disclosure. ~~The packet also contains the~~
 - b. Certification Form
 - i. ~~(certification of~~The candidate must attest to having no convictions in compliance with O.R.C. 3309.061.)
 - ii. A complete and notarized Certification Form must be returned to SERS no later than the deadline for receipt of nominating petitions and a
 - c. Nominating Petition Form.

Formatted: Underline

Formatted: Add space between paragraphs of the same style

Formatted: Underline

- i. Copies of the ~~paper n~~Nominating ~~p~~Petition ~~f~~Form can be made by the candidate and distributed to other circulators.
- ii. The candidate must contact Communications staff to request an electronic petition be posted on their behalf to the SERS website.
- iii. Electronic nominating petitions must be accessed and signed through the SERS website.
- i. The Certification Form is required to be returned to SERS no later than the deadline for receipt of petitions. Communications staff will record the names of each person who requests a packet and notify the Executive Director of each request.

Formatted: Underline

B. Certification of Candidates

Formatted: Add space between paragraphs of the same style

1. Printing and Mailing staff will date-stamp each paper nominating petition and Certification Form as it is received.
2. If the paper petitions or Certification Form are hand delivered, they will be taken immediately to Printing and Mailing for dating purposes. If they are received prior to the 4:30 p.m. deadline, but not in time for all of them to be processed prior to 4:30 p.m., the group will be date-stamped even though the time that is stamped will be later than 4:30 p.m. In this event, the person who accepted the petitions (or Certification Form) will attach the following certification that they were, in fact, received prior to the 4:30 p.m. deadline:

"I hereby certify that the attached (insert number of petitions) petitions (or Certification Form) for (name of candidate) were received at (time) on (date)."

Formatted: Font: 10 pt

 (Signature of employee)
 (Printed name)

3. Information provided through the electronic petition will be downloaded into a file that includes the date and time of submission.
4. All petitions and Certification Forms will then be delivered directly to the Communications staff. Communications staff records the name of each candidate who submits a Certification Form and nominating petition and notifies the Executive Director.
5. The Director of Member Services will verify that the petitions comply with the provisions of ORC 3309.07, namely:
 - a. Nominating petitions for an employee seat on the Board must be signed by at least 500 SERS members with no less than 20 signers each from at least ten Ohio counties in which such signers are employed.

Formatted: Add space between paragraphs of the same style

b. Nominating petitions for the retiree seat on the Board must be signed by at least 150 former SERS members who are receiving service retirement or disability benefits. There must be at least 10 retiree signatures from each of at least five Ohio counties in which such signers reside.

c. Under the direction of the Director of Member Services, and using the SMART system, the persons on each nominating petition are examined and verified as follows. Persons who cannot be conclusively verified will not be counted.

i. For the election of an employee member, the person signing the petition must be a member of SERS. The last four digits of the signer's social security number or SERS member ID is checked to verify:

- Name
- Membership status
- School district of employment
- County of employment

ii. For the election of a retiree member, the person signing the petition must be a service retiree or disability benefit recipient of SERS. The last four digits of the signer's social security number or SERS member ID is checked to verify:

- Name
- Status as a service retiree or disability benefit recipient. The benefit code (S or D) is recorded in the left margin.
- County of residence

6. The total number of verified persons is then recorded and the Director of Member Services certifies the names of the persons to the Office of the Secretary of State for review and audit. If there is a discrepancy between the certification of the Director of Member Services and the results of the review and audit by the Office of the Secretary of State, the determination of the Secretary of State shall control and be final.

7. When all of the above has been completed, the Director of Member Services will send certification of the results to the Executive Director and to the Communications staff.

8. The nominating petitions shall then be stored and thereafter destroyed at the same time and in the same manner as ballots.

Formatted: Add space between paragraphs of the same style

Formatted: Space After: 0 pt, Don't add space between paragraphs of the same style, Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 2.25" + Indent at: 2.5"

Formatted: Don't add space between paragraphs of the same style, Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 2.25" + Indent at: 2.5"

Formatted: Font: (Default) Arial, 12 pt

Formatted: Space After: 12 pt, Don't add space between paragraphs of the same style, Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 2.25" + Indent at: 2.5"

Formatted: Font: 12 pt

Formatted ... [1]

Formatted: Font: (Default) Arial, 12 pt

Formatted ... [2]

Formatted: Font: (Default) Arial, 12 pt

Formatted ... [3]

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial, 12 pt

Formatted ... [4]

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: 12 pt

Formatted ... [5]

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial, 12 pt

Formatted ... [6]

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted ... [7]

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial

9. ~~Communications staff will then schedule preparation of the ballot. If there is only one qualified candidate for a Board seat, no election shall be conducted and the candidate shall take office as if elected.~~

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: 12 pt

Formatted: Add space between paragraphs of the same style

10. ~~Upon certification of the eligible candidates by the Director of Member Services (see "Part III" of this Procedure) and after any review or audit by the Office of the Secretary of State, the Executive Administrative Officer, The General Counsel will prepare the following resolution to be submitted by the Executive Director at for the first Board meeting that follows the date of certification:~~

Formatted: Font: (Default) Arial, 12 pt

Formatted: Add space between paragraphs of the same style, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: 10 pt

Formatted: Indent: Left: 0.75"

"Certification of Candidates"

It was moved by _____ and seconded by _____ that having met the eligibility requirements of O.R.C. Chapter 3309 and having received sufficient and proper petitions to meet the qualifications of Section 3309.07 O.R.C., the following candidates be placed upon the ballots for the election of an employee member to the School Employees Retirement Board for the term July 1, _____ to June 30, _____.

(Candidate name(s), School, School District & County):"

Formatted: Font: 10 pt

A similar resolution is used for the election of a retiree member by changing the words from "employee member" to "retiree member," with "School District" not applicable.

Formatted: Indent: Left: 1.25"

11. ~~The Executive Director will then send a letter to all candidates advising them of official placement on the ballot and of the right to observe the election process.~~

Formatted: Font: (Default) Arial, 12 pt

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Font: (Default) Arial

~~C. In accordance with Section 3309.071 ORC, if there is only one qualified candidate for a Board seat, no election shall be conducted and he or she shall take office as if elected.~~

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

~~D. In January the Chief Finance Officer will ask the offices of the Ohio Secretary of State and the Ohio Attorney General each to appoint a judge to oversee the election count. If a representative from either the Secretary of State or the Attorney General is not made available, a representative from SERS' independent accounting firm or the Ohio Auditor of State may be substituted. In the event that any of these representatives are not available, the election may proceed using one (1) judge from any of the above offices.~~

~~E. ORC 3309.06 provides that the election shall be held on the first Monday in March. This has been and is interpreted to mean that the first Monday in March is the deadline for ballots to be received by SERS.~~

~~The day of actual count (Election Day) is the date set by the Retirement Board in its election resolution.~~

Formatted: List Paragraph, Space After: 6 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

PART III

The petitions and completed, notarized Certification Form must be received in the office of the Retirement System no later than the date specified in the Board resolution.

To comply with and verify this, the Mail Room will date stamp each nominating petition and Certification Form as it is received. If the petitions or Certification Form are hand delivered, they will be taken immediately to the Mail Room for dating purposes. If they are received prior to the 4:30 p.m. deadline, but not in time for all of them to be processed prior to 4:30 p.m., the group will be date stamped even though the time that is stamped will be later than 4:30 p.m.

In this event, the person who accepted the petitions (or Certification Form) will attach certification that they were, in fact, received prior to the 4:30 p.m. deadline:

"I hereby certify that the attached (insert number of petitions) petitions (or Certification Form) for (name of candidate) were received at (time) on (date)."

(Signature of employee)

(Printed name)

All petitions will then be delivered directly to the Communications staff.

The Director of Member Services will verify that the petitions comply with the provisions of ORC 3309.07, namely:

- a. Nominating petitions for an employee seat on the Board must be signed by at least 500 SERS members with no less than 20 signers each from at least ten Ohio counties in which such signers are employed.
- b. Nominating petitions for the retiree seat on the Board must be signed by at least 150 former SERS members who are receiving service or disability retirement benefits. There must be at least 10 retiree signatures from each of at least five Ohio counties in which such signers reside.
- c. Under the direction of the Director of Member Services, and using the SMART system, the persons on each nominating petition for the election of

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: List Paragraph, Space After: 6 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Space After: 6 pt, Add space between paragraphs of the same style, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

an employee member are examined as follows:

—

— Each signer's Social Security number is checked to verify:

- Name
- Status
- School district of employment
- County of employment

— The person signing the petition must be a member of SERS. Persons who cannot be conclusively verified will not be counted.

—

— The total number of verified persons is then recorded and is subject to review and audit by the Office of the Secretary of State. If there is a discrepancy between the certification of the Director of Member Services and the results of the review and audit by the Office of the Secretary of State, the determination of the Secretary of State shall control and be final.

—

— When all of the above has been completed, the Director of Member Services will send a certification of the results to the Executive Director and to the Communications staff. The nominating petitions shall then be stored and thereafter destroyed at the same time and in the same manner as ballots.

—

— The Communications staff will then schedule preparation of the ballot.

—

d. Under the direction of the Director of Member Services, and using the SMART system, the persons on each nominating petition for the election of a retiree member are verified as follows:

— Each signer's Social Security number and Benefit code (either S or D) is checked to verify:

- Name
- Status as a service or disability retiree
- County of residence

— The person signing the petition must be a service or disability retiree of SERS. Persons who cannot be conclusively verified will not be counted.

—

— The benefit code (S or D) is recorded in the margin just left of the person's Social Security number.

Formatted: List Paragraph, Space After: 6 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: List Paragraph, Space After: 6 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Space After: 6 pt, Add space between paragraphs of the same style, Line spacing: single, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75", Tab stops: 3.25", Centered

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: List Paragraph, Space After: 6 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

— The total number of verified persons is then recorded and is subject to review and audit by the Office of the Secretary of State. If there is a discrepancy between the certification of the Director of Member Services and the results of the review and audit by the Office of the Secretary of State, the determination of the Secretary of State shall control and be final.

— When all of the above has been completed, the Director of Member Services will send certification of the results to the Executive Director and to the Communications staff. The nominating petitions shall then be stored and thereafter destroyed at the same time and in the same manner as ballots.

— The Communications staff will then schedule preparation of the ballot.

PART IV Ballots

A. The Communications staff will ensure that prepare the ballot according to the following guidelines.

1. Communications Staff obtain a photograph and biography for each candidate that will be distributed with the ballot.

2. Printing and Mailing staff print the ballots as follows:

4-a. Ballots are printed with the position of each candidate's name is rotated so that each name appears in the first position on the ballot an equal number of times.

2-b. There must be a space for a write-in candidate's name on each ballot.

3-c. In years in which there is both an employee and retiree member seat election, the ballots and return envelopes will be color coded for easier identification.

4-d. The ballots will be printed on card stock equivalent to the same weight and size as a standard data processing tab card, namely #67 index stock and 3 1/4 x 7 3/8. This will enable the ballots to be machine counted.

e. The ballots will be printed using a process which will make it difficult, if not impossible, to reproduce.

5.f. The return envelope shall be constructed to restrict anyone from viewing the marked ballot prior to being opened.

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: 12 pt

Formatted: Space After: 10 pt, Add space between paragraphs of the same style

Formatted: Space After: 10 pt, Add space between paragraphs of the same style

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: (Default) Arial

Formatted: List Paragraph, Space After: 0 pt, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Font: 12 pt

Formatted: Space After: 10 pt, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

Formatted: Space After: 10 pt

Formatted: Space After: 10 pt, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

6.g. _____ A record of the actual number of ballots printed will be given to the Communications staff, who will ensure that the ballots are secured in the ~~locked~~secure check room until they are mailed.

Formatted: Add space between paragraphs of the same style, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

PART V

B. The ballots will be mailed according to the following guidelines:

Formatted: Space After: 10 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial

1. Ballots will be mailed not later than the last business day in January preceding the election.
2. For the election of an employee member, one ballot will be mailed to each active member. An active member is one who meets all of the following qualifications in the fiscal year in which the current Board member's term ends:

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Space After: 10 pt

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space After: 10 pt

- a. Whose MEMBERSHIP RECORD (Form 25-52) member enrollment has been accepted by the Employer Services section of the Finance Department prior to January 1.
- b. Whose account reflects a balance in member contributions (General Ledger accounts 2-01-01, 2-01-03, 2-01-05, or 2-01-06), and some portion of that balance was posted by SERS in the 18-month period prior to January 1.
- c. Whose account is not closed by a refund, transfer, or retirement.
- d. Who has a currently valid and complete address on file with the system.

Formatted: Indent: Left: 0.75", Space After: 10 pt

Note: ORC 3309.41 notwithstanding, persons receiving disability benefits will be entitled to vote only for a retiree member.

Formatted: Indent: Left: 0.75", Space After: 10 pt

3. For the election of a retiree member, one ballot will be mailed to each former member who is receiving a service retirement or disability retirement benefit as of January 1 in the fiscal year in which the Board member's term ends.

Formatted: Font: 12 pt

Formatted: Space After: 10 pt

Formatted: Font: 12 pt

This does not include beneficiaries of former members who are receiving service or disability retirement benefits as the result of an option plan chosen by the member.

4. IT will provide to the Print Shop Printing and Mailing a(n) election print file of members and retirees eligible to vote in the respective employee and retiree elections.

Formatted: Font: 12 pt

5. Ballots are mailed with a postage-paid (Business Reply) return envelope in which the marked ballot is returned to SERS.

6. A member or retiree who does not receive a ballot must write to request one. All such requests shall be time and date-stamped by [the Mail Room Printing and Mailing](#) and delivered to the Director of Member Services.
 - a. The Director of Member Services will determine if a ballot addressed to ~~the~~[such a](#) member or retiree was mailed and subsequently returned to SERS. If it was returned and the address is the same, the ballot will be re-mailed.
 - b. If a new address is given, a new ballot will be mailed and the new address forwarded to ~~the~~ Member Services to update SERS' records.
 - c. If a ballot was mailed, but not returned to SERS, Member Services will send Certification for Replacement Election Ballot. ([Form 50-43MBS-7040](#)) to the requesting member or retiree to certify that the ballot was not received. The form must be completed, notarized, and returned to SERS before a second ballot can be mailed.
 - ~~d.~~ If review of the election print file proves that a ballot was not originally sent, a ballot will be mailed.
 - ~~d.~~ If a ballot cannot be mailed more than seven (7) days prior to the election, the requestor is notified that a ballot may be picked up at SERS' office in [Columbus](#).
7. All ballots returned by the U.S. Postal Service (~~post office~~) as undeliverable will be given to the Director of Member Services. The Director of Member Services will keep them in a locked file until Election Day and will keep a daily count and cumulative total of all returns.
 - ~~a.~~ Retiree ballots: The Director of Member Services will compare returned ballots to the [Participant Person Maintenance window screen in SMART](#) for address changes. If addresses have already been corrected, ballots will be re-mailed.
 - ~~a.~~ If the forwarding address provided by the post office is new, a letter ([Form 5-102RET-0001](#)) and the ballot will be mailed to the forwarding address. ~~Ballots from invalid addresses will be stored in a locked file until after Election Day.~~
 - b. Member ballots: The Director of Member Services will [assign staff to compare returned ballots with the addresses shown on the Participant Person Maintenance screen Window in SMART](#). Forwarding addresses provided by the post office will be changed on the [Participant Person Maintenance window screen](#) and the ballot re-mailed [and documented in Communications Tracking in SMART](#). ~~Addresses will be voided if there is no valid address. Ballots from invalid addresses will be stored in a locked file until after Election Day.~~
 - c. After the deadline for return of the ballots has passed, a count will be given to

Formatted: Font: (Default) Arial, 12 pt

Formatted: List Paragraph, Space After: 0 pt, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Font: (Default) Arial

Formatted: Font: 12 pt

Formatted: Space After: 10 pt

Formatted: Space After: 10 pt, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Space After: 10 pt

the Director of Member Services of the number returned and the number re-mailed. The Director of Member Services will then prepare a summary showing:

- number of ballots printed
- number of ballots mailed
- number of ballots returned as undeliverable
- number of ballots re-mailed

8. All ballots returned in the Ballot Business Reply envelope will be date- and time-stamped immediately upon receipt by the Mail Room Supervisor, Printing and Mailing. ~~The Mail Room Supervisor, Printing and Mailing~~ will keep a daily count and cumulative total of all returned ballots for each election. ~~The Mail Room Supervisor will store the~~ unopened returned ballots will be stored in the secure check room on the lower level of the SERS premises until Election Day.

Particular care will be exercised on the last day that ballots are to be received by SERS. All ballots received after the deadline will be date- and time-stamped, kept segregated from the others, and delivered to the Chief Finance Officer to be stored in a locked file cabinet.

PART VI Election

ORC 3309.06 provides that the election shall be held on the first Monday in March. This has been and is interpreted to mean that the first Monday in March is the deadline for ballots to be received by SERS. The day of actual count (Election Day) is the date set by the Retirement Board in its election resolution.

- A. In January, the Chief Finance Officer will ask the offices of the Ohio Secretary of State and the Ohio Attorney General each to appoint a judge to oversee the election count. If a representative from either the Secretary of State or the Attorney General is not made available, a representative from SERS' independent accounting firm or the Ohio Auditor of State may be substituted. In the event that any of these representatives are not available, the election may proceed using one (1) judge from any of the above offices.

- B. Two weeks before the date set by the Board election resolution for counting the ballots (Election Day), Communications staff will publish a staff sign-up for ballot count volunteers, the Director of Administrative Services will send a memo to all Department Directors asking for the names of all staff members to be excused from the ballot count. All other employees will be expected to help and will be assigned various tasks.

- C. The Chief Finance Officer will meet with the judges to review the election process

Formatted: Font: (Default) Arial

Formatted: Indent: Left: 0", Space After: 10 pt

Formatted: Font: 12 pt

Formatted: Space After: 10 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: Add space between paragraphs of the same style

Formatted: Font: 12 pt

Formatted: Font: 12 pt

prior to the actual count. Whether this is done prior to or on the day of actual counting will be at the discretion of the judges.

D. Election Day

1. Preparations for ballot counting

a. On Election Day the The Chief Finance Officer will see that the necessary equipment and supplies are ready for use by the staff and judges.

PART VII

The Chief Finance Officer will meet with the judges to review the election process prior to the actual count. Whether this is done prior to or on the day of actual counting will be at the discretion of the judges.

b. On Election Day, the Chief Finance Officer and at least one of the judges will jointly remove the ballots from their secure place and transport them to the designated counting area. Only SERS staff members involved in the ballot count are authorized to be in the ballot counting area. Candidates and Board Members are specifically excluded from this area.

c. Once the ballots are in the designated counting area, the Director of Administrative Services will review the procedure to be followed with everyone present.

2. The representative from the Secretary of State, if present, will be designated Chief Judge. If a representative of the Secretary of State is not present the order of the Chief Judge will be:

- 1.a. Attorney General's Representative
- 2.b. Auditor of State's Representative
- 3.c. Independent Accounting Firm Representative

3. Ballot counting will begin upon Then, with the approval of the Chief Judge, the following procedure will begin:

Formatted: Font: 12 pt, Underline

Formatted: Font: (Default) Arial, Underline

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Font: 12 pt

Formatted: Add space between paragraphs of the same style

Formatted: List Paragraph, Indent: Left: 1", Tab stops: Not at 3.25"

Formatted: Font: (Default) Arial

Formatted: List Paragraph, Indent: Left: 1", Space After: 0 pt

Formatted: List Paragraph, Indent: Left: 1"

Formatted: Font: (Default) Arial, 12 pt

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 2 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial, 12 pt

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial, 12 pt

Formatted: List Paragraph, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Font: (Default) Arial

Formatted: Font: 12 pt

Formatted:

Formatted: Space After: 10 pt

Formatted: Font: 12 pt

Formatted: List Paragraph, Space After: 0 pt, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Font: (Default) Arial

a. ~~The ballots will be opened by use of electric letter openers. Three employees are assigned to each opener:~~

- One employee to operate the opener
- One to hand the sealed ballots to the operator
- One to stack the envelopes as they are opened

b. ~~As the ballots are opened, employees who are designated as "runners" distribute them to other staff members.~~

c. ~~Staff members will remove the ballots from the opened envelopes to determine whether it is valid or irregular. An irregular ballot is one that is not clearly marked or whose envelope contains anything in addition to the ballot.~~

- i. ~~If a staff member finds anything in the envelope with the opens an irregular ballot, he/she they should put the ballot and other items all of its contents back into the envelope and raise a hand.~~
- ii. ~~A designated "runner" will take the envelope and ballot to the judge's table.~~

~~ALL ITEMS GIVEN TO THE JUDGES MUST INCLUDE THE BALLOT ENVELOPE AND ALL OF ITS CONTENTS.~~

4. Irregular Ballots

a. Irregular ballots containing additional items

- i. ~~The judge should remove the material and set it aside for a staff assistant. The envelope may be thrown away once the judge decided there is nothing of value in it.~~
- ii. ~~If there is nothing wrong with the ballot itself, it should be considered valid and included in the count.~~

~~a. Irregular ballots not marked clearly and distinctly. Ballots should be marked clearly and distinctly. If a ballot is not marked clearly, it should be given to the judges for disposition. Examples of items to be given to the judges with suggested dispositions are as follows:~~

b.

~~a. A member/retiree may enclose an application for refund or retirement, a check, or a letter requesting~~

Formatted: Font: 12 pt

Formatted: Space After: 10 pt

Formatted: Space After: 10 pt

Formatted: Space After: 10 pt

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Indent: Left: 1.25", Space After: 10 pt, Numbered + Level: 2 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Right + Aligned at: 1.75" + Indent at: 2"

Formatted: Space After: 10 pt

Formatted: Font: 12 pt

Formatted: Space After: 10 pt, Add space between paragraphs of the same style

Formatted: Add space between paragraphs of the same style

Formatted: Space After: 10 pt, Add space between paragraphs of the same style

Formatted: Space After: 10 pt, Add space between paragraphs of the same style

Formatted: Add space between paragraphs of the same style

Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Numbered + Level: 5 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 2.25" + Indent at: 2.5"

information with the ballot.

~~The judge should remove this material and set it aside for the staff assistant. The envelope may be thrown away once the judge decides there is nothing of value on it.~~

~~If there is nothing wrong with the ballot itself, it should be considered valid and included in the count.~~

b. If a ballot is marked clearly, but has been damaged, torn or folded so that it cannot be machine counted, it should be considered valid and hand counted.

i. _____

e-ii. If there is a statement or message on the ballot, but it is clearly marked for a candidate, it should be considered valid. The ballot should be hand counted and set aside for the staff assistant. After the election count is over, the staff assistant, with a judge present, will make a photocopy of the message only, so that a reply may be sent, if necessary. The ballot is then returned to be secured with other counted ballots.

e-iii. If the member's name or address appears on the ballot, but it is otherwise clearly marked, it should be considered valid.

e-iv. All votes for a "write-in" candidate should be kept segregated by candidate, and a count made for each "write-in" candidate.

f. 5. A ballot should be declared invalid if:

- It is received after the deadline specified in the Board resolution.
- It is not in the individual ballot envelope provided by SERS.
- It is unsealed in the ballot envelope.
- More than one (1) ballot is in an individual ballot envelope.
- If there is an erasure or a change in marking from one candidate to another candidate, the judge should determine whether the person definitely intended to change the vote. If there is any doubt, the ballot should be ruled invalid.
- The ballot is marked for two or more candidates, and the election is for one Board member only.

Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Numbered + Level: 4 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Right + Aligned at: 1.75" + Indent at: 2"

Formatted: Font: (Default) Arial, 12 pt

Formatted: Indent: Left: 1.5", Space After: 10 pt, Numbered + Level: 4 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Right + Aligned at: 1.75" + Indent at: 2"

Formatted: Font: 12 pt

Formatted: Indent: Left: 1.5", Space After: 10 pt, Numbered + Level: 4 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Right + Aligned at: 1.75" + Indent at: 2"

Formatted: Space After: 10 pt, Numbered + Level: 4 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Right + Aligned at: 1.75" + Indent at: 2"

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.75", Space After: 10 pt, No bullets or numbering

Formatted: Font: (Default) Arial, 12 pt

Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 1" + Indent at: 1.25"

Formatted: Font: (Default) Arial, 12 pt

Formatted: Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 1" + Indent at: 1.25"

- There is no mark for a candidate.

6. All invalid ballots are retained and secured in the lower level for forty-five (45) days following the Judges' Certification of the election and then destroyed.

7. Sorting

d.a. As valid ballots are removed, the envelopes are thrown away.

e.b. Staff members sort valid ballots by candidate name for counting. The position of each name is rotated on the ballots. Therefore, ballots should not be sorted by name position.

f.c. Sorted ballots are stacked and fastened by a rubber band in batches about 1" high (approximately 100 ballots).

g.d. The first sorter initials the stack in the upper left-hand corner of the top ballot.

h.e. A second sorter makes sure all ballots in the stack are marked for the same candidate and initials the stack in the upper right-hand corner of the top ballot.

f. A "runner" then takes the stacked ballots to the counting machine under direction of the judges.

8. Counting

a. One staff member examines the ballots for damaged ones that should be hand counted. Damaged ballots are given to the judge for a hand count, which is added to the machine count for that batch.

b. A second staff member operates the machine under direction of the judges. A second staff member examines the ballots for damaged ones that should be hand counted. Damaged ballots are given to the judge for a hand count, which is added to the machine count for that batch.

i.

c. Prior to counting the first batch of ballots, the judge will hand count a test batch and have the operator run it through the counting machine to verify the accuracy of the machine count.

d. At the judge's discretion, the test batch will be re-run periodically during the actual count process to verify the continued accuracy of the machine.

e. A recorder oversees and records the machine count on the back of the last ballot in each stack, then initials the batch.

Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 1" + Indent at: 1.25"

Formatted: Font: (Default) Arial

Formatted: Indent: Left: 0.5", Space After: 10 pt

Formatted: Font: (Default) Arial

Formatted: Normal, Indent: Left: 0.5", Space After: 10 pt, No bullets or numbering

Formatted: Font: 12 pt

Formatted: Space After: 10 pt, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

Formatted: Font: 12 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 8 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space After: 10 pt, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Space After: 10 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 8 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Space After: 10 pt, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

f. The judge will verify that the counter is set at zero after each count is taken.

9. Tallying

j.a. A second recorder will number the batch on the back of the last ballot, record the count, and initial the batch to indicate that it has been recorded and accumulated on an Excel spreadsheet that has been prepared in advance with the candidate's names and batch numbers by the General Accounting section of Finance.

b. At the judge's request, tally sheets may be printed and audited by comparing the batches to the recorded batch number, count and candidate on the tally sheet. Judges may also take whatever steps necessary to audit the formulas in the spreadsheet.

c. When all ballots have been opened and sorted by candidate and there definitely appears to be a winner, all employees not working directly with the judges may be excused to return to their regular duties.

10. The candidate receiving the highest number of votes for a term as member of the Board will be elected for that term. In any year in which two member positions must be filled, the candidates receiving the highest and second highest number of votes will be elected for those terms.

k. When all the votes have been recorded and totaled, the Chief Judge completes a ballot certification statement that is signed by all judges.

11. A copy of the certification, signed by all judges, is given to each judge. The original certification is submitted by the Executive Director to the Retirement Board for approval at the first Board meeting 31 days or more after the date of the election and becomes part of the official Board minutes.

12. The Executive Director will inform the Chair of the Retirement Board and each candidate of the results by telephone, if possible, and by forwarding a copy of the Judges' Certification to each candidate.

13. The original certification is submitted by the Executive Director to the Retirement Board for approval at the first Board meeting 31 days or more after the date of the election and becomes part of the official Board minutes.

14. Ties

l. If the ballot count results in a tie vote, the judges will apply each of the following steps until the tie is broken:

- a. The recorded batch totals for each candidate are re-added.
- b. Each batch of ballots is checked to verify that it was recorded correctly.
- c. Each batch is checked to see that it was sorted properly for each

Formatted: Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 8 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Space After: 10 pt, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Space After: 10 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 8 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Indent: Left: 0.31", Space After: 10 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 8 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Space After: 10 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 8 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: (Default) Arial

Formatted: Normal, Indent: Left: 0.25", Space After: 10 pt

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space After: 10 pt, No bullets or numbering

Formatted: Font: (Default) Arial, 12 pt

Formatted: Line spacing: Multiple 1.15 li, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

candidate.

d. The test batch is re-run through the machine. Then the batches are re-run to verify the recorded total.

m.e. If all of the above is done and the vote is still tied, the judges will decide the winner by the toss of a coin. Candidates, or their representatives, must be present with "heads" being assigned to the candidate whose last name is first alphabetically and "tails" assigned to the other candidate.

15. Recount

n. If a candidate is elected by a margin of less than 1% of the votes cast, a recount will automatically be conducted.

16. Storage

e. After the judges have certified the ballot count, the valid/invalid ballots will be stored in the locked, fireproof secure check room on SERS premises by the Chief Finance Officer.

17. Destruction

a. Prior to destruction, the Communications staff will record and certify to the Executive Director the total number of ballots sent, the total number of valid ballots received and counted (for the retiree seat and for the employee seat(s)), and the total number of votes cast for each candidate.

b. The nominating petitions, Certification Forms, and ballots will be stored for 60 days from the date of the Judges' Certification and, if there has been no challenge to the count filed, thereafter destroyed by the Print Shop upon direction from the Chief Finance Officer. Prior to destruction, the Communications staff will record and certify to the Executive Director the total number of ballots sent, the total number of valid ballots received and counted (for the retiree seat and for the employee seat(s)), and the total number of votes cast for each candidate.

PART VIII Challenges

A. A candidate may challenge the election results by submitting a written request to the Executive Director. This written request must be received in the SERS offices within 30 days after the date of the Judges' Certification statement. The cost of the recount is \$100.00 payable in advance by the candidate. The full amount will be returned to the candidate if, upon recount, he/she is declared the winner of the election.

Formatted: Font: 12 pt
Formatted: Space After: 10 pt, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

Formatted: Font: (Default) Arial, 12 pt
Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 15 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: 12 pt
Formatted: Indent: Left: 0.5", Space After: 10 pt, No bullets or numbering

Formatted: Font: (Default) Arial, 12 pt
Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 15 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: 12 pt
Formatted: Indent: Left: 0.5", Space After: 10 pt, No bullets or numbering

Formatted: Font: (Default) Arial, 12 pt
Formatted: Space After: 10 pt, Line spacing: Multiple 1.15 li, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 15 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: 12 pt
Formatted: Space After: 10 pt, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Space After: 10 pt

Formatted: Font: (Default) Arial, 12 pt
Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: (Default) Arial

B. The Executive Director will immediately notify the Chair of the Retirement Board and the other candidates involved in the election of the challenge.

C. The Executive Director will meet with the challenger and/or his designated representative to review the ballot procedure. If the challenger wishes to proceed with a recount, the Chief Finance Officer will contact the Secretary of State to request a representative to supervise the recount. The representative of the Secretary of State will certify the results of the recount, which shall be final.

D. The Chief Finance Officer will ensure that the ballots are kept secure until all challenges have been adjudicated.

Part IX Special Elections

A. In the event that an employee-member or retiree-member Board seat becomes open before the term of that seat officially ends, the remaining Board members will choose a person to fill the seat until the next scheduled election. Per ORC Section 3309.06(E), a successor member need not be elected to fill a vacant Board seat if the vacancy occurs on or after the first day of March of the year in which the vacated term ends.

B. After the seat is declared open at a Board meeting and the Board sets the timeline for the receipt of resumes and interviews, Communications staff is responsible for producing a Special Election Notice explaining the details of the special election. Communications staff will announce the details of the Special Election in the Board Highlights, on the SERS website, and through SERS' social media channels. One Communications staff member will serve as the primary contact for candidates who have questions about the Special Election process.

C. Communications staff is responsible for collecting resumes and Certification Forms from interested candidates. Legal staff is responsible for ensuring that all necessary information has been provided on the Certification Forms. Communications staff will share the Certification Forms with Members Services staff, who will verify the membership status of the candidates to make sure they meet the eligibility requirements of the open seat. Member Services will also send the Certification Forms, and any necessary information, to the Ohio

Formatted: Space After: 10 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: (Default) Arial

Formatted: Space After: 10 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: (Default) Arial

Formatted: Space After: 10 pt

Formatted: Font: (Default) Arial, 12 pt

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Font: (Default) Arial

Formatted: Add space between paragraphs of the same style

Formatted: Add space between paragraphs of the same style

Formatted: Add space between paragraphs of the same style

Secretary of State for review and audit of the membership status of the candidates. If there is a discrepancy between the verifications of Member Services and the Secretary of State, the verification of the Secretary of State shall control and be final.

~~D.~~

~~E.C.~~ Communications staff will provide the Board with copies of all resumes received by the deadline. At a public meeting, each Board member may nominate one candidate to fill the vacancy. Nominated candidates will be interviewed by the Board.

~~F.D.~~ The Chief Finance Officer will contact the Secretary of State to request a representative from that office to monitor the election as election judge. If a representative from the Secretary of State is not available, the Ohio Attorney General should be contacted for a representative to monitor the election as election judge. The representative from the Secretary of State or the Attorney General will certify the results of the election.

~~G.E.~~ The election will take place at a public meeting. A successor member will be elected from the list of nominated candidates by a majority vote. Successive votes will occur so that the candidate with the least number of votes is eliminated after each vote. In the event two candidates remain and neither achieves a majority vote, the winner is decided by a coin toss conducted by the election judge with “heads” assigned to the candidate whose last name is first in alphabetical order and “tails” to the other candidate.

~~H.F.~~ The Certification Forms and resumes shall be kept by the Communications staff for 60 days after the election judge certifies the election results. Upon the expiration of the 60 day period, Communications staff will ensure the Certification Forms and resumes are destroyed.

Definitions

None

Related Documents and Information

Statutes: 3309.05, 3309.06, 3309.071, 3309.07, 3309.075, ~~3309.08, 3309.09, 3309.41~~

Rules: 3309-1-04

Document Links: [Purpose](#), [Policy](#), [Procedure](#), [Definitions](#), [Related Documents](#), [Policy History](#)

Forms: ---

Policy History

Version 1 – July 3, 2008 – Created – Approved by Board

Version 2 – August 20, 2013 – Edited – Approved by Board

collaboration

Page 4: [1] Formatted Dawn Viggiano 7/5/2023 1:33:00 PM

Space Before: 6 pt, Add space between paragraphs of the same style, Numbered + Level: 1 + Numbering Style: i, ii, iii, ... + Start at: 2 + Alignment: Right + Aligned at: 1.75" + Indent at: 2"

Page 4: [2] Formatted Dawn Viggiano 7/5/2023 1:32:00 PM

Don't add space between paragraphs of the same style, Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 2.25" + Indent at: 2.5"

Page 4: [3] Formatted Dawn Viggiano 7/5/2023 1:32:00 PM

List Paragraph, Bulleted + Level: 1 + Aligned at: 2.25" + Indent at: 2.5"

Page 4: [4] Formatted Dawn Viggiano 7/5/2023 1:32:00 PM

Don't add space between paragraphs of the same style, Line spacing: Multiple 1.15 li, Bulleted + Level: 1 + Aligned at: 2.25" + Indent at: 2.5"

Page 4: [5] Formatted Dawn Viggiano 7/5/2023 1:31:00 PM

List Paragraph, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Page 4: [6] Formatted Dawn Viggiano 7/5/2023 1:31:00 PM

Add space between paragraphs of the same style

Page 4: [7] Formatted Dawn Viggiano 7/5/2023 1:31:00 PM

List Paragraph, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"



Retirement Board Member Election Policy

BD4-009

Effective Date:	07/03/2008	Revision Date:	7/20/2023	Audience:	Everyone
Owner:	Board	Certifier:	Richard Stensrud	Co-Owner (s):	Finance, Member Services
Document Links:	Purpose , Policy , Procedure , Definitions , Related Documents , Policy History				

Purpose

All elections for employee or retirant members of the School Employees Retirement System Board are conducted under the direction of the Board.

Policy

The Executive Director will be responsible for conducting the election in accordance with the Ohio Revised Code, Administrative Rules, and Board policy and procedures.

Procedure [Retirement Board Member Election Procedure](#)

Retirement Board Member Election Procedure

This procedure describes the requirements, steps, and responsibilities to conduct an election of a SERS Board member in accordance with the Ohio Revised Code, Administrative Rules, and policies of the Board.

Election Schedule, Materials, and Communications

A. [Setting the Election Schedule](#)

1. The General Counsel will prepare a Board resolution for election of an employee member and/or election of a retiree member, as appropriate, for presentation at the July Board meeting of the fiscal year in which a Board member’s term ends.
2. The Board resolution shall identify: the date nominating petitions signature gathering may begin, the deadline nominating petitions and Certification Forms must be received by SERS, the deadline ballots must be received by SERS, and the date of the election (i.e. when ballots are counted).

B. [Election Materials and Communication](#)

Communications staff will be responsible for:

1. Preparing candidate election packets
2. Preparing election notices to be included in the Employer Bulletin, Future Matters, and Focus, and placed on the SERS website and social media channels
3. Preparing election posters to be distributed to all school districts and school buildings within a school district
4. Preparing the paper and electronic nominating petitions
5. Preparing ballots
6. Preparing an announcement of the Judges' Certification of the election results

Candidate Qualifications/Nominations

A. Candidate Election Packets

1. Communications staff will post the election packets on the SERS website on the date specified in the Board resolution.
2. Election packet contents
 - a. Information on eligibility, retirement board duties, fiduciary duties, ethics, removal from office, and campaign finance disclosure.
 - b. Certification Form
 - i. The candidate must attest to having no convictions in compliance with O.R.C. 3309.061.
 - ii. A complete and notarized Certification Form must be returned to SERS no later than the deadline for receipt of nominating petitions.
 - c. Nominating Petition
 - i. Copies of the paper nominating petition form can be made by the candidate and distributed to other circulators.
 - ii. The candidate must contact Communications staff to request an electronic petition be posted on their behalf to the SERS website.
 - iii. Electronic nominating petitions must be accessed and signed through the SERS website.

B. Certification of Candidates

1. Printing and Mailing staff will date-stamp each paper nominating petition and
-

Certification Form as it is received.

2. If the paper petitions or Certification Form are hand delivered, they will be taken immediately to Printing and Mailing for dating purposes. If they are received prior to the 4:30 p.m. deadline, but not in time for all of them to be processed prior to 4:30 p.m., the group will be date-stamped even though the time that is stamped will be later than 4:30 p.m. In this event, the person who accepted the petitions (or Certification Form) will attach the following certification that they were, in fact, received prior to the 4:30 p.m. deadline:

"I hereby certify that the attached (insert number of petitions) petitions (or Certification Form) for (name of candidate) were received at (time) on (date)."

_____(Signature of employee)
_____(Printed name)

3. Information provided through the electronic petition will be downloaded into a file that includes the date and time of submission.
4. All petitions and Certification Forms will then be delivered directly to the Communications staff. Communications staff records the name of each candidate who submits a Certification Form and nominating petition and notifies the Executive Director.
5. The Director of Member Services will verify that the petitions comply with the provisions of ORC 3309.07, namely:
 - a. Nominating petitions for an employee seat on the Board must be signed by at least 500 SERS members with no less than 20 signers each from at least ten Ohio counties in which such signers are employed.
 - b. Nominating petitions for the retiree seat on the Board must be signed by at least 150 former SERS members who are receiving service retirement or disability benefits. There must be at least 10 retiree signatures from each of at least five Ohio counties in which such signers reside.
 - c. Under the direction of the Director of Member Services, and using the SMART system, the persons on each nominating petition are examined and verified as follows. Persons who cannot be conclusively verified will not be counted.
 - i. For the election of an employee member, the person signing the petition must be a member of SERS. The last four digits of the signer's social security number or SERS member ID is checked to verify:

- Name

- Membership status
- School district of employment
- County of employment

ii. For the election of a retiree member, the person signing the petition must be a service retiree or disability benefit recipient of SERS. The last four digits of the signer's social security number or SERS member ID is checked to verify:

- Name
- Status as a service retiree or disability benefit recipient. The benefit code (S or D) is recorded in the left margin.
- County of residence

6. The total number of verified persons is then recorded and the Director of Member Services certifies the names of the persons to the Office of the Secretary of State for review and audit. If there is a discrepancy between the certification of the Director of Member Services and the results of the review and audit by the Office of the Secretary of State, the determination of the Secretary of State shall control and be final.
7. When all of the above has been completed, the Director of Member Services will send certification of the results to the Executive Director and to the Communications staff.
8. The nominating petitions shall then be stored and thereafter destroyed at the same time and in the same manner as ballots.
9. Communications staff will then schedule preparation of the ballot. If there is only one qualified candidate for a Board seat, no election shall be conducted and the candidate shall take office as if elected.
10. The General Counsel will prepare the following resolution for the first Board meeting that follows the date of certification:

"Certification of Candidates"

It was moved by _____ and seconded by _____ that having met the eligibility requirements of O.R.C. Chapter 3309 and having received sufficient and proper petitions to meet the qualifications of Section 3309.07 O.R.C., the following candidates be placed upon the ballots for the election of an employee member to the School Employees Retirement Board for the term July 1, _____ to June 30, _____.

(Candidate name(s), School District & County)

A similar resolution is used for the election of a retiree member by changing the words from "employee member" to "retiree member," with "School District" not applicable.

11. The Executive Director will then send a letter to all candidates advising them of official placement on the ballot and of the right to observe the election process.

Ballots

- A. Communications staff will prepare the ballot according to the following guidelines.
 1. Communications Staff obtain a photograph and biography for each candidate that will be distributed with the ballot.
 2. Printing and Mailing staff print the ballots as follows:
 - a. The position of each candidate's name is rotated so that each name appears in the first position on the ballot an equal number of times.
 - b. There must be a space for a write-in candidate's name on each ballot.
 - c. In years in which there is both an employee and retiree member seat election, the ballots and return envelopes will be color coded for easier identification.
 - d. The ballots will be printed on card stock equivalent to the same weight and size as a standard data processing tab card, namely #67 index stock and 3 1/4 x 7 3/8. This will enable the ballots to be machine counted.
 - e. The ballots will be printed using a process which will make it difficult, if not impossible, to reproduce.
 - f. The return envelope shall be constructed to restrict anyone from viewing the marked ballot prior to being opened.
 - g. A record of the actual number of ballots printed will be given to the Communications staff, who will ensure that the ballots are secured in the secure check room until they are mailed.
 - B. The ballots will be mailed according to the following guidelines.
 1. Ballots will be mailed not later than the last business day in January preceding the election.
 2. For the election of an employee member, one ballot will be mailed to each active member. An active member is one who meets all of the following
-

qualifications in the fiscal year in which the current Board member's term ends:

- a. Whose member enrollment has been accepted by the Employer Services section of the Finance Department prior to January 1.
- b. Whose account reflects a balance in member contributions (General Ledger accounts 2-01-01, 2-01-03, 2-01-05, or 2-01-06), and some portion of that balance was posted by SERS in the 18-month period prior to January 1.
- c. Whose account is not closed by a refund, transfer, or retirement.
- d. Who has a currently valid and complete address on file with the system.

Note: ORC 3309.41 notwithstanding, persons receiving disability benefits will be entitled to vote only for a retiree member.

3. For the election of a retiree member, one ballot will be mailed to each former member who is receiving a service retirement or disability benefit as of January 1 in the fiscal year in which the Board member's term ends.

This does not include beneficiaries of former members who are receiving service or disability retirement benefits as the result of an option plan chosen by the member.

4. IT will provide Printing and Mailing an election print file of members and retirees eligible to vote in the respective employee and retiree elections.
5. Ballots are mailed with a postage-paid (Business Reply) return envelope in which the marked ballot is returned to SERS.
6. A member or retiree who does not receive a ballot must write to request one. All such requests shall be time and date-stamped by Printing and Mailing and delivered to the Director of Member Services.
 - a. The Director of Member Services will determine if a ballot addressed to the member or retiree was mailed and subsequently returned to SERS. If it was returned and the address is the same, the ballot will be re-mailed.
 - b. If a new address is given, a new ballot will be mailed and the new address forwarded to Member Services to update SERS' records.
 - c. If a ballot was mailed, but not returned to SERS, Member Services will send Certification for Replacement Election Ballot. (MBS-7040) to the requesting member or retiree to certify that the ballot was not received. The form must be completed, notarized, and returned to SERS before a second ballot can be mailed.
 - d. If review of the election print file proves that a ballot was not originally sent, a

ballot will be mailed. If a ballot cannot be mailed more than seven (7) days prior to the election, the requestor is notified that a ballot may be picked up at SERS' office in Columbus.

7. All ballots returned by the U.S. Postal Service as undeliverable will be given to the Director of Member Services. The Director of Member Services will keep them in a locked file until Election Day and will keep a daily count and cumulative total of all returns.
 - a. Retiree ballots: The Director of Member Services will compare returned ballots to the Person Maintenance screen in SMART for address changes. If addresses have already been corrected, ballots will be re-mailed. If the forwarding address provided by the post office is new, a letter (RET-0001) and the ballot will be mailed to the forwarding address.
 - b. Member ballots: The Director of Member Services will assign staff to compare returned ballots with the addresses shown on the Person Maintenance screen in SMART. Forwarding addresses provided by the post office will be changed on the Person Maintenance screen and the ballot re-mailed and documented in Communications Tracking in SMART.
 - c. After the deadline for return of the ballots has passed, a count will be given to the Director of Member Services of the number returned and the number re-mailed. The Director of Member Services will then prepare a summary showing:
 - number of ballots printed
 - number of ballots mailed
 - number of ballots returned as undeliverable
 - number of ballots re-mailed
8. All ballots returned in the ballot Business Reply envelope will be date- and time-stamped immediately upon receipt by Printing and Mailing. Printing and Mailing will keep a daily count and cumulative total of all returned ballots for each election. The unopened returned ballots will be stored in the secure check room on the lower level of the SERS premises until Election Day.

Particular care will be exercised on the last day that ballots are to be received by SERS. All ballots received after the deadline will be date- and time-stamped, kept segregated from the others, and delivered to the Chief Finance Officer to be stored in a locked file cabinet.

Election

ORC 3309.06 provides that the election shall be held on the first Monday in March.

This has been and is interpreted to mean that the first Monday in March is the deadline for ballots to be received by SERS. The day of actual count (Election Day) is the date set by the Retirement Board in its election resolution.

- A. In January, the Chief Finance Officer will ask the offices of the Ohio Secretary of State and the Ohio Attorney General each to appoint a judge to oversee the election count. If a representative from either the Secretary of State or the Attorney General is not made available, a representative from SERS' independent accounting firm or the Ohio Auditor of State may be substituted. In the event that any of these representatives are not available, the election may proceed using one (1) judge from any of the above offices.
- B. Two weeks before the date set by the Board election resolution for counting the ballots (Election Day), Communications staff will publish a staff sign-up for ballot count volunteers.
- C. The Chief Finance Officer will meet with the judges to review the election process prior to the actual count. Whether this is done prior to or on the day of actual counting will be at the discretion of the judges.
- D. Election Day
 1. Preparations for ballot counting
 - a. The Chief Finance Officer will see that the necessary equipment and supplies are ready for use by the staff and judges.
 - b. On Election Day, the Chief Finance Officer and at least one of the judges will jointly remove the ballots from their secure place and transport them to the designated counting area. Only SERS staff members involved in the ballot count are authorized to be in the ballot counting area. Candidates and Board Members are specifically excluded from this area.
 - c. Once the ballots are in the designated counting area, the Director of Administrative Services will review the procedure to be followed with everyone present.
 2. The representative from the Secretary of State, if present, will be designated Chief Judge. If a representative of the Secretary of State is not present the order of the Chief Judge will be:
 - a. Attorney General's Representative
 - b. Auditor of State's Representative

with a judge present, will make a photocopy of the message only, so that a reply may be sent, if necessary. The ballot is then returned to be secured with other counted ballots.

- iii. If the member's name or address appears on the ballot, but it is otherwise clearly marked, it should be considered valid.
- iv. All votes for a "write-in" candidate should be kept segregated by candidate, and a count made for each "write-in" candidate.

5. A ballot should be declared invalid if:

- It is received after the deadline specified in the Board resolution.
- It is not in the individual ballot envelope provided by SERS.
- It is unsealed in the ballot envelope.
- More than one (1) ballot is in an individual ballot envelope.
- If there is an erasure or a change in marking from one candidate to another candidate, the judge should determine whether the person definitely intended to change the vote. If there is any doubt, the ballot should be ruled invalid.
- The ballot is marked for two or more candidates, and the election is for one Board member only.
- There is no mark for a candidate.

6. All invalid ballots are retained and secured in the lower level for forty-five (45) days following the Judges' Certification of the election and then destroyed.

7. Sorting

- a. As valid ballots are removed, the envelopes are thrown away.
 - b. Staff members sort valid ballots by candidate name for counting. The position of each name is rotated on the ballots. Therefore, ballots should not be sorted by name position.
 - c. Sorted ballots are stacked and fastened by a rubber band in batches about 1" high (approximately 100 ballots).
 - d. The first sorter initials the stack in the upper left-hand corner of the top ballot.
 - e. A second sorter makes sure all ballots in the stack are marked for the
-

same candidate and initials the stack in the upper right-hand corner of the top ballot.

- f. A runner then takes the stacked ballots to the counting machine under direction of the judges.

8. Counting

- a. One staff member examines the ballots for damaged ones that should be hand counted. Damaged ballots are given to the judge for a hand count, which is added to the machine count for that batch.
- b. A second staff member operates the machine under direction of the judges.
- c. Prior to counting the first batch of ballots, the judge will hand count a test batch and have the operator run it through the counting machine to verify the accuracy of the machine count.
- d. At the judge's discretion, the test batch will be re-run periodically during the actual count process to verify the continued accuracy of the machine.
- e. A recorder oversees and records the machine count on the back of the last ballot in each stack, then initials the batch.
- f. The judge will verify that the counter is set at zero after each count is taken.

9. Tallying

- a. A second recorder will number the batch on the back of the last ballot, record the count, and initial the batch to indicate that it has been recorded and accumulated on an Excel spreadsheet that has been prepared in advance with the candidate names and batch numbers by the General Accounting section of Finance.
 - b. At the judge's request, tally sheets may be printed and audited by comparing the batches to the recorded batch number, count and candidate on the tally sheet. Judges may also take whatever steps necessary to audit the formulas in the spreadsheet.
 - c. When all ballots have been opened and sorted by candidate and there definitely appears to be a winner, all employees not working directly with the judges may be excused to return to their regular duties.
10. The candidate receiving the highest number of votes for a term as member of the Board will be elected for that term. In any year in which two member positions must be filled, the candidates receiving the highest and second highest number of votes will be elected for those terms.
11. When all the votes have been recorded and totaled, the Chief Judge completes a ballot certification statement that is signed by all judges. A copy of the
-

certification, signed by all judges, is given to each judge.

12. The Executive Director will inform the Chair of the Retirement Board and each candidate of the results by telephone, if possible, and by forwarding a copy of the Judges' Certification to each candidate.
13. The original certification is submitted by the Executive Director to the Retirement Board for approval at the first Board meeting 31 days or more after the date of the election and becomes part of the official Board minutes.

14. Ties

If the ballot count results in a tie vote, the judges will apply each of the following steps until the tie is broken:

- a. The recorded batch totals for each candidate are re-added.
- b. Each batch of ballots is checked to verify that it was recorded correctly.
- c. Each batch is checked to see that it was sorted properly for each candidate.
- d. The test batch is re-run through the machine. Then the batches are re-run to verify the recorded total.
- e. If all of the above is done and the vote is still tied, the judges will decide the winner by the toss of a coin. Candidates, or their representatives, must be present with "heads" being assigned to the candidate whose last name is first alphabetically and "tails" assigned to the other candidate.

15. Recount

If a candidate is elected by a margin of less than 1% of the votes cast, a recount will automatically be conducted.

16. Storage

After the judges have certified the ballot count, the valid/invalid ballots will be stored in the secure check room on SERS premises by the Chief Finance Officer.

17. Destruction

- a. Prior to destruction, the Communications staff will record and certify to the Executive Director the total number of ballots sent, the total number of valid ballots received and counted (for the retiree seat and for the employee seat(s)), and the total number of votes cast for each candidate.
- b. The nominating petitions, Certification Forms, and ballots will be stored for 60 days from the date of the Judges' Certification and, if there has been no challenge to the count filed, thereafter destroyed by the Print Shop

upon direction from the Chief Finance Officer.

Challenges

- A. A candidate may challenge the election results by submitting a written request to the Executive Director. This written request must be received in the SERS offices within 30 days after the date of the Judges' Certification statement. The cost of the recount is \$100.00 payable in advance by the candidate. The full amount will be returned to the candidate if, upon recount, he/she is declared the winner of the election.
- B. The Executive Director will immediately notify the Chair of the Retirement Board and the other candidates involved in the election of the challenge.
- C. The Executive Director will meet with the challenger and/or his designated representative to review the ballot procedure. If the challenger wishes to proceed with a recount, the Chief Finance Officer will contact the Secretary of State to request a representative to supervise the recount. The representative of the Secretary of State will certify the results of the recount, which shall be final.
- D. The Chief Finance Officer will ensure that the ballots are kept secure until all challenges have been adjudicated.

Special Elections

- A. In the event that an employee-member or retiree-member Board seat becomes open before the term of that seat officially ends, the remaining Board members will choose a person to fill the seat until the next scheduled election. Per ORC 3309.06(E), a successor member need not be elected to fill a vacant Board seat if the vacancy occurs on or after the first day of March of the year in which the vacated term ends.
 - B. After the seat is declared open at a Board meeting and the Board sets the timeline for the receipt of resumes and interviews, Communications staff is responsible for producing a Special Election Notice explaining the details of the special election. Communications staff will announce the details of the Special Election in the Board Highlights, on the SERS website, and through SERS' social media channels. One Communications staff member will serve as the primary contact for candidates who have questions about the Special Election process.
 - C. Communications staff is responsible for collecting resumes and Certification Forms from interested candidates. Legal staff is responsible for ensuring that all
-

necessary information has been provided on the Certification Forms. Communications staff will share the Certification Forms with Member Services staff, who will verify the membership status of the candidates to make sure they meet the eligibility requirements of the open seat. Member Services will also send the Certification Forms, and any necessary information, to the Ohio Secretary of State for review and audit of the membership status of the candidates. If there is a discrepancy between the verifications of Member Services and the Secretary of State, the verification of the Secretary of State shall control and be final. Communications staff will provide the Board with copies of all resumes received by the deadline. At a public meeting, each Board member may nominate one candidate to fill the vacancy. Nominated candidates will be interviewed by the Board.

- D. The Chief Finance Officer will contact the Secretary of State to request a representative from that office to monitor the election as election judge. If a representative from the Secretary of State is not available, the Ohio Attorney General should be contacted for a representative to monitor the election as election judge. The representative from the Secretary of State or the Attorney General will certify the results of the election.
- E. The election will take place at a public meeting. A successor member will be elected from the list of nominated candidates by a majority vote. Successive votes will occur so that the candidate with the least number of votes is eliminated after each vote. In the event two candidates remain and neither achieves a majority vote, the winner is decided by a coin toss conducted by the election judge with “heads” assigned to the candidate whose last name is first in alphabetical order and “tails” to the other candidate.
- F. The Certification Forms and resumes shall be kept by the Communications staff for 60 days after the election judge certifies the election results. Upon the expiration of the 60 day period, Communications staff will ensure the Certification Forms and resumes are destroyed.

Definitions

None

Related Documents and Information

Statutes: 3309.05, 3309.06, 3309.071, 3309.07, 3309.075

Rules: 3309-1-04

Document Links: [Purpose](#), [Policy](#), [Procedure](#), [Definitions](#), [Related Documents](#), [Policy History](#)

Forms: ---

Policy History

Version 1 – July 3, 2008 – Created – Approved by Board

Version 2 – August 20, 2013 – Edited – Approved by Board

Collaboration

ELECTION OF EMPLOYEE MEMBER TO THE RETIREMENT BOARD

_____ moved and _____ seconded that the following resolution be adopted:

BE IT RESOLVED by the Retirement Board of the School Employees Retirement System that the election of one employee member of the Retirement Board for the term beginning July 1, 2024, and ending June 30, 2028, shall be as provided herewith:

Any member of the Retirement System, other than a disability recipient, shall be eligible for election and the name of any member who is nominated by petitions, meeting the following requirements, shall be placed upon the ballot as a regular candidate. The petitions shall be signed by at least five hundred (500) members of the Retirement System of which there shall be not less than twenty (20) signers each from at least ten (10) counties wherein such members are employed; shall indicate the employer and county of employment of each signing member; shall include the member's SERS ID or last 4 digits of their social security number; shall be signed on or after August 8, 2023; original hard copy petitions, along with the originals of any other completed required forms, must be received in the office of the Retirement System no later than 4:30 p.m., EST, December 1, 2023. Electronic signatures on electronic petitions available on the SERS website must be completed by December 1, 2023, at 4:30 p.m., EST.

All ballots, to be considered valid, must be received in the office of the Retirement System no later than 4:30 p.m. EST, March 4, 2024.

All ballots delivered to the office of the Retirement System shall be delivered unopened to judges appointed by the Retirement Board. The judges shall meet, make final determination of the validity of the ballots within the intent of this resolution, count the valid ballots on March 5, 2024, and announce the results of the election.

The election shall be conducted in accordance with the Retirement Board's election laws as well as its election rule, policy, and procedures.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Matthew King	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____
Frank Weglarz	_____	_____	_____

ELECTION OF RETIREE MEMBER TO THE RETIREMENT BOARD

_____ moved and _____ seconded that the following resolution be adopted:

BE IT RESOLVED by the Retirement Board of the School Employees Retirement System that the election of one retiree member of the Retirement Board for the term beginning July 1, 2024, and ending June 30, 2028, shall be as provided herewith:

Any service or disability retiree of the Retirement System who is a resident of Ohio shall be eligible for election and the name of any retiree who is nominated by petitions, meeting the following requirements, shall be placed upon the ballot as a regular candidate. The petitions shall be signed by at least one hundred fifty (150) service or disability retirees of the Retirement System, of which there shall be not less than ten (10) signers each from at least five (5) Ohio counties, wherein service or disability retirees under this system reside; shall indicate the home address and county of each signing retiree; shall include the retiree's SERS ID or last 4 digits of their social security number; shall be signed on or after August 8, 2023; original hard copy petitions, along with the originals of any other completed required forms, must be received in the office of the Retirement System no later than 4:30 p.m., EST, December 1, 2023. Electronic signatures on electronic petitions available on the SERS website must be completed by December 1, 2023, at 4:30 p.m., EST.

All ballots, to be considered valid, must be received in the office of the Retirement System no later than 4:30 p.m. EST, March 4, 2024.

All ballots delivered to the office of the Retirement System shall be delivered unopened to judges appointed by the Retirement Board. The judges shall meet, make final determination of the validity of the ballots within the intent of this resolution, count the valid ballots on March 5, 2024, and announce the results of the election.

The election shall be conducted in accordance with the Retirement Board's election laws as well as its election rule, policy, and procedures.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Matthew King	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____
Frank Weglarz	_____	_____	_____

EXECUTIVE SESSION

_____ moved and _____ seconded the motion that the Board convene in Executive Session pursuant to R.C. 121.22 (G)(3) to discuss imminent court action.

IN EXECUTIVE SESSION AT _____ A.M./P.M.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Matthew King	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____
Frank Weglarz	_____	_____	_____

RETURN TO OPEN SESSION AT _____ A.M. / P.M.

Memo

To: SERS Retirement Board
From: SERS Legal
CC: Richard Stensrud and Karen Roggenkamp
Date: July 7, 2023
Re: Definition of Compensation Discussion

At the July Board meeting, Legal staff plans to review in detail SERS' current compensation statute (R.C. 3309.01(V)) and rule (O.A.C. 3309-1-02). Staff will also discuss with the Board recent compensation scenarios raised by employers. Based upon feedback received from the Board, at a future Board meeting Legal staff will present different possibilities with respect to the definition of compensation, and potential pros and cons of those definitions.



Review Definition of Compensation

July 2023 Board Meeting

Serving the People Who Serve Our Schools®

SERS' Definition of Compensation



The SERS statute that defines compensation gives the Board discretion to determine whether forms of earnings not addressed in the statutory definition should be included in compensation (R.C. 3309.01(V)(3))

SERS' Definition of Compensation



Compensation is defined in R.C.3309.01(V) and O.A.C. 3309-1-02:

- Salary and wages (statute)
- Any form of earnings not enumerated in R.C. 3309.01(V), as determined by the retirement board by rule (statute)
 - Payments based on standard rate of pay (rule)
 - Payments to an eligible retirement plan (deferred compensation) (rule)
 - Back wages (rule)
 - Differential wage payments (school earnings v. military pay) (rule)
 - Longevity payments (rule)
 - One time or lump sum payment to all persons in a class of employees in lieu of salary or wage increase per a written contract (rule)
 - One time or lump sum payment for additional services (rule)

SERS' Definition of Compensation



The following earnings cannot be included in Compensation:

- Unused leave pay (statute)
- Concurrent vacation pay (statute)
- Amounts paid by employer for insurance (statute)
- Incidentals (lodging, food, parking, laundry, use of employer's property or equipment, reimbursement of expenses) (statute)
- Payments in excess of IRC 401(a)(17) annual limits (statute)
- Leave of absence pay for military service (statute)
- Payments paid in consideration of retirement (statute)

Compensation - Subcategories



Salary, wages (i.e., base pay)	Yes
Cash-out of accumulated leave	No
Deferred compensation plan payments	Yes
Bonus/incentive pay	Yes/No
Lump sum salary pay	Yes/No
Fringe benefits	No
Supplemental program pay (coaching, extracurricular activities)	Yes

Lump Sum Payments: Incentive and Salary



- Categories that generate most questions
- Wide variety
- Definition of compensation does not directly address
 - Brings in lump sum payments if based on rate of pay or for additional services

Sub-Categories of Lump Sum Pay



- Educational/Skill Based Incentive
- Attendance Incentive
- Performance Incentive
- Retention Incentive
- Negotiated payment excluded from base salary/wages



Examples



Examples



\$5,000 stipend in August of each year under term of contract that Treasurer remains employed by the Board

➤ *Not found to be compensation under current rule*

Examples



- \$300 lump sum COVID stipend for obtaining 3 hours of professional development
 - \$1,500 stipend for hourly worker to work greater than 500 hours from 7/1/21 -1/31/22
 - \$250 signing bonus for newly hired custodians/bus drivers
 - \$100 a week to field techs (hourly employees) for covering extra schools
 - \$2,000 quarterly stipend for EMIS coordinator
- ***None of the above were found to be compensation under current rule***

Examples



- Lump sum payment to all staff: \$1,000 plus 1% of salary
 - *Under current rule, \$1,000 was found not to be compensation, but 1% amount was compensation*
- 1% of contracted salary for school year with a minimum of \$500 for all employees
 - *Not found to be compensation under current rule*

Examples



Term in collective bargaining agreement providing for bargaining unit members to receive a one-time stipend of \$1,080 in November 2022 and \$810 in November 2023

➤ *Not found to be compensation under current rule*

Examples



- \$2,000 for annual audit results
 - \$1,000 for forecast accuracy
 - \$1,000 for developing Long Term Capital Plans and
 - \$1,000 for becoming an early adopter of Ohio Checkbook
- *None of the above found to be compensation under current rule*

Examples



Employees who work 30 or more hours a week and who do not use any sick leave and/or personal leave or days without pay during the school year shall be compensated \$200

➤ *Not found to be compensation under current rule*

Examples



Drivers who have no citations or nonchargeable offenses and no at-fault accidents from July 1 through June 30 each year will be paid \$100 the first pay period in September

➤ *Not found to be compensation under current rule*

Fitness Incentives

- One-time payment each year of \$300-500 based on individual level of fitness
- One time each year of \$200 to employees who do not reach lowest fitness level, but who demonstrate improvement in overall fitness

➤ *Not found to be compensation under current rule*

Examples



Educational aides who receive a two-year associates degree receive \$6,000 above their yearly pay as per the salary schedule

➤ *Not found to be compensation under current rule*

Next Steps



- Policy discussions
- Potential amendments to definition of compensation

Only If Needed

EXECUTIVE SESSION

_____ moved and _____ seconded the motion that the Board go into Executive Session pursuant to R.C. 121.22 (G)(5) to review applications for Disability Retirement Benefits.

IN EXECUTIVE SESSION AT _____ A.M. / P.M.

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Frank Weglarz	_____	_____	_____
Hugh Garside	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
Barbra Phillips	_____	_____	_____
James Rossler	_____	_____	_____
Daniel Wilson	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____

RETURNED TO OPEN SESSION AT _____ A.M. / P.M.

**SERS
COMPENSATION
COMMITTEE
UPDATE**

COMMITTEE CHAIR(S) APPOINTMENT

As Chairperson for the 2023-2024 Fiscal Year, _____ made the following two-year committee appointments:

Compensation Committee Chair: _____

Compensation Committee Members:

1. _____
2. _____
3. _____
4. _____

Compensation Committee Chair plus **four** Board members; at least one of the five committee members shall be an investment expert or an investment designee as defined in Ohio Revised Code Section 3309.05.

Audit Committee Chair: _____

Audit Committee Members:

1. _____
2. _____

Audit Committee Chair plus **two** Board members: to include an employee member, retirant member and investment expert or an investment designee as defined in Ohio Revised Code Section 3309.05.

Technology Committee Chair: _____

Technology Committee Members:

1. _____
2. _____
3. _____

Technology Committee Chair plus **three** Board members.

CALENDAR DATES FOR SERS BOARD MEETINGS FOR 2023 **

AUDIT COMMITTEE MEETINGS

September 20, 2023 - 2:30 p.m. (Weds.)

December 20, 2023 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

September 21, 2023 – 7:30 a.m. (Thurs.)

December 21, 2023 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

September 21, 2023 – 12:30 p.m. (Thurs.)

December 21, 2023 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

September 21 – 22, 2023 - 8:30 a.m. (Thurs. and Fri.) **** Board Picture Day ****

October 19 – 20, 2023 - 8:30 a.m. (Thurs. and Fri.)

November 16 – 17, 2023 - 8:30 a.m. (Thurs. and Fri.)

December 21 – 22, 2023 - 8:30 a.m. (Thurs. and Fri.)

****NOTE:** *The above dates are tentative.*

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2024 **

AUDIT COMMITTEE MEETINGS

March 20, 2024 – 2:30 p.m. (Weds.)
June 19, 2024 – 2:30 p.m. (Weds.)
September 18, 2024 - 2:30 p.m. (Weds.)
December 18, 2024 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 21, 2024 – 7:30 a.m. (Thurs.)
June 20, 2024 – 7:30 a.m. (Thurs.)
July 18, 2024 – 7:30 a.m. (Thurs.) * **Special Meeting** *
September 19, 2024 – 7:30 a.m. (Thurs.)
December 19, 2024 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

March 21, 2024 – 12:30 p.m. (Thurs.)
June 20, 2024 – 12:30 p.m. (Thurs.)
September 19, 2024 – 12:30 p.m. (Thurs.)
December 19, 2024 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

February 15 - 16, 2024 - 8:30 a.m (Thurs. and Fri.)
March 21 - 22, 2024 – 8:30 a.m (Thurs. and Fri.)
April 18 – 19, 2024 - 8:30 a.m. (Thurs. and Fri.)
May 16 – 17, 2024 – 8:30 a.m (Thurs. and Fri.)
June 20 - 21, 2024 - 8:30 a.m (Thurs. and Fri.)
July 18 – 19, 2024 – 8:30 a.m. (Thurs. and Fri.)
September 19 – 20, 2024 – 8:30 a.m. (Thurs. and Fri.) **** Board Picture Day ****
October 17 – 18, 2024 – 8:30 a.m. (Thurs. and Fri.)
November 21 – 22, 2024 – 8:30 a.m (Thurs. and Fri.)
December 19 – 20, 2024 – 8:30 a.m (Thurs. and Fri.)

**** Please note that these dates and times are tentative.**

CONTINUED OR NEW BUSINESS

Board Information Requested

BOARD INFORMATION REQUESTS AND FOLLOW-UP ITEMS

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

ADJOURNMENT(R)

_____ moved that the SERS Retirement board adjourn to meet on Thursday, September 21, 2023, for their next regularly scheduled meeting.

The meeting adjourned at _____ a.m./p.m.

Frank Weglarz – Chair

Richard Stensrud, Secretary