



**SERS Retirement Board
Compensation Committee
Meeting Agenda
Thursday, March 20, 2025
7:30 A.M**

To Join Zoom Meeting:

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1. Roll Call
2. Approval of **December 19, 2024**, Compensation Committee Meeting Minutes (R)
3. SERS Board Member Travel Handbook Considerations Discussion
4. Executive session pursuant to R.C. 121.22 (G)(1) to discuss the employment of a public employee (R)
5. Adjournment (R)

SCHOOL EMPLOYEES RETIREMENT SYSTEM

COMPENSATION COMMITTEE

March 20, 2025

_____ **A.M.**

Roll Call:

Daniel Wilson - Chair	_____
Jeffrey DeLeone	_____
James Haller	_____
Catherine Moss	_____
Aimee Russell	_____

Guests in Attendance:

School Employees Retirement System	<h1 style="margin: 0;">COMPENSATION COMMITTEE MEETING MINUTES</h1>		
Preparer	Vatina Gray	Meeting Date:	December 19, 2024
Committee Chair	Daniel Wilson	<p>Committee roll call was as follows: Present: Jeffrey DeLeone, James Haller, Catherine Moss, Aimee Russell, and Daniel Wilson.</p> <p>Also in Attendance: Lisa Reid, representative from the Ohio Attorney General's Office. Also in attendance was SERS Staff: Richard Stensrud, Joe Marotta, and Vatina Gray.</p>	
Agenda	<ol style="list-style-type: none"> 1. Roll Call 2. Approval of September 19, 2024, Compensation Committee Minutes (R) 3. SERS Board Member Travel Handbook Considerations Discussion 4. Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment of a public employee (R) 5. Recess (To Reconvene After Technology Committee) 6. CBIZ Compensation Update 7. Adjournment 		
Discussion	<p>The SERS Compensation Committee meeting began in open session at 7:30 a.m.</p> <p><u>ROLL CALL</u></p> <p>The SERS Compensation Committee roll call was as follows: Jeffrey DeLeone, James Haller, Catherine Moss, Aimee Russell, and Daniel Wilson.</p> <p><u>APPROVAL OF MINUTES</u></p> <p>James Haller moved and Aimee Russell seconded the motion to approve the minutes of the Compensation Committee meeting held on September 19, 2024. Upon roll call the vote was as follows: Yea: Jeffrey DeLeone, James Haller, Aimee Russell, and Daniel Wilson. Abstain: Catherine Moss. The motion carried.</p> <p><u>SERS BOARD MEMBER TRAVEL HANDBOOK CONSIDERSTIONS – DISCUSSION</u></p> <p>SERS Executive Director, Richard Stensrud, opened the discussion with a high overview of the SERS travel policy. The goal of this conversation is to ensure a level of transparency around how travel reimbursements are process for board members. The same travel policy applies to employees & board members.</p> <p>Compensation Committee Chair, Daniel Wilson, stated it is important to clarify the policy and Mr. Wilson stated he is in favor of one document that provides guidance to both employees and board members.</p> <p>Mr. Stensrud will provide the compensation committee with reimbursement rates from GSA to provide clarification on meal per diems both locally and while travelling.</p> <p><u>EXECUTIVE SESION</u></p> <p>Jeffrey DeLeone moved and James Haller seconded the motion that the Committee convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment of a public employee.</p> <p>The committee convened in executive session at 7:49 a.m.</p> <p>The committee returned to open session at 8:23 a.m.</p> <p><u>RECESS (To Reconvene After Technology Committee Meeting)</u></p> <p>The Compensation committee went into recess at 8:24 a.m.</p>		

The Compensation Committee reconvened at 1:31 p.m.

CBIZ COMPENSATION PRESENTATION

Mr. Stensrud introduced Joe Rice, from CBIZ, who provided a presentation on the current compensation trends, the labor market, and other compensation news. Mr. Rice reported we should expect less aggressive wage growth moving forward. Mr. Rice reported that wage growth is starting to dip even though it continues to be quite high. Mr. Rice also stated that the public sector fell behind on wage growth but is now catching up to the private sector.

Mr. Rice will return in February to provide SERS with additional guidance on their 2025 salary structure. Mr. Rice will also highlight any other trends that pop up in the coming months between now & February.

Following a several questions, the committee thanked Mr. Rice for his presentation.

ADJOURNMENT

Daniel Wilson moved to adjourn the meeting at 1:55 p.m.

	Action Items	Assigned Person	Due Date
Action Items	Provide Compensation Committee with GSA travel reimbursement rates for Columbus and other cities where board members commonly travel.	Richard Stensrud	2/19/25

Memo

To:

From: Richard Stensrud, Executive Director

Date: March 14, 2025

Re: Travel Handbook Considerations

SERS' Travel Handbook provides guidelines for travel-related expenses and reimbursement for both the Board and Staff. Given recent changes in travel industry practices, and the reference parameters used for measuring reimbursement, it is advisable to consider whether any changes should be made to existing Travel Handbook provisions, and to assure that the provisions are clearly expressed so that travelers understand their application. With respect to provisions that apply to the Board, it is also advisable that those provisions be endorsed by the Board.

Accordingly, with those objectives in mind, the Compensation Committee has been asked to review and consider Board-applicable provisions in the Travel Handbook and make recommendations for their potential endorsement by the Board. Previously, the Committee was provided with information regarding proposed travel expense topics that should be reviewed; an explanation of any changes under consideration and the reasons why; and how those provisions will be applied to Staff travel.

This memorandum provides proposed Travel Handbook language for those topics.

1. **Daily Meal Per Diem – Partial travel days**

Description – SERS Travel policy states business meals are reimbursed up to the daily U.S. General Services Administration (GSA) per diem for the city traveled to. The GSA updates the per diem by city annually to keep pace with inflation. The GSA per diem is broken down by meal and incidentals. SERS Travel Handbook should address meal reimbursement when a partial day is traveled.

Business justification – SERS travelers should only be reimbursed for meals incurred during business travel. The GSA per diem meal breakdown can be used to deduct meals not incurred during travel. For example, if the traveler leaves at noon for its destination, breakfast was not missed and would not be reimbursed. If the GSA per diem allocates \$20 of the \$80

daily per diem toward breakfast, the traveler would have \$60 remaining for the rest of the day's meals.

Proposed Language

Meal Reimbursement for Partial Travel Days - When an employee is traveling on official business and the travel day is considered a partial travel day, meal reimbursements will be calculated based on the GSA per diem rates. The following guidelines apply:

Departure and Return Days: Travelers are reimbursed for meals incurred while traveling to/from the destination city using the appropriate GSA per diem rate. Meals not incurred during travel times are proportionately deducted from the daily per diem rate. For example, if the traveler departs at noon and the GSA per diem allocates \$20 of the \$80 daily per diem toward breakfast, the traveler would have \$60 remaining for that day's meals after breakfast was deducted.

2. **Daily Meal Per Diem – Meal Provided at Meeting or Conference**

Description – SERS Travel policy states business meals are reimbursed up to the daily GSA per diem for the city traveled to. The GSA per diem is broken down by meal and incidentals. SERS Travel Handbook should address meal reimbursement when a meal is provided at a meeting or paid via a conference registration fee.

Business justification – Lunch is often provided via a paid conference registration fee. In order to limit the taxability of a meal reimbursement, SERS' daily reimbursement is capped at the GSA per diem per destination city. If the traveler receives lunch as part of their registration and also submits receipts equal to the full daily per diem, they have received value greater than the GSA limit. The excess is considered taxable income. The GSA per diem meal breakdown can be used to deduct meals provided during a meeting or conference. For example, if a conference sponsor provided lunch and the GSA per diem allocates \$22 of the \$80 daily per diem toward lunch, the traveler would have \$58 remaining for that day's meals. If the traveler chooses not to participate in the conference-provided meal, they are welcome to purchase one elsewhere. However, they will not be reimbursed unless the conference meal did not meet their dietary requirements.

Proposed Language

Meals Provided During a Meeting or Conference - When an employee is traveling for a meeting or conference, the meal reimbursements will be calculated based on the GSA per diem rates. If a meal is provided by the meeting host or included in a conference fee, the corresponding amount will be deducted from the per diem rate. For example, if a conference sponsor provided lunch and the GSA per diem allocates \$22 of the \$80 daily per diem toward lunch, the traveler would have \$58 remaining for that day's meals. For business meetings, if an entity other than SERS provided the meal during the meeting, the traveler must request the meeting host to invoice the SERS traveler for the cost of the meal.

3. In State (or Neighboring State) Travel for Meetings or Conferences

Description – The Travel Handbook does not address travel limits for nearby (Ohio or neighboring states) Board-related work or conference events. For out-of-state events, the Handbook allows for a travel day before and after the event. SERS is adding clarity to the Handbook that if nearby (within Ohio or a 3 hour radius) meetings/conferences end mid-day or earlier, reimbursement will not be provided for overnight accommodations or additional meals following the end of the event.

Business justification – Travel days before and after out-of-state conferences allow the traveler to arrive and return at reasonable hours. Travelers should not be expected to return home at midnight if their conference ends mid-afternoon. In addition, some cross-country flights do not accommodate later afternoon flights. However, for events within a three hour drive, travelers can return home by dinner when the meeting or conference ends mid-day.

Proposed Language

Meals and Lodging Limitations for Conference/Meetings Within a Three-Hour Car Ride

To ensure efficient use of system resources, the following guidelines apply to meal and lodging reimbursements for SERS-related meetings or conferences within a three-hour car ride:

- Meals – Reimbursement will not be provided for meals following a midday conclusion of meetings or conferences if the location is within a three-hour car ride.
- Lodging - Lodging expenses will not be reimbursed for nights following a midday conclusion of meetings or conferences if the location is within a three-hour car ride.
 - Exceptions may be made for situations where the conference starts early or ends late, making same-day travel impractical.

These measures aim to optimize travel expenses while ensuring that employees are adequately supported during their business trips.

4. Airfare – Extra Fees

Description – As a general rule, airfare should be at the lowest price based for coach, main cabin, or economy class. The Handbook does not clearly address extra fees to reserve seats or board early.

Business justification – Changes in air travel practices make it challenging to find available overhead storage. Travelers that board early can secure overhead space for their carry-on luggage more easily, reducing the likelihood of delays caused by searching for space or gate-checking bags. SERS proposes to update the Handbook to allow for fees to reserve seats and board early. By supporting these additional travel expenses, SERS can ensure that its travelers are more comfortable, the travel process is more efficient, and travelers are better prepared to handle business tasks effectively.

Proposed Language

Reserved Seating and Early Boarding Reimbursement

To enhance the travel experience and ensure our employees arrive at their destinations well-rested and prepared for business activities, SERS provides reimbursement for reserved seating and early boarding fees under the following guidelines:

- Reserved Seating – Travelers may be reimbursed for the cost of reserving seats that provide additional comfort, such as extra legroom or faster de-boarding. The selection of reserved seating should be within reasonable price limits. Travelers are encouraged to choose cost-effective options that balance comfort and expense.
- Early Boarding – Travelers may be reimbursed for early boarding fees to ensure timely and efficient boarding. Early boarding allows travelers to secure overhead storage for their carry-on luggage and settle in without unnecessary delays.

5. Airfare – Purchase Timing and Flight Times

Description – As a general rule, airfare should be at the lowest price based for coach, main cabin, or economy class. Currently, the Handbook requires the purchase of a ticket between 21-60 days prior to the trip. In addition, there is no requirement to adjust flights times when significant savings can be achieved by leaving or arriving a few hours differently.

Business justification – Purchasing airline tickets 21-60 days prior to travel does not guarantee the lowest price. In addition, it is expected that the traveler be flexible on flight times to take advantage of lower fares. The proposal is to update the language to allow flexibility in the timing of the purchase with the focus on seeking the most cost-effective airfare.

Proposed Language

Cost-Effective Airfare

To ensure prudent use of system resources and to maintain cost-effective business travel, travelers are expected to adhere to the following guidelines when booking airfare:

- Advance Booking – SERS travelers are encouraged to book airfare as early as possible to take advantage of lower fares and early booking discounts. When feasible, airfare should be booked at least 14 days in advance of the travel date.
- Flight Selection – SERS travelers should seek the most economical fare available, considering both direct and connecting flights. Main cabin or Economy class should be selected for all domestic and international flights unless otherwise approved in advance.
- Flexible Travel Dates – SERS travelers should consider flexible travel times and dates to take advantage of lower fares.

6. Airfare – Parking

Description – SERS Travel Handbook currently recommends remote airport lots with the main garage parking limited to a couple of days. The main garage is more than twice the cost of remote airport lots. Travelers should be cost conscious when choosing airport parking, but SERS recognizes the convenience and safety of parking in the main garage.

Business justification – Main garage parking is more expensive compared to other parking options. The proposal is revise the policy to limit the reimbursement for the main garage. The cost of the main garage will be fully reimbursed the first two day, and then cost will split the 50/50 with the traveler for subsequent days. By limiting reimbursement, SERS travelers are incentivized to use more cost-effective parking options, while giving them flexibility to park based on personal preferences or safety concerns.

Proposed Language

Airport Parking Reimbursement Policy

SERS travelers are eligible for reimbursement of airport parking expenses incurred during authorized business travel. Reimbursement is limited to the actual cost of parking, up to the maximum allowable rate specified.

Types of Parking:

- Main Garage Parking - Parking in the main garage is the most expensive option and is intended for short-term parking needs.
- Long-Term and Off-Site Parking – SERS travelers are encouraged to use long-term or off-site remote parking lots , which are more cost-effective.

Reimbursement Limits

- Main Garage Parking - Reimbursement for main garage parking is limited to two days at full cost. Additional days will be reimbursed at 50%. Employees should use main garage parking only when necessary for short-term trips.
- Long-Term and Off-Site Parking - Reimbursement for long-term and off-site parking is reimbursed at actual cost incurred.

7. Short Term Rentals versus Hotel Lodging

Description – SERS Travel Handbook does not address the use of short term rentals for potential lodging during business or conference travel. SERS is updating the Handbook to exclude short term rentals such as Airbnb or VRBO as reimbursable lodging.

Business justification – Hotels and other traditional lodging options often have standardized amenities, services, and safety measures. Hotels have comprehensive insurance policies that cover guests and in case of accidents or emergencies. Short-term rentals can vary widely in price, making it harder to control and forecast travel expenses. Hotels provide itemized receipts, while short-term rentals typically don't. Hotels have better cancelation policies with short notice, while short-term rentals often have cancelation fees.

Proposed Language

Lodging Policy for Business Travel

This section outlines the guidelines for reimbursing lodging expenses incurred by SERS travelers during business travel.

- Eligible Lodging Options - Employees are eligible for reimbursement of lodging expenses incurred during authorized business travel. Eligible lodging options include hotels, motels, and other traditional lodging establishments that provide itemized receipts and comply with the SERS' travel policies.
- Prohibited Lodging Options - Short-term rentals, such as those booked through platforms like Airbnb, Vrbo, and similar services, are not eligible for reimbursement. Travelers should not book short-term rentals for business travel purposes, regardless of the duration of the stay. These restrictions are based on safety, security, standardization, liability, and cost control.

8. Tipping

Description – The SERS Travel Handbook limits meal tipping to 20% and taxi tipping to 15%. These different limits cause confusion for travelers. The proposal is to update the Handbook to make all tip limits consistent at 20%.

Business justification – Keeping tipping within a 20% limit helps manage expenses, ensuring travel costs remain within budget. Establishing a 20% tipping limit for all services creates a consistent tipping practice and simplifies expense reporting.

Proposed Language

Tipping Guidelines for Business Travel

Consistent and fair tipping practices during business travel ensures SERS manages expenses effectively.

- Tipping Limit - The maximum allowable tip for any service during business travel is set at 20% of the total bill. This applies to all meals, transportation, and other services that customarily receive tips.

9. In-State Travel

Description – The SERS Handbook requires the use of a SERS fleet vehicle for in-state travel. The proposal is to revise the Handbook to make the use of SERS fleet optional. The traveler would have the option to be reimbursed for mileage on a person vehicle in lieu of using the SERS fleet.

Business justification – SERS has a small fleet consisting of one sedan and one mini-van. A company vehicle might not always be available and SERS travelers might prefer the comfort of their own vehicle. Both options have their benefits. Efficiently managing a fleet allows SERS to make the most of its assets, ensuring that vehicles are used to their full

potential and not left idle. Allowing travelers to use their personal cars for business travel offers flexibility and convenience, enabling them to travel on their own schedule and in their preferred vehicle. Ultimately, offering both options allows SERS to accommodate different scenarios and preferences, balancing cost control, flexibility, and employee satisfaction.

Proposed Language

Vehicle Use for In-State Business Travel

SERS travelers may choose to use either a system fleet vehicle or their personal vehicle for in-state business travel. The choice of vehicle should be based on travel requirements, convenience, and cost considerations.

- System Fleet – Travelers opting to use a system fleet vehicle must reserve the vehicle in advance. Travelers must follow all system guidelines for vehicle use, including proper care, fuel management, and returning the vehicle in good condition.
- Use of Personal Vehicle: - Travelers choosing to use their personal vehicles for business travel must maintain adequate insurance coverage and ensure their vehicle is in good working condition. SERS will reimburse travelers for mileage at the standard reimbursement rate. Mileage reimbursement requests must be submitted with detailed logs. Travelers are responsible for any maintenance, insurance, and operating costs associated with their personal vehicles.

Providing flexibility in travel options aims to accommodate traveler's preferences and travel needs while maintaining cost control and promoting efficient use of resources.

10. Phone Calls

Description – The SERS Handbook currently provides for the reimbursement of a limited number of personal phone calls a day. With the common use of mobile devices, this item is antiquated and no longer needed. The proposal is to remove this expense item from the Handbook while clarifying the reimbursement of international calls.

Business justification – International calls typically incur significantly higher charges compared to domestic calls. Reimbursing these higher costs ensures that travelers are not financially burdened when conducting business-related communications while abroad. Domestic calls are generally much more affordable and can often be included in standard mobile plans without additional charges. By not reimbursing domestic calls, SERS encourages employees to use their existing plans and minimizes unnecessary expense claims. In addition, SERS travelers can utilize Zoom and Teams applications to communicate via their SERS issued device.

Proposed Language

Reimbursement Policy for Business Travel Calls

Persons traveling internationally on system business will be reimbursed for the cost of international calls made for business purposes. This is often achieved by activating the international plan on one's personal device, resulting in a daily flat fee when used. Reimbursement

will cover charges for international calling plans or individual international call expenses, provided that these calls are essential for conducting business operations. SERS travelers must submit detailed receipts or billing statements indicating the cost and nature of the calls for reimbursement.

Domestic calls made during business travel within the employee's home country will not be reimbursed by the system. Travelers are encouraged to use cost-effective communication methods such as Zoom or Teams on their SERS issued device or their mobile plans, which often include domestic calls at no additional charge.

This guideline aims to balance the need for essential business communications with prudent cost management. Travelers are encouraged to utilize available technology and resources to minimize communication expenses while ensuring business needs are met.

11. **Transportation Between Home and Airport**

Description – The SERS Handbook does not currently address the reimbursement of taxi, Uber, or similar hired transportation from one's home to the airport and back. The proposal is to add language to provide guidance to travelers to be cost conscious when planning airport logistics.

Business justification – Whether a SERS traveler drives themselves to the airport and pays for parking or hires a Uber or similar service to get to the airport, the costs can vary based on the circumstances. Paying for airport parking and reimbursing mileage can sometimes be more expensive, especially for longer trips. On the other hand, mileage reimbursement rates are standardized, making it easier to predict and manage travel costs compared to the variable rates of car hire services. For shorter business trips, using a car hire service can often be more cost-effective than paying for airport parking and mileage reimbursement. Ultimately, the decision between paying for airport parking with mileage reimbursement versus using a car for hire should be based on factors such as trip length, cost considerations, and employee convenience.

Proposed Language

Airport Parking and Transportation Reimbursement

Business travelers have the option to either use airport parking with mileage reimbursement or hire transportation services to and from the airport. The choice should be based on cost-effectiveness, convenience, and the specific requirements of the trip.

- **Airport Parking with Mileage Reimbursement** – SERS travelers who choose to drive their personal vehicles to the airport will be reimbursed for parking fees and mileage at the standard reimbursement rate. Mileage reimbursement requests must include detailed logs.
- **Hired Transportation** – SERS travelers may use hired transportation services (e.g., taxis, ride-sharing services) to travel to and from the airport. SERS will reimburse reasonable transportation expenses, provided they are cost-effective compared to parking and mileage reimbursement. Receipts for hired transportation services must be submitted with the expense report.

SERS travelers should consider the duration of the trip, cost of parking, and availability of cost-effective transportation options when deciding between airport parking and hired transportation. Travelers are encouraged to choose the most economical option that meets their travel needs. Providing flexibility in transportation options aims to accommodate employees' preferences and travel needs while maintaining cost control and promoting efficient use of resources.

12. **Rewards Points**

Description – The SERS Handbook states SERS travelers are prohibited from using points earned during SERS business for personal use. However, it is proposed that the language be clarified.

Business justification – Government employees and Board members are expected to adhere to high ethical standards and avoid conflict of interest. Using points accrued from taxpayer funded travel for personal use could be perceived as unethical or an abuse of government resources. SERS travel policy states “In accordance with Ohio Ethics Commission Advisory Opinion No. 91-010, airline frequent flyer miles accrued in connection with SERS-paid travel shall not be used for personal travel or benefit.

Proposed Language

Airline Frequent Flyer/Member Reward Programs

In accordance with Ohio Ethics Commission Advisory Opinion No. 91-010, airline frequent flier miles accrued in connection with SERS-paid travel shall not be used for personal travel or benefit, but they can be used for SERS business travel. Travel liaisons will not include frequent flier or member reward identifications when purchasing air travel. This policy aims to promote fairness, maintain public trust, and align with government regulations. Employees are encouraged to seek guidance from their supervisor or the designated travel coordinator if they have any questions regarding the use of travel points.

EXECUTIVE SESSION

_____ moved and _____ seconded the motion that the Compensation Committee convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment of a public employee.

Upon roll call, the vote was as follows:

ROLL CALL

	YEA	NAY	ABSTAIN
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Catherine Moss	_____	_____	_____
Aimee Russell	_____	_____	_____
Daniel Wilson	_____	_____	_____

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

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

ADJOURNMENT

_____ moved that the Compensation Committee adjourn to meet on _____
or the next compensation committee meeting.

The meeting adjourned at _____ a.m.

Daniel Wilson, Compensation Committee Chair