

Position Specification
School Employees Retirement System of Ohio
Executive Director



SERS, with approximately \$12.8 billion in net assets (FY2016), located in Columbus, Ohio, is searching for an *Executive Director* to lead this highly-regarded statewide public retirement system.

System Overview

SERS is a statewide, cost sharing, multiple employer defined benefit retirement system for non-teaching persons employed by Ohio's public K-12 schools districts; vocational, technical and community schools; community colleges; and certain employees of the University of Akron. Serving over 204,000 members and retirees, and nearly 1,100 employers, SERS provides retirement, disability and survivor benefits, and access to health care coverage for eligible benefit recipients and their dependents.

SERS mission is "To provide members, retirees, and beneficiaries with pension benefit programs and services that are soundly financed, prudently administered, and delivered with understanding and responsiveness." The System believes the key to achieving its mission will be through strategic partnerships with those organizations and individuals who have an impact on its members' well-being and financial security.

The System is governed by Ohio law, and general administration and management of the retirement system is by a nine-member Retirement Board, a board with a long history of trustee continuity. The Board retains the services of professional consultants and advisors to assist in making decisions affecting investment performance and administration and maintenance of benefit programs.

A SERS hallmark is its customized service delivery model where members interact directly with a benefit expert. Member, Retiree, and Employer satisfaction, as measured in the Saperstein Surveys of each of these customer groups, is at an all-time high. Ninety-two percent of SERS members and retirees surveyed said SERS service met or exceeded their expectations. Ninety-four percent of employers surveyed said they were either satisfied or very satisfied with the service they receive from SERS.

SERS' investment portfolio is diversified by asset class, investment approach, and investments within each asset class to reduce overall portfolio risk and volatility. The FY2016 Total Fund net return of 1.38% exceeded the policy benchmark by 0.45% and the three-year net return of 7.29% also exceeded the policy benchmark by 0.61%. The annualized net return for the past 22 years since net return has been tracked is 7.41% compared to the current actuarial assumption rate of 7.50%.

Overall plan funding remains sound with a funding ratio for the pension benefits at FY2015 increasing from 68.1% over a 28-year period to 68.8% over a 27-year period. The health care fund, for discretionary health care benefits, increased to 16.8% from 16.7% over a 30-year period. Health care funding continues to be challenging.

Public pension plans such as SERS positively impact local, state and national economies. Of the 74,300 plus individuals receiving pension benefits from SERS, 91% live in Ohio. In FY2015, total pension benefit payments of approximately \$1 billion were distributed among Ohio's 88 counties, positively impacting the state's economy. For every dollar in employer contributions invested in SERS' pensions in FY2015, \$2.66 was returned to local economies.

For additional information, visit www.ohsers.org. A copy of the most recent Comprehensive Annual Financial Report (CAFR) is available at <http://ohsers.org/financial-reports>.

SERS Culture

SERS examined its culture about 10 years ago, and successfully transformed it into an organization where employees are empowered and valued, and where innovation is encouraged. A top-down, bottom-up approach to the change generated a strong bias for collaboration to support implementation of best and leading practices throughout the organization.

Hallmarks of SERS' culture include what is described as an unequalled level of customer service, a culture of openness and transparency, and an egalitarian environment with a strong sense of community. For several years, SERS recognized as an employer of choice is a place where everyone enjoys their work and knows your name, and where employees, committed to SERS' mission, are recognized and rewarded.

Executive Director Responsibilities

The open position is a result of the retirement of Lisa Morris, Executive Director, who has been at the System for 12 years, over five as Deputy Executive Director and the past six plus years as Executive Director. In SERS' 79-year history, there have only been six Executive Directors.

The Executive Director, reporting to the Retirement Board, and to the Board Chair, administratively, is the central point of responsibility and accountability for the \$29 million administrative and professional budgets across all operations, actuarial, investment management, accounting and financial, benefits administration, etc.

With overall responsibility for a team of 180+, the Executive Director has six direct reports – Deputy Executive Director, Chief Investment Officer, Enterprise Risk Officer, General Counsel, Government Relations Officer, Executive Business Administrator, and administratively, the Chief Audit Officer. The Directors of Administrative Services, Member Services, Finance, Information Technology, Health Care, and Human Resources report to the Deputy Executive Director.

The key responsibilities and duties are to:

- Ensure operation of the System in accordance with mission, vision and values.
- Oversee planning, organization, and administration of all program areas for which the System is statutorily responsible.
- Monitor the performance of the investment portfolio, ensure contributions and income are invested in accordance with established policies, and ensure proper controls are developed to safeguard assets.
- Advise and confer with the Board on financial, economic and political trends and developments.
- Maintain open and effective relations with the members of the General Assembly, make recommendations to the Legislature concerning retirement system programs and activities, testify before legislative bodies to promote legislation, and act in liaison capacity to advise legislative committees on matters under consideration.
- Engage in external communication about important pension issues with media, such as editorial boards, chambers of commerce, radio outlets and other groups.
- Establish and maintain open and effective relationships with active and retired members and with advocacy groups.
- Ensure organizational development and senior leadership development consistent with the highest standards of leadership behavior.

Key Objectives

The Board has identified the following Key Objectives to measure, in part, the Executive Director's performance. A significant portion of the Executive Director's current responsibilities are outward facing to maintain and strengthen SERS' reputation and brand. It will be important for the next Executive Director to establish their personal relationship with stakeholders and constituents to enhance the System's positive relationships with:

- Members, employers, and advocacy groups, such as SERO (School Employee Retirees of Ohio), OAPSE (Ohio Association of Public School Employees), AFSCME 1184 (American Federation of State, County and Municipal Employees Retiree Chapter 1184), OASBO (Ohio Association of School Business Officials), and OEA (Ohio Education Association).
- Elected officials, such as the Governor and staff, State Treasurer and staff, key members of the Ohio Legislature, and the Ohio Retirement Study Council (ORSC).
- State and national media outlets.

Other key objectives include:

- Active leadership and engagement to ensure the fiscal stability of SERS pension and health care plans.
- Active engagement in the national discussion on the sustainability of defined benefit plans.

- Ensure that SMART (SERS Member and Retiree Tracking), a \$30 million technology project is complete by the revised implementation date of January 31, 2017.
- Lead the legislative efforts in the next legislative session to gain support for SERS' pension reforms passed by the Retirement Board in September 2016.

Qualifications and Experience

The Board is seeking a strategic and forward thinking visionary leader who is mission driven with a dedication to public service and defined benefit plans. A leader that is committed to lead and manage in alignment with SERS' mission, vision and values. An executive with strong operational and administrative experience, along with general knowledge of investments, who will build on SERS' success, is desired. Other requirements and preferences include:

- Bachelor's degree required (advanced degree preferred) in business or public administration, public finance or a related field.
- Supporter and advocate of defined benefit plans is required.
- Public pension plan or public sector experience is highly preferred.
- Working knowledge of federal and state pension laws is preferred.
- Executive experience dealing with corporate, private, or public boards is preferred.

Applicants from public pension funds, as well as other sectors with the relevant experience detailed above, are encouraged to apply.

Leadership Competencies and Characteristics

The Executive Director must be a confident, optimistic, and inspiring leader who will embrace SERS' culture, leading with a participative and collaborative style while setting high expectations supported by accountabilities. A leader who has the courage to make decisions and the emotional intelligence to affect positive change in a high performing culture is critical to success.

As the System's chief executive, the Executive Director must be a leader who values strong governance and has the experience to establish positive and open relationships with trustees to effectively advise and guide the Board. Important skills and attributes to achieve success include having the:

- Poise and presence, and being comfortable testifying and speaking to large groups, to expertly represent SERS.
- Diplomacy and political savvy to interact with a diverse group of stakeholders and constituents.

Compensation

The Executive Director is an exempt position and an "at will" employee. Compensation is designed to attract the best-qualified executive and includes a base salary, Ohio PERS retirement benefits (24% annual contribution – 14% employer paid and 10% employee paid,

employee pays no social security, but does pay Medicare taxes) and attractive benefits package. Relocation assistance is also provided.

Quality of Life and Living in Central Ohio

Greater Columbus, a metropolitan area of 1.7 million people, is the 15th largest city in the U.S., and the state capital. The city has a strong and diverse economy, ranking in the Top 10 overall in the U.S., based in education, insurance, health care, government, retail and technology. The Columbus region is one of the most dynamic and diverse metropolitan regions in the U.S. and is known for its value, top-ranked market access and talented workforce.

Central Ohio, with a comprehensive K-16 educational ecosystem, offers both public and private institutions with highly-regarded academic reputations. With the second highest concentration of college students in the nation, 63 colleges and universities campuses educate more than 140,000 students annually with 20,000 graduates. Within a 25-mile radius, there are many higher education choices including The Ohio State University, Columbus State Community College, Ohio Wesleyan University, Capital University, Denison University, Ohio Dominican University, Otterbein University, and Franklin University.

The vibrancy of the local culture and arts community is a major attraction with many renowned performing arts institutions, including BalletMet, the Columbus Symphony Orchestra, and Opera Columbus. The Columbus Museum of Art; The Wexner Center for the Arts, a contemporary art gallery located on the Ohio State campus; and the Franklin Park Conservatory, a botanical garden, create memorable experiences for everyone.

“Buckeye Fever” permeates the Columbus culture and is a major part of the city’s identity. In addition to Ohio State, the city has the MLS Columbus Crew, NHL Blue Jackets, and the Columbus Clippers (Cleveland Indians AAA affiliate). Central Ohio is also home to the PGA Memorial Tournament, the Arnold Classic fitness expo and competition, and the All American Quarter Horse Congress.

There are many additional attractions providing fun for the family. COSI (Center of Science and Industry) is ranked the number one science center in the country and the Columbus Zoo and Aquarium, is also ranked number one in the country. The Columbus public library system is also highly ranked nationally.

There are two major airports that service the city. John Glenn International Airport and Rickenbacker International Airport, a multi-modal cargo complex, a high-speed logistics hub, and a charter passenger terminal. Visit www.columbuspartnership.com, www.columbusregion.com, and www.experiencecolumbus.com for more information.

For additional information or to submit an application, please contact Hudepohl & Associates, info@hudepohl.com or (614) 854-7300.