



**Retirement Board Agenda
February 17, 2022**

Click the Zoom Link to Join the Meeting:

<https://ohsers.zoom.us/j/94841385164?pwd=d1g3Vjlxc3BrcTNBQU1ZTzhyampoQT09>

Meeting ID: 948 4138 5164

Password: 390775

To join by phone, dial: (929) 205-6099 and enter the Meeting ID: **948 4138 5164** and Password: **390775** when prompted.

PLEDGE OF ALLEGIANCE

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

CONSENT AGENDA

3. Minutes of the **December 16, 2021** Retirement Board meeting
4. Summary of Investment Transactions
 - **November 1, 2021 to November 30, 2021 and**
 - **December 1, 2021 to December 31, 2021**
5. Retirement Report
 - Superannuation & Survivor Benefits
 - Special Cases
6. Disability Report
 - Approval of Disability Benefits
 - Disapproval of Disability Benefits
 - Termination of Disability Benefits
 - Termination of Disability Benefits – Any Occupation
 - Approval of Appeal on Personal Appearance
 - Disapproval of Appeal of Termination – Any Occupation

COMPENSATION COMMITTEE UPDATE

7. Compensation Committee Report (R)

INVESTMENT REPORT

8. Annual Portfolio Review – Real Assets
9. Wilshire Associates Quarterly Performance Report – As of December 31, 2021
10. Quarterly Investment Report
11. Amended Statement of Investment Policy (Co-investments and Leverage changes) (R)

EXECUTIVE DIRECTOR'S REPORT

12. Executive Director's Update
 - Quarterly Financials
13. Review of Administrative Expenses
14. FY22 Capital Budget Modification (R)
15. Proposed Amended Administrative Rule (R)
16. Executive session pursuant to R.C. 121.22 (G)(5) to discuss a matter required to be kept confidential by law (R)
 - Personal Appearance **10:30am**
17. Member Appeal (R)

TECHNOLOGY COMMITTEE UPDATE

18. Technology Committee Report

RETIREMENT REPORT

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

BOARD COMMUNICATION AND POLICY ISSUES

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

Adjournment (R)

**Retirement Board Meeting
February 17, 2022**

_____ A.M.

Roll Call:

- Jeffrey T. DeLeone _____
- Hugh Garside _____
- James Haller _____
- Matthew King _____
- Catherine Moss _____
- James Rossler _____
- Frank Weglarz _____
- Daniel Wilson _____
- Barbra Phillips _____

APPROVAL OF OUT-OF-STATE BOARD TRAVEL

_____ moved and _____ seconded the motion that the travel requests by Board Members to travel and receive reimbursement for the following out-of-state conferences and meetings be approved.

Conference	Attendee	Conference Date(s)	Conference Location	Estimate of Expenses
NCPERS Annual Conference & Exhibition	Barbra Phillips	May 22-25, 2022	Washington DC	\$2914*
NCPERS Annual Conference & Exhibition	Catherine Moss	May 22-25, 2022	Washington DC	\$2682*

* = Remaining balance of individual board member travel budget for FY2022

Upon roll call, the vote was as follows:

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

BOARD: Travel
R.C. 3309.04

CONSENT AGENDA

1. Minutes of the **December 16, 2021** Retirement Board meeting
2. Summary of Investment Transactions – **November 1, 2021 to November 30, 2021** and **December 1, 2021 to December 31, 2021**
3. Retirement Report
 - a. Superannuation and Survivor Benefits
 - b. Special Cases
4. Disability Report
 - a. Approval of Disability Benefits
 - b. Disapproval of Disability Benefits
 - c. Termination of Disability Benefits
 - d. Termination of Disability Benefits – Any Occupation
 - e. Approval of Appeal on Personal Appearance
 - f. Disapproval of Appeal or Termination – Any Occupation

APPROVAL OF CONSENT AGENDA

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

- 5. Minutes of the **December 16, 2021**, Retirement Board meeting
- 6. Summary of Investment Transactions – **November 1, 2021, to November 30, 2021, and December 1, 2021, to December 31, 2021**
- 7. Retirement Report
 - a. Superannuation and Survivor Benefits
 - b. Special Cases
- 8. Disability Report
 - a. Approval of Disability Benefits
 - b. Disapproval of Disability Benefits
 - c. Termination of Disability Benefits
 - d. Termination of Disability Benefits – Any Occupation
 - e. Approval of Appeal on Personal Appearance
 - f. Disapproval of Appeal or Termination – Any Occupation

Upon roll call, the vote was as follows:

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

SERS Retirement Board Meeting Minutes

December 16, 2021

The nine hundredth and forty-fifth 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, December 16, 2021.

Pledge of Allegiance

The SERS Retirement Board meeting convened at 8:32 a.m. with the Pledge of Allegiance.

Roll Call

Following the Pledge of Allegiance, the roll call was as follows: Barbra Phillips, Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, and Daniel Wilson. Also attending in person was Lisa Reid, representative of the Ohio Attorney General's Office and various members of the SERS staff. Attending virtually was Joe Leonard and Jamie Robinson of RSM, Jeannine Markoe Raymond of NASRA, along with other members of the public in person and via Zoom.

Consent Agenda

The consent agenda for December 16, 2021, included:

- Minutes from the **November 18, 2021**, board meeting
- Summary of Investment Transactions for the period of **October 1, 2021**, through **October 31, 2021**
- Retirement Report – Superannuation and Survivor Benefits and Special Cases
- Disability Report – Approval of Disability Benefits, Disapproval of Disability Benefits, Termination of Disability Benefits – Any Occupation

Matthew King moved and Jeffrey DeLeone seconded the motion to approve the Consent Agenda of the Retirement Board meeting held on Thursday, December 16, 2021. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

External Audit Report

Jamie Robinson and Joe Leonard, external auditors from RSM, provided an update on the 2021 SERS External Audit. RSM audited the financial statements of School Employees Retirement System of Ohio (SERS), which comprise the statement of fiduciary net position as of June 30, 2021, and the related statement of changes in fiduciary net position for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise SERS basic financial statements as listed in the table of contents. In the opinion letter published by RSM, RSM stated the financial statements referred to present fairly, in all material respects, the fiduciary net position of SERS as of June 30, 2021, and the respective changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America. The audit was positive with no unusual transactions and there were no modifications necessary. This was the second year performing a virtual audit and things went well. The board thanked the auditors for their presentation.

Annual Comprehensive Financial Report (ACFR)

SERS Chief Financial Officer, Tracy Valentino, provided an overview of the Annual Comprehensive Financial Report (ACFR). Ms. Valentino started her presentation by showing appreciation and thanking the various staff members and several SERS departments that worked together to create this document. Ms. Valentino reviewed several sections of the document with the board including the letter of transmittal, which summarizes the accomplishments over the past year. Ms. Valentino highlighted other areas such as administrative and budget expenses, employer and employee contributions, and actuarial results. After a robust question and answer session, the board thanked Ms. Valentino for her presentation.

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Investment Report

Global Equities Portfolio Review

SERS Investment staff Judi Masri and Dustin Matthiessen presented the annual Global Equity portfolio review as of October 31, 2021. The global equity portfolio had a market value of nearly \$7.7 billion. The global equity portfolio was 47.4% of the Total Fund, which was 2.4% above the policy target of 45%. US equity comprised 55.7% of the global equity portfolio while non-US equity made up the remaining 44.3%. Both segments were close to their policy allocation targets of 55% and 45%, and staff intentionally tilted the allocation toward US equity to take advantage of higher returns.

The top returning markets in SERS' global equity portfolio over the 1-, 5-, and 10-year periods from top to bottom were the Russell 3000 Growth, Developed ex-US, All Country Growth, and Emerging markets. Over the 3-year period, developed ex-US and Emerging markets swapped positions.

Monthly Investment Report

Farouki Majeed, SERS Chief Investment Officer, presented the SERS monthly investment report for the period ending October 31, 2021. Mr. Majeed and the Board discussed the effects of COVID-19 on the U.S. economy that are currently relevant. The preliminary performance report as of November 30, 2021, was provided to the Board for their information. As of November 30, 2021, the Fund was \$18.24 billion with a FYTD return of 4.1%. Following comments, the Board thanked Mr. Majeed for the presentation.

The Board took a break at 10:41 a.m.

The Board reconvened at 10:57 a.m.

Executive Director's Report

Richard Stensrud, SERS Executive Director, opened his report by introducing SERS legal staff who discussed 4 categories of SERS Administrative Rules that were on the agenda.

Legal Counsel discussed with the Retirement Board filing with JCARR the following rules as no change rules: 3309-1-01 Membership effective date; 3309-1-10 Mandatory direct deposit; 3309-1-16 Qualified child attending educational institution; 3309-1-47 Purchase of school board member service; 3309-1-48 Effect of applicant's death on retirement application; 3309-1-49 Purchase of exempt service credit; 3309-1-54 Purchase of service credit by payroll deduction; 3309-1-59 Cincinnati retirement system; 3309-1-66 Application for early Medicare coverage; 3309-1-67 Electronic transactions.

James Rossler moved and Hugh Garside seconded that rules 3309-1-01, 3309-1-10, 3309-1-16, 3309-1-47, 3309-1-48, 3309-1-49, 3309-1-54, 3309-1-59, 3309-1-66 and 3309-1-67 be filed with JCARR as no change rules as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended administrative rule: 3309-1-14 Purchasing leave of absence service credit. Catherine Moss moved and Jeffrey DeLeone seconded that proposed amended rule 3309-1-14 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended administrative rule: 3309-1-30 Eligibility for retirement. Matthew King moved and Frank Weglarz seconded that proposed amended rule 3309-1-30 be filed with JCARR as discussed. Upon roll call, the vote was as

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follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended administrative rule: 3309-1-40 Application and procedures for receiving disability benefits. Hugh Garside moved and James Rossler seconded that proposed amended rule 3309-1-40 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended administrative rule: 3309-1-41 Appeals for denial and termination of disability benefits. Catherine Moss moved and Frank Weglarz seconded that proposed amended rule 3309-1-41 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended administrative rule: 3309-1-45 Release of names, addresses and information. Frank Weglarz moved and Matthew King seconded that proposed amended rule 3309-1-45 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended administrative rule: 3309-1-60 Division of property orders. Catherine Moss moved and Frank Weglarz seconded that proposed amended rule 3309-1-60 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended administrative rule: 3309-1-68 Guardianships. Matthew King moved and Catherine Moss seconded that proposed amended rule 3309-1-68 Guardianships be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed rescinded rule: 3309-1-51 Long-term care coverage. Frank Weglarz moved and Hugh Garside seconded that proposed rescinded rule 3309-1-51 Long-term care coverage be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed rescinded rule: 3309-1-57 Rule on rules. Hugh Garside moved and Frank Weglarz seconded that proposed rescinded rule 3309-1-57 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed new administrative rule: 3309-1-57 Rule on rules. Jeffrey DeLeone moved and Hugh Garside seconded that proposed new rule 3309-1-57 be filed with JCARR as discussed. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

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Carol Nolan-Drake Honor

Mr. Stensrud requested that the board adopt the following resolution honoring of Carol Nolan-Drake, SERS former federal legislative consultant, who recently resigned from her role with SERS:

***WHEREAS**, the School Employees Retirement System of Ohio provides pension benefits to more than 227,000 active and retired non-teaching school employees; and*

***WHEREAS**, Carol Nolan Drake, a respected public pension fund legislative and public policy advocate has faithfully represented SERS as our federal legislative consultant since 2017; and*

***WHEREAS**, Ms. Drake has served as the system's eyes, ears, and voice on numerous federal legislative and regulatory issues impacting the administration of the system and the retirement security of our members and retirees; and*

***WHEREAS**, through Ms. Drake's extensive networking contacts and close relationships she forged with members of the Ohio Congressional delegation, legislative leadership, and the influential committee staff, SERS' messages have received prominent consideration; and*

***WHEREAS**, Ms. Drake has consistently advocated for repeal or reform of the harmful GPO and WEP penalties; and*

***WHEREAS**, Ms. Drake has urged Congress and the Administration to preserve innovative retiree health care programs such as the Wraparound HRA and appropriate Medicare prescription drug coverage through our Employer Group Waiver Plan (EGWP); and*

***WHEREAS**, Ms. Drake earnestly shared the stories of SERS members to support pension policies involving taxes, investments, and health care to improve their retirement security ; and*

***WHEREAS**, despite the perception that the U.S. political system is gridlocked and partisanship is at an all-time high, Ms. Drake remained hopeful and optimistic about the American political process in good times and bad; now, therefore,*

***BE IT RESOLVED**, that the Retirement Board of the School Employees Retirement System of Ohio is sincerely appreciative of Ms. Drake's guidance on federal government issues and extends it best wishes in her future endeavors.*

Hugh Garside moved and Jeffrey DeLeone seconded the motion to approve the resolution as stated. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The resolution was approved. The SERS Retirement board members thanked Ms. Nolan-Drake for her work and dedication. Ms. Drake thanked each of the board members for their support and the opportunity to work with SERS.

2022 Qualified Excess Benefit Arrangement (QEBA) Budget

SERS Chief Financial Officer, Tracy Valentino, reported on the 2022 Qualified Excess Benefit Arrangement (QEBA). SERS established a separate plan, effective January 2003, to provide for the payment of a retiree's service retirement benefit that otherwise would have been payable by the System except for the limitations of Internal Revenue Code ("IRC") §415(b). This code section limits the amount of annual benefit that a defined benefit plan, such as SERS, can pay to a retiree. However, IRC §415(m) allows governmental plans to set up a qualified excess benefit arrangement (QEBA) to pay the excess amount. SERS' Qualified Excess Benefit Plan is funded on a calendar year basis from contributions from the retiree's last employer. Estimated expenses for administering the plan are included in the annual funding request.

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Each year a budget is prepared using the new IRS plan limits, calculating current QEBA recipients' projected benefits, adding new QEBA recipients and projecting the cash balance remaining in the QEBA account at year end. For calendar year 2022, we are requesting that \$ 283,000 of employer contributions be assigned to the QEBA Fund.

James Rossler moved and Hugh Garside seconded the motion to assign \$ 283,000 of employer contributions from the last employer of retirees covered by the SERS Qualified Excess Benefit Plan to the QEBA Fund for calendar year 2022. The QEBA Fund is authorized to pay benefits of approximately \$ 278,000 to qualified retirees; with the balance allocated to QEBA Fund operating expenses. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, and Barbra Phillips. Abstain: Daniel Wilson. The motion carried.

Implementation of Actuarial Factors

Based on the 5-year actuarial experience study completed by Cavanaugh Macdonald Consulting, the Board adopted resolutions to change certain quinquennial benefit factors and rates in September 2021 with an effective date of January 1, 2022. We are requesting that these factors and rates updates be deferred until April 1, 2022, based on the information provided below.

Overview

Actuarial factors are used to calculate final pension benefits for new retirees and beneficiaries. As Staff was testing and preparing to implement the factor changes, unlike previous quinquennial changes where there were nominal differences between estimates and final benefit calculations, test results were showing larger variances. In some instances, the monthly pension benefit was reduced by up to 3 percent when using the new factor tables. Staff reached out to Cavanaugh Macdonald to verify that the adopted factors were correct. This review was completed on December 10 and it validated the primary drivers of the benefit differences were related to reductions in assumed investment returns (currently at 7 percent), mortality table changes, and lower COLA assumptions.

Member Services provides advance estimated pension calculations using an applicant's requested retirement date. Based on the options chosen by the future retiree, for example: partial lump sum payments, survivor benefits, early retirement, the final actual monthly benefit is now lower compared to estimates that members have already received. Younger retirees and beneficiaries are more impacted by the new factors and rates since they receive benefits over a longer time. Currently we have approximately 680 applications with 500+ members that have a planned January, 2022 retirement date. The examples provided below help provide comparison impacts between the old and new factors:

Cavanaugh Macdonald Comparison – Payment Examples Based on Earned Benefit

Plan A: Member receives specific monthly amount and spouse receives 1/2 of amount

Age	2017 Factors		2022 Factors	
	Mortality, Interest Rates, & COLA		Mortality, Interest Rates, & COLA	
50	\$963		\$937	
60	\$911		\$892	
70	\$808		\$796	

Plan D: Member receives specific monthly amount and spouse receives the same amount

Age	2017 Factors		2022 Factors	
	Mortality, Interest, & COLA		Mortality, Interest, & COLA	
50	\$928		\$881	
60	\$837		\$805	
70	\$679		\$661	

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Recommendation – Amend the Resolution Effective Date

Although our correspondence includes language that information provided are estimates and the final benefit calculations may change, the variances due to the new factors are more significant than expected. To better align estimates to final calculations, we recommend changing the effective date of the previous resolutions from January 1 to April 1, 2022. This will allow us to grandfather pending retirements through March 31, and to provide April and forward retirement estimates using the new actuarial factors and rates. Amended resolutions that are needed for this recommendation are:

- Optional Benefit Plan and PLOP Reduction Factors
- Early Retirement Incentive Rates
- Re-employed Retiree Annuity Factors
- Money Purchase Annuity Factors
- Interest Rates and Factors (amend the portion of the resolution pertaining to interest charged on purchased service and unpaid ERI balances)

Resolutions approved in October for Re-employed Retiree Annuity – Employer Contributions, Reemployed Retiree Annuity – Interest on Contributions, Interest Rates and Factors (the portion of the resolution pertaining to interest credited to additional annuity contributions and percent of salary required for purchase of exempted credit) and School Board Service Credit Purchase – Liability Factors do not require an amendment.

Hugh Garside moved and Catherine Moss seconded to amend the resolution passed at the Board meeting held on September 16, 2021, by applying the revised actuarial equivalent optional benefit plan and partial lump sum option plan (PLOP) reduction factors, as developed by the actuary, to initial benefits paid on and after April 1, 2022 rather than January 1, 2022. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Catherine Moss moved and Frank Weglarz seconded to amend the resolution passed at the Board meeting held on September 16, 2021, by applying the revised re-employed retiree annuity factors, as developed by the actuary, to initial re-employed retiree annuities paid on and after April 1, 2022 rather than January 1, 2022. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Frank Weglarz moved and James Haller seconded to amend the resolution passed at the Board meeting held on September 16, 2021, by applying the revised money purchase annuity factors, as developed by the actuary, to initial benefits paid on and after April 1, 2022 rather than January 1, 2022. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

Hugh Garside moved and Catherine Moss seconded to amend the resolution passed at the Board meeting held on September 16, 2021, by applying the new interest rate charged on purchased service and unpaid ERI balances, as developed by the actuary, on and after April 1, 2022 rather than January 1, 2022. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

James Haller moved and Matthew King seconded to amend the resolution passed at the Board meeting held on September 16, 2021, by applying the percentage of salary rates and additional health care liability costs for early retirement incentive (ERI) programs, as developed by the actuary, to ERI programs that become effective on and after April 1, 2022 rather than January 1, 2022. Upon roll call, the vote was as follows: Yea: Jeffrey DeLeone, Hugh Garside, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Barbra Phillips. The motion carried.

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COVID-19 Health Care Report

Mr. Stensrud continued his Executive Director's report by stating that no updated COVID-19 numbers were available for the month of December. Mr. Stensrud expects the case numbers amongst SERS members to deteriorate and will provide an update to the board as soon as it's available.

Ohio Retirement Study Council

Mr. Stensrud reported the ORSC meeting originally scheduled for December 9, 2021, was rescheduled for January 13, 2022.

Advocacy Groups

Mr. Stensrud reported that SERS will be hosting the annual stakeholder roundtable discussion on Friday, January 21, 2022, from 10:00 a.m. until noon. The hybrid program will take place at SERS, 300 E. Broad Street, Columbus, Ohio 43215 in the O'Keefe conference center and a Zoom link will be provided for those who prefer to attend virtually. The board is invited to participate. Last year, the remote option increased meeting attendance and SERS staff is hopeful the hybrid model will be successful again.

Ohio General Assembly

Mr. Stensrud reported the Ohio Police & Fire Pension Fund (OP&F) is seeking legislation to increase the employer contribution rate. The proposal would increase the employer contribution rate to 26.5% for both police and fire fighters. Employee contribution rates will not be affected. The last time the employer rate raised was 1986 and employee contribution rates were raised in 2012. OP&F expects a decrease in investment return. If they drop below, they will be outside of the 30-year amortization level requirement.

Mr. Stensrud also reported that Rep. Adam Miller (D-Columbus) reintroduced his legislation (HB499) to allow SERS and OPERS disability recipients to serve in elective office without termination of their benefits. This legislation was originally introduced last year. SERS feels this legislation is problematic and we don't feel this is consistent with treatment of other disability recipients. SERS staff and leadership will continue to monitor the progress of this legislation.

Federal Legislative Activity

Mr. Stensrud continued his report with an update on federal legislation activity. Some notable items are:

- Congress passed a continuing resolution to fund the federal government until February 18th, 2022.
- SERS continues to advocate with Senate Finance committee on proposed Medicare Part D changes in the Build Back Better reconciliation bill impacting Employer Group Waiver Plans (EGWPs) like we have here at SERS. Costs will go up for SERS and retirees if this legislation is passed. SERS staff is working to educate members of congress on the impacts of the legislation. The Senate Finance Committee has issued their draft and has changed the language to take out the detrimental impact to our plan & retirees however, we are only partly through the process. The language will need to be approved by full senate then the house. SERS will closely monitor these developments.

Health Care Updates

Mr. Stensrud reported open enrollment ends this month (December) for the SERS health care plan. Mr. Stensrud also stated Delta Dental premiums will decrease slightly for 2022 while plan benefits will remain the same. Mr. Stensrud also reported VSP vision premiums will decrease slightly for 2022 while plan benefits will include an increased allowance of \$200 for a wide selection of frames. There was a slight decline in Aetna Choice enrollment, which decreased by 11%. SERS Member Services staff continues to encourage members and retirees to sign up for other plans. WRAP plan enrollment increased by 2%.

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SERS Employee Holiday Charitable Initiatives

Mr. Stensrud reported SERS staff participated in the 2021 Angel Tree program. Staff supporting the effort purchased 120 gifts and toys. The gifts and toys will be delivered to the Salvation Army East Main location for distribution during their Christmas Cheer program for needy families.

Mr. Stensrud also reported that SERS IT Department held their annual Cookie Bake-Off to benefit Toys for Tots. The IT Department did an excellent job in their 8th year for this event.

SERS Myths and Misconceptions

Mr. Stensrud provided an update based on the asset valuations reported in the ACFR. Mr. Stensrud reported on the misconception that private asset classes are not transparent from an asset valuation perspective. Mr. Stensrud stated SERS performs due diligence and looks at funds with an established track record. SERS checks references, checks compliance issues, and confirms returns. SERS also looks closely at the terms of contracts and each one has provisions to determine how assets will be valued and how returns will be subject to audits. Many funds have advisory boards who meet regularly to review reports including asset valuation reports. The funds are also regulated by the SEC and the SEC will sanction funds if there are problems.

Mr. Stensrud also stated that SERS has an internal valuation committee that regularly reviews funds to see if assumptions are reasonable and if anything has changed. In addition to the previously mentioned oversight, everything is reviewed by the external auditor. The external auditor will confirm the methodology, process, and results are reasonable and appropriate and auditors will not sign off on fund reports that are not accurate.

Federal Legislative Report

Mr. Stensrud introduced Jeannine Markoe Raymond, Director of Federal Relations at NASRA, who provided a presentation on the Federal Legislation updates for CY2021.

Ms. Markoe Raymond reported on legislative changes that occurred during the COVID-19 pandemic that affected pension plans. Ms. Markoe Raymond reported many legislators opposed giving pandemic funds to states and when the American Rescue Plan was enacted on March 11, 2021, it stipulated that aid "cannot be deposited into a state pension fund".

Ms. Markoe Raymond reported on other activities within the federal government. After a robust discussion, the board thanked Ms. Markoe Raymond for her presentation.

Internal Audit Report

Jeff Davis, SERS Chief Audit Officer, provided a brief update on the status of several internal audits. No significant findings have been made and every audit is moving according to schedule. The board thanked Mr. Davis for his report.

Compensation Committee Report

Dan Wilson, SERS Compensation Committee Chair, provided an update on the work being done by the compensation committee, including the SERS compensation study. Mr. Wilson stated that the committee met in the morning to discuss the Executive Director's goals and recessed to reconvene in the afternoon to discuss the SERS Compensation Study. The entire board was invited to attend the afternoon portion of the compensation committee meeting to chime in on the preliminary results of the compensation study.

SERS Retirement Board Meeting Minutes

December 16, 2021

Board Communication and Policy Issues

CALENDAR DATES FOR SERS BOARD MEETINGS FOR 2022 **

AUDIT COMMITTEE MEETINGS

March 16, 2022 - 2:30 p.m. (Weds.)
June 15, 2022 - 2:30 p.m. (Weds.)
September 14, 2022 - 2:30 p.m. (Weds.)
December 14, 2022 - 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 17, 2022 - 7:30 a.m. (Thurs.)
June 16, 2022 - 7:30 a.m. (Thurs.)
September 15, 2022 - 7:30 a.m. (Thurs.)
December 15, 2022 - 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

March 17, 2022 - 1:00 p.m. (Thurs.)
June 16, 2022 - 1:00 p.m. (Thurs.)
September 15, 2022 - 1:00 p.m. (Thurs.)
December 15, 2022 - 1:00 p.m. (Thurs.)

BOARD MEETINGS

February 17-18, 2022 - 8:30 a.m. (Thurs. and Fri.)
March 17-18, 2022 - 8:30 a.m. (Thurs. and Fri.)
April 21-22, 2022 - 8:30 a.m. (Thurs. and Fri.)
May 19-20, 2022 - 8:30 a.m. (Thurs. and Fri.)
June 16-17, 2022 - 8:30 a.m. (Thurs. and Fri.)
July 21-22, 2022 - 8:30 a.m. (Thurs. and Fri.)
September 15-16, 2022 - 8:30 a.m. (Thurs. and Fri.)
October 20-21, 2022 - 8:30 a.m. (Thurs. and Fri.)
November 17-18, 2022 - 8:30 a.m. (Thurs. and Fri.)
December 15-16, 2022 - 8:30 a.m. (Thurs. and Fri.)

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

SERS Retirement Board Meeting Minutes
December 16, 2021

Continued or New Business

The Board continued with the review of continued or new business.

Adjournment

Barbra Phillips moved to adjourn to meet on Thursday, February 17, 2022, at 8:30 a.m. for the SERS regularly scheduled Retirement Board meeting. The SERS board meeting adjourned at 12:25 p.m.

Barbra Phillips, Chairperson

Richard Stensrud, Secretary

DRAFT

Board Meeting Agenda Item

SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

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

The following is a summary of the investment transactions made during the period of **November 1, 2021 through November 30, 2021**. 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	\$ 177.1
Fixed Income	353.0
Private Equity Capital Calls	62.5
Real Asset Capital Calls	100.8
Opportunistic & Tactical	19.1
Global Private Credit	54.8
Cash Equivalents	326.5

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	\$176.2	\$ 31.1
Fixed Income	348.7	2.6
Private Equity distributions	68.6	n/a
Real Asset distributions	13.7	n/a
Opportunistic & Tactical	1.0	n/a
Global Private Credit	n/a	n/a
Cash Equivalents	485.4	n/a

Board Meeting Agenda Item

SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

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

The following is a summary of the investment transactions made during the period of **December 1, 2021, through December 31, 2021**. 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	\$ 143.7
Fixed Income	295.4
Private Equity Capital Calls	113.9
Real Asset Capital Calls	38.7
Opportunistic & Tactical	17.3
Global Private Credit	21.0
Cash Equivalents	324.2

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	\$212.4	\$54.7
Fixed Income	311.2	14.1
Private Equity distributions	107.9	n/a
Real Asset distributions	27.7	n/a
Opportunistic & Tactical	0.2	n/a
Global Private Credit	n/a	n/a
Cash Equivalents	233.0	n/a

COMPENSATION STUDY RECOMMENDATIONS

It was moved by _____ and seconded by _____ that:

WHEREAS, SERS is committed to maintaining a high performance culture focused on providing excellent service to SERS' active members, retirees and participating employers; and

WHEREAS, in order to continue to be successful at its mission, SERS must be able to attract and retain qualified, skilled and motivated staff; and

WHEREAS, the SERS Board recognized that to meet this goal, it is a best practice to conduct periodic compensation studies to assure the compensation for SERS staff positions both enables SERS to be competitive in the labor markets where SERS sources staff and is at an appropriate level relative to those markets; and

WHEREAS, the SERS Board recognized that to secure the necessary and correct information for determining proper staff compensation, the best practice is to engage an independent consultant with experience in evaluating compensation at public retirement systems and who can identify the appropriate organizations, industries and geographic parameters for establishing reasonable compensation benchmarks; and

WHEREAS, the SERS Board further recognized that in the current challenging labor market environment it is important to have comprehensive data to support compensation determinations; and

WHEREAS, to that end the SERS Board engaged CBIZ Compensation Consulting to conduct a compensation study and delegated the responsibility for oversight of the compensation study to the SERS Board Compensation Committee; and

WHEREAS, the Compensation Committee determined that: (1) The approach, analysis and findings of CBIZ Compensation Consulting correctly identified the appropriate labor markets for SERS staff positions and the appropriate labor market benchmark compensation levels for SERS positions.; (2) The resulting salary grade and salary range adjustments recommended by CBIZ are reasonable and necessary for maintaining SERS' ability to attract and retain a high performing workforce; (3) The recommendations by CBIZ that the compensation levels be brought to at least the minimum of the new salary ranges and that adjustments be made to address pay compression within pay grades to keep salaries in line with experience are reasonable and necessary for maintaining internal pay equity; (4) The cost to make the compensation structure adjustments recommended by CBIZ is reasonable and reflective of prudent and responsible management of the compensation structure since the last compensation study; and (5) The 3.2% merit-based salary adjustment recommended by CBIZ for Fiscal Year 2023 is reasonable, supported by the economic data, and necessary to preserve the impact of the compensation structure adjustments; and

WHEREAS, based on these determinations, the Compensation Committee has recommended that the SERS Board approve and authorize implementation of the compensation study recommendations; and

WHEREAS, the SERS Board concurs that the findings of the compensation study support the recommendations by the Compensation Committee and has determined that the measures recommended by the Compensation Committee are reasonable, prudent and necessary to maintain SERS' ability to attract and retain a high performing staff and continue successful execution of SERS' mission; and

WHEREAS, the SERS Board has determined that the cost to implement the recommended measures is reasonable, can be addressed through SERS' administrative budget, and will not impair the sustainability of SERS' pension fund;

NOW THEREFORE, BE IT RESOLVED that the SERS Board hereby approves:

- A 3.2% budget for discretionary merit increases in 2022 (estimated cost of \$480,723);
- Compensation adjustments to bring employees to the minimum of their assigned salary grade (12 employees affected at an estimated cost of \$24,067);
- Compression adjustments to create wage spacing between experienced and new employees as well as to better align pay with employee experience (57 employees affected at an estimated cost of \$222,947)

The estimated total cost for these initiatives is \$728,738 with implementation starting the first pay period of Fiscal Year 2023.

Upon roll call, the vote was as follows:

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



Global Real Assets Portfolio Review

As of December 31, 2021

Presented by Investment Staff

Meeting Date: February 17, 2022

Paul Cheng and Michael Browning

As of December 31, 2021



Real Assets Portfolio Summary

\$3.14 Billion in Market Value

- Real Estate: \$2.26 billion
- Infrastructure: \$884 million
- Unfunded commitments: \$632 million
- New allocation: \$375 million in 2021; \$190 million to existing managers
- Manager rankings: 8 ranked “A”; 3 ranked “B”; 2 ranked “C”

Performance for 2021

- 17.24% net return outperformed benchmark (NPI) by 509 basis points
- Overweight in Industrial and Multifamily Real Estate; growing Infrastructure allocation; and rebounding assets values from pandemic lows boosted returns
- Strong income return and distributions: 4.71% 1Y gross income; \$168 million distributions
- Management fee: 75 basis points

Portfolio Goals for 2022

- Allocate additional capital to Infrastructure
- Explore ex-U.S. Real Estate strategies and sector focused managers
- Optimize portfolio mix and sector allocation
- Focus on inflation protection and income producing strategies
- Grow co-investment program

Risk Contribution to Total Fund

- Contribution to Total Fund risk is 14.16% while portfolio weight is 16.82%

As of December 31, 2021



Real Assets Implementation Guidelines

Role

- SERS invests in Real Assets to provide stable income from tangible assets, be a partial inflation hedge over the long term, and provide low correlation to equities

Objective

- The performance objective is to provide returns in excess of the benchmark, NCREIF Property Index (NPI), net of fees

Allocation

- Real Assets target allocation is 17% with a range of 14-20%

Risk Management

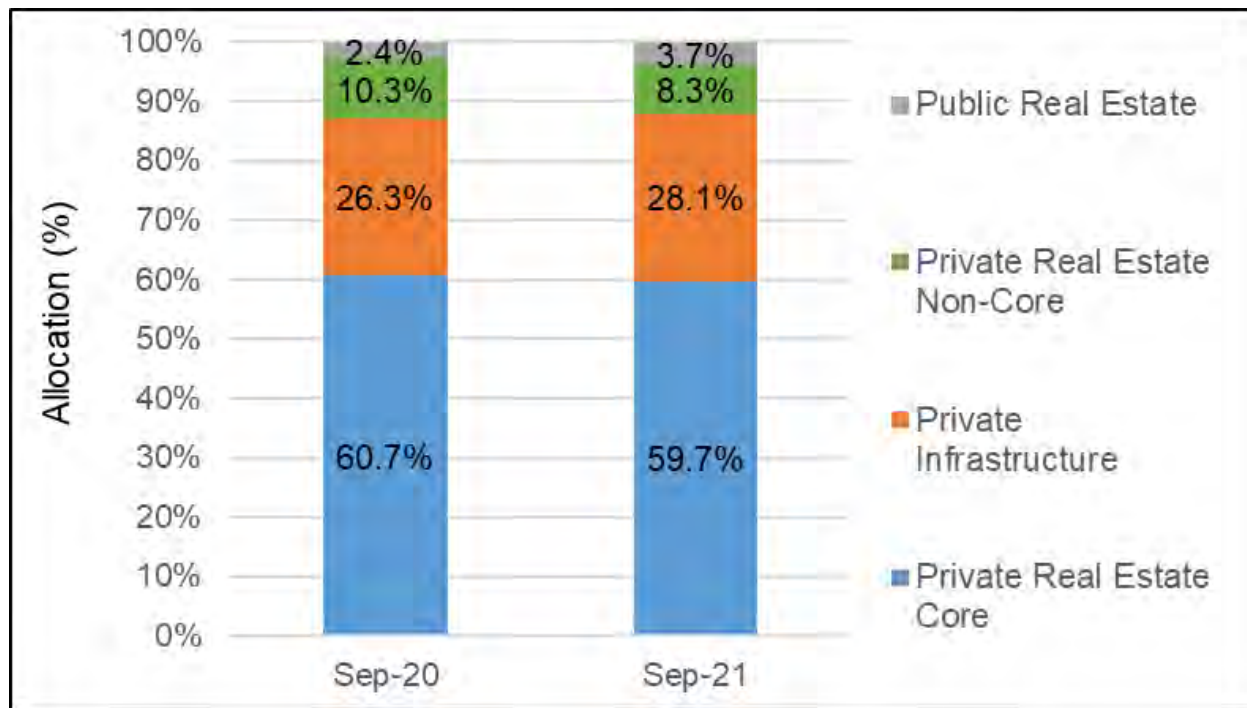
- Real Assets is structured and continually assessed to ensure that the majority of the portfolio is comprised primarily of operating assets, utilizing moderate leverage, demonstrating sufficient income growth, and maintained adequately to ensure asset quality

As of September 30, 2021



Real Assets Portfolio Structure - Strategy

- Private Real Estate (Core & Non-Core) remains the largest exposure at 68%, but declining slightly over the past year
- Infrastructure has grown from 26% in 2020 to 28% in 2021 as more capital is called and new commitments are made
- Public Real Estate provides portfolio liquidity and remains below 4%



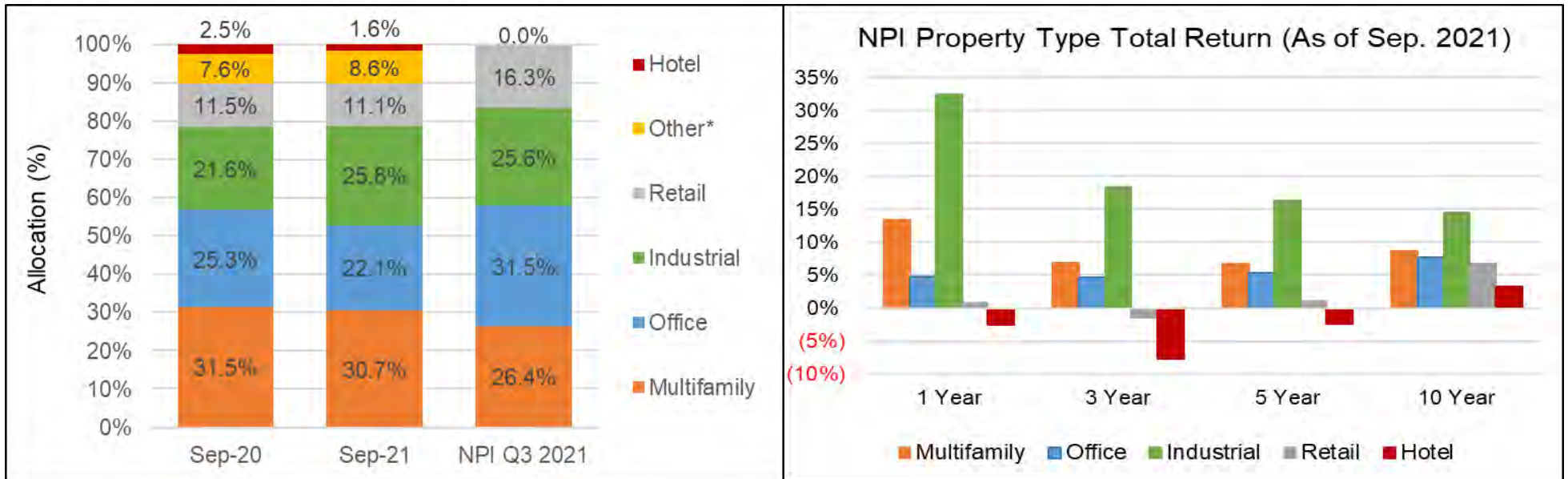
• Total may not equal 100% due to rounding and exclusion of legacy funds

As of September 30, 2021



Real Assets - Real Estate - Property Type

- Strategy of allocating to better performing property types has boosted returns
- Overweight Multifamily – high occupancy and consistent rent growth
- Overweight Industrial – best performing property type for the last decade
- Underweight Office – COVID impact leading to uncertain future work model and high capital expenditures
- Underweight Retail – headwinds including e-commerce growth and shifting consumer preferences
- Exposure to other property types – Senior Housing, Self-Storage, Single Family Rental, and Life Science provides diversification



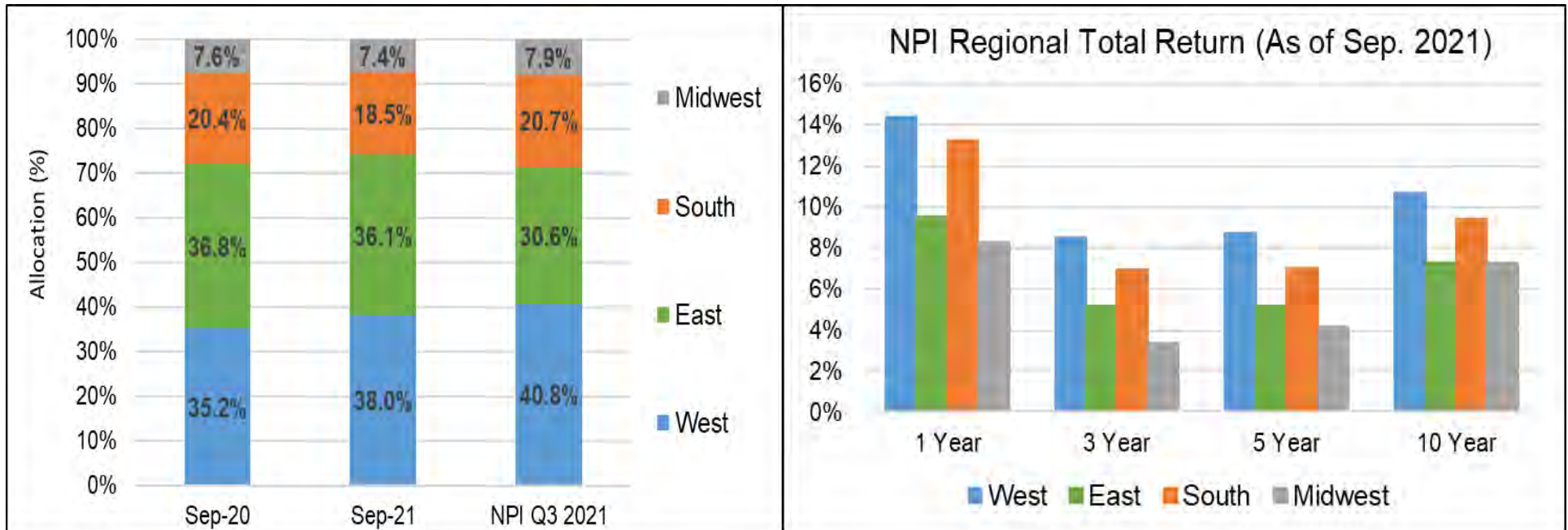
• Other includes Student Housing, Self-Storage, Senior Housing, Land, Healthcare, Life Science, Single Family Rental, and Manufactured Housing
 • NPI returns are annualized total returns

As of September 30, 2021



Real Assets - Real Estate - Geography

- U.S. Real Estate exposures inline relative to the policy benchmark (NPI) except for current overweight to the East region
- SERS' managers are increasing exposure to cities with favorable demographic trends and strong economic growth (e.g. Austin, Boston, Los Angeles, Raleigh, Seattle)
- South and West have been the best performing regions



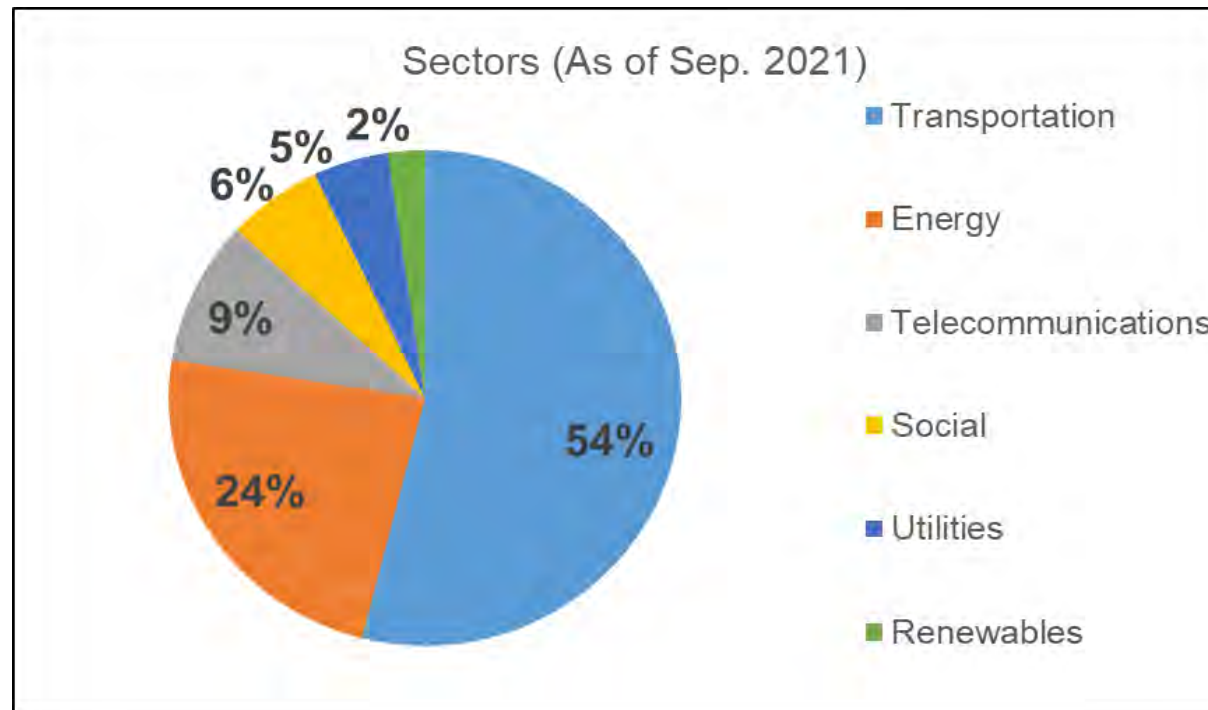
• NPI returns are annualized total returns

As of September 30 & December 31, 2021



Real Assets Infrastructure - Overview

- \$884 million invested with 7 managers. SERS has \$255 million of unfunded infrastructure commitments
- Infrastructure is 28% of the total Real Assets portfolio
- The majority of the portfolio is in North America (52%) and Western Europe (42%)
- First commitment to an ESG / Energy Transition infrastructure fund in 2021
- SERS has a 2% allocation to renewable assets and expected to increase
- First co-investment made in a cell tower platform



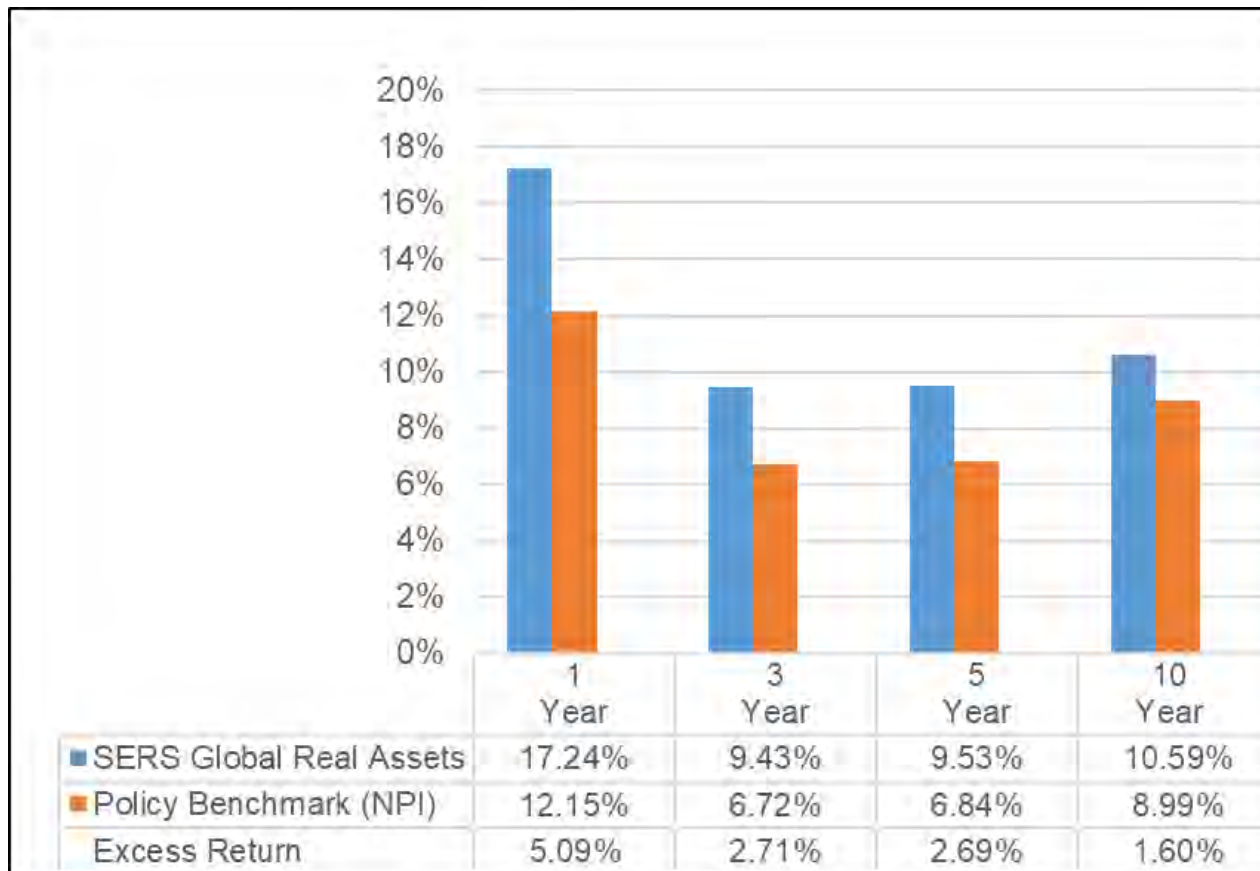
- The Renewables sub-sector includes one gas-fired power plant (SERS' ownership is \$6.6 million)

As of December 31, 2021



Real Assets Performance (Net of Fees)

- All time period returns exceed the policy benchmark net of fees
- Returns are driven by the three I's (Income, Infrastructure, and Industrial)



- Real Asset Returns are 1Q in Arrears

As of December 31, 2021



Real Assets

Strategy Net of Fee Performance

- Private Real Estate Core strategies exceed Private Real Estate Non-Core over recent time periods
- Private Infrastructure exceeds policy benchmark net of fees for 1, 3, and 5-year periods
- Public Real Assets (REITs) outperform the policy benchmark and Private Real Estate (core and non-core)

	1 Year	3 Year	5 Year	10 Year
Private Real Estate Core (59.7%)	18.52%	9.24%	9.06%	10.26%
Private Real Estate Non-Core (8.3%)	13.90%	8.17%	9.14%	10.33%
Private Infrastructure (28.1%)	13.35%	10.31%	12.24%	N/A
Public Real Assets (3.7%)	43.05%	18.49%	11.32%	10.95%
Policy Benchmark (NPI)	12.15%	6.72%	6.84%	8.99%

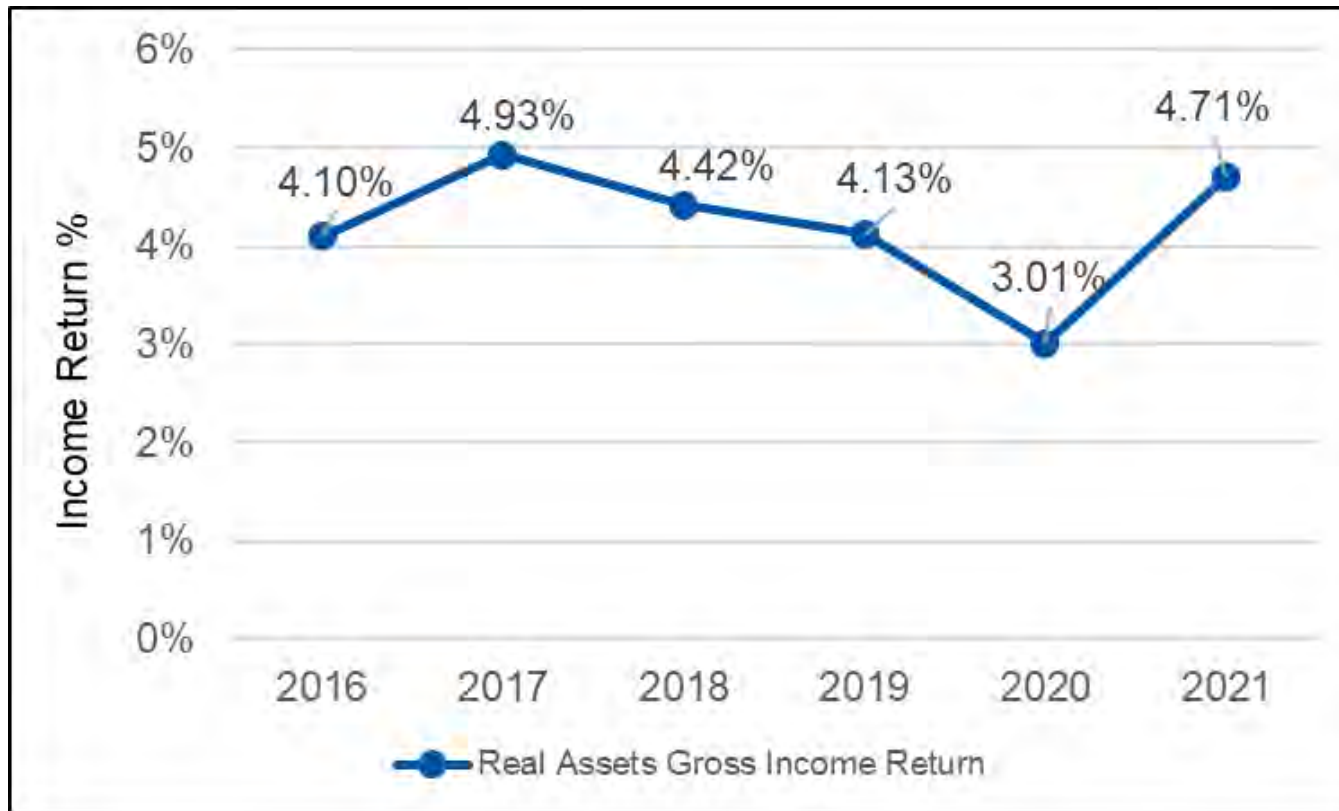
- Real Asset Returns are 1Q in Arrears
- Total may not equal 100% due to rounding and exclusion of legacy funds

As of December 31, 2021



Real Assets Gross Income Component Return

- Real Assets portfolio gross income return increased to 4.71% in 2021
- Staff targets a long-term income return of 4% by focusing on core investments with incoming producing assets

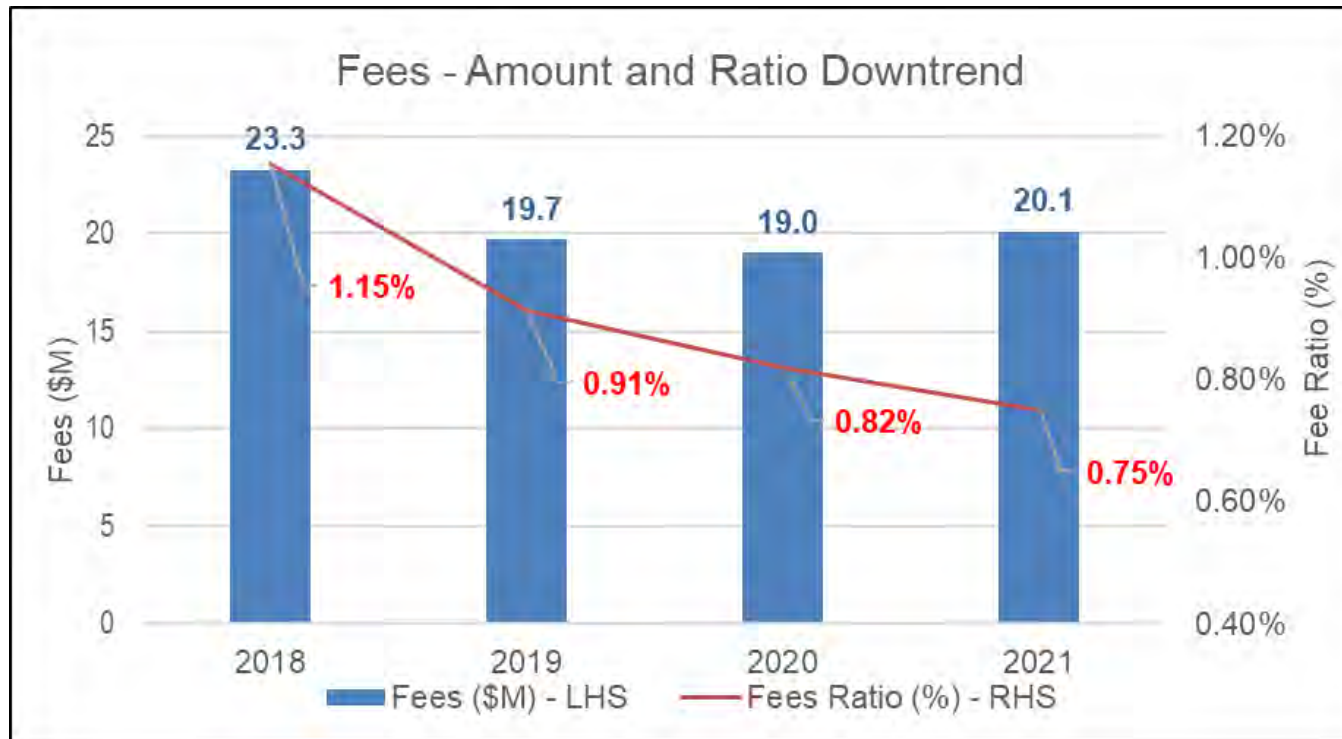


As of December 31, 2021

Real Assets Fees



- On an absolute basis, fees have been trending down since peaking in 2018, declining by \$3 million even as total portfolio value increased by \$662 million in the past 3 years
- The fee ratio has declined steadily from 1.15% in 2018 to 0.75% in 2021
- Effective J-curve mitigation, growing scale, and strategic fund selections have driven fees lower



Portfolio value increase (\$662M) based on the average quarterly value during year

As of December 31, 2021



Real Assets

Goals for 2022 - 2023

Real Asset Allocation

- Maintain allocation at 17% with a range of 14% to 20%

Infrastructure

- Evaluate new equity and debt managers for additional diversification
- Grow co-investment program

Real Estate

- Evaluate new equity and debt managers for additional diversification
- Explore co-investment opportunities

Income and Inflation Protection

- Focus on income component of returns over the long run
- Focus on investments with inflation protection characteristics

As of December 31, 2021



Real Assets **Definitions**

Core – substantially leased, institutional quality properties located in major metropolitan markets. Core strategies are diversified by property type and location and generally use low to moderate amounts of leverage.

Non-Core (aka Opportunistic and Value-Added) – existing buildings in need of re-leasing or re-development, major re-development projects, or ground-up construction. Compared to core strategies, non-core strategies generally use higher amounts of leverage, involve greater risk due to the uncertainty of cash flows, and have higher return expectations.

Infrastructure – the essential facilities and services upon which the economic productivity of society depends. Infrastructure involves the movement of goods, people, water, and energy.

REITs – publicly-traded real estate companies. REIT securities provide immediate access to real estate assets but exhibit greater volatility than privately-held properties.

NCREIF – National Council of Real Estate Investment Fiduciaries.

NPI (NCREIF Property Index) – an aggregate of United States investment manager members property data. NPI provides benchmark returns for the Real Asset portfolio.

Wilshire



Executive Summary of Investment Performance

As of December 31, 2021

Asset Class Performance

Asset Class Returns - Best to Worst						Annualized 5-Year as of 12/21
2016	2017	2018	2019	2020	2021 YTD	
High Yield 17.1%	Emrg Mrkts 37.7%	T-Bills 1.9%	U.S. Equity 31.0%	U.S. Equity 20.8%	REITs 46.2%	U.S. Equity 18.1%
U.S. Equity 13.4%	Developed 25.6%	Core Bond 0.0%	REITs 25.8%	Emrg Mrkts 18.7%	Commodities 27.1%	REITs 10.9%
Commodities 11.8%	U.S. Equity 21.0%	U.S. TIPS -1.3%	Developed 22.7%	U.S. TIPS 11.0%	U.S. Equity 26.7%	Emrg Mrkts 10.3%
Emrg Mrkts 11.6%	High Yield 7.5%	High Yield -2.1%	Emrg Mrkts 18.9%	Developed 8.3%	Developed 11.8%	Developed 10.1%
REITs 7.2%	REITs 4.2%	REITs -4.8%	High Yield 14.3%	Core Bond 7.5%	U.S. TIPS 6.0%	High Yield 6.3%
U.S. TIPS 4.7%	Core Bond 3.6%	U.S. Equity -5.3%	Core Bond 8.7%	High Yield 7.1%	High Yield 5.3%	U.S. TIPS 5.3%
Core Bond 2.6%	U.S. TIPS 3.0%	Commodities -11.2%	U.S. TIPS 8.4%	T-Bills 0.7%	T-Bills 0.0%	Commodities 3.7%
Developed 1.5%	Commodities 1.7%	Developed -13.4%	Commodities 7.7%	Commodities -3.1%	Core Bond -1.5%	Core Bond 3.6%
T-Bills 0.3%	T-Bills 0.8%	Emrg Mrkts -14.2%	T-Bills 2.3%	REITs -7.9%	Emrg Mrkts -2.2%	T-Bills 1.2%

Data Sources: Bloomberg

Note: Developed asset class is developed equity markets ex-U.S., ex-Canada

Market Commentary

U.S. Equity

The U.S. stock market, represented by the FT Wilshire 5000 IndexSM, was up 9.6% for the fourth quarter of 2021. Nearly all sectors were in positive territory, with Real Estate (+14.7%), Information Technology (+14.6%) and Materials (+14.4%) representing the best performing sectors. The only sector that was negative this quarter was Communication Services (-0.8%). Large-cap outperformed small-cap while growth stocks outperformed value within the large-cap segment of the market.

Sharply rising inflation will likely be remembered as the economic story of 2021. Increases in CPI have reached rates not seen in 40 years. Food and energy prices are up meaningfully, but so too are the major “core” CPI items of automobiles and apparel. Consumers’ ability to manage this period will help determine whether the U.S. can continue its economic progress. The employment picture is quite strong but the personal savings rate has fallen to a level last seen in late-2017, suggesting that consumers are saving less as they adjust to rising prices.

Non-U.S. Equity

In Europe, Germany is facing a potential recession as supply issues and new coronavirus cases weigh on the economy. Growth has slowed in the U.K., as well, and is expected to face additional headwinds. Emerging Markets have experienced weakness this year, particularly in China, South Korea and Brazil. In China, the real estate market, which accounts for nearly a third of China’s GDP, has been experiencing a major slump and developers are heavily indebted.

Fixed Income

The U.S. Treasury yield curve was up 45 basis points in the short end (at the 2-year maturity) but down in the long end of the curve. The 10-year Treasury yield ended the quarter at 1.51%, up two basis points. Through the Fed’s “dot plot,” they are messaging that the current intent is for three 25 basis point increases in the overnight rate before the end of 2022. During the December meeting, the committee announced that it would begin to reduce (i.e., taper) the monthly pace of its asset purchases starting in January.

December 2021 Asset Class Assumptions

	Equity						Fixed Income					Real Assets						
	US Stock	Dev ex-US Stock	Emg Stock	Global ex-US Stock	Global Stock	Private Equity	Cash	Core Bond	LT Core Bond	TIPS	High Yield	Dev ex-US Bond (Hdg)	US RES	Global RES	Private RE	Comdty	Real Assets	US CPI
Compound Return (%)	4.50	5.50	5.50	5.75	5.10	8.10	1.70	2.00	2.30	1.45	3.60	0.85	4.55	4.70	5.90	4.30	5.60	2.60
Expected Risk (%)	17.00	18.00	26.00	19.10	17.10	28.00	0.75	4.25	8.90	6.00	10.00	4.25	17.50	16.45	14.00	16.00	10.35	1.75
Cash Yield (%)	1.25	2.50	2.00	2.35	1.70	0.00	1.70	2.95	3.15	2.25	7.35	1.65	2.60	2.60	2.30	1.70	1.85	0.00
Growth Exposure	8.00	8.00	8.00	8.00	8.00	13.50	0.00	-0.85	-2.25	-3.00	4.00	-1.00	6.00	6.00	3.50	0.00	1.80	0.00
Inflation Exposure	-3.00	0.00	5.00	1.50	-1.25	-3.80	0.00	-2.50	-6.70	2.50	-1.00	-3.00	1.00	1.80	1.00	12.00	4.85	1.00
Correlations																		
US Stock	1.00																	
Dev ex-US Stock (USD)	0.81	1.00																
Emerging Mkt Stock	0.74	0.74	1.00															
Global ex-US Stock	0.83	0.96	0.87	1.00														
Global Stock	0.95	0.92	0.83	0.94	1.00													
Private Equity	0.74	0.64	0.62	0.67	0.74	1.00												
Cash Equivalents	-0.05	-0.09	-0.05	-0.08	-0.07	0.00	1.00											
Core Bond	0.28	0.13	0.00	0.09	0.20	0.31	0.19	1.00										
LT Core Bond	0.31	0.16	0.01	0.12	0.23	0.32	0.11	0.92	1.00									
TIPS	-0.05	0.00	0.15	0.05	0.00	-0.03	0.20	0.59	0.47	1.00								
High Yield Bond	0.54	0.39	0.49	0.45	0.51	0.34	-0.10	0.25	0.32	0.05	1.00							
Dev ex-US Bond (Hdg)	0.16	0.25	-0.01	0.17	0.18	0.26	0.10	0.66	0.65	0.39	0.26	1.00						
US RE Securities	0.58	0.47	0.44	0.49	0.56	0.50	-0.05	0.17	0.23	0.10	0.56	0.05	1.00					
Global RE Securities	0.64	0.58	0.56	0.61	0.65	0.58	-0.05	0.17	0.22	0.11	0.61	0.03	0.96	1.00				
Private Real Estate	0.54	0.44	0.44	0.47	0.52	0.51	-0.05	0.19	0.25	0.09	0.57	0.05	0.77	0.75	1.00			
Commodities	0.25	0.34	0.39	0.38	0.32	0.27	0.00	-0.02	-0.02	0.25	0.29	-0.10	0.25	0.28	0.25	1.00		
Real Assets	0.48	0.51	0.58	0.57	0.54	0.47	-0.02	0.23	0.25	0.39	0.56	0.05	0.70	0.75	0.70	0.65	1.00	
Inflation (CPI)	-0.10	-0.15	-0.13	-0.15	-0.13	-0.10	0.10	-0.12	-0.12	0.15	-0.08	-0.08	0.05	0.03	0.05	0.44	0.26	1.00

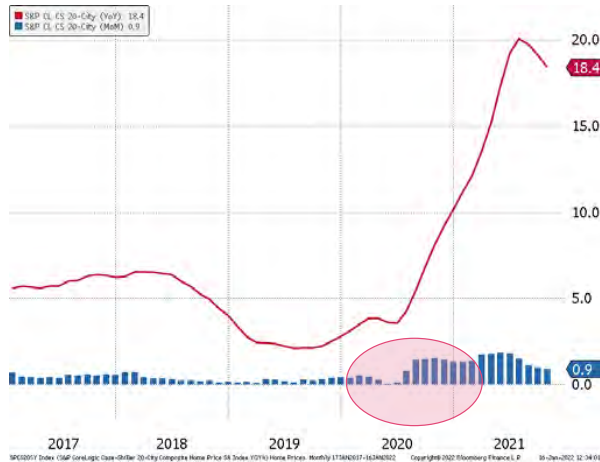
Inflation Roundup: “Lynin’ in a Bed of Fire”¹



CPI
+7.0%



PPI
+12.2%



Home Prices
+18.4%

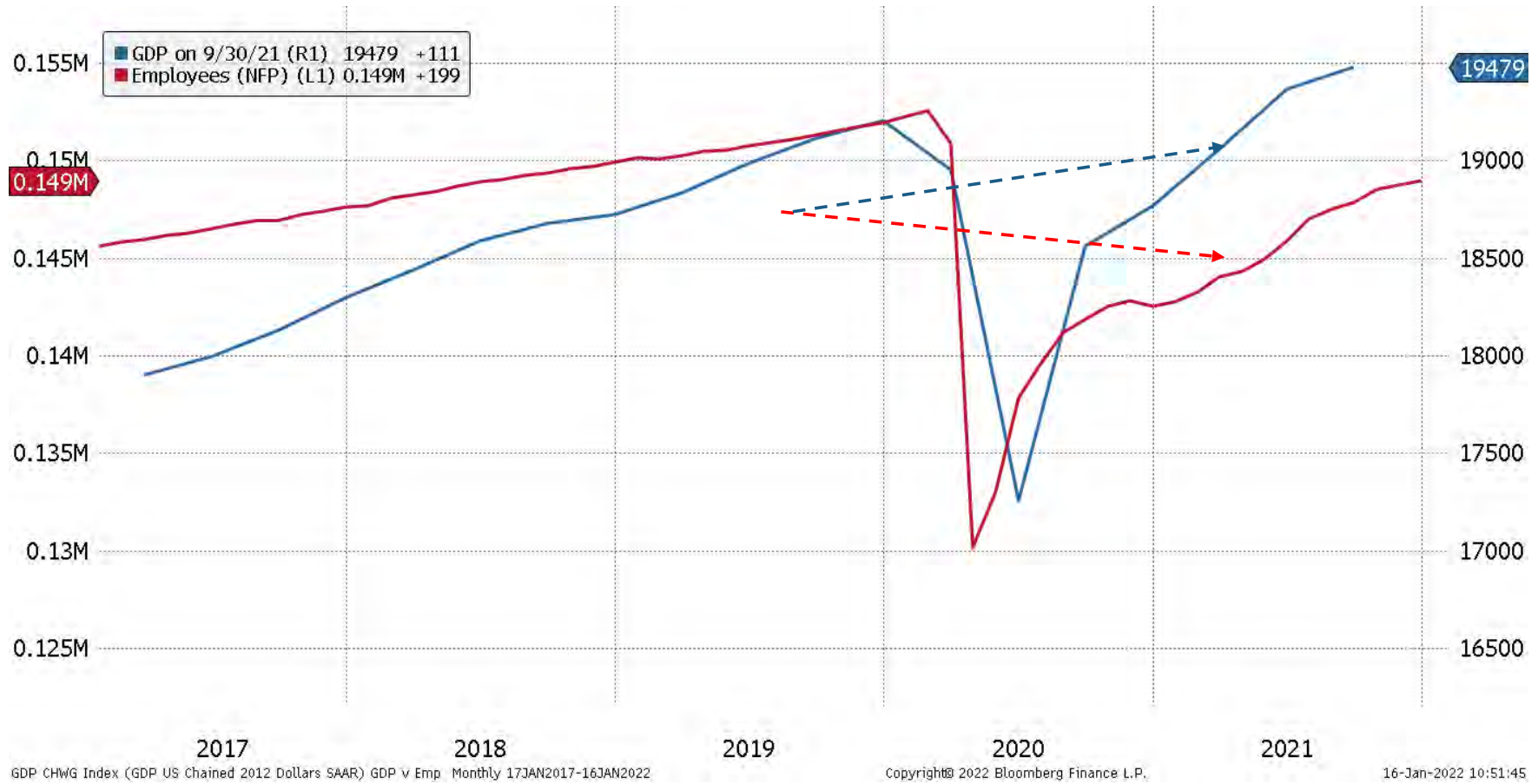


Commodities
+27.1%

Data Source: Bloomberg

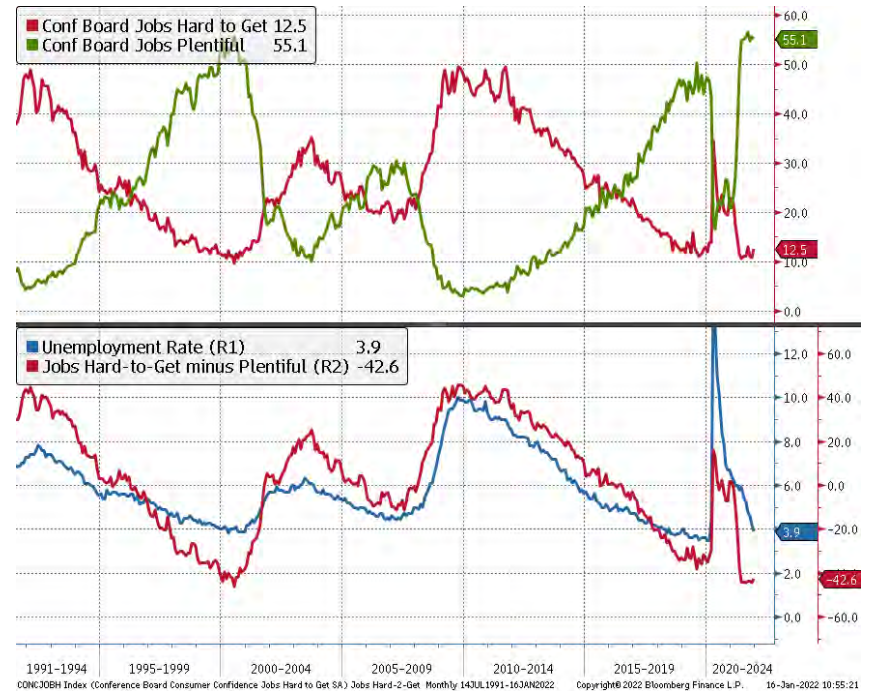
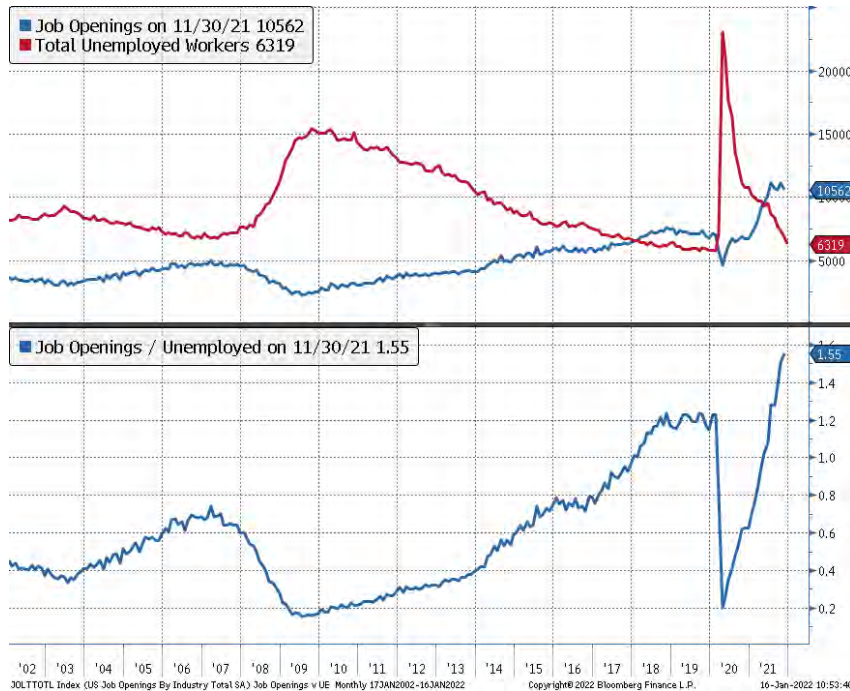
¹ Little Steven & The Disciples of Soul, “Lynin’ in a Bed of Fire”, Men Without Women, 1982

Employment Lagging Economic Growth



Data Source: Bloomberg

Job Shortage: “the neighborhood ain’t what it used to be”¹



Data Source: Bloomberg

¹ Little Steven & The Disciples of Soul, “Lyrin’ in a Bed of Fire”, Men Without Women, 1982

What Will It Take to Get Employees Back in Labor Force?



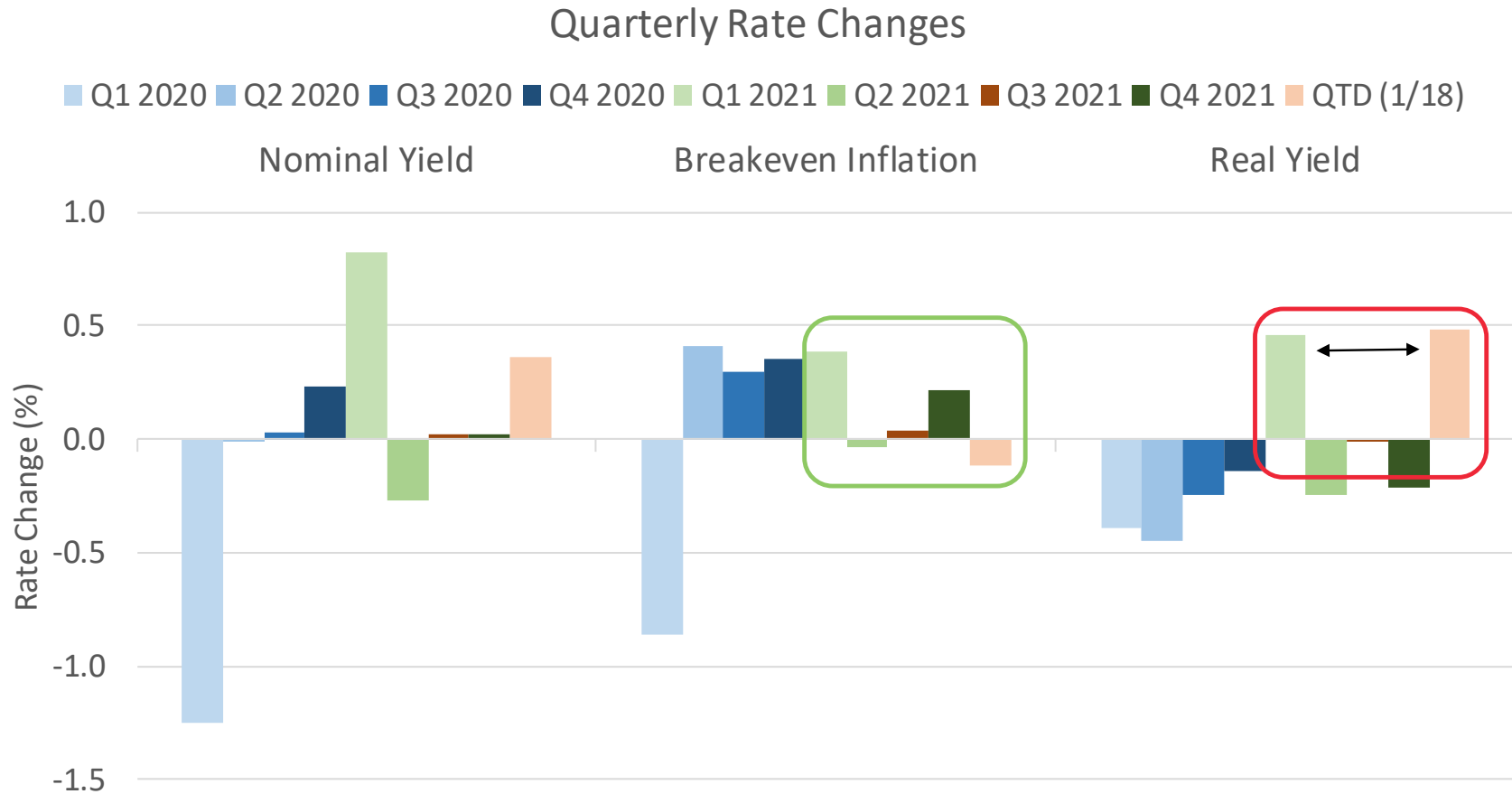
Data Source: Bloomberg

Rate Splits: Yield / Inflation Environment



Data Source: Bloomberg

Rate Change Attribution (8+ Quarters)



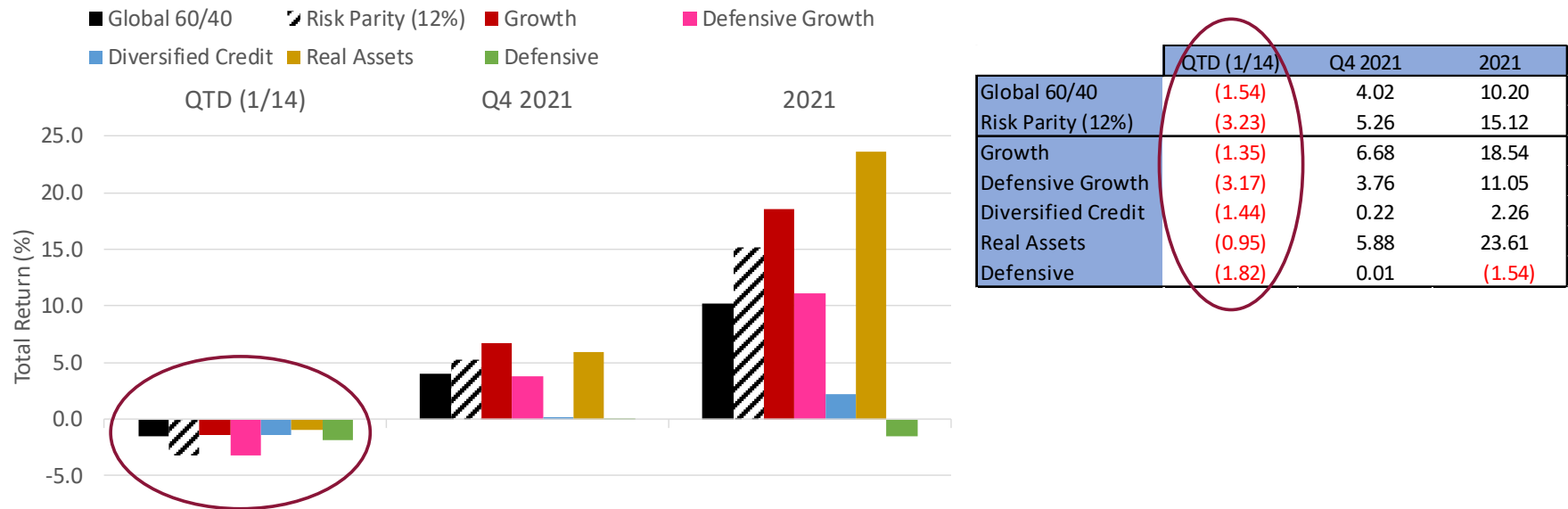
Data Source: Bloomberg

2022 Environmental Risk: A Year of Transition?

If some/much of COVID market returns have been liquidity fueled, can we expect to hang on to these gains when support is withdrawn?

- YTD market activity provides a glimpse at the potential challenges of the 2022 environment

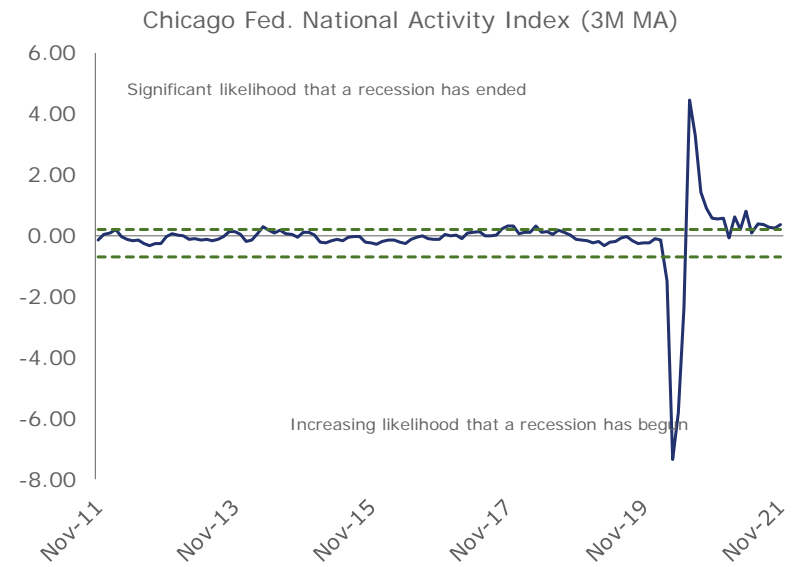
Asset Allocation & Thematic Returns



Data Source: Bloomberg, Wilshire

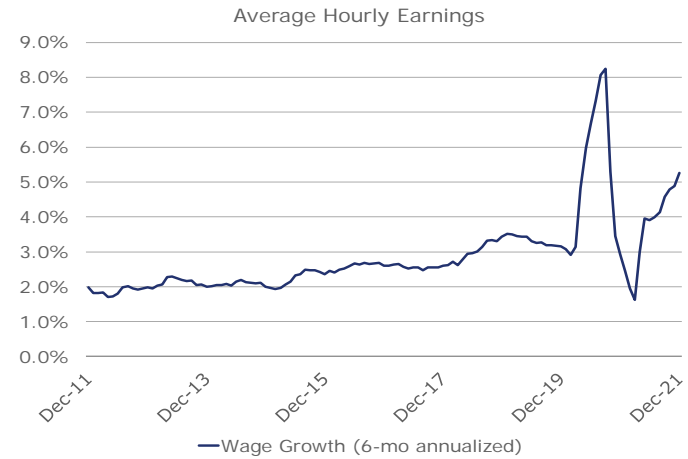
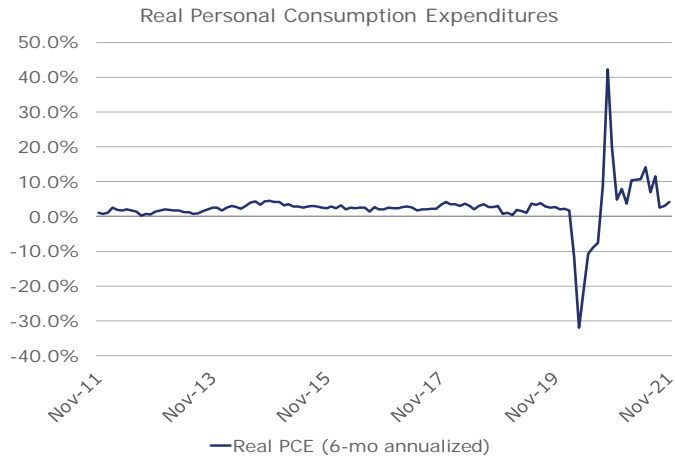
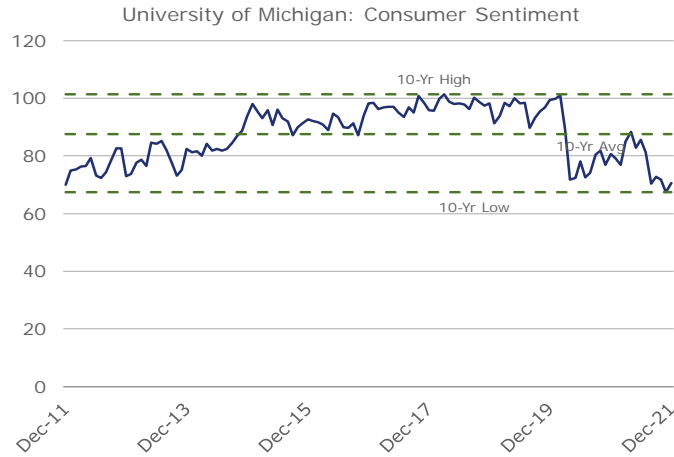
Economic/Market Activity

Economic Growth



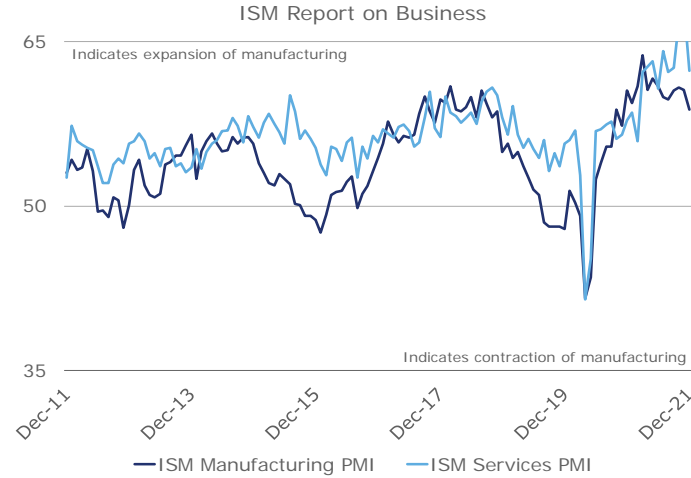
Data Sources: Bloomberg

Consumer Activity



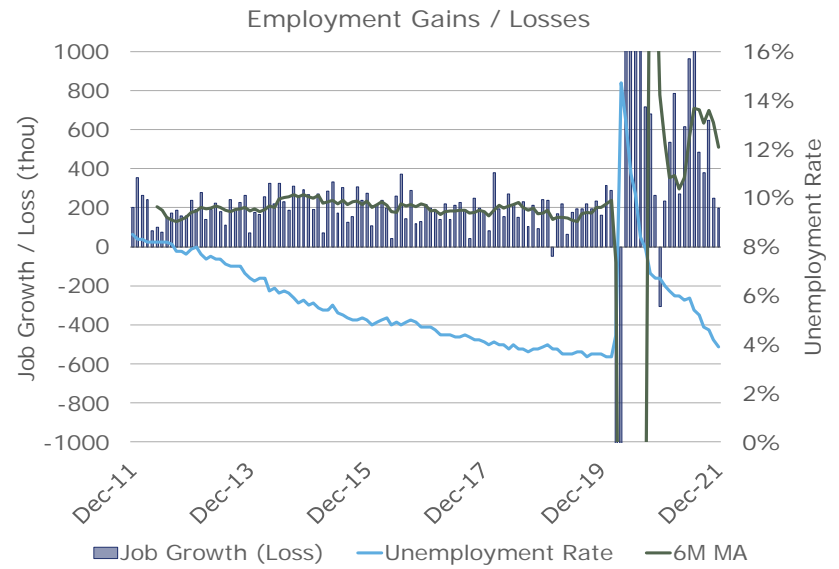
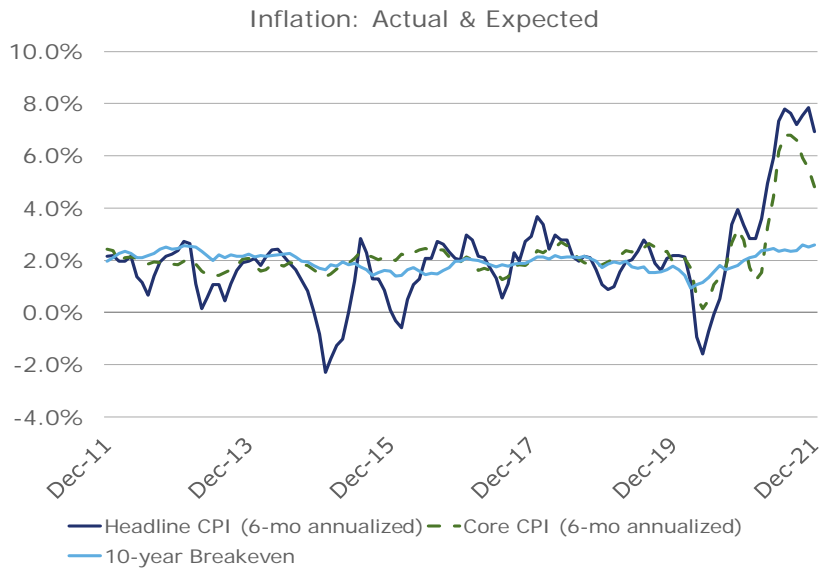
Data Sources: Bloomberg

Business Activity



Data Sources: Bloomberg

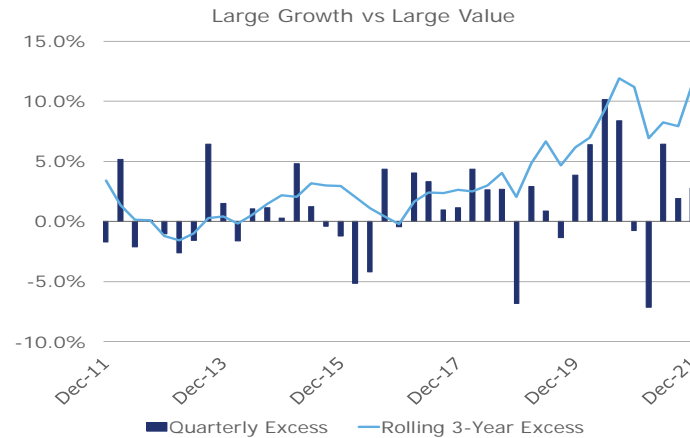
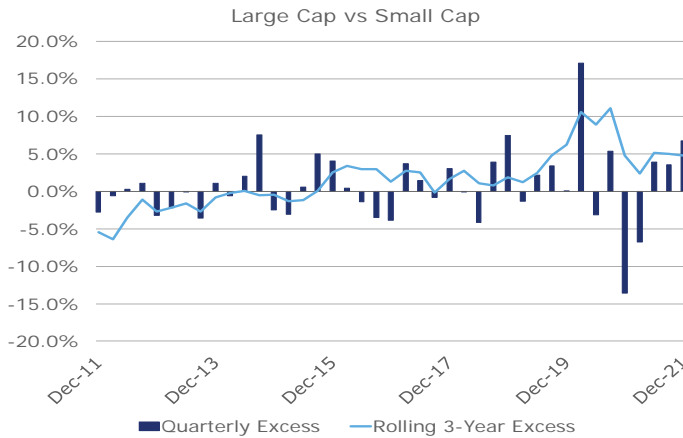
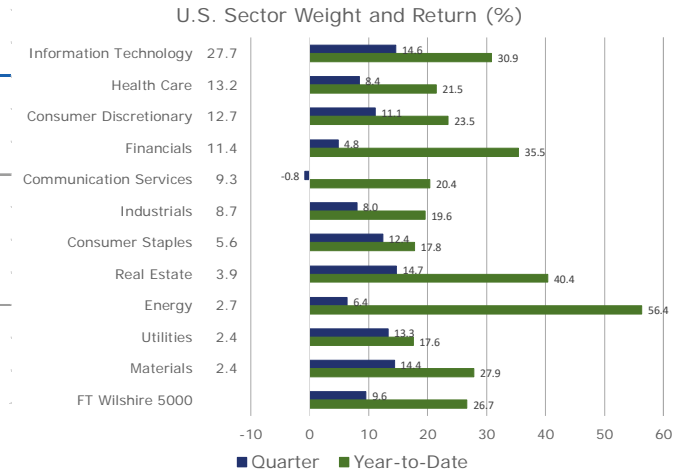
Inflation and Employment



Data Sources: Bloomberg

U.S. Equity Market

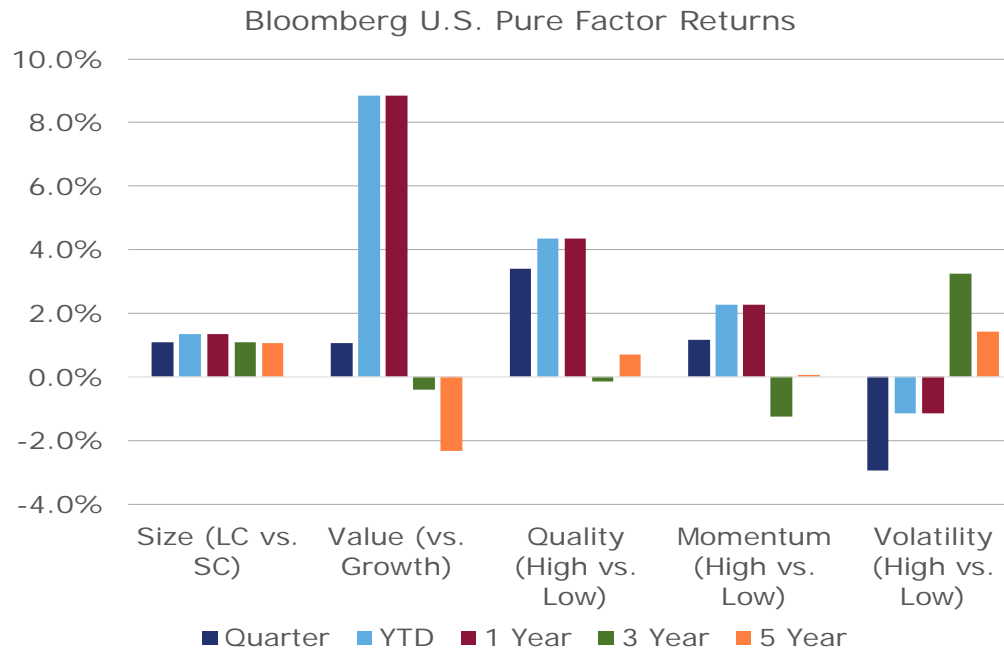
As of 12/31/2021	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
FT Wilshire 5000	9.6	26.7	26.7	26.1	18.1	16.4
Wilshire U.S. Large Cap	10.2	27.5	27.5	26.6	18.7	16.7
Wilshire U.S. Small Cap	3.3	19.2	19.2	20.9	12.3	13.9
Wilshire U.S. Large Growth	11.6	28.9	28.9	33.3	23.9	19.5
Wilshire U.S. Large Value	8.6	24.5	24.5	19.5	13.3	13.7
Wilshire U.S. Small Growth	1.8	10.1	10.1	22.7	14.8	14.5
Wilshire U.S. Small Value	4.8	29.2	29.2	19.1	9.8	13.2
Wilshire REIT Index	17.1	46.2	46.2	19.2	10.9	11.5
MSCI USA Min. Vol. Index	10.4	21.0	21.0	17.9	14.7	14.2
FTSE RAFI U.S. 1000 Index	9.0	31.6	31.6	22.1	14.2	14.8



Data Sources: Bloomberg, Wilshire Atlas

U.S. Factor Returns

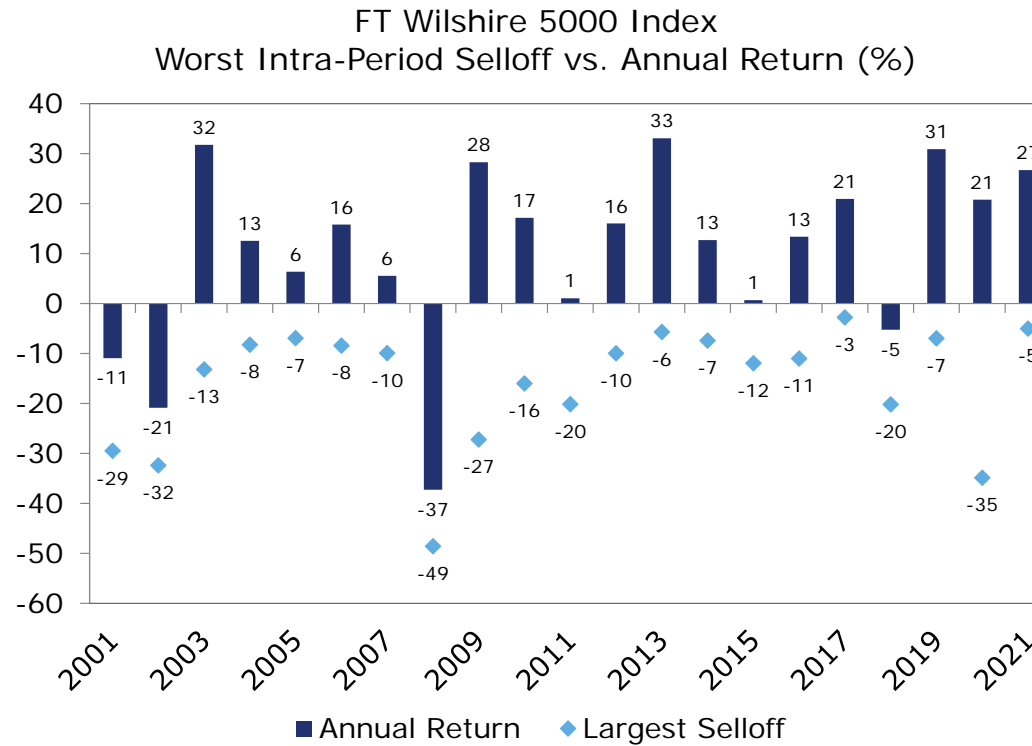
- Factor returns represent the contribution from large cap, value, etc. stocks within Bloomberg’s Portfolio & Risk Analytics module
- Value stocks have rebounded during the past year



Data Sources: Bloomberg

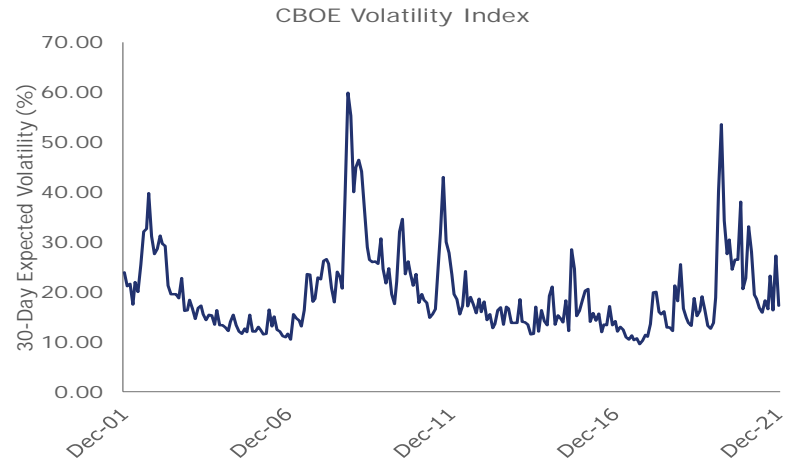
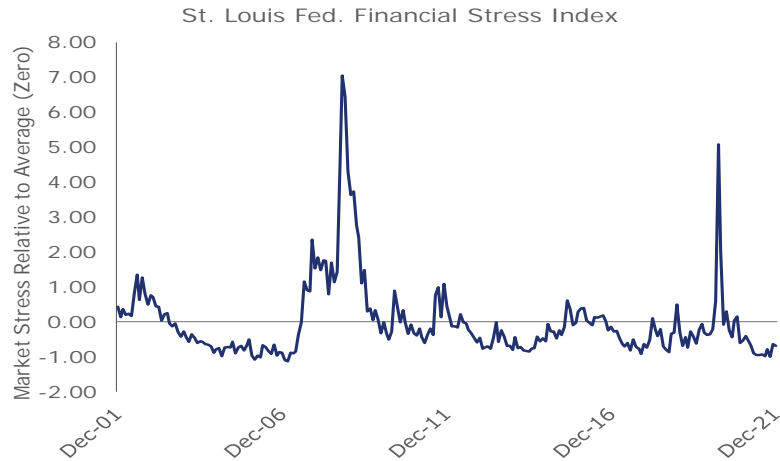
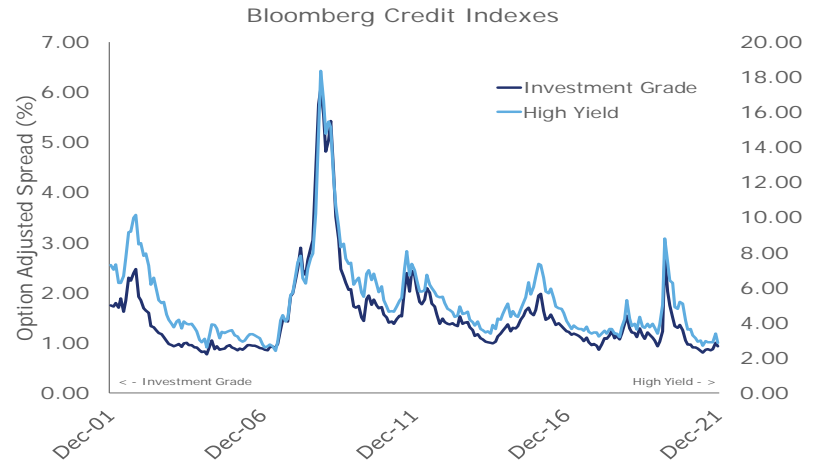
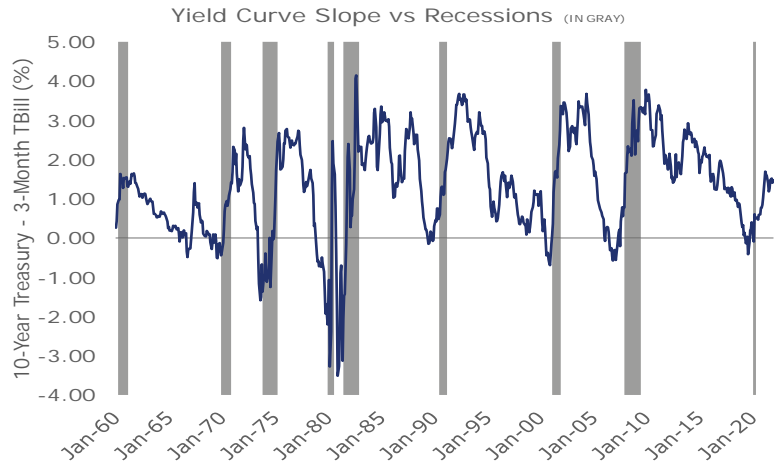
Annual Equity Market Selloffs

Third consecutive year of very strong performance; relatively minor selloff compared to previous years



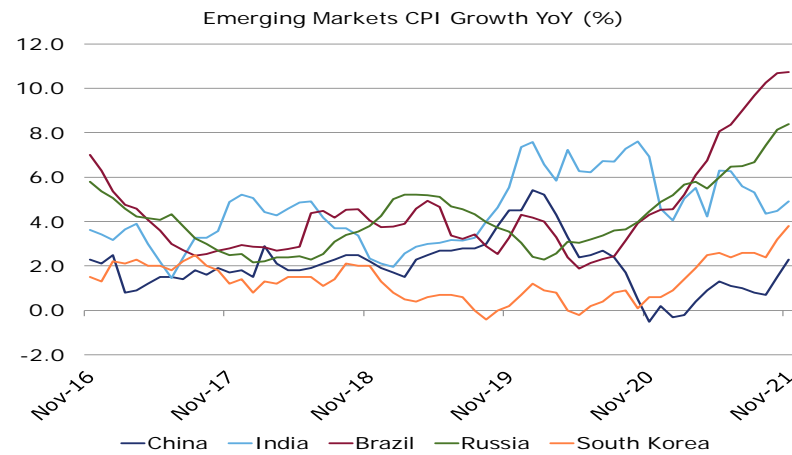
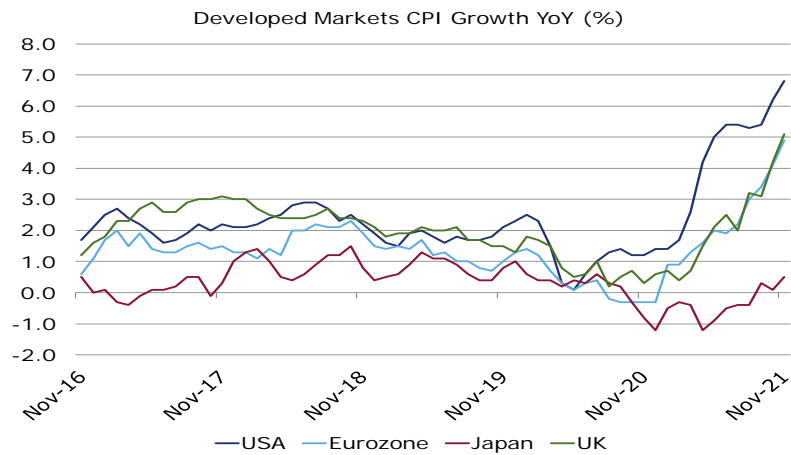
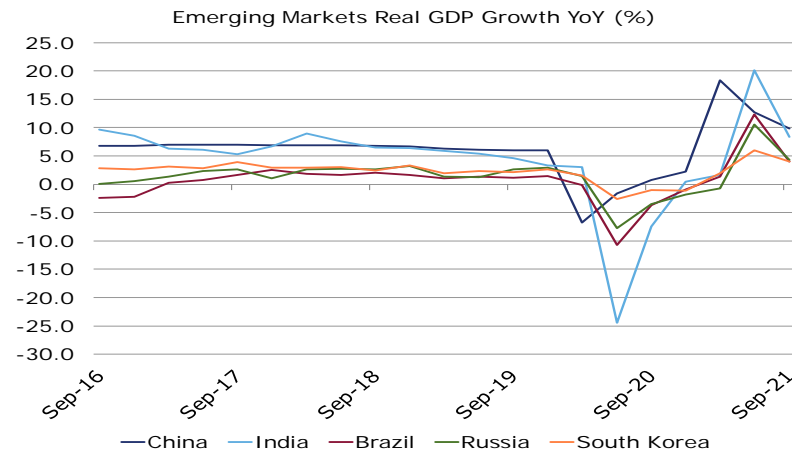
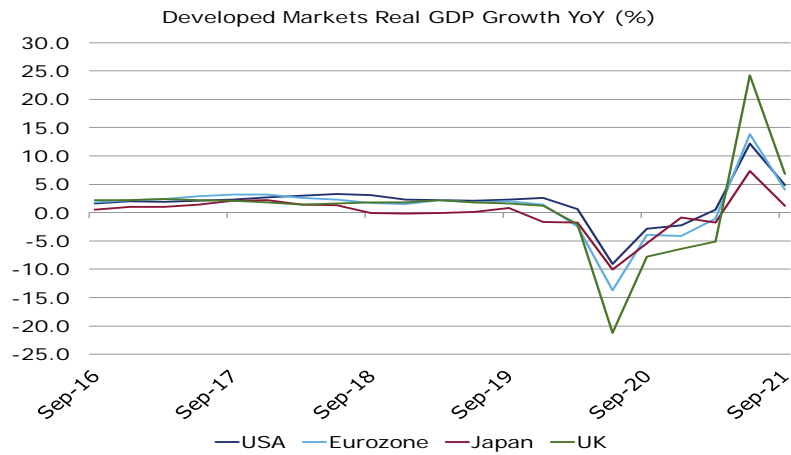
Data Sources: Wilshire Web, Bloomberg

Risk Monitor



Data Sources: Bloomberg

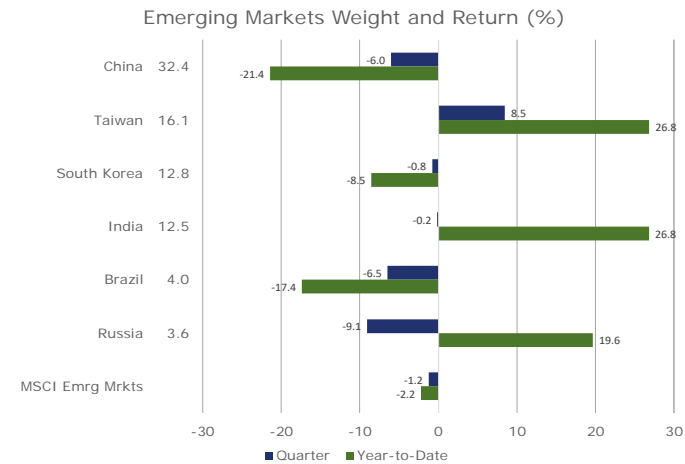
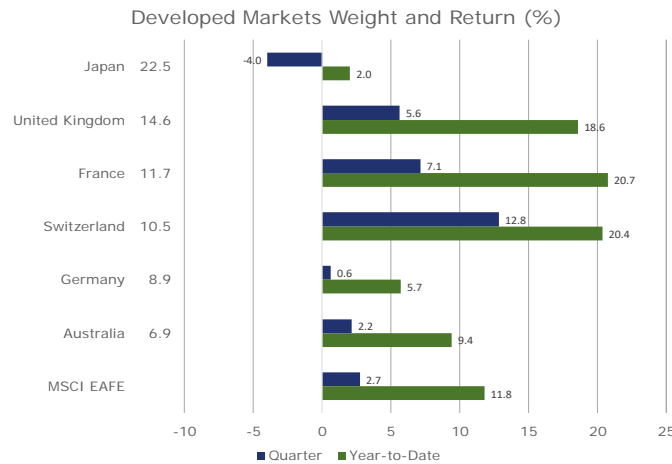
Non-U.S. Growth and Inflation



Data Sources: Bloomberg

Non-U.S. Equity Market

As of 12/31/2021	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
MSCI ACWI ex-US (\$G)	1.9	8.3	8.3	13.7	10.1	7.8
MSCI EAFE (\$G)	2.7	11.8	11.8	14.1	10.1	8.5
MSCI Emerging Markets (\$G)	-1.2	-2.2	-2.2	11.3	10.3	5.9
MSCI Frontier Markets (\$G)	2.0	4.6	4.6	5.3	5.0	4.1
MSCI ACWI ex-US Growth (\$G)	2.4	5.4	5.4	18.2	13.4	9.5
MSCI ACWI ex-US Value (\$G)	1.2	11.6	11.6	9.5	7.0	6.3
MSCI ACWI ex-US Small (\$G)	0.7	13.4	13.4	16.9	11.6	9.9
MSCI ACWI Minimum Volatility	6.4	14.5	14.5	13.0	11.1	10.7
MSCI EAFE Minimum Volatility	2.5	7.6	7.6	8.3	8.0	8.0
FTSE RAFI Developed ex-US	2.6	15.5	15.5	12.0	8.3	7.5
MSCI EAFE LC (G)	4.0	19.2	19.2	13.9	8.9	10.6
MSCI Emerging Markets LC (G)	-0.8	0.1	0.1	12.3	10.9	8.4

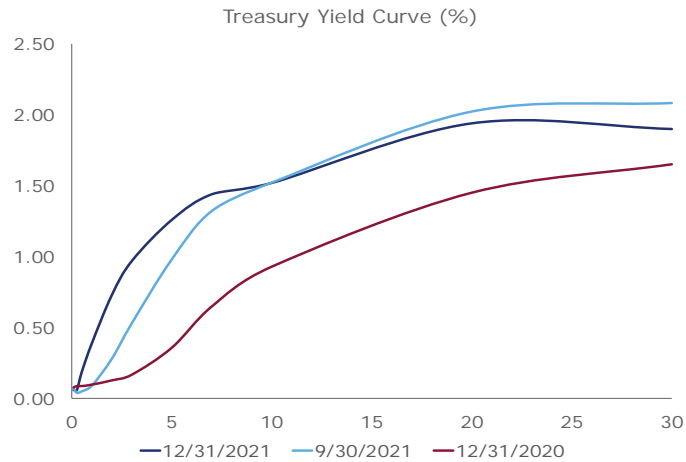
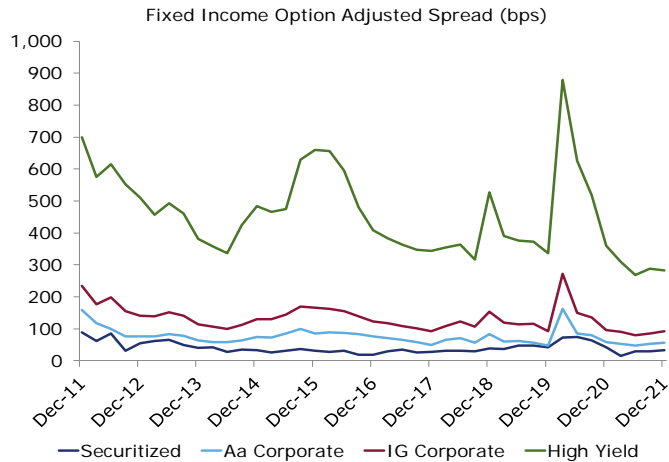


Data Sources: Bloomberg

U.S. Fixed Income

As of 12/31/2021	YTW	DUR.	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg Aggregate	1.8	6.8	0.0	-1.5	-1.5	4.8	3.6	2.9
Bloomberg Treasury	1.2	7.1	0.2	-2.3	-2.3	4.1	3.1	2.1
Bloomberg Gov't-Rel.	1.6	6.1	0.0	-1.3	-1.3	4.5	3.6	2.8
Bloomberg Securitized	2.0	4.8	-0.4	-1.0	-1.0	3.1	2.6	2.4
Bloomberg Corporate	2.3	8.7	0.2	-1.0	-1.0	7.6	5.3	4.7
Bloomberg LT Gov't/Credit	2.6	16.5	2.2	-2.5	-2.5	10.6	7.4	5.7
Bloomberg LT Treasury	1.9	18.6	3.1	-4.6	-4.6	8.8	6.5	4.5
Bloomberg LT Gov't-Rel.	3.0	13.6	1.9	-1.5	-1.5	8.6	6.8	5.5
Bloomberg LT Corporate	3.1	15.2	1.5	-1.1	-1.1	11.8	7.7	6.5
Bloomberg U.S. TIPS *	1.4	8.2	2.4	6.0	6.0	8.4	5.3	3.1
Bloomberg High Yield	4.2	3.8	0.7	5.3	5.3	8.8	6.3	6.8
S&P/LSTA Leveraged Loan	3.9	0.3	0.7	5.2	5.2	5.6	4.3	4.7
Treasury Bills	0.1	0.3	0.0	0.0	0.0	1.0	1.2	0.7

* Yield and Duration statistics are for a proxy index based on similar maturity, the Bloomberg Barclays U.S. Treasury 7-10 Year Index

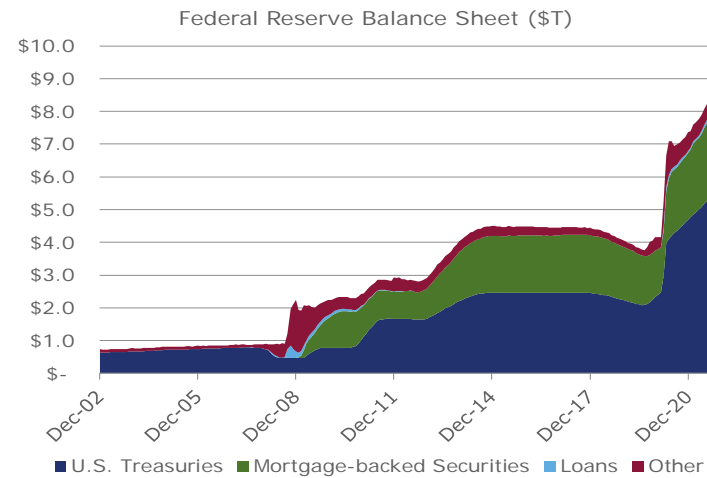
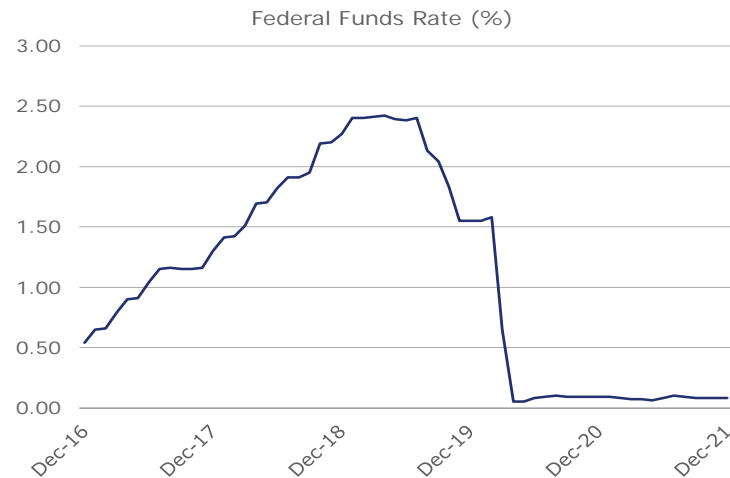


Data Sources: Bloomberg

Federal Reserve

- Current FOMC expectation is for three 25 basis point increases (or 0.75%) in the Fed-funds rate during 2022
- Federal Reserve has added more than \$4.5 trillion in assets to their balance sheet during the past 21 months
- QE4 is now larger than the 3 phases of quantitative easing – combined – following the global financial crisis

	Announced	Closed	Amount (bil)
QE1	11/25/2008	3/31/2010	\$1,403
QE2	11/3/2010	6/29/2012	\$568
QE3	9/13/2012	10/29/2014	\$1,674
QE4	3/23/2020		\$4,599

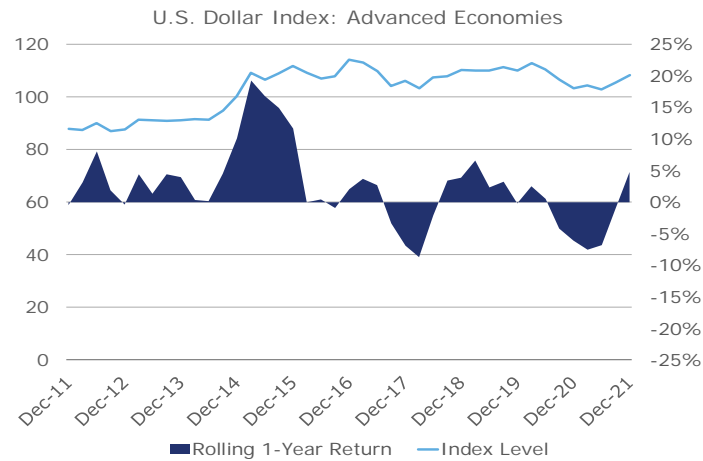
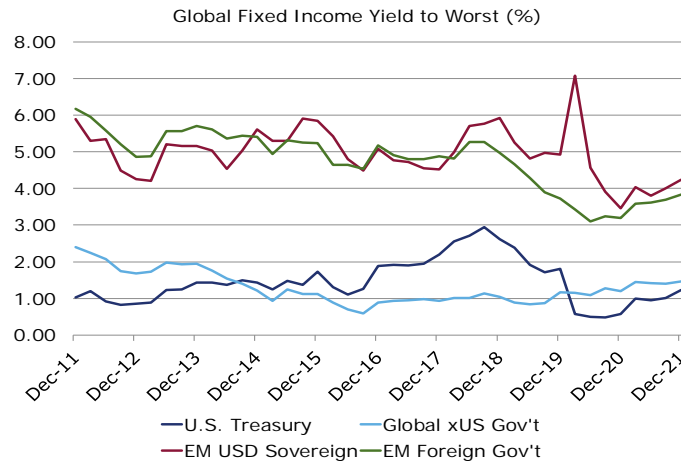


Data Sources: Bloomberg

Non-U.S. Fixed Income

As of 12/31/2021	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Developed Markets						
Bloomberg Global Aggregate xUS	-1.2	-7.0	-7.0	2.5	3.1	0.8
Bloomberg Global Aggregate xUS *	0.1	-1.4	-1.4	3.3	3.1	3.8
Bloomberg Global Inflation Linked xUS	2.9	0.7	0.7	7.2	5.5	3.6
Bloomberg Global Inflation Linked xUS *	3.5	4.9	4.9	7.1	5.2	5.8
Emerging Markets (Hard Currency)						
Bloomberg EM USD Aggregate	-0.5	-1.7	-1.7	5.8	4.6	5.1
Emerging Markets (Foreign Currency)						
Bloomberg EM Local Currency Gov't	0.4	-1.6	-1.6	4.3	4.6	2.5
Bloomberg EM Local Currency Gov't *	-0.4	-1.4	-1.4	3.4	3.3	2.9
Euro vs. Dollar	-1.8	-6.9	-6.9	-0.3	1.6	-1.3
Yen vs. Dollar	-3.3	-10.3	-10.3	-1.6	0.3	-3.9
Pound vs. Dollar	0.4	-1.0	-1.0	2.0	1.9	-1.4

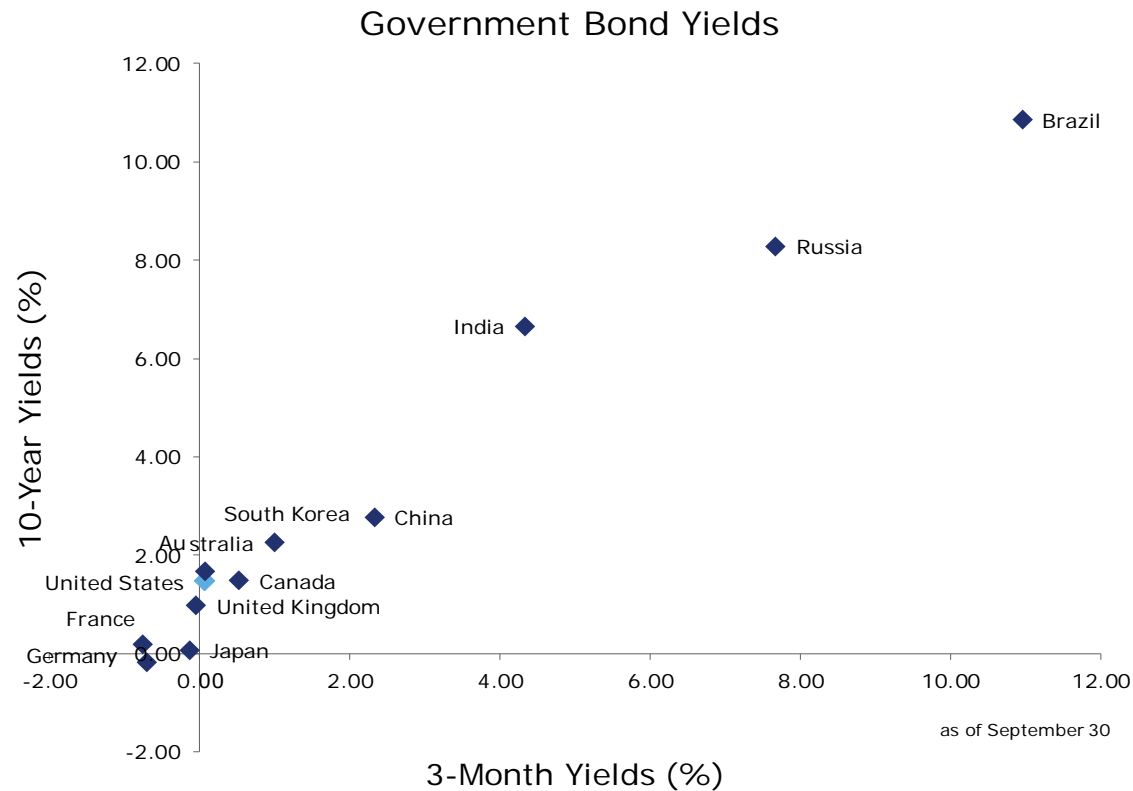
* Returns are reported in terms of local market investors, which removes currency effects.



Data Sources: Bloomberg

Global Interest Rates

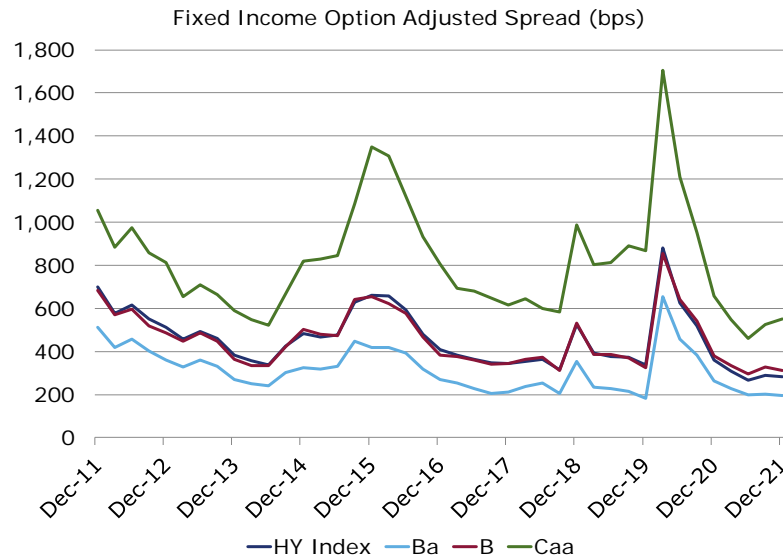
Negative rates found in Germany and France; low but positive rates, and at similar levels, in the U.S., Australia and in the U.K.



Data Sources: Bloomberg

High Yield Bond Market

As of 12/31/2021		YTW	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg High Yield		4.2	0.7	5.3	5.3	8.8	6.3	6.8
S&P LSTA Leveraged Loan		3.7	0.4	3.5	3.5	5.6	3.9	4.3
High Yield Quality Distribution	Weight							
Ba U.S. High Yield	52.8%	3.3	0.7	4.6	4.6	10.0	6.9	7.0
B U.S. High Yield	35.7%	4.6	0.8	4.8	4.8	8.0	5.8	6.3
Caa U.S. High Yield	11.3%	6.8	0.5	8.6	8.6	6.7	5.2	7.1
Ca to D U.S. High Yield	0.3%	27.8	-12.9	12.5	12.5	4.8	5.3	-1.4
Non-Rated U.S. High Yield	0.0%	0.0	0.0	0.0	0.0	-0.2	1.9	2.5



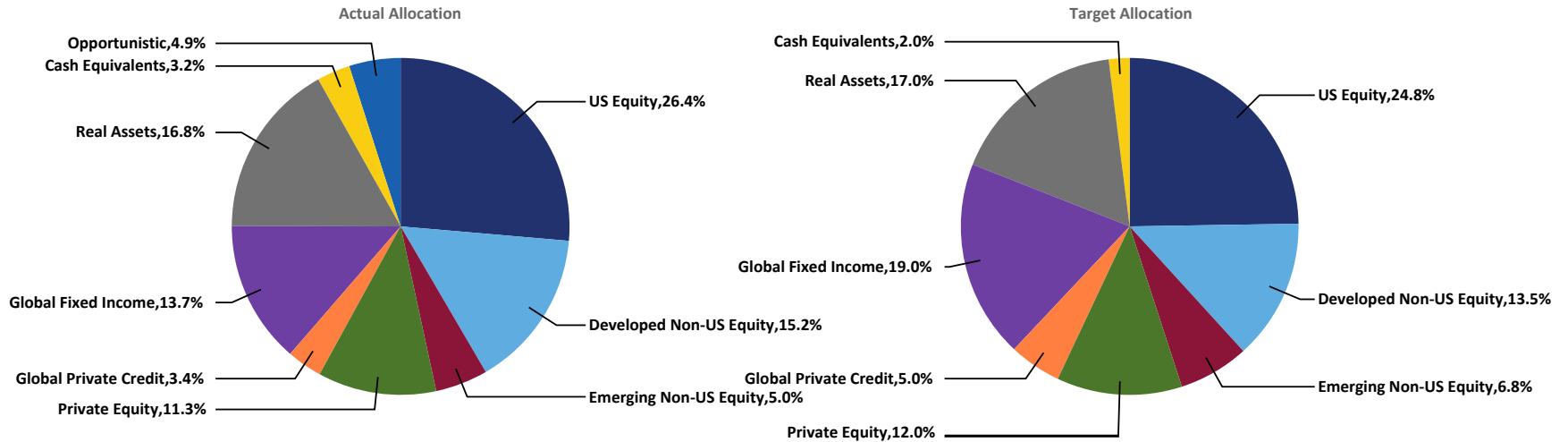
Data Sources: Bloomberg

Total Fund

Asset Allocation Compliance

Total Fund

Periods Ended As of December 31, 2021



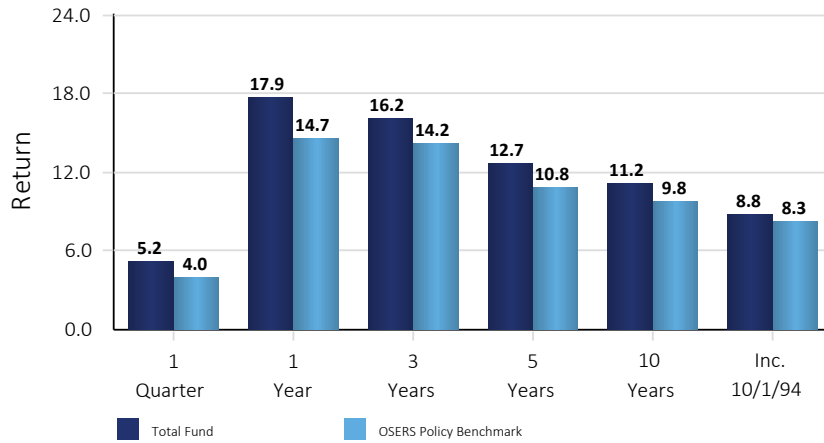
	Asset Allocation \$	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Fund	18,710,598,571	100.0	100.0	0.0
US Equity	4,932,441,614	26.4	24.8	1.6
Developed Non-US Equity	2,849,685,095	15.2	13.5	1.7
Emerging Non-US Equity	941,770,534	5.0	6.8	-1.7
Private Equity	2,122,296,964	11.3	12.0	-0.7
Global Private Credit	632,700,709	3.4	5.0	-1.6
Global Fixed Income	2,564,624,529	13.7	19.0	-5.3
Real Assets	3,147,514,766	16.8	17.0	-0.2
Cash Equivalents	596,265,402	3.2	2.0	1.2
Opportunistic & Tactical	923,298,959	4.9	0.0	4.9

Composite Performance Summary

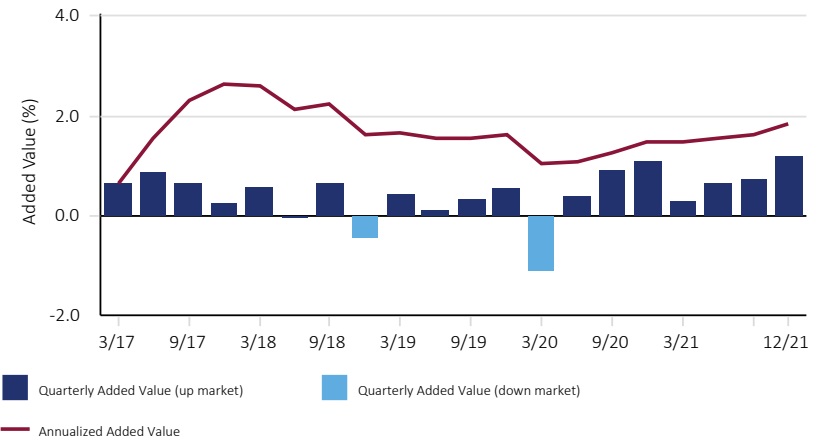
Total Fund

Periods Ended December 31, 2021

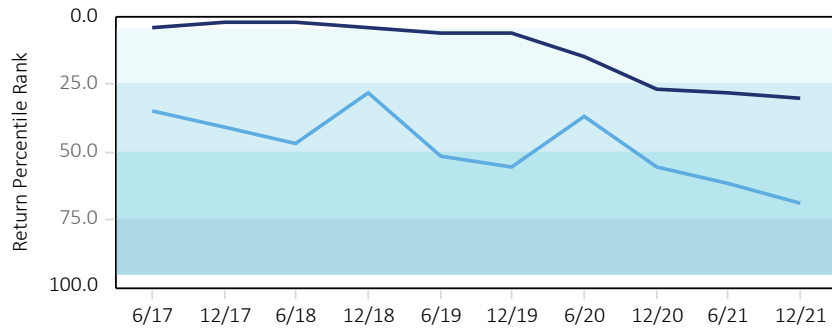
Comparative Performance



Added Value History

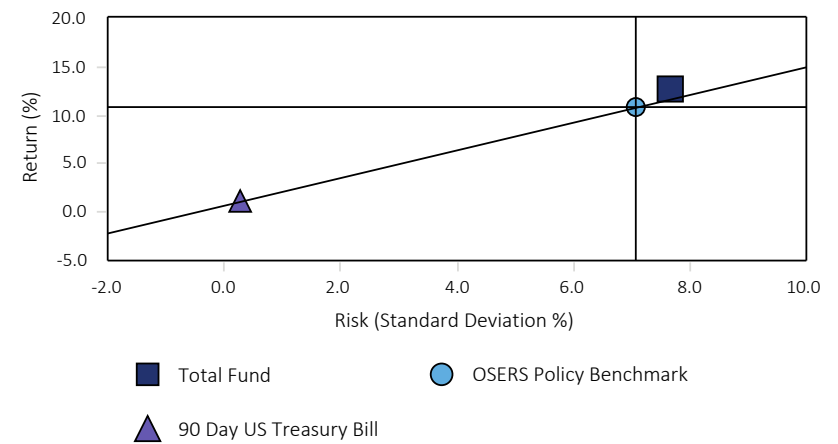


Rolling Percentile Rank: All Public Plans-Total Fund



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
— Total Fund	10	7 (70%)	3 (30%)	0 (0%)	0 (0%)
— Benchmark	10	0 (0%)	5 (50%)	5 (50%)	0 (0%)

Risk and Return 01/1/17 - 12/31/21

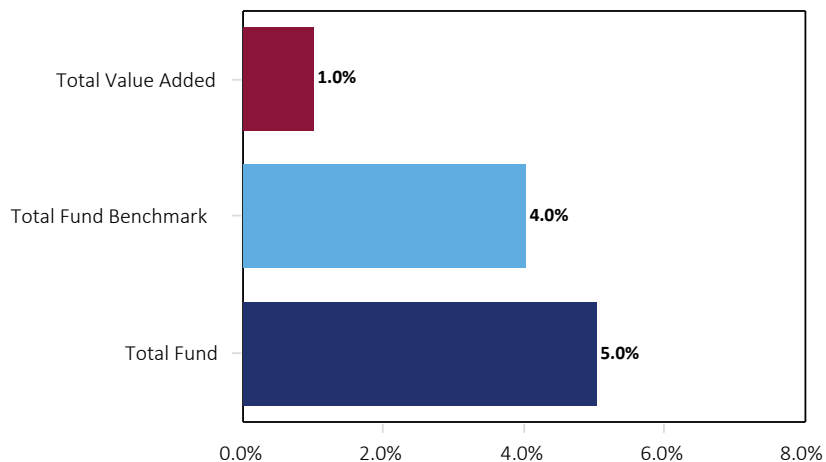


Total Fund Attribution

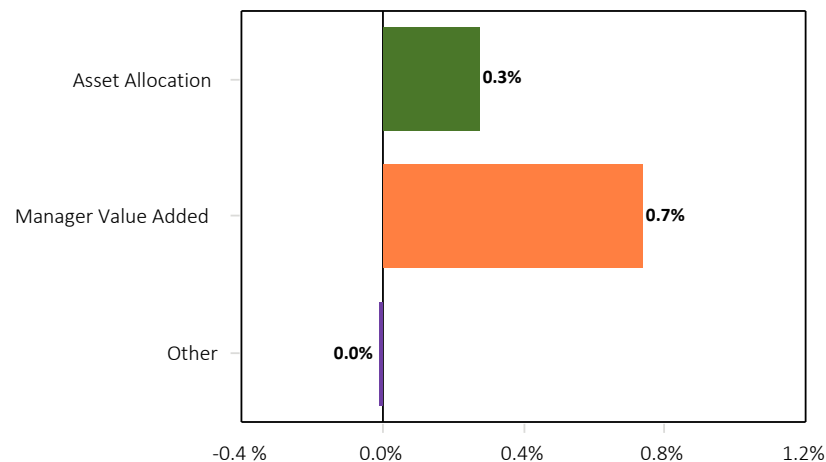
Total Fund

Periods Ended 1 Quarter Ending December 31, 2021

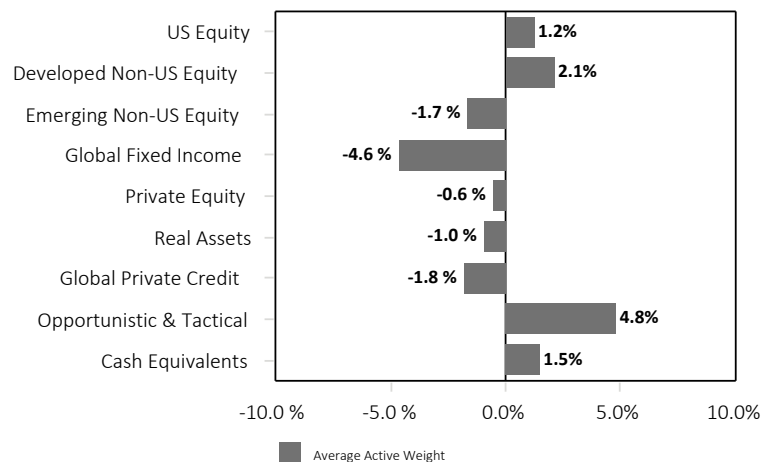
Total Fund Performance



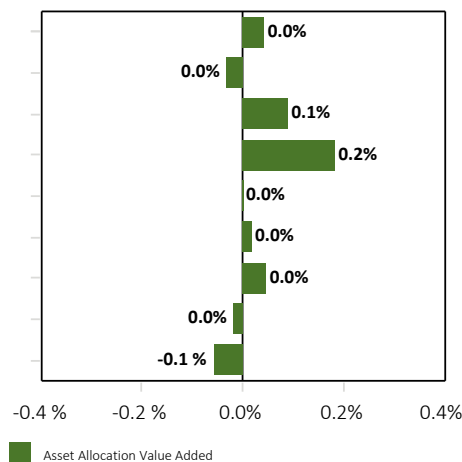
Total Value Added:1.0%



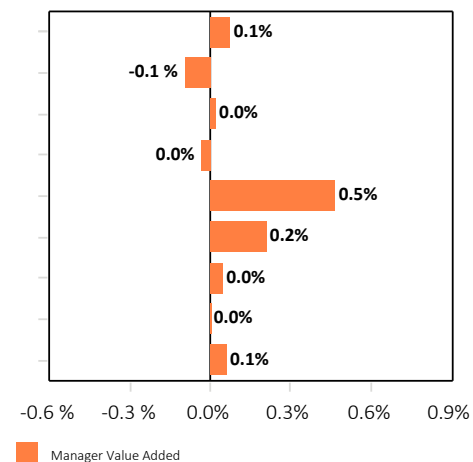
Total Asset Allocation:0.3%



Asset Allocation Value Added:0.3%



Total Manager Value Added:0.7%

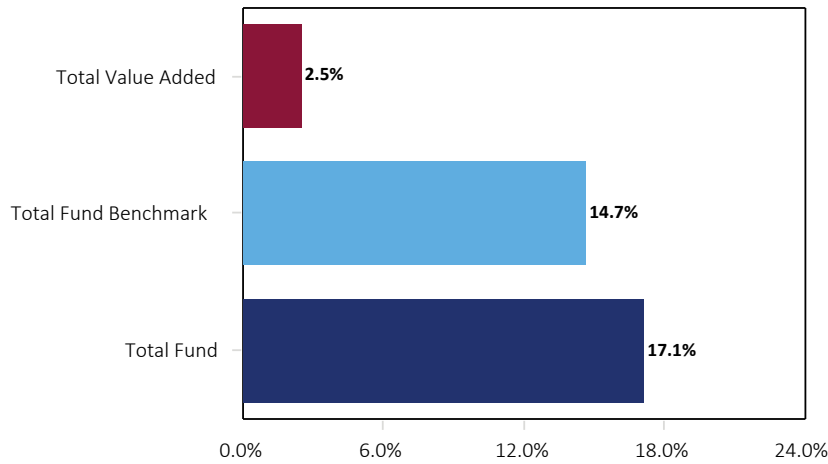


Total Fund Attribution

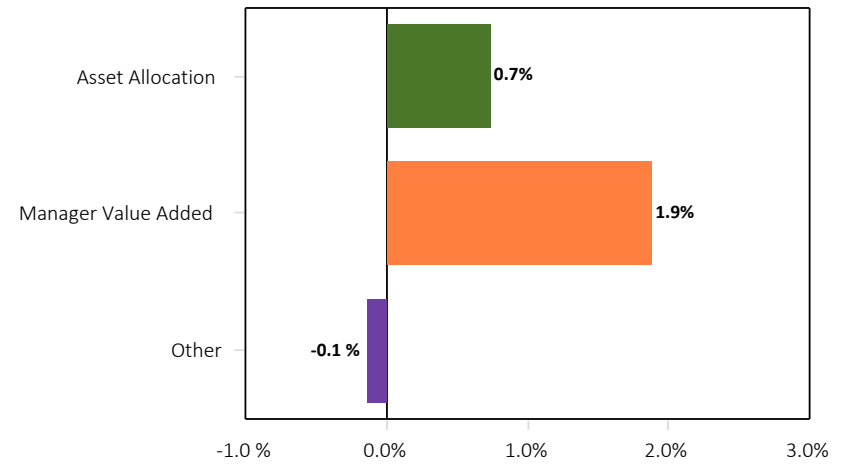
Total Fund

Periods Ended 1 Year Ending December 31, 2021

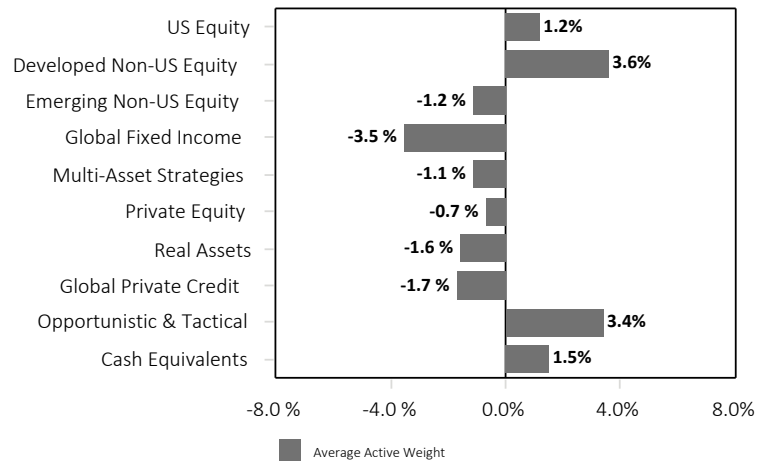
Total Fund Performance



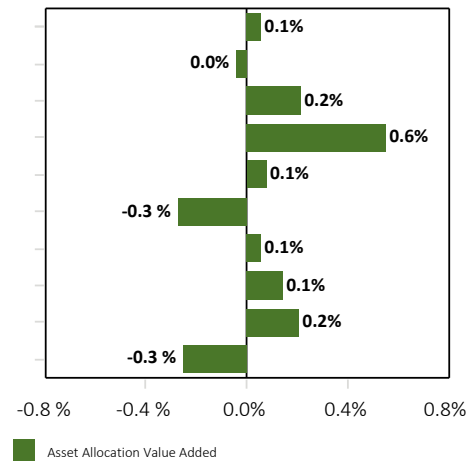
Total Value Added:2.5%



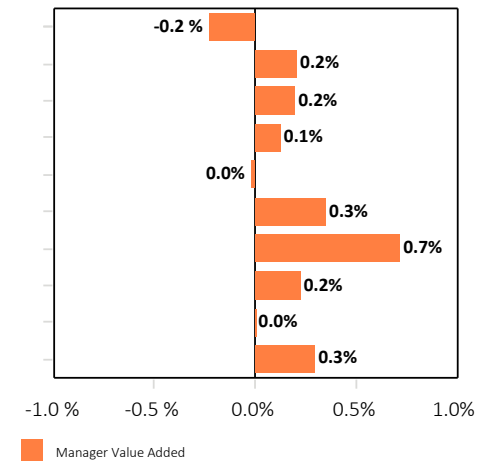
Total Asset Allocation:0.7%



Asset Allocation Value Added:0.7%



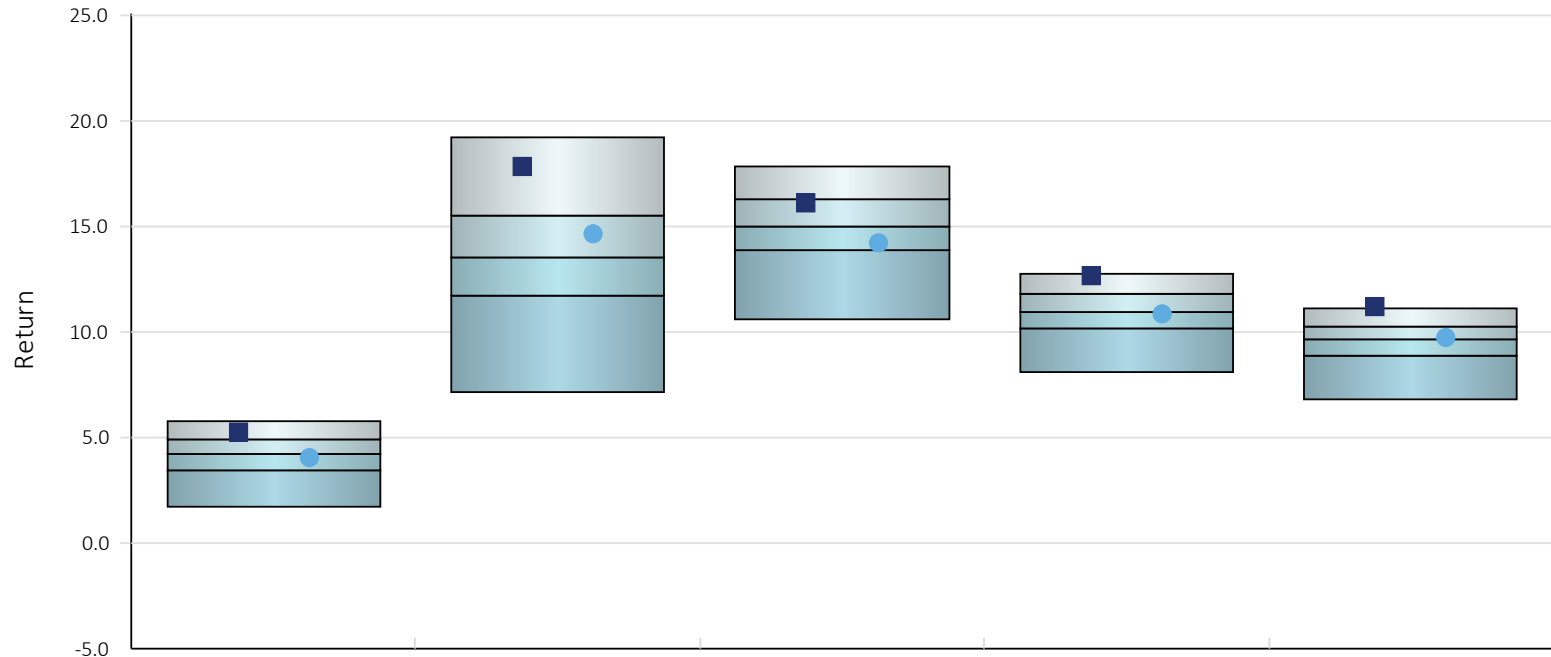
Total Manager Value Added:1.9%



Plan Sponsor Peer Group Analysis

Total Fund vs All Public Plans-Total Fund

Periods Ended December 31, 2021



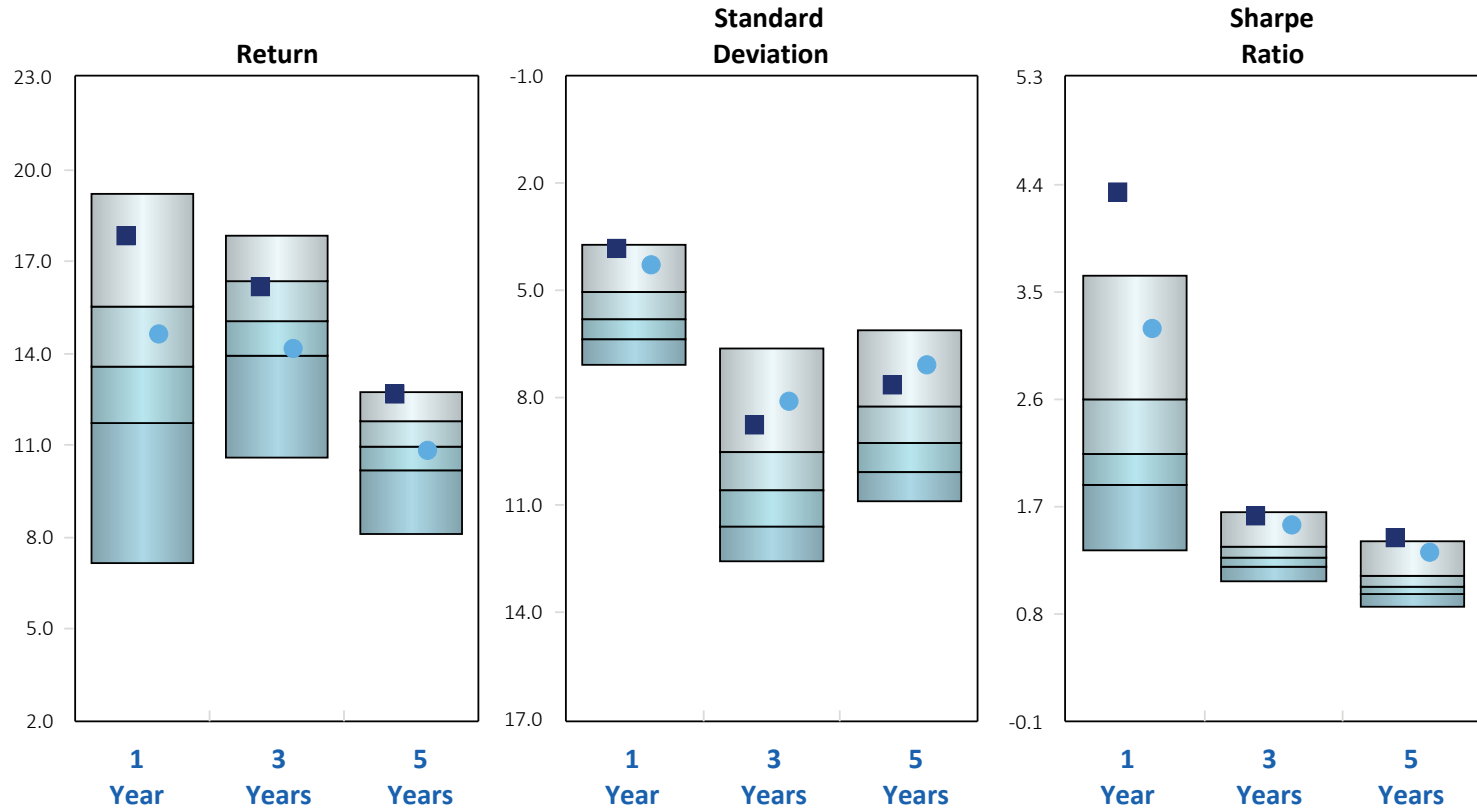
	QTD	1 Year	3 Years	5 Years	10 Years
■ Total Fund	5.25 (14)	17.86 (10)	16.16 (30)	12.67 (7)	11.19 (5)
● OSERS Policy Benchmark	4.04 (58)	14.66 (33)	14.18 (69)	10.84 (56)	9.77 (46)
5th Percentile	5.80	19.22	17.81	12.73	11.10
1st Quartile	4.93	15.51	16.33	11.79	10.25
Median	4.23	13.57	15.03	10.96	9.61
3rd Quartile	3.46	11.74	13.90	10.19	8.89
95th Percentile	1.75	7.13	10.57	8.08	6.81
Population	336	333	325	311	279

Parentheses contain percentile rankings.
 Calculation based on monthly periodicity.
 Gross of Fees

Plan Sponsor Peer Group Analysis - Multi Statistics

Total Fund vs All Public Plans-Total Fund

Periods Ended December 31, 2021



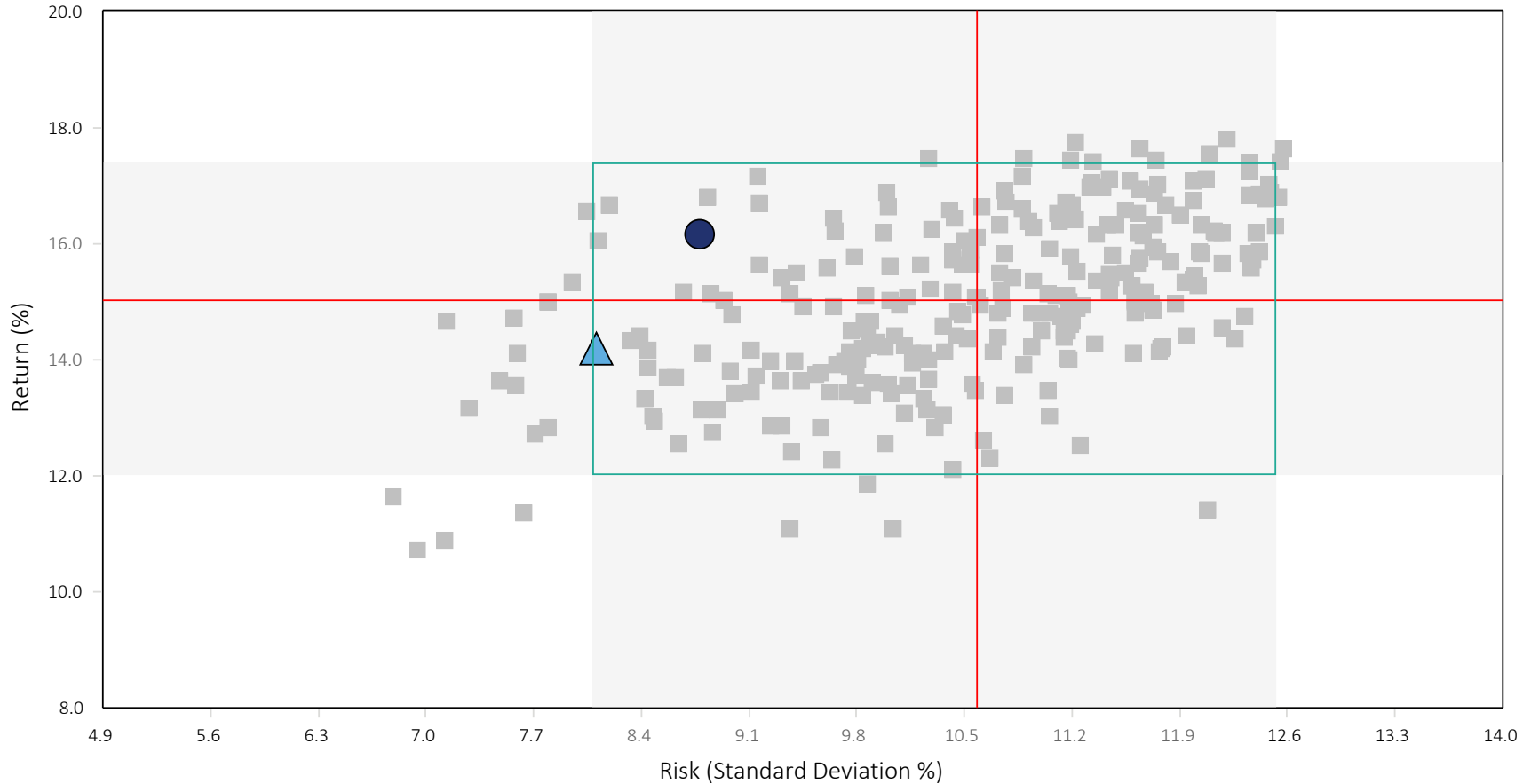
	1 Year	3 Years	5 Years	1 Year	3 Years	5 Years	1 Year	3 Years	5 Years
■ Total Fund	17.86 (10)	16.16 (30)	12.67 (7)	3.81 (5)	8.78 (16)	7.66 (15)	4.34 (3)	1.62 (7)	1.43 (5)
● OSERS Policy Benchmark	14.66 (33)	14.18 (69)	10.84 (56)	4.30 (10)	8.11 (11)	7.06 (9)	3.20 (11)	1.54 (9)	1.32 (7)
5th Percentile	19.22	17.81	12.73	3.72	6.61	6.12	3.63	1.65	1.40
1st Quartile	15.51	16.33	11.79	5.08	9.53	8.25	2.61	1.37	1.12
Median	13.57	15.03	10.96	5.83	10.59	9.26	2.15	1.27	1.03
3rd Quartile	11.74	13.90	10.19	6.40	11.61	10.10	1.88	1.19	0.97
95th Percentile	7.13	10.57	8.08	7.07	12.60	10.91	1.33	1.07	0.86

Parentheses contain percentile rankings.
 Calculation based on monthly periodicity.
 Gross of Fees

Plan Sponsor Scattergram

Total Fund vs All Public Plans-Total Fund

Periods Ended January 1, 2019 To December 31, 2021



	Return	Standard Deviation
● Total Fund	16.16	8.78
▲ OSERS Policy Benchmark	14.18	8.11
— Median	15.03	10.59

Calculation based on monthly periodicity.
Gross of Fees

Asset Allocation & Performance

Total Fund

Periods Ended December 31, 2021

	Allocation		Performance (%) net of fees								
	Market Value \$000	%	1 Quarter	FYTD	1 Year	3 Years	5 Years	10 Years	20 Years	Since Inception	Inception Date
Total Fund	18,710,599	100.00	5.04	7.07	17.14	15.49	12.00	10.49	7.35	8.27	10/1/1994
OSERS Policy Benchmark			4.04	5.43	14.66	14.18	10.84	9.77	7.26	8.29	
Value Added			1.00	1.64	2.48	1.31	1.16	0.72	0.09	-0.02	
Global Equity	8,723,897	46.63	5.99	4.94	17.92	21.11	14.76	12.50		8.72	7/1/2002
Global Equity Benchmark			5.81	4.27	17.22	19.64	13.93	11.97		8.36	
Value Added			0.18	0.67	0.70	1.47	0.83	0.53		0.36	
US Equity	4,932,442	26.36	9.56	9.53	24.70	25.52	17.69	16.02	9.38	10.64	10/1/1994
Russell 3000 Index			9.28	9.17	25.66	25.79	17.97	16.30	9.72	11.00	
Value Added			0.28	0.36	-0.96	-0.27	-0.28	-0.28	-0.34	-0.36	
Developed Non-US Equity	2,849,685	15.23	2.59	2.01	13.72	16.07	11.28	9.57		7.24	7/1/2002
MSCI World ex-US (Net)			3.14	2.46	12.62	14.07	9.63	7.84		6.74	
Value Added			-0.55	-0.45	1.10	2.00	1.65	1.73		0.50	
Emerging Non-US Equity	941,771	5.03	-0.97	-7.77	0.50	17.10	12.88	6.66	11.45	7.37	7/1/1997
MSCI Emerging Markets (Net)			-1.31	-9.30	-2.54	10.94	9.87	5.49	9.59	5.75	
Value Added			0.34	1.53	3.04	6.16	3.01	1.17	1.86	1.62	
Global Private Equity	2,122,297	11.34	7.77	22.72	48.06	24.57	22.68	19.20	10.75	13.67	10/1/1994
Global PE Benchmark			3.68	14.62	44.38	21.47	19.21	18.26	11.30	13.48	
Value Added			4.09	8.10	3.68	3.10	3.47	0.94	-0.55	0.19	

Asset Allocation & Performance

Total Fund

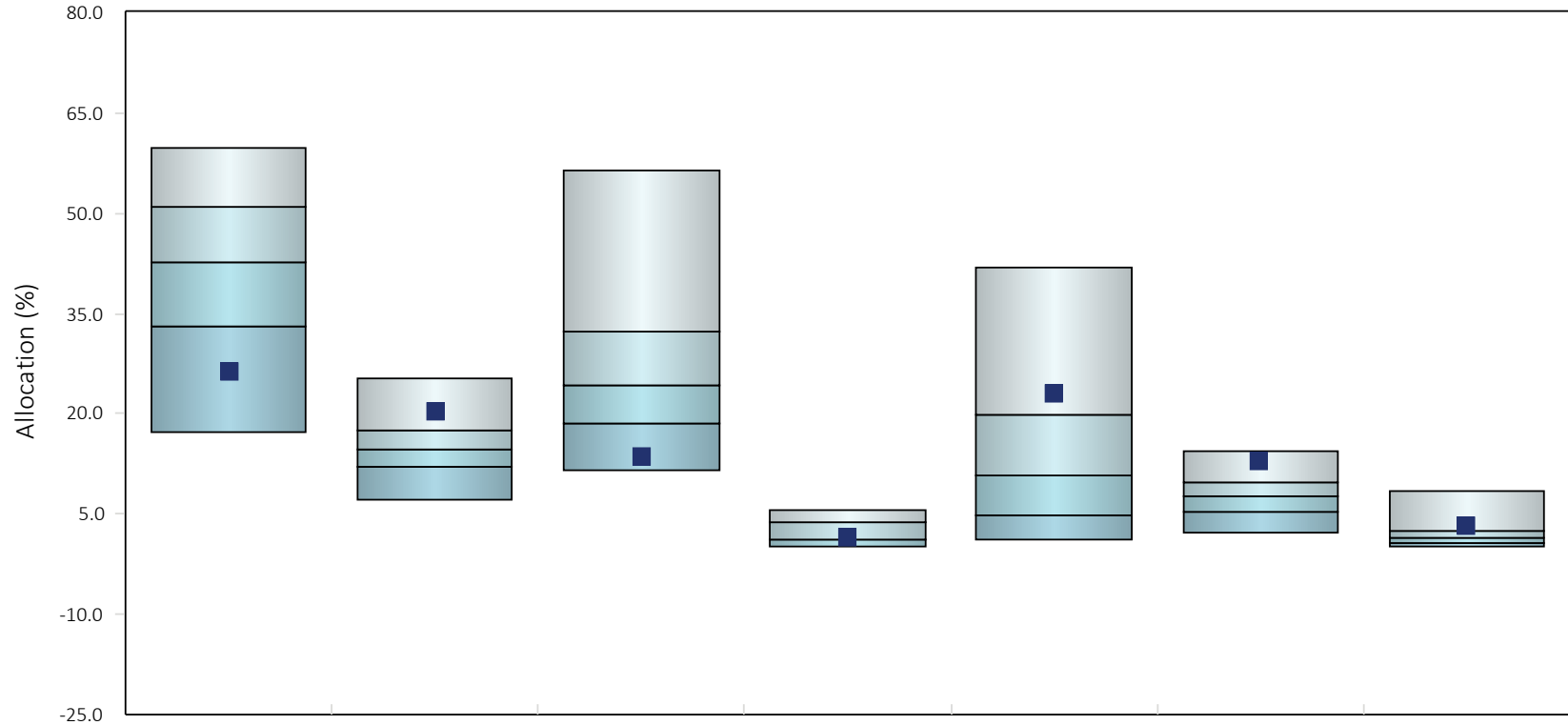
Periods Ended December 31, 2021

	Allocation		Performance (%) net of fees								
	Market Value \$000	%	1 Quarter	FYTD	1 Year	3 Years	5 Years	10 Years	20 Years	Since Inception	Inception Date
Global Private Credit	632,701	3.38	2.45	4.78	14.30					14.91	7/1/2020
Global Private Credit Benchmark			1.15	2.30	4.67					4.69	
Value Added			1.30	2.48	9.63					10.22	
Global Fixed Income	2,564,625	13.71	-0.21	-0.14	-0.86	6.28	4.58	4.06	5.20	5.95	10/1/1994
Blmbg. U.S. Aggregate			0.01	0.06	-1.55	4.79	3.57	2.90	4.33	5.33	
Value Added			-0.22	-0.20	0.69	1.49	1.01	1.16	0.87	0.62	
Cash Equivalents	596,265	3.19	1.31	3.83	6.11	2.72	1.74	1.40		1.85	7/1/2002
90 Day US Treasury Bill			0.01	0.03	0.05	0.99	1.14	0.61		1.24	
Value Added			1.30	3.80	6.06	1.73	0.60	0.79		0.61	
Global Real Assets	3,147,515	16.82	6.78	11.49	17.24	9.43	9.52	10.59	6.90	7.70	10/1/1994
Real Assets Benchmark			5.23	9.01	12.15	6.72	6.84	8.99	8.66	9.34	
Value Added			1.55	2.48	5.09	2.71	2.68	1.60	-1.76	-1.64	
Opportunistic & Tactical	923,299	4.93	3.69	6.77	22.04	9.13	9.41			7.74	6/1/2013
Opportunistic Benchmark			0.51	1.06	0.42	5.37	5.63			5.99	
Value Added			3.18	5.71	21.62	3.76	3.78			1.75	

Plan Sponsor TF Asset Allocation

Total Fund vs All Public Plans-Total Fund

Periods Ended December 31, 2021



	US Equity	Global ex-US Equity	US Fixed	Global ex-US Fixed	Alternatives	Total Real Estate	Cash & Equivalents
■ Total Fund	26.36	20.26	13.29	0.42	24.38	12.06	3.19
5th Percentile	59.65	25.27	56.40	5.47	41.98	14.50	8.32
1st Quartile	50.99	17.49	32.40	3.88	19.77	9.84	2.57
Median	42.54	14.55	24.30	1.31	10.79	7.79	1.35
3rd Quartile	32.98	11.97	18.57	0.17	4.89	5.40	0.65
95th Percentile	17.32	7.10	11.53	0.03	1.18	2.11	0.08

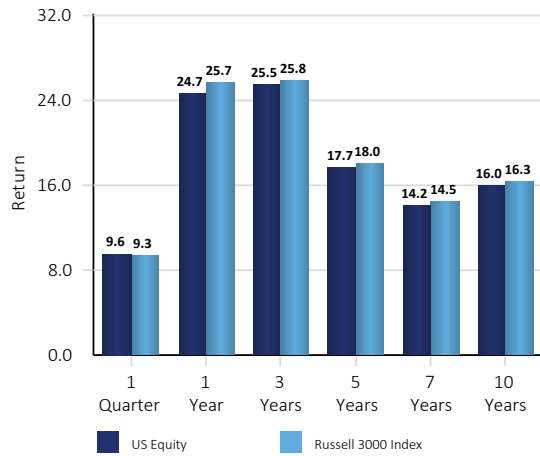
U.S. Equity

Performance Summary

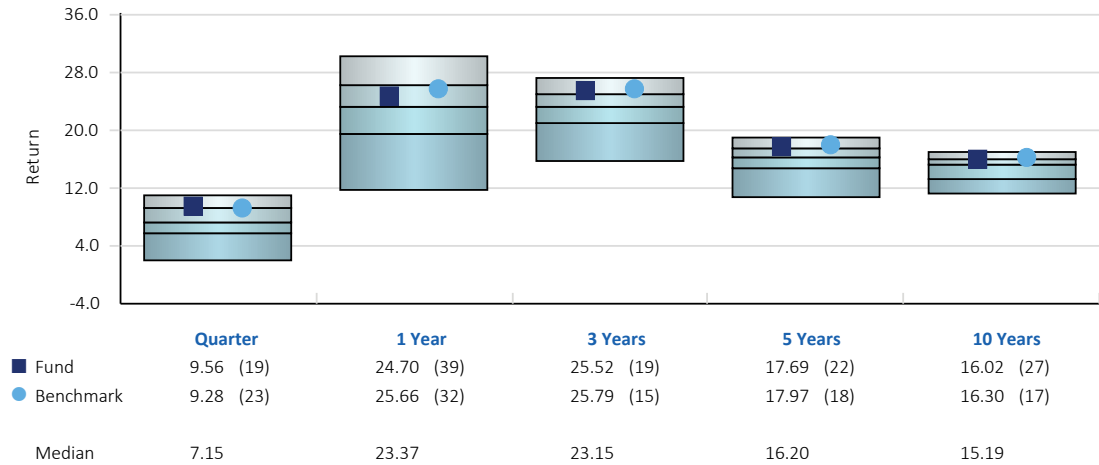
US Equity

Periods Ended December 31, 2021

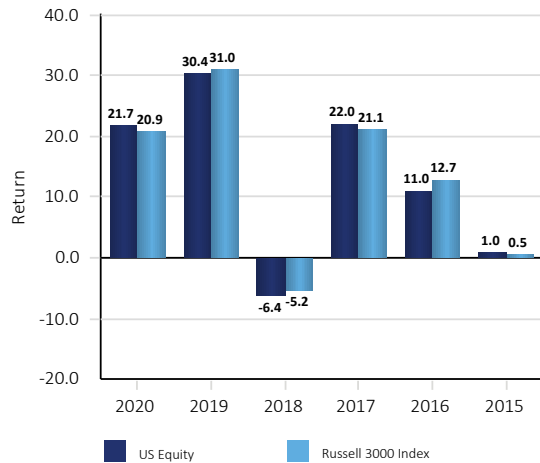
Comparative Performance



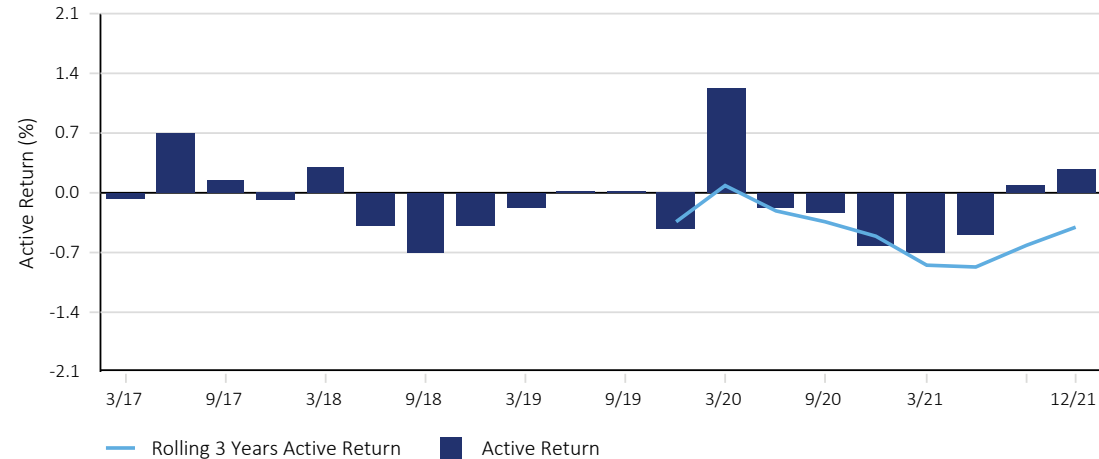
Peer Group Analysis: All Master Trust-US Equity Segment



Comparative Performance



Rolling 3 Years Performance



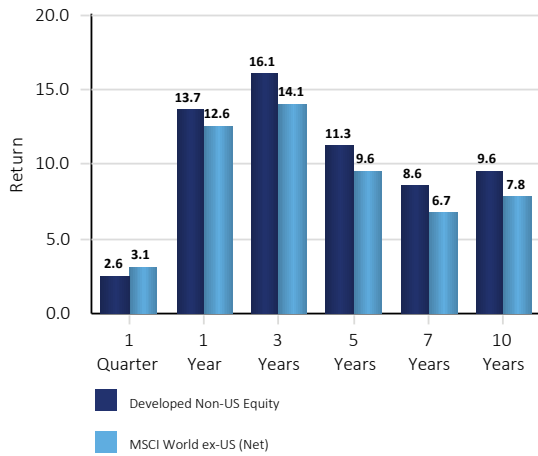
Developed Non-U.S. Equity

Performance Summary

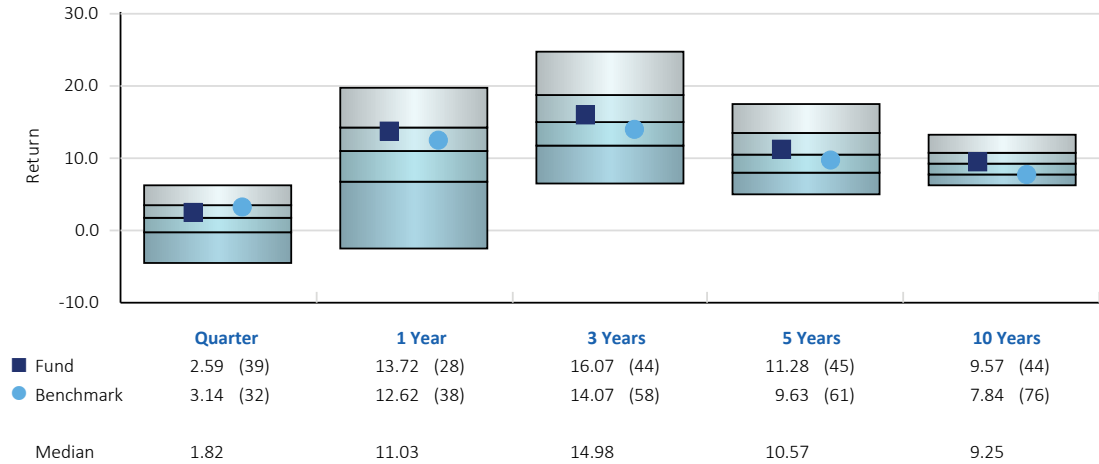
Developed Non-US Equity

Periods Ended December 31, 2021

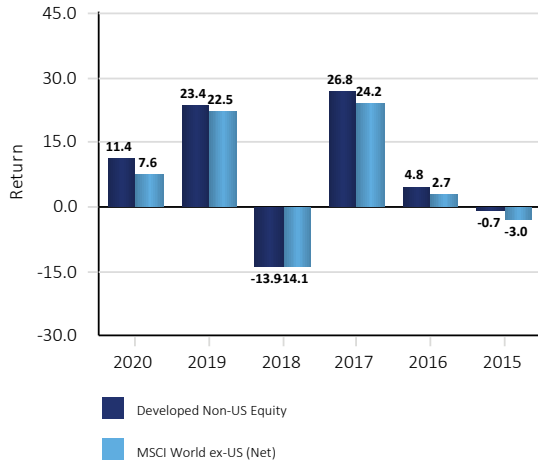
Comparative Performance



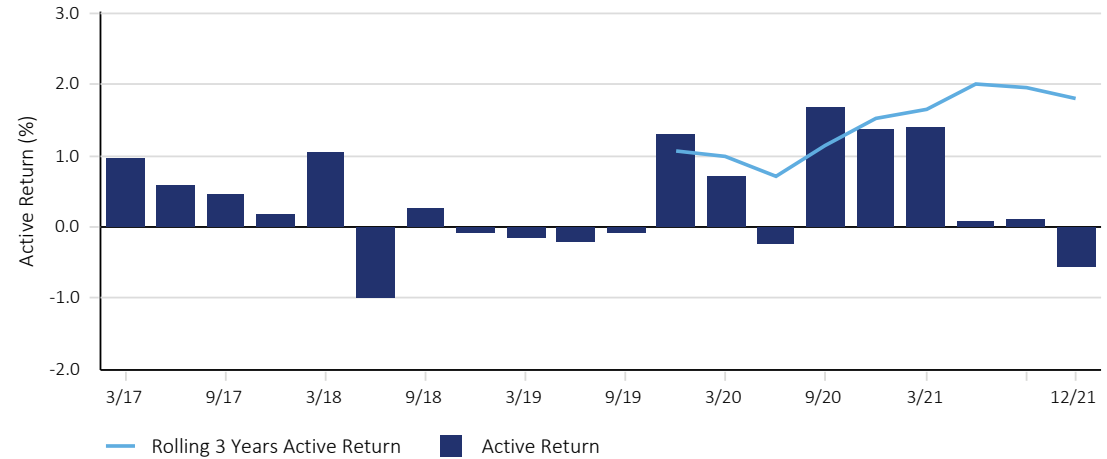
Peer Group Analysis: IM International Equity Developed Markets (SA+CF)



Comparative Performance



Rolling 3 Years Performance



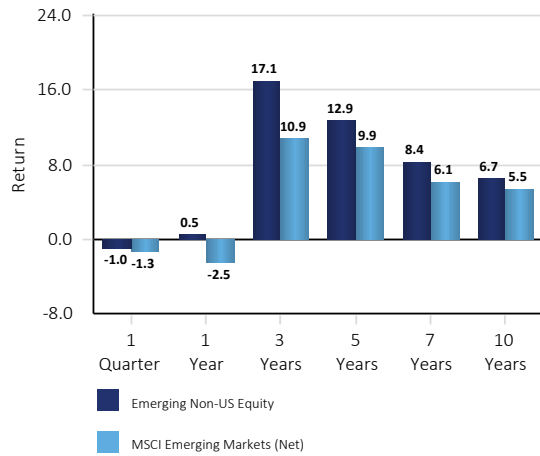
Emerging Markets Equity

Performance Summary

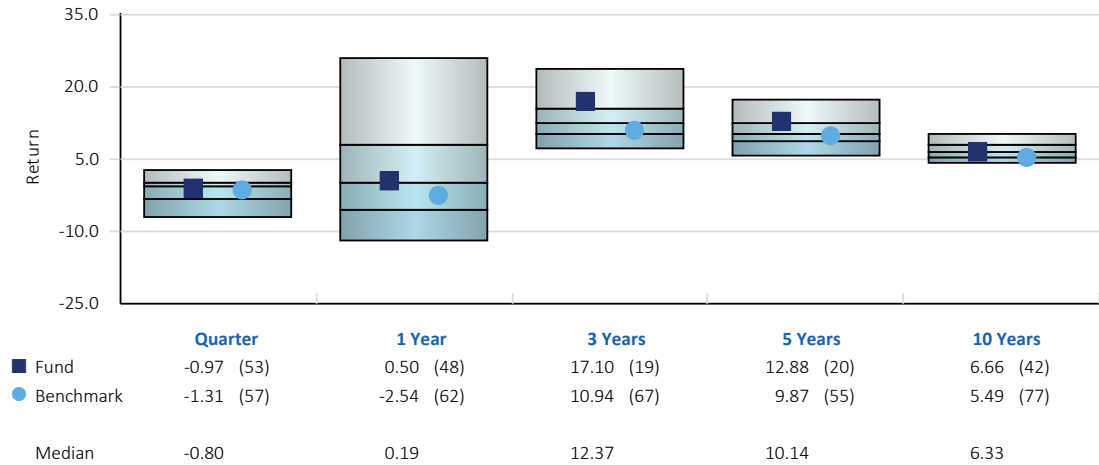
Emerging Non-US Equity

Periods Ended December 31, 2021

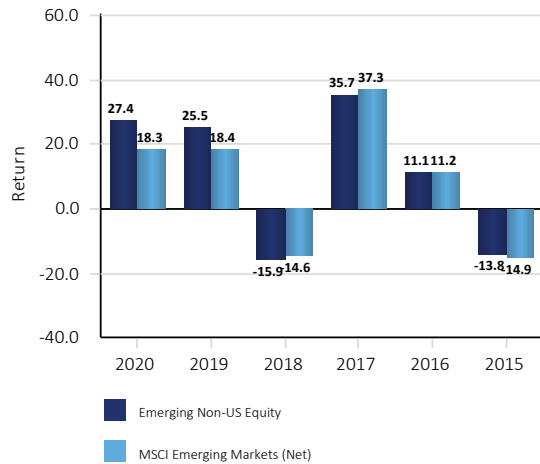
Comparative Performance



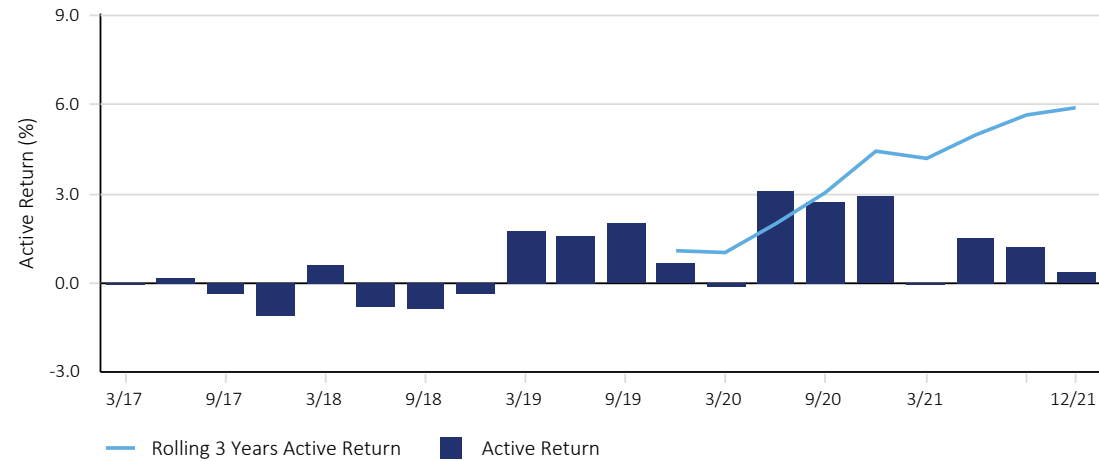
Peer Group Analysis: IM Emerging Markets Equity (SA+CF)



Comparative Performance



Rolling 3 Years Performance



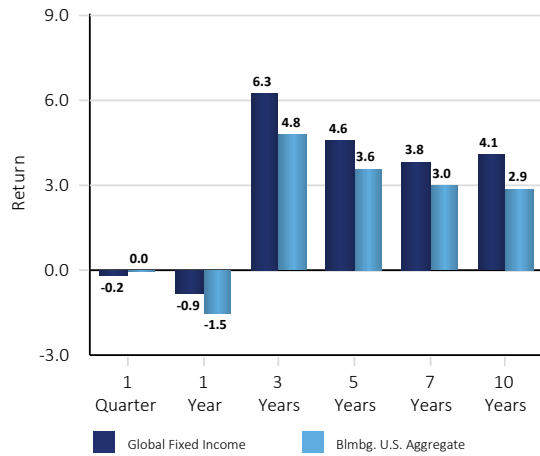
Global Fixed Income

Performance Summary

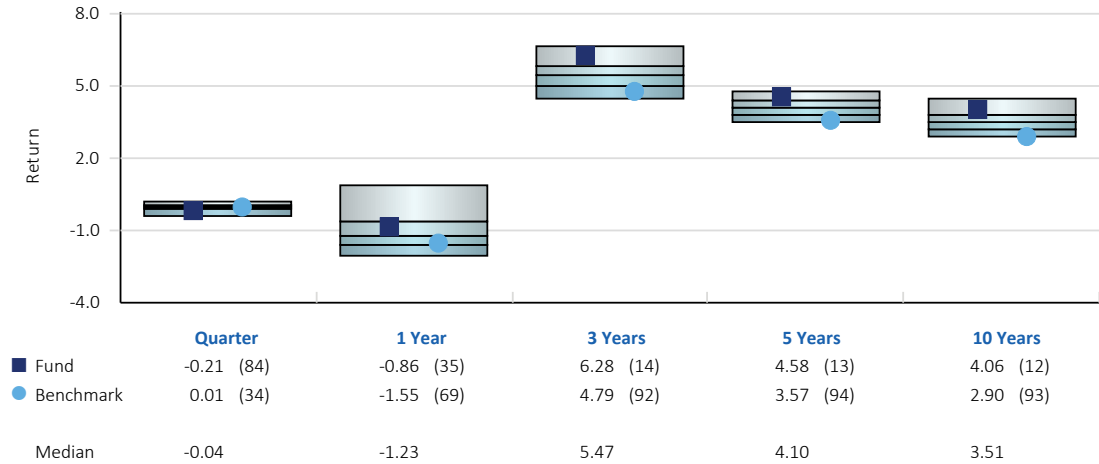
Global Fixed Income

Periods Ended December 31, 2021

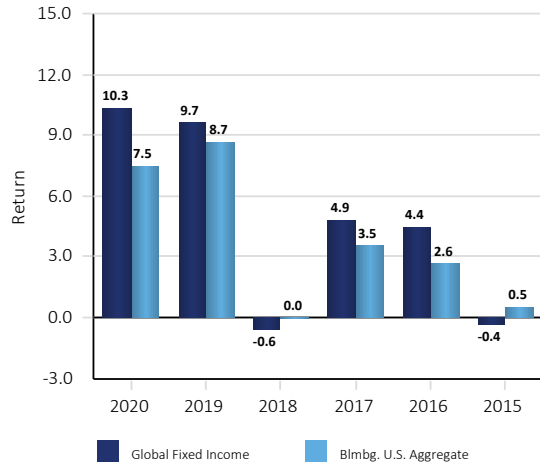
Comparative Performance



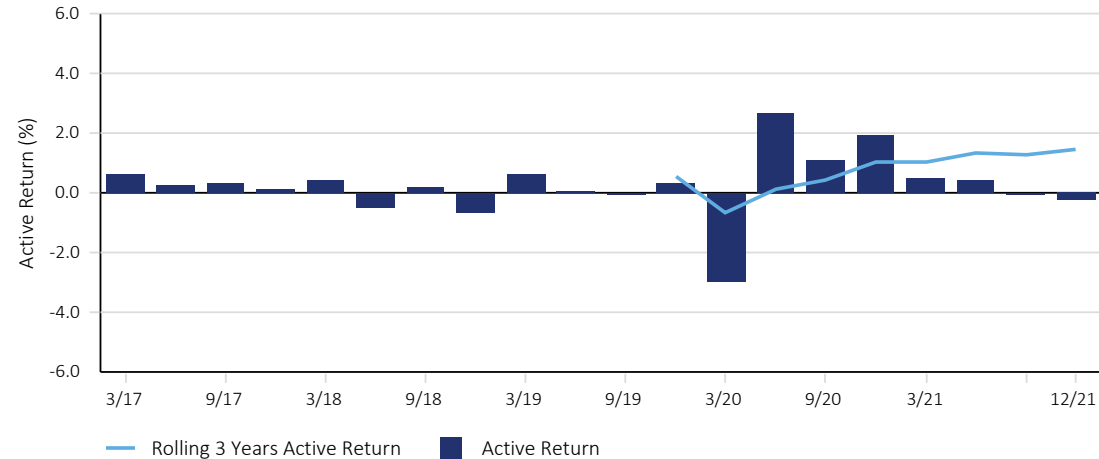
Peer Group Analysis: IM U.S. Broad Market Core Fixed Income (SA+CF)



Comparative Performance



Rolling 3 Years Performance



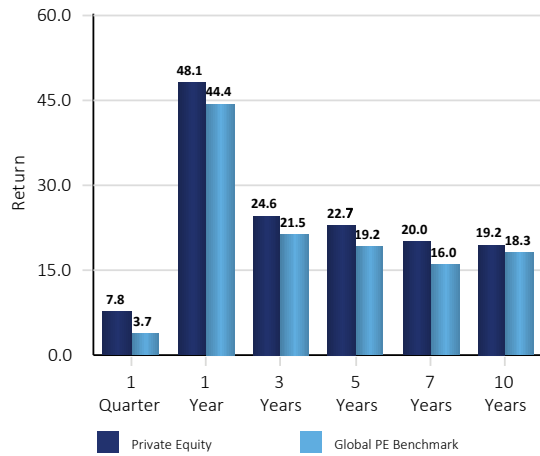
Global Private Equity

Performance Summary

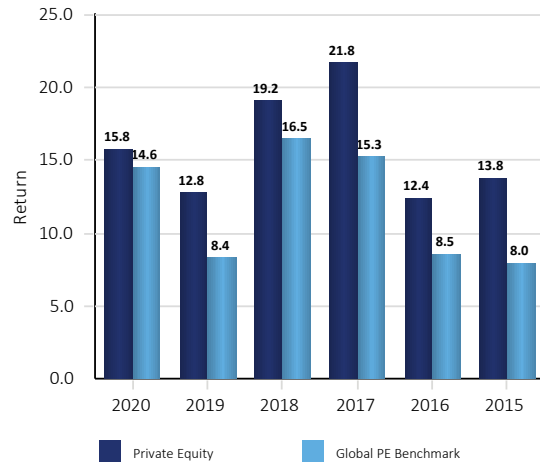
Global Private Equity

Periods Ended December 31, 2021

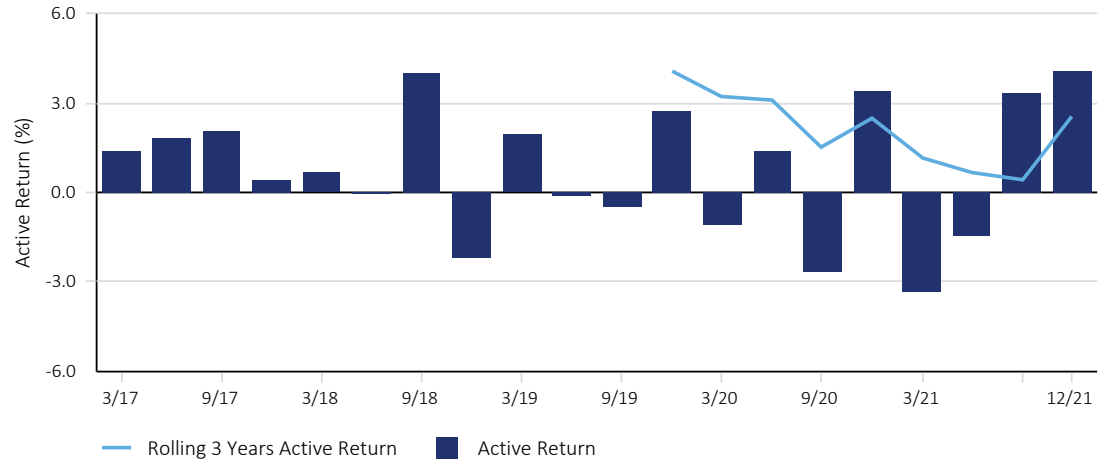
Comparative Performance



Comparative Performance



Rolling 3 Years Performance



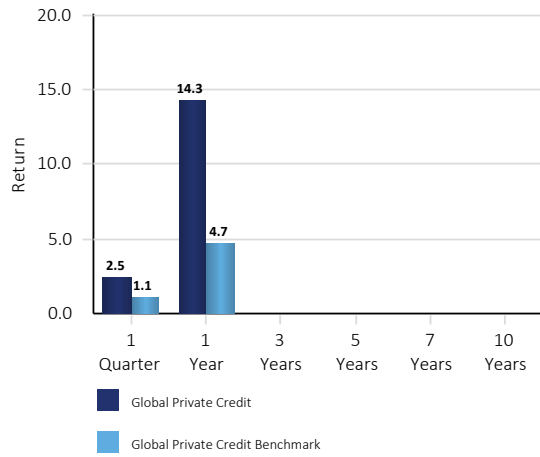
Global Private Credit

Performance Summary

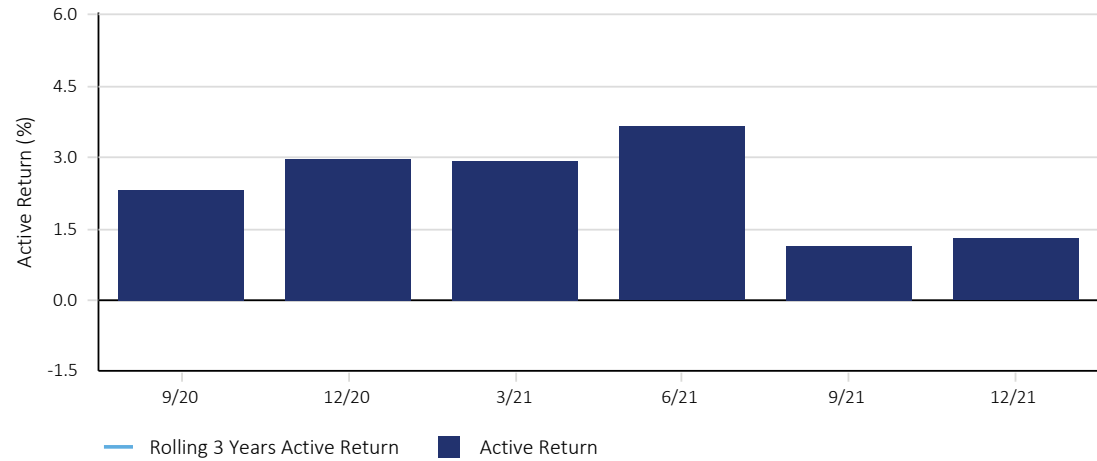
Global Private Credit

Periods Ended December 31, 2021

Comparative Performance



Rolling 3 Years Performance



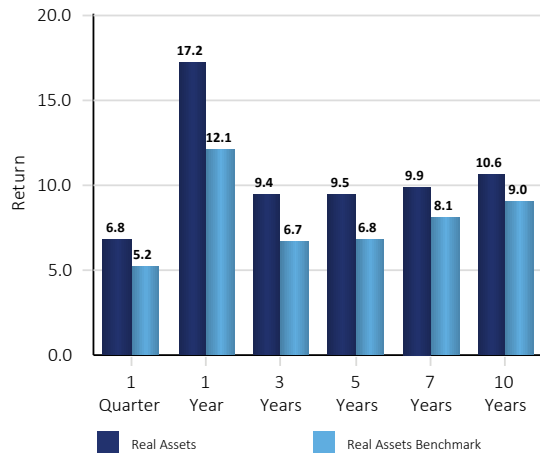
Global Real Assets

Performance Summary

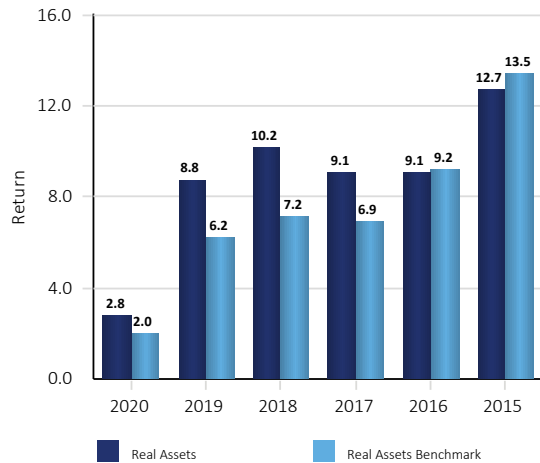
Global Real Assets

Periods Ended December 31, 2021

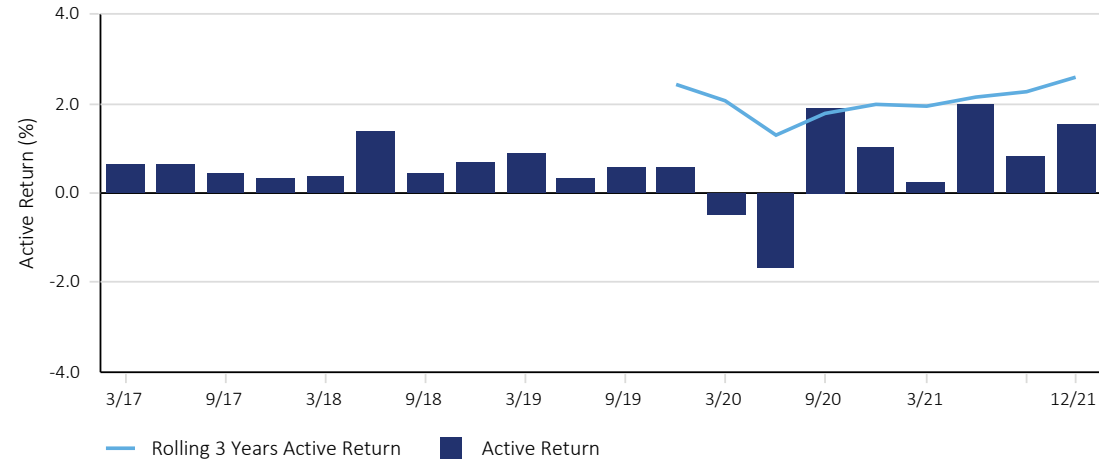
Comparative Performance



Comparative Performance



Rolling 3 Years Performance



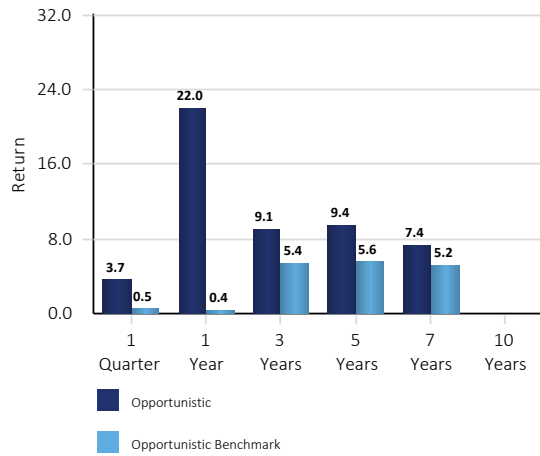
Opportunistic & Tactical

Performance Summary

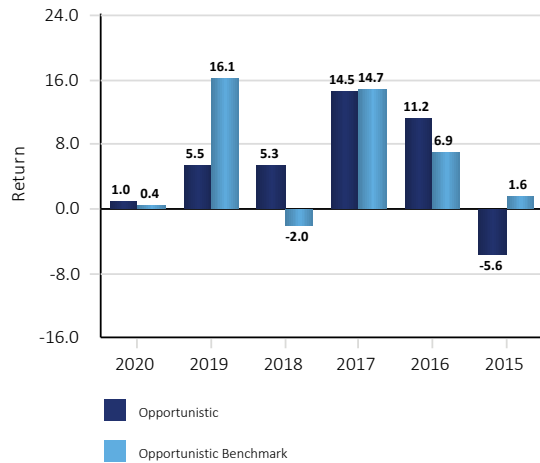
Opportunistic & Tactical

Periods Ended December 31, 2021

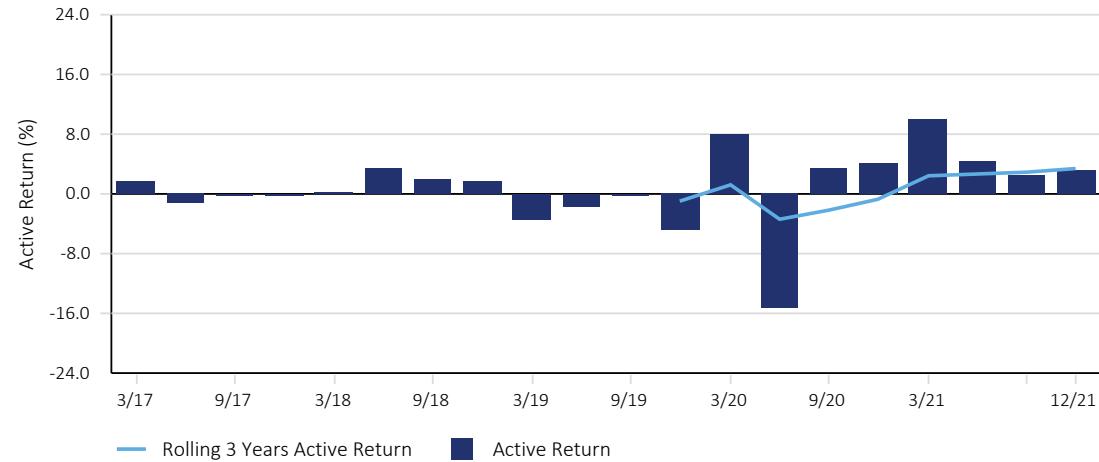
Comparative Performance



Comparative Performance



Rolling 3 Years Performance





Ohio SERS Investment Report

Quarterly Report to the Board

For the period ending: December 31, 2021

Prepared by Investment and IAD Staff

Farouki Majeed, Chief Investment Officer

Meeting Date: February 2022



Investment Agenda

- Annual Portfolio Review – Real Assets
- Wilshire Quarterly Investment Report (December 31, 2021)
- Quarterly Investment Report (December 31, 2021)
- Amendments to the Statement of Investment Policy (possible vote)



Economic and Financial Market Outlook

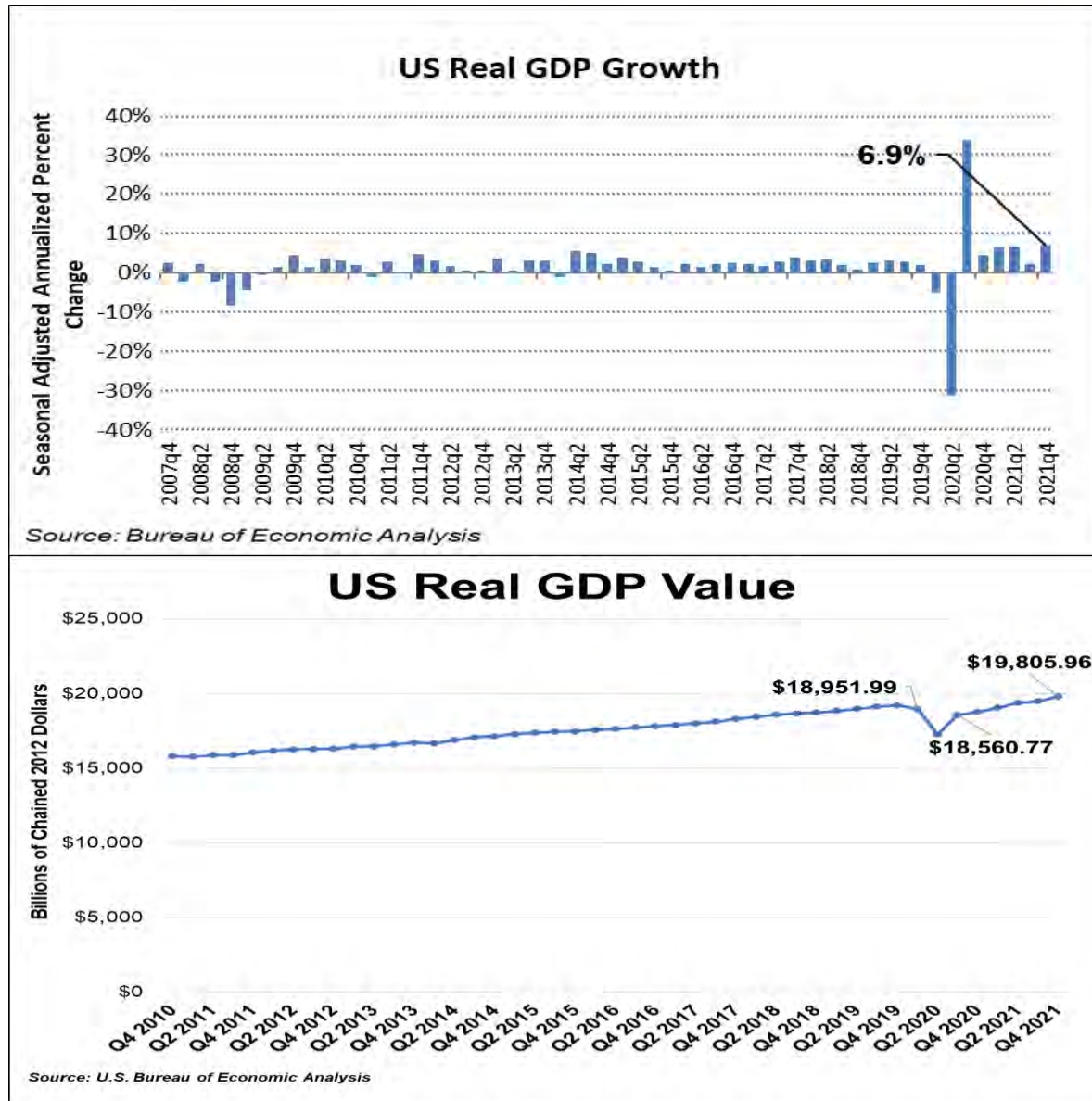
- US GDP accelerated in Q4 2021 at a 6.9% annualized rate. The growth rate for the year 2021 is estimated at 5.7%. Blue Chip Consensus forecasted a weaker growth in Q1 2022, at 3.3%. *(Source: Bureau of Economic Analysis and Blue Chip Economic Indicators)*
- US labor market added 199,000 jobs in December. The labor market remains tight as the unemployment rate was down to 3.9% and the labor force participation rate remained significantly below the pre-pandemic level at 61.9%. *(Sources: Bureau of Labor Statistics and Department of Labor)*
- The US headline inflation rate increased to 7.0% in December, the highest level since June 1982. Core inflation, excluding Food and Energy, was 5.5%, the largest increase since February 1991. The energy index increased 29.3% while the food index was up 6.3% for the last 12 months. Blue Chip Consensus projected the headline inflation to stay above 6.5% in Q1 2022. *(Source: Bureau of Labor Statistics and Blue Chip Economic Indicators)*
- The 10-year Treasury nominal yield was 1.52% in December. The 10-year real yield remained in a deep negative level of (5.48%). The Fed planned to end its monetary easing and start raising interest rates in March to contain inflation.
- The house price continued to rise with a gain of 1.2% for the month of November. The annual increase of the S&P Case-Shiller 20-City home price index was 18.3%, slightly lower than the previous month.
- The Consumer Sentiment Index released by Thomson Reuters and University of Michigan was 70.6, significantly below the historical average. The US Economic Surprise index improved to a modest positive level of 19.5. The Leading Economic Index (LEI) issued by the Conference Board continued its upward trend, reaching 120.8 in December.
- The US manufacturing PMI remained solid at 58.7 while the global reading stayed at a moderate level of 54.2 in December. The global economic recovery continued, although challenged by worldwide supply disruptions, material and labor shortages, and a new Covid-19 wave. *(Source: Institute for Supply Management, Markit).*
- Equity markets were up in December led by non-US developed with a gain of 5.08% followed by US at 3.94%, and emerging markets at 1.88%. The market valuation declined from the recent high, although remained relatively rich by major indicators.
- The US fixed income market, Bloomberg Barclay's US Aggregate Bond Index, was down 0.26% for December.

Notes: Acronym – PMI – Purchasing-Managers' Index



ECONOMY

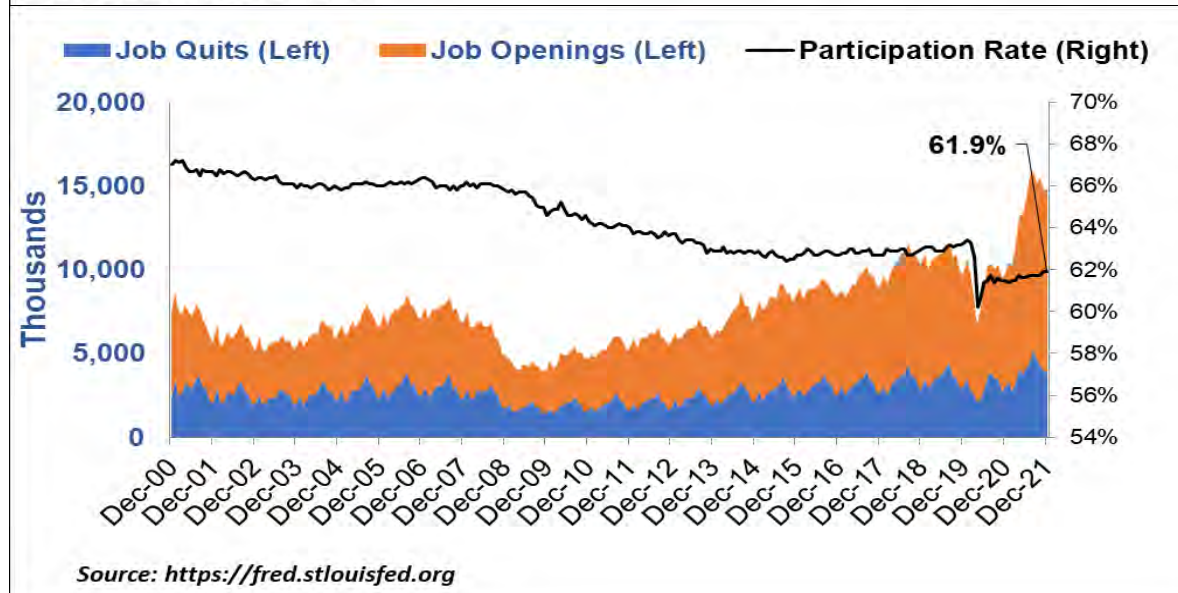
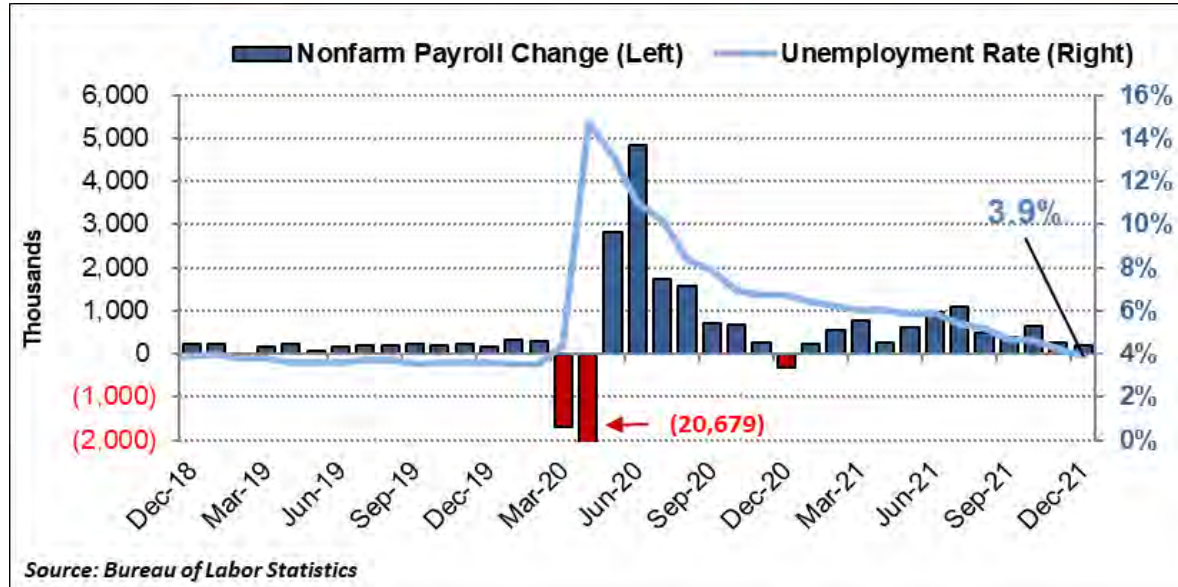
US Real Gross Domestic Product





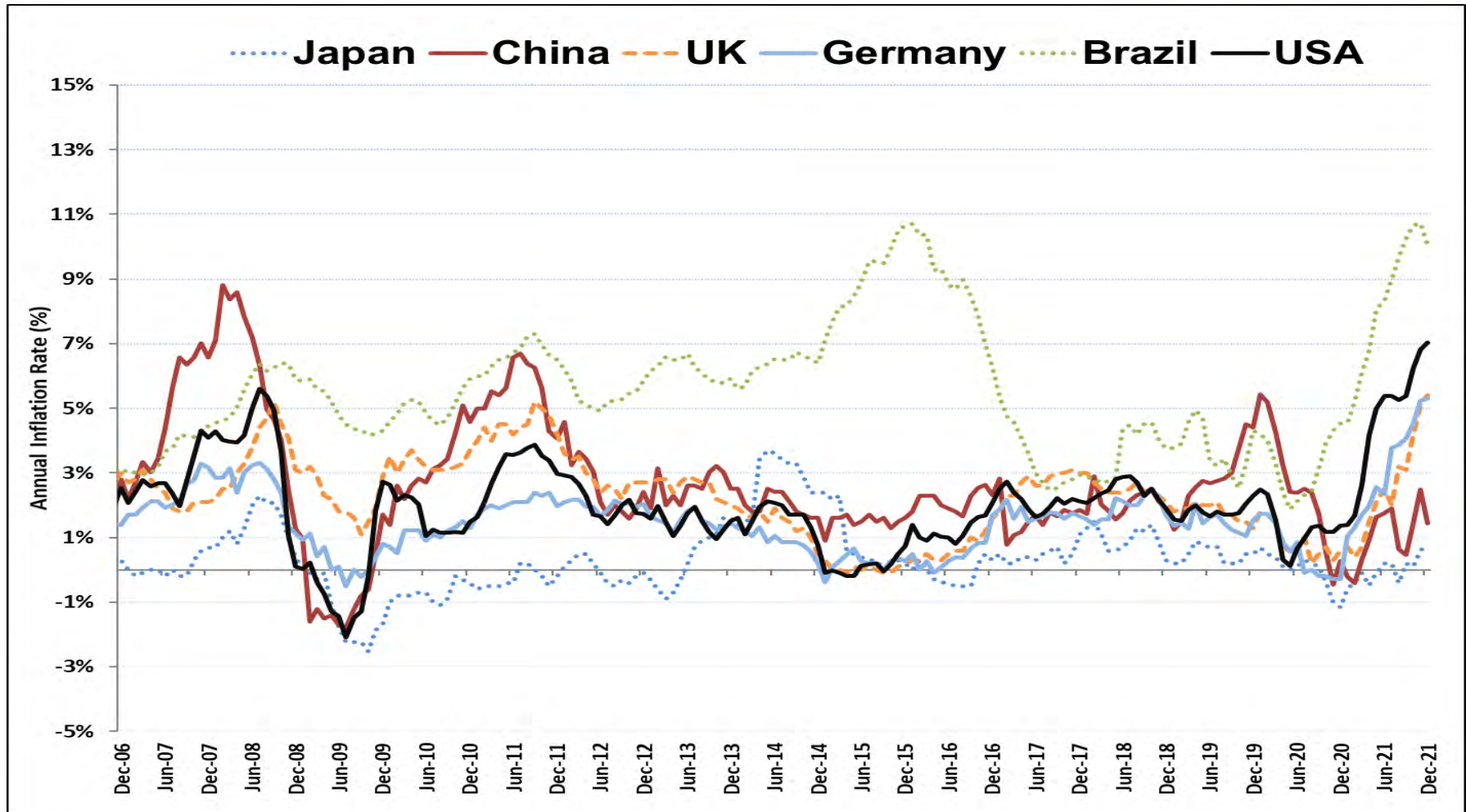
ECONOMY

US Labor Market





ECONOMY Headline Inflation



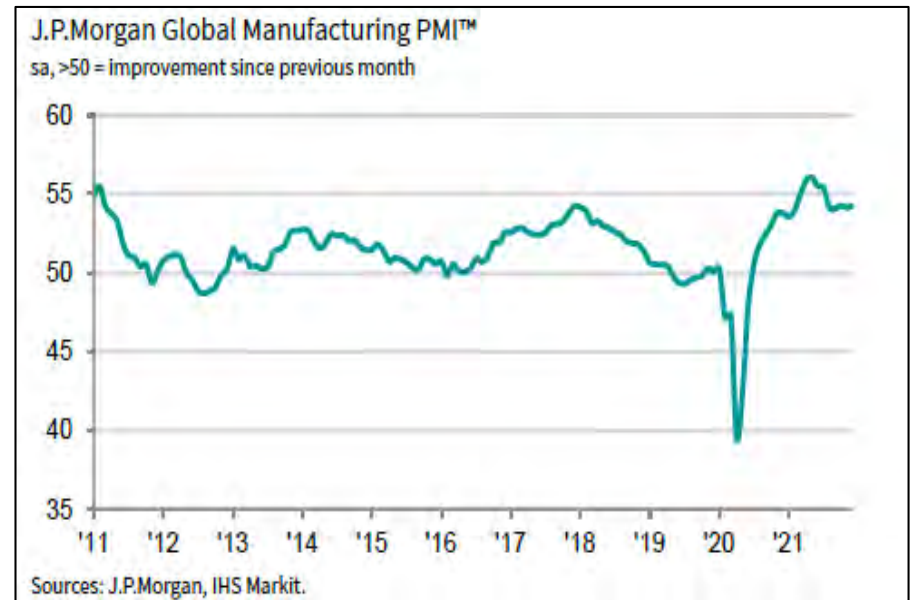
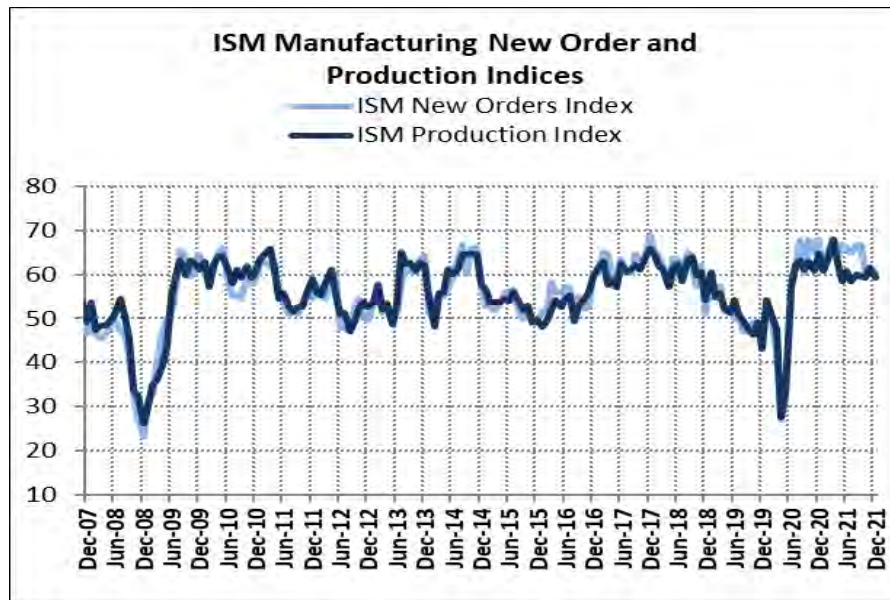
	Japan	China	UK	Germany	Brazil	USA
Dec-21	0.8	1.4	5.4	5.3	10.1	7.0

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



ECONOMY

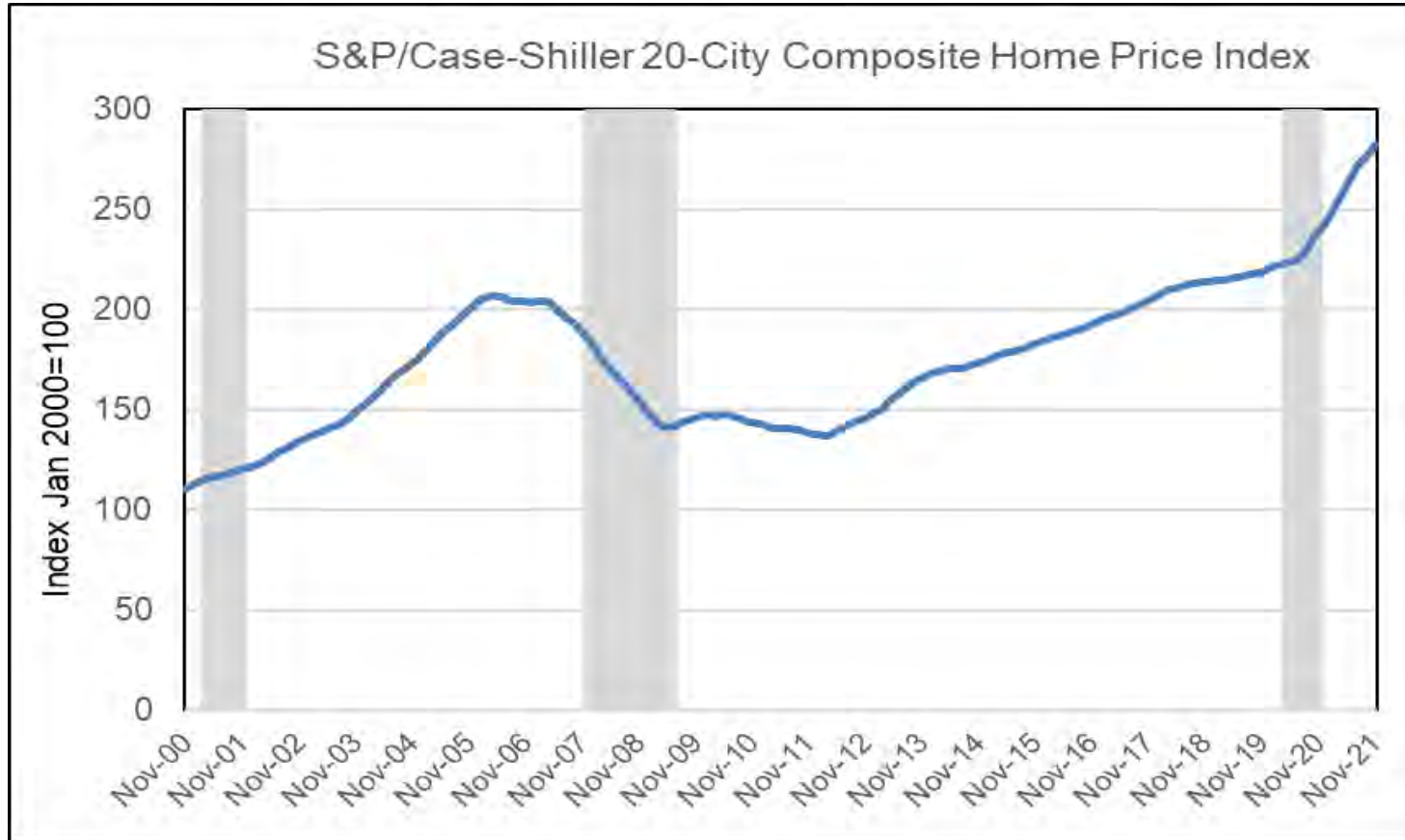
US & Global Manufacturing Activities



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**



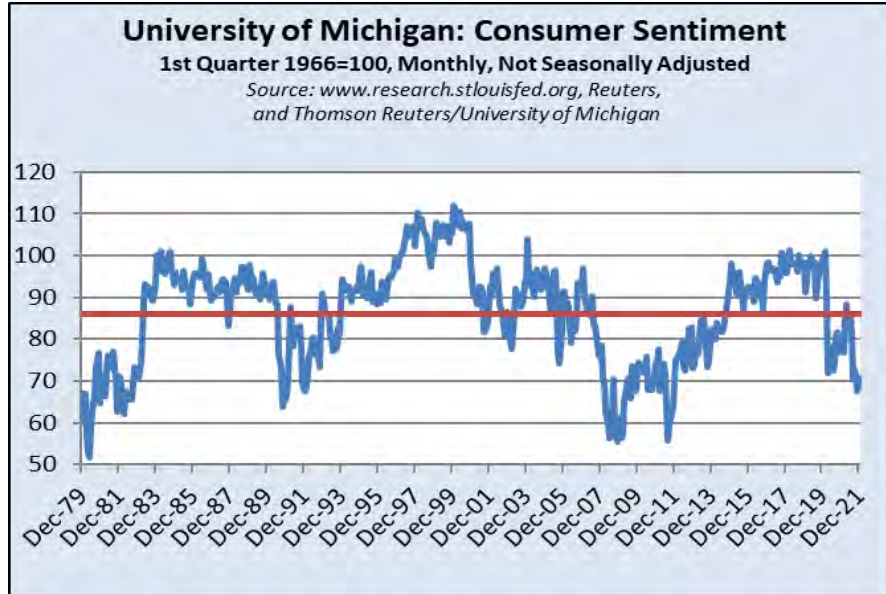
Date	S&P Case-Shiller 20-City Home Price Index January 2000 = 100, Seasonally Adjusted
Jul-17	200.04
Jul-18	212.01
Jul-19	216.09
Jul-20	225.61
Jul-21	270.84
Nov-21	282.54

Source: www.research.stlouisfed.org

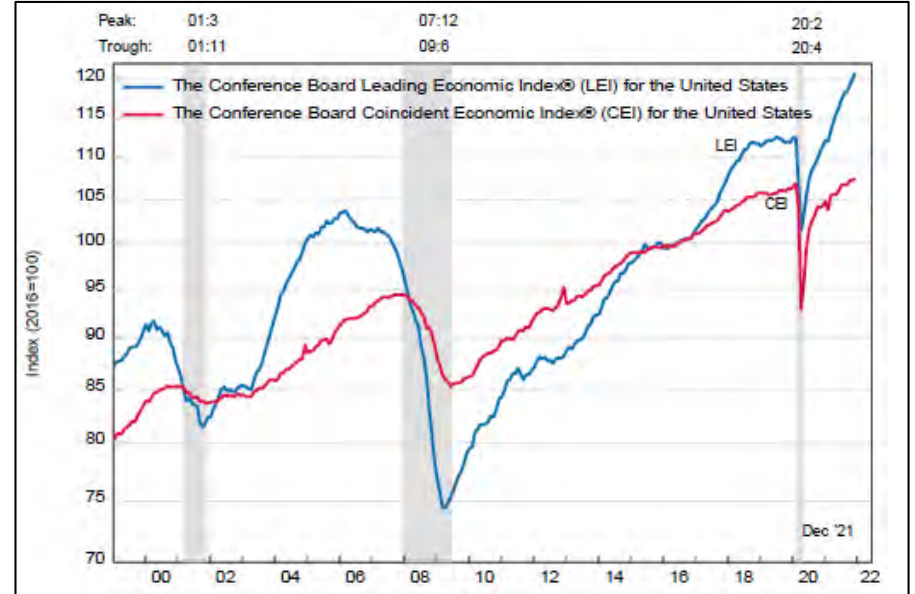


ECONOMY

Consumer Sentiment



The Leading Economic Index (LEI) and Coincident Economic Index (CEI) for the United States



Index of Consumer Sentiment				
Nov-21	Dec-21	Dec-20	M-M Change	Y-Y Change
67.4	70.6	80.7	4.7%	-12.5%

Index	Oct-21	Nov-21	Dec-21	Month -Month Percent Change	6-Month Percent Change (Jun-Dec)
LEI	119.1 r	119.9 r	120.8 p	0.8	4.0
CEI	107.1 r	107.2 r	107.4 p	0.2	1.3

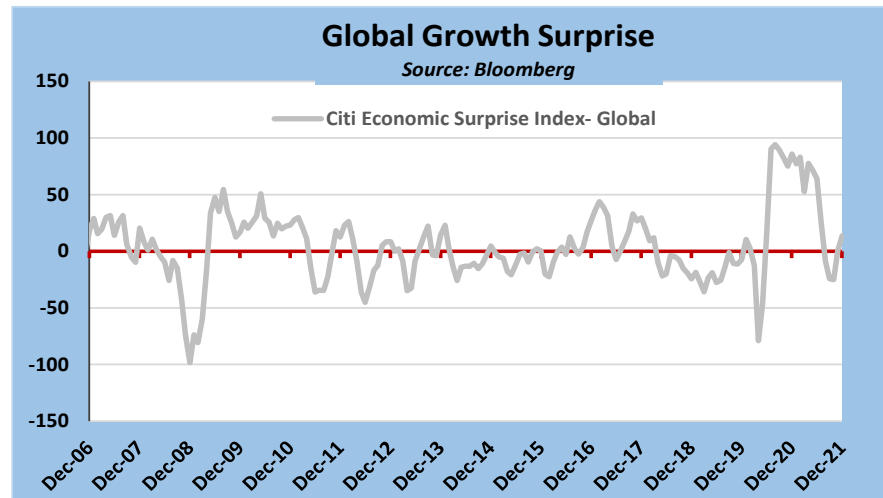
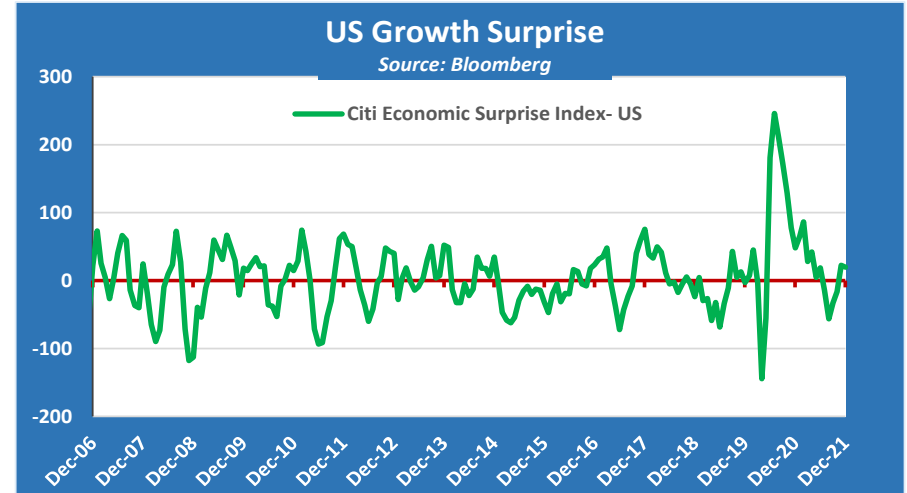
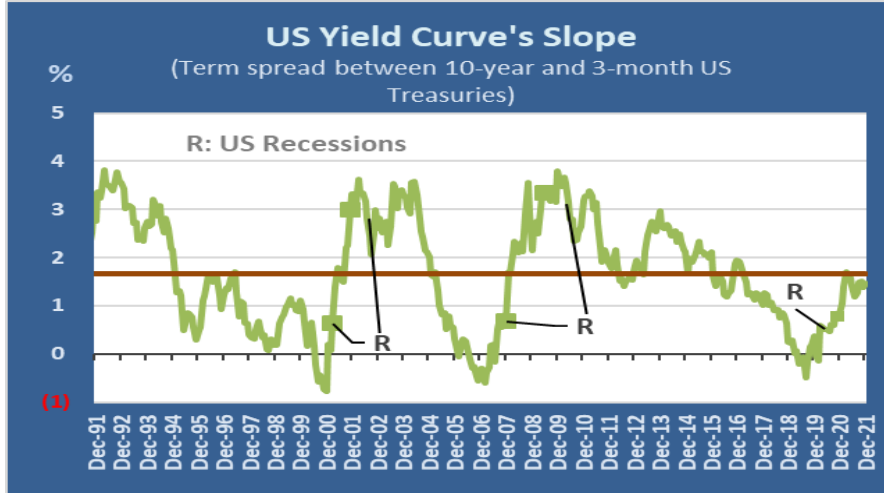
p Preliminary; r Revised; Indexes equal 100 in 2016

Sources: Thomson Reuters / University of Michigan

Sources: The Conference Board and advisorperspectives.com



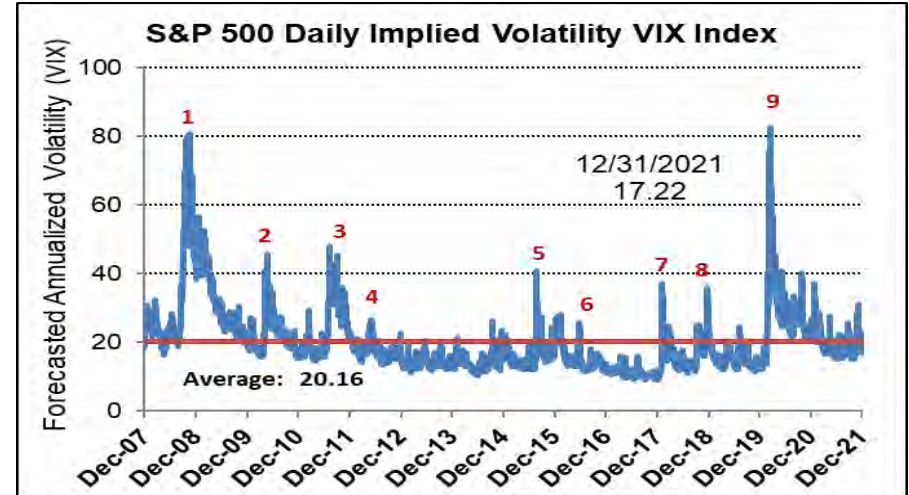
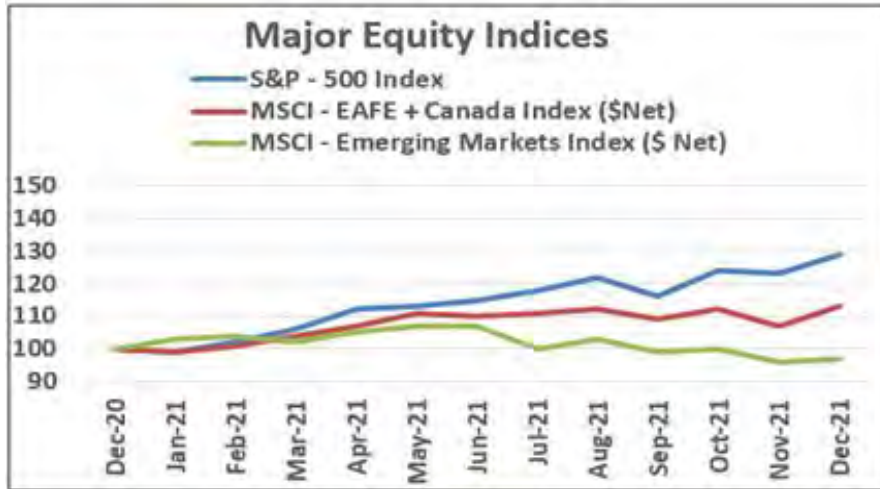
ECONOMY





MARKETS

Equity



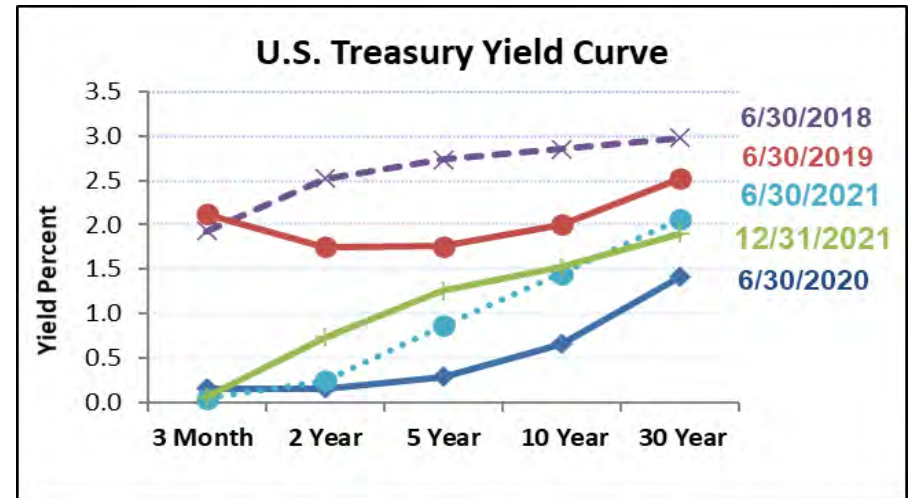
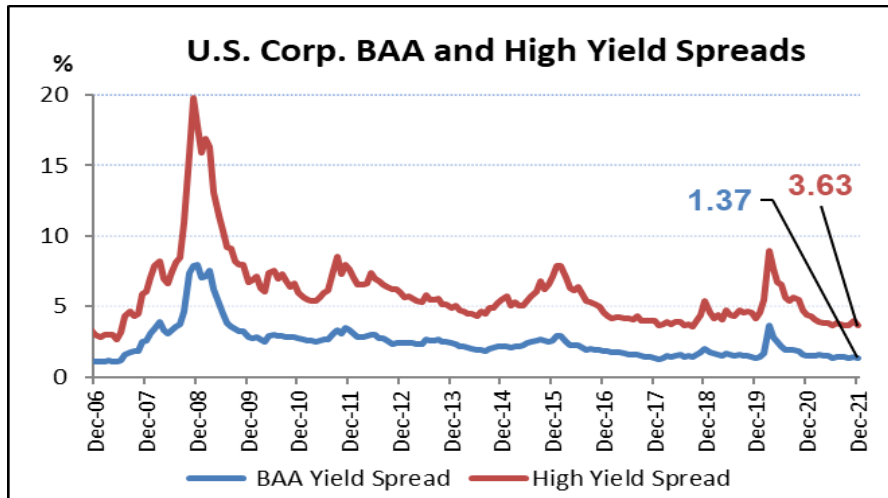
	Return as of 12/31/2021	
	1 Year	FYTD
S&P 500	28.71	11.67
MSCI - EAFE + Canada Index (\$Net)	12.63	2.46
MSCI - Emerging Markets Index (\$Net)	(2.54)	(9.30)

- 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%

Sources: www.research.stlouisfed.org, and Wilshire Compass



MARKETS Fixed Income

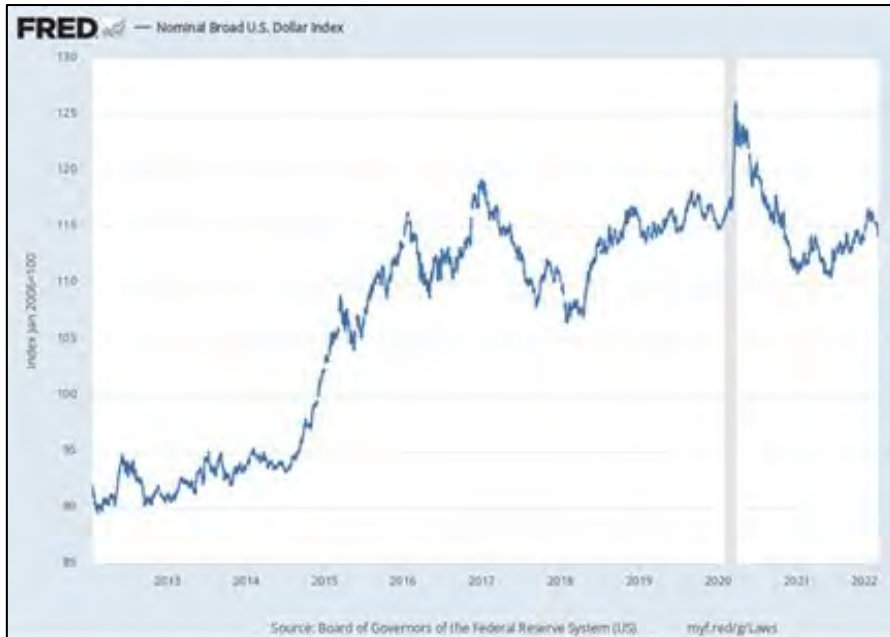


Sources: Wilshire Compass, ThomsonReuters, and Bloomberg



MARKETS

Foreign Exchange



Date	Nominal Broad U.S. Dollar Index January 1997=100
June-17	111.97
June-18	113.27
June-19	114.56
June-20	120.86
June-21	112.85
December-21	115.32

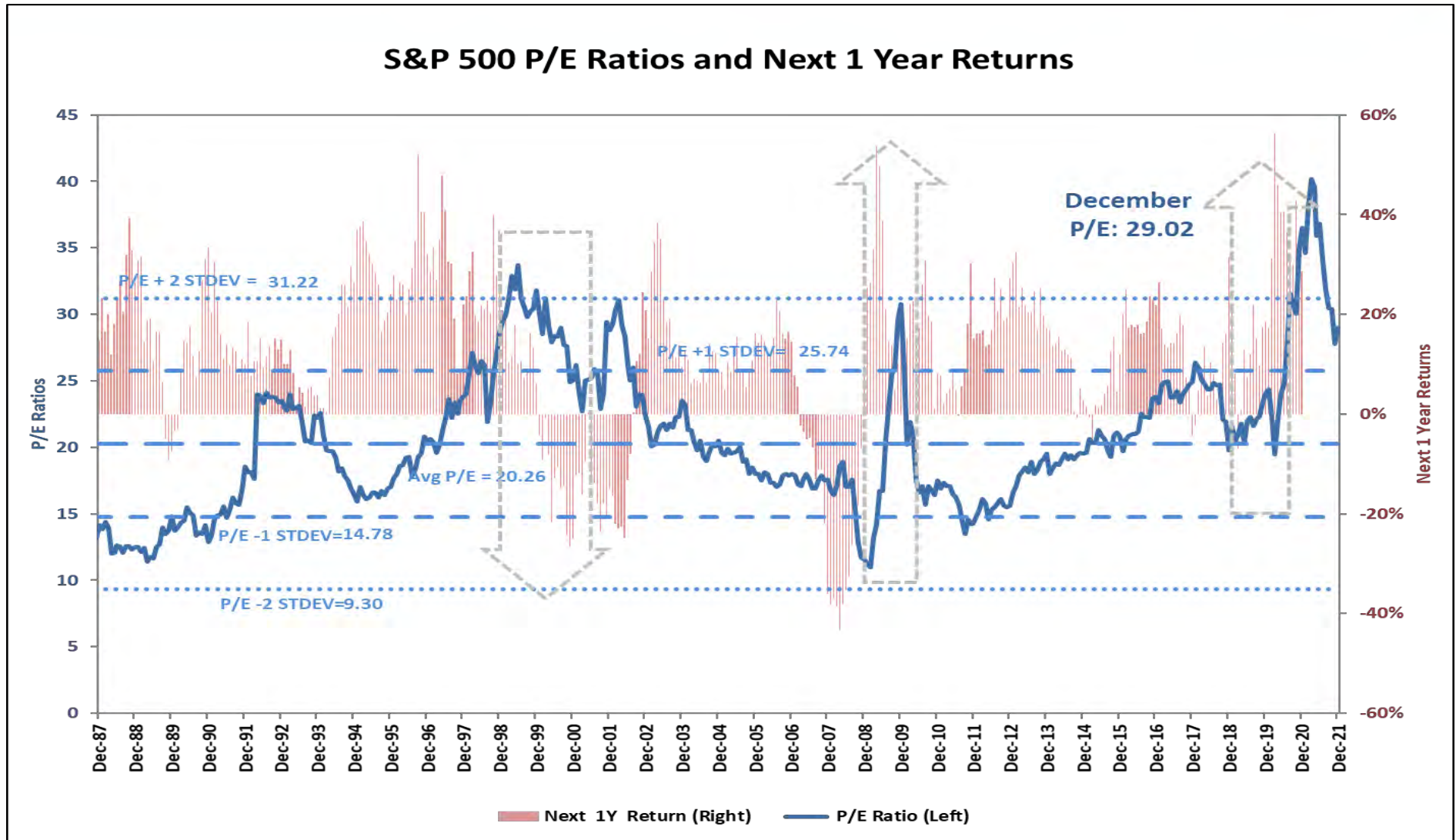
Date	U.S. / Euro Foreign Exchange Rate U.S. Dollars to One Euro
June-17	1.14
June-18	1.17
June-19	1.14
June-20	1.12
June-21	1.18
December-21	1.13

Source: www.research.stlouisfed.org



VALUATION **US Equity**

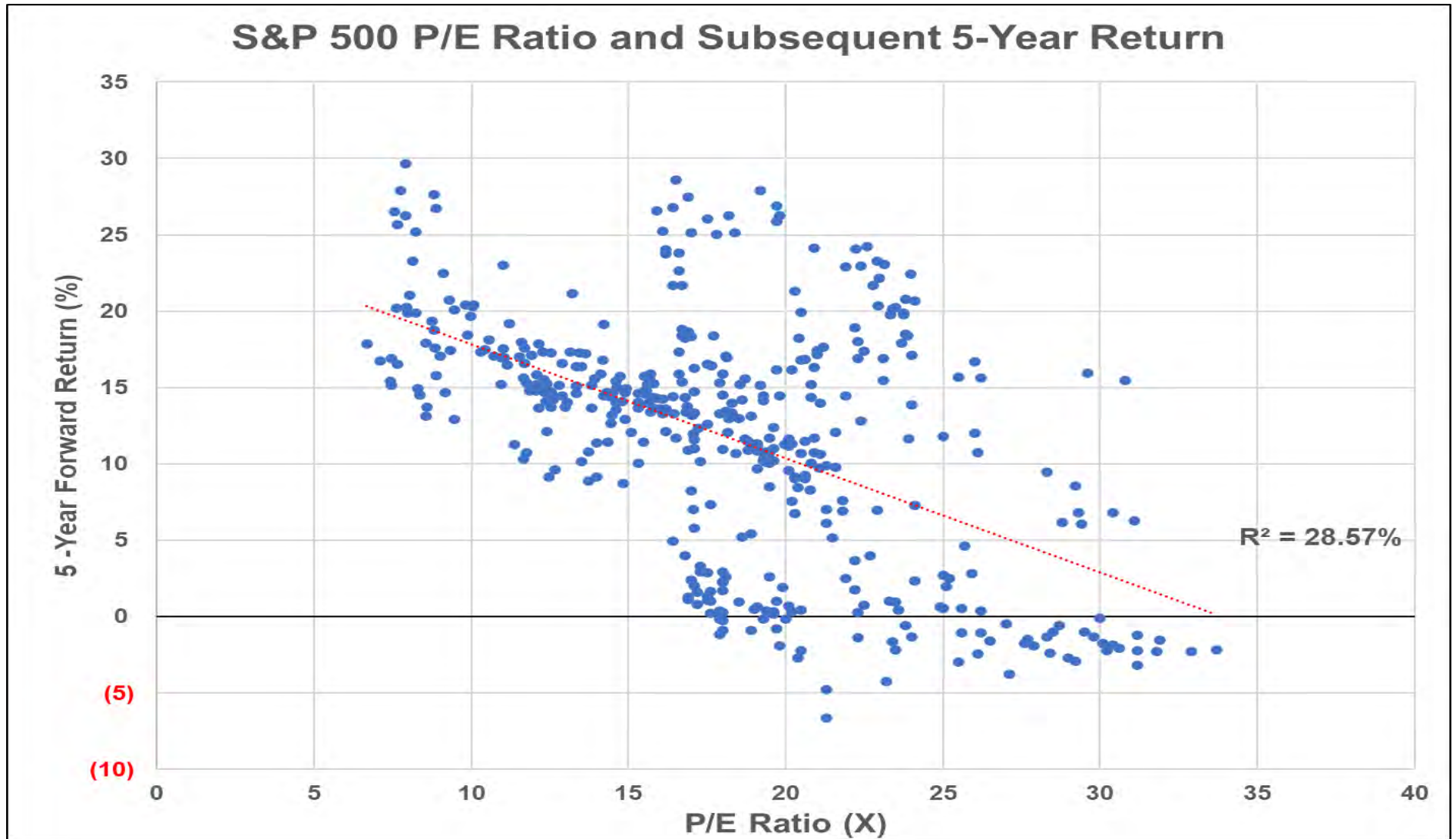
S&P 500 P/E Ratios and Next 1 Year Returns



Source: Wilshire Compass



VALUATION **US Equity**



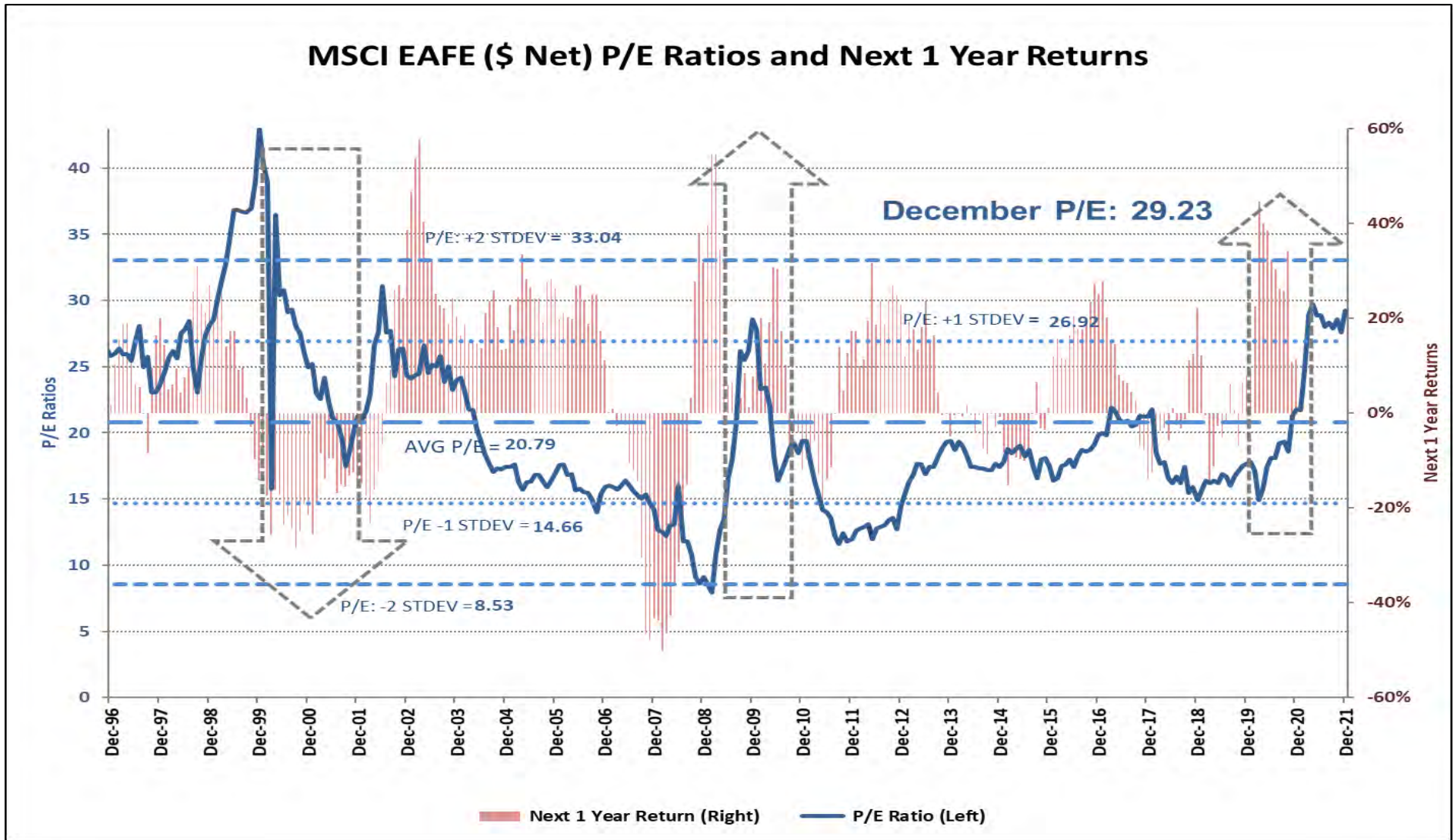
Source: Wilshire Compass



VALUATION

Non US Developed Market Equity

MSCI EAFE (\$ Net) P/E Ratios and Next 1 Year Returns

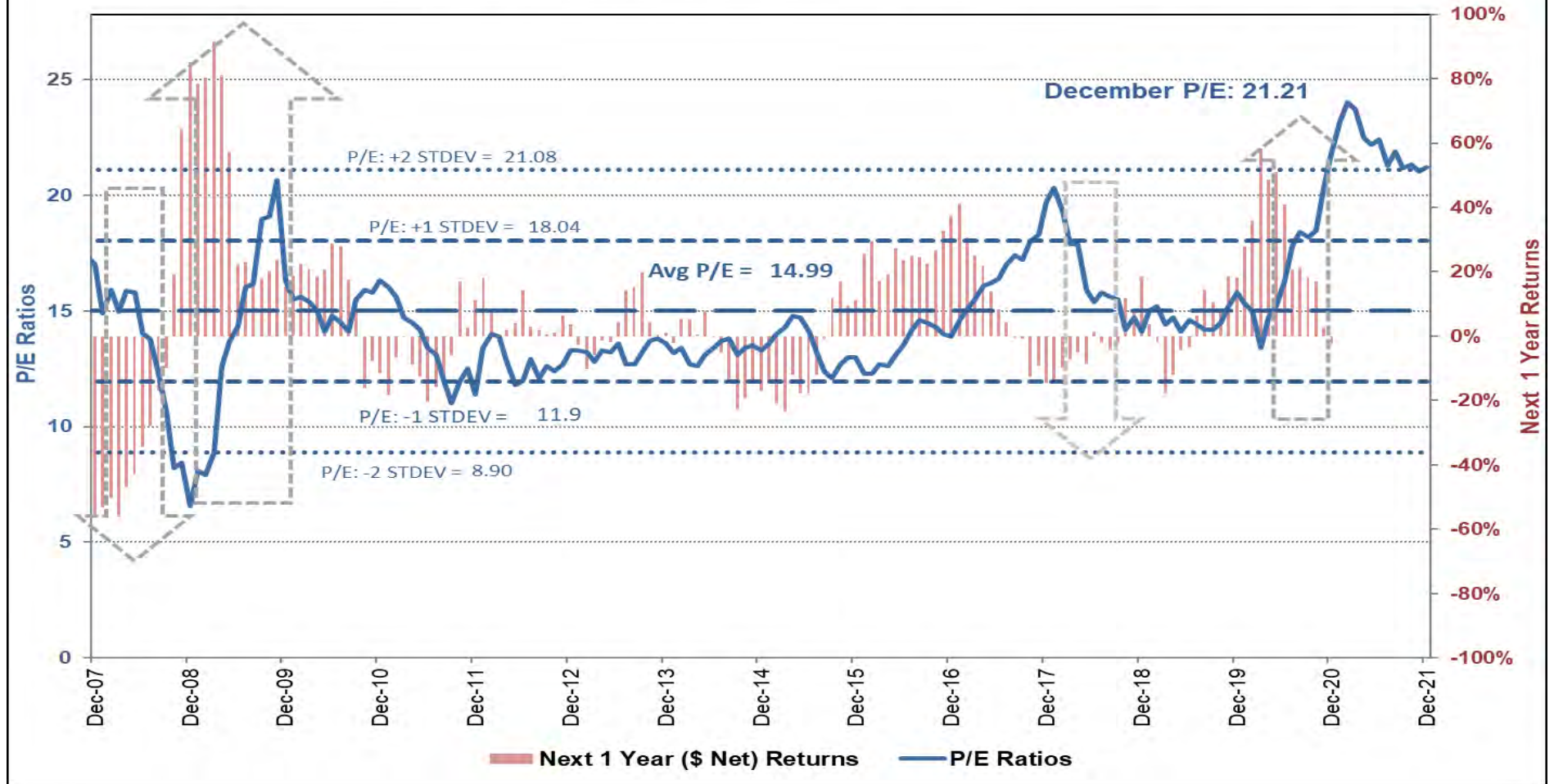


Source: Wilshire Compass



VALUATION Emerging Market Equity

MSCI EM P/E Ratios and Next 1 Year (\$ Net) Returns

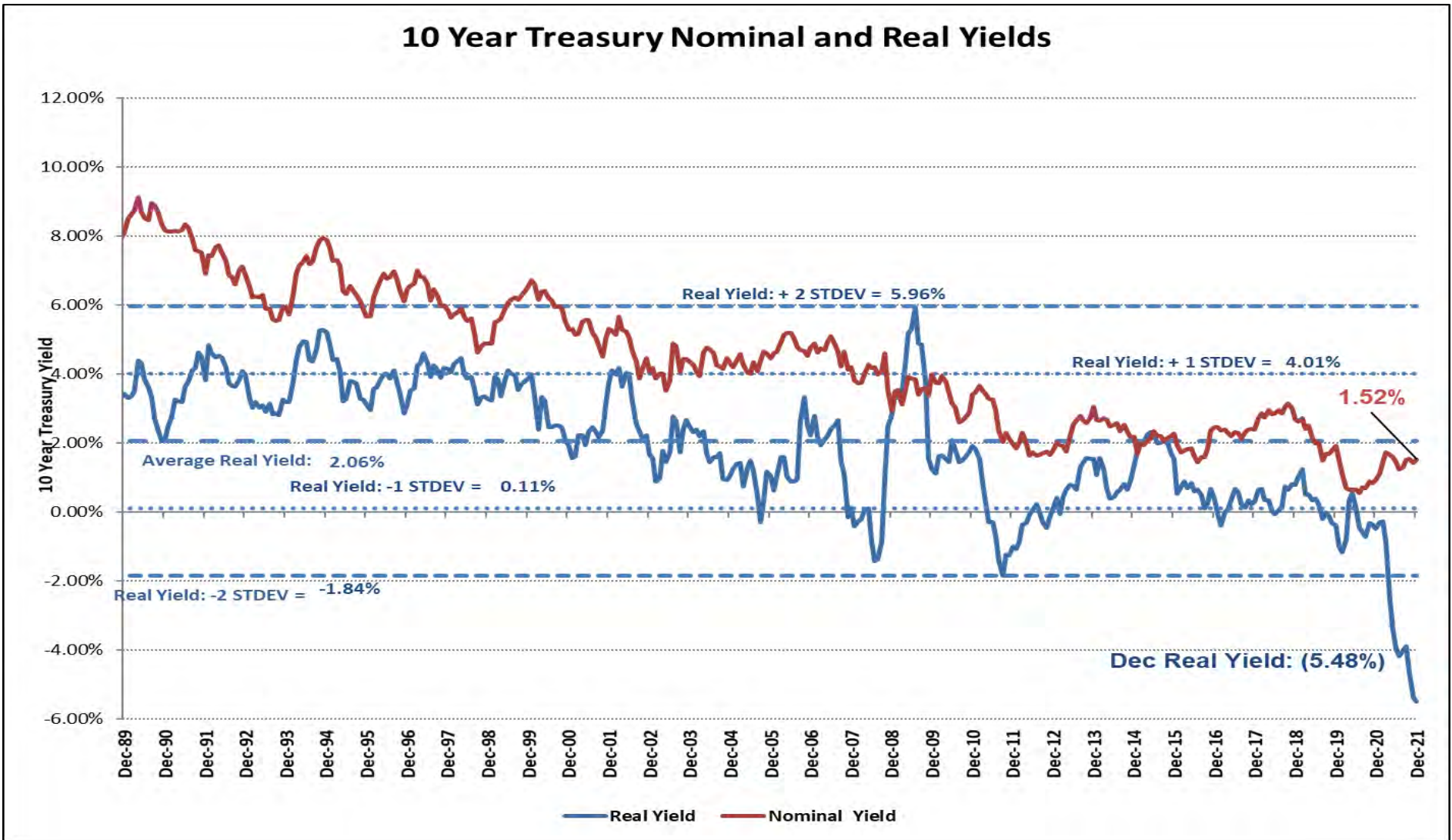


Source: Wilshire Compass



VALUATION **US Treasury Bonds**

10 Year Treasury Nominal and Real Yields



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



SERS' Investment Portfolios Review

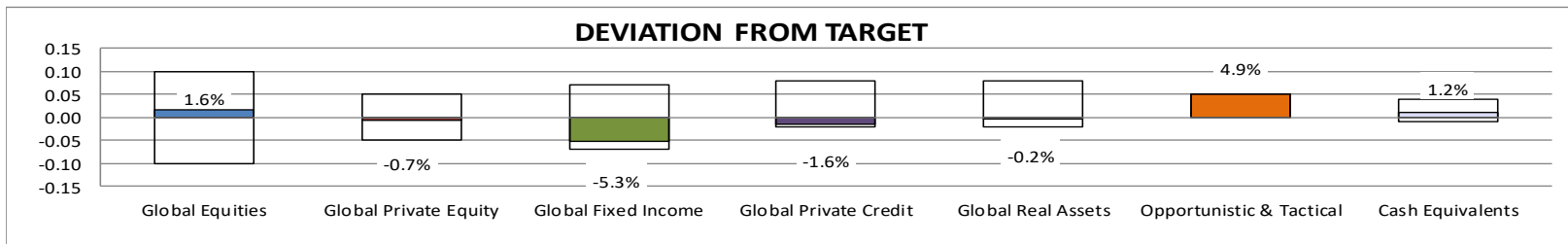
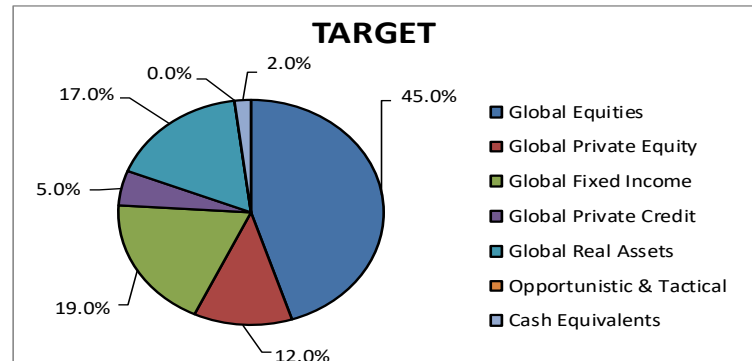
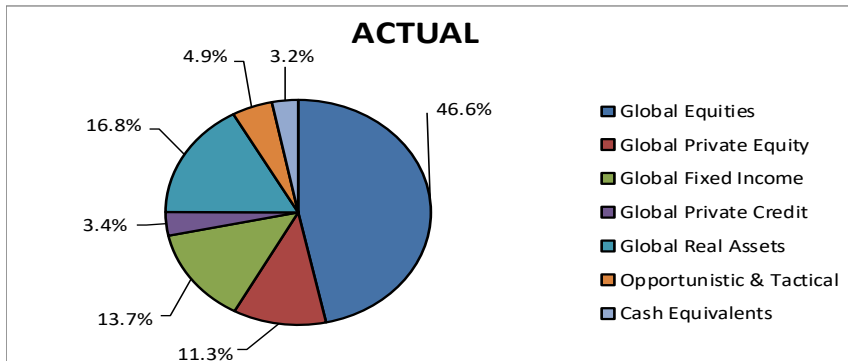


Total Fund Asset Allocation

Asset Class	Market Value \$	Actual	Target	Range
Global Equities	8,723,897,242	46.6%	45.0%	35% - 55%
US Equity	4,932,441,614	26.4%	24.8%	19.25% - 30.25%
Non-US Equity Developed Market	2,849,685,095	15.2%	13.5%	10.50% - 16.50%
Non-US Equity Emerging Market	941,770,534	5.0%	6.8%	5.25% - 8.25%
Global Private Equity	2,122,296,964	11.3%	12.0%	8% - 16%
Global Fixed Income	2,564,624,529	13.7%	19.0%	12% - 26%
Global Private Credit	632,700,709	3.4%	5.0%	1% - 7% *
Global Real Assets	3,147,514,766	16.8%	17.0%	14% - 20%
Opportunistic & Tactical	923,298,959	4.9%	0.0%	0% - 5%
Cash Equivalents	596,265,402	3.2%	2.0%	0% - 5%
Short-Term	564,108,708	3.0%	2.0%	
Russell EA Overlay	-334	0.0%	0.0%	
Aegis - Alpha Overlay	2,647,487	0.0%	0.0%	
Direct Rebalance Overlay	0	0.0%	0.0%	
Transition / Operational Account	6,227,690	0.0%	0.0%	
Currency Overlay	23,281,852	0.1%	0.0%	
Total Fund	18,710,598,571	100.0%	100.0%	

Source: BNY Mellon GRS

* FY22 Interim range





Total Fund Change in Net Assets

CHANGE IN NET ASSETS

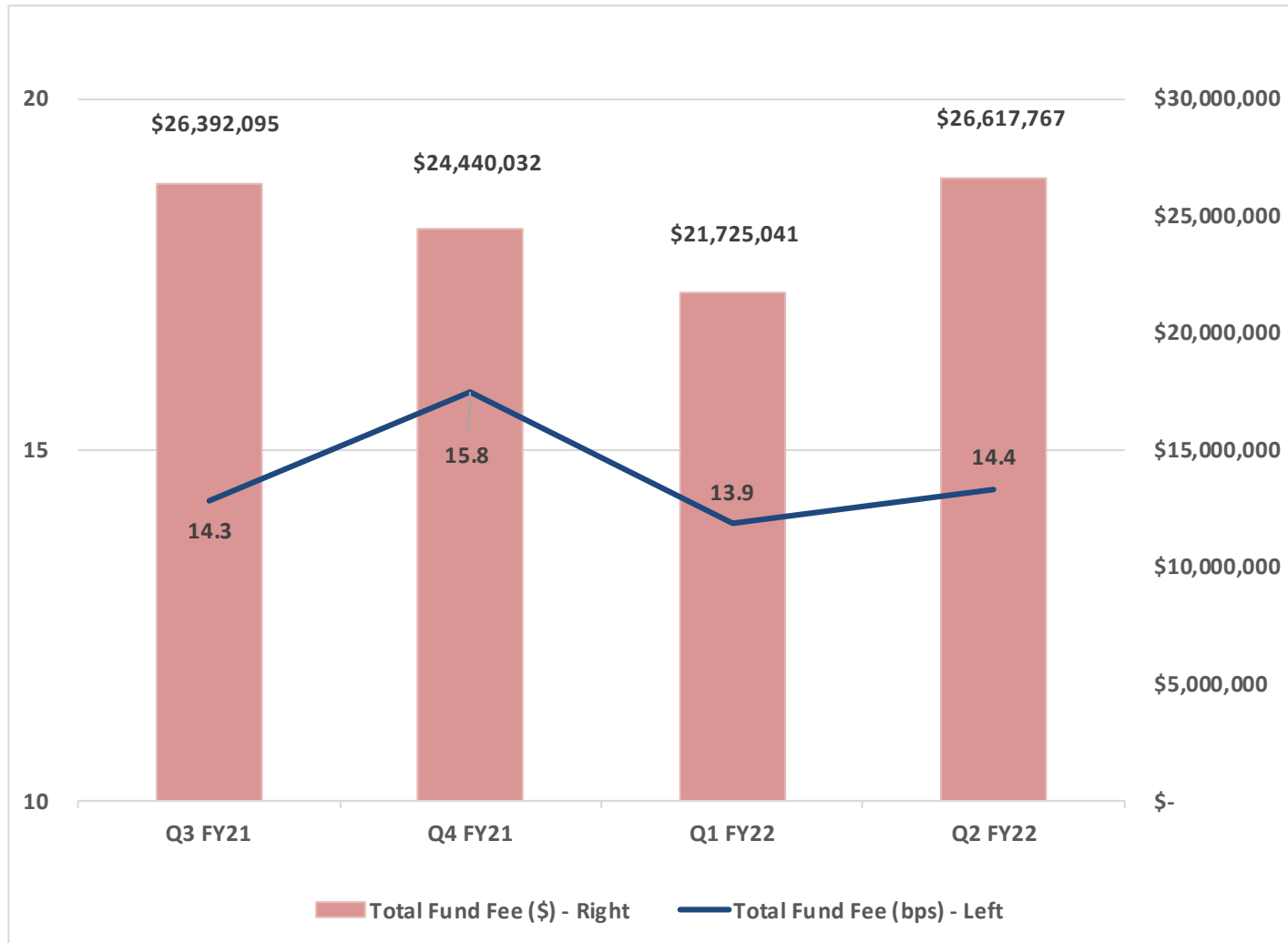
	<i>vs. One Year Ago, since 01/01/2021</i>	<i>vs. Three Years Ago, since 01/01/2019</i>
Beginning Market Value	16,527,177,781	13,536,745,947
Gain/Loss	2,874,199,757	7,082,614,247
Expenses	(90,778,966)	(216,761,623)
Net Transfer	(600,000,000)	(1,692,000,000)
End of Period Market Value	18,710,598,571	18,710,598,571

****Sources of Net Transfer***

<i>Dividends/Interest</i>	<i>182,493,772</i>
<i>Net Distributions</i>	<i>417,506,228</i>
<i>Cash on Hand</i>	<i>Not Required</i>



Total Fund Fees by Quarter

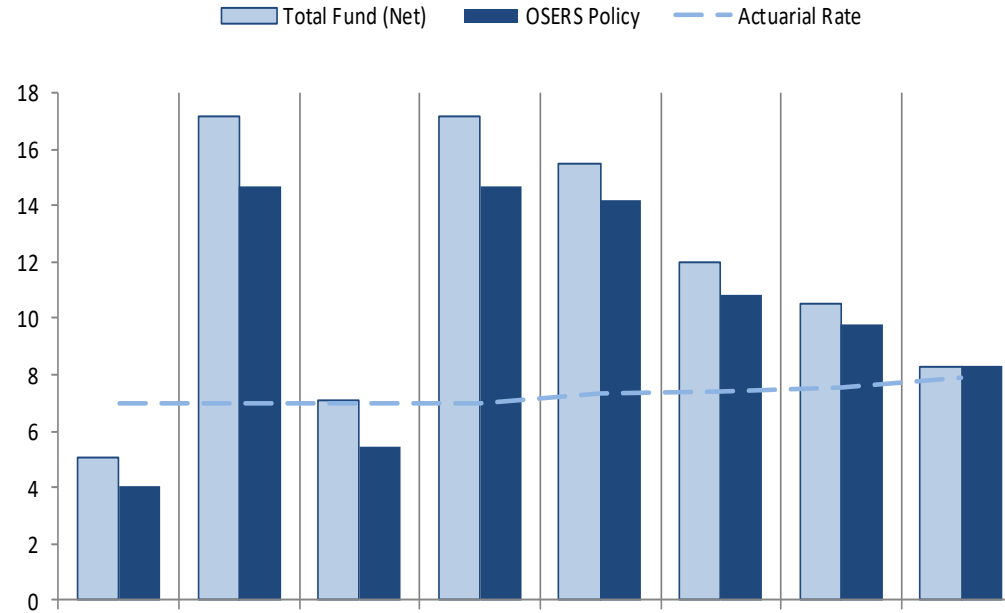




Total Fund Performance

Current Benchmark:

- 24.75% Russell 3000
- 13.50% MSCI World Ex US Index
(net dividends)
- 6.75% MSCI Emerging Markets Index
(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% LIBOR + 4.5%
- 2.00% Citigroup 30 Day US T-Bill



Actuarial Rate

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

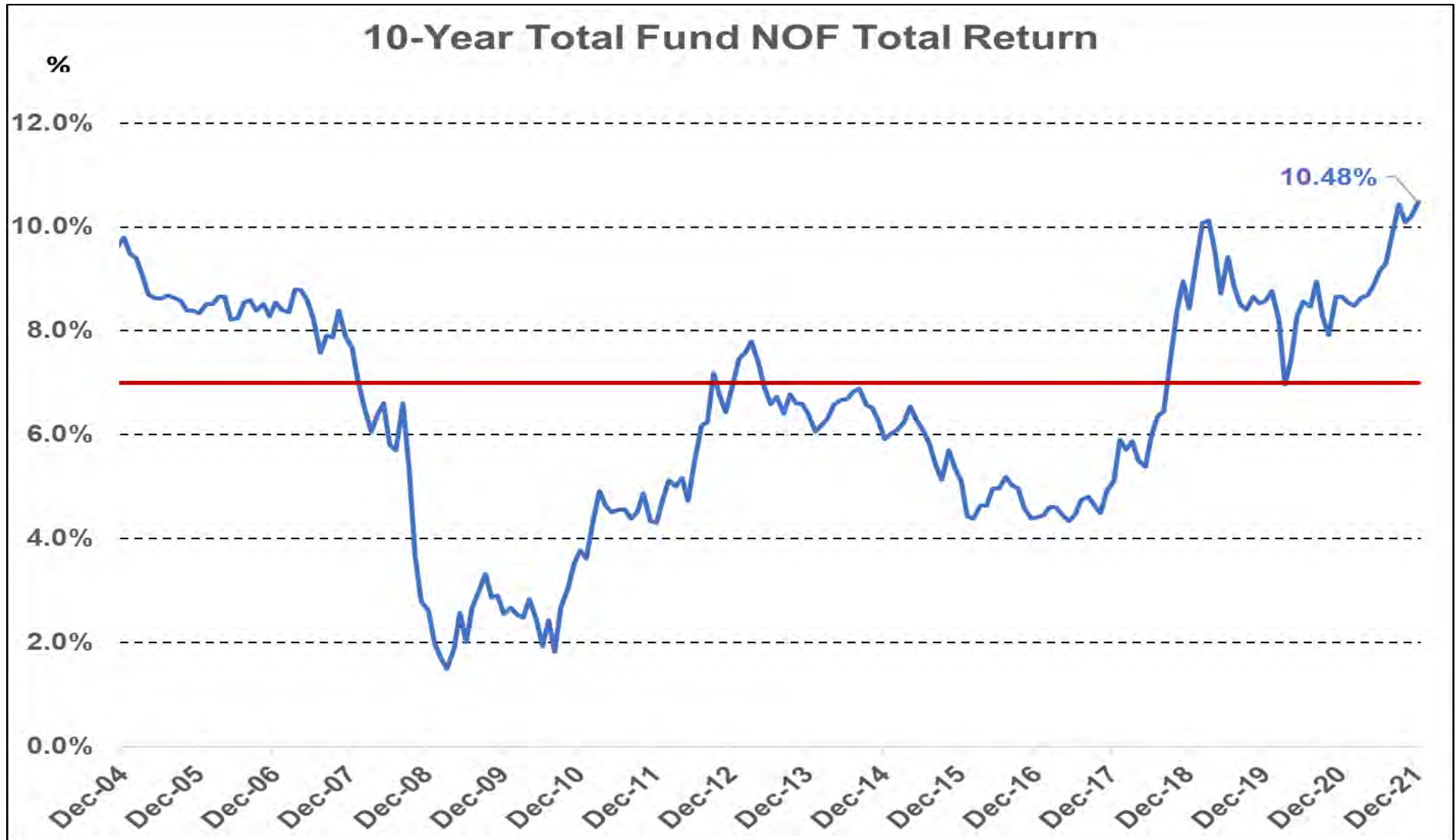
	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD*
Total Fund (Gross)	5.25	17.88	7.42	17.88	16.16	12.67	11.19	8.80
Total Fund (Net)	5.03	17.13	7.07	17.13	15.48	11.99	10.48	8.27
OSERS Policy	4.04	14.66	5.43	14.66	14.18	10.85	9.77	8.29
Value Added (Net of Fee)	1.00	2.47	1.64	2.47	1.29	1.14	0.71	(0.02)

Source: BNY Mellon GRS

*ITD is Inception date 10/1/1994 (27 years and 3 months)



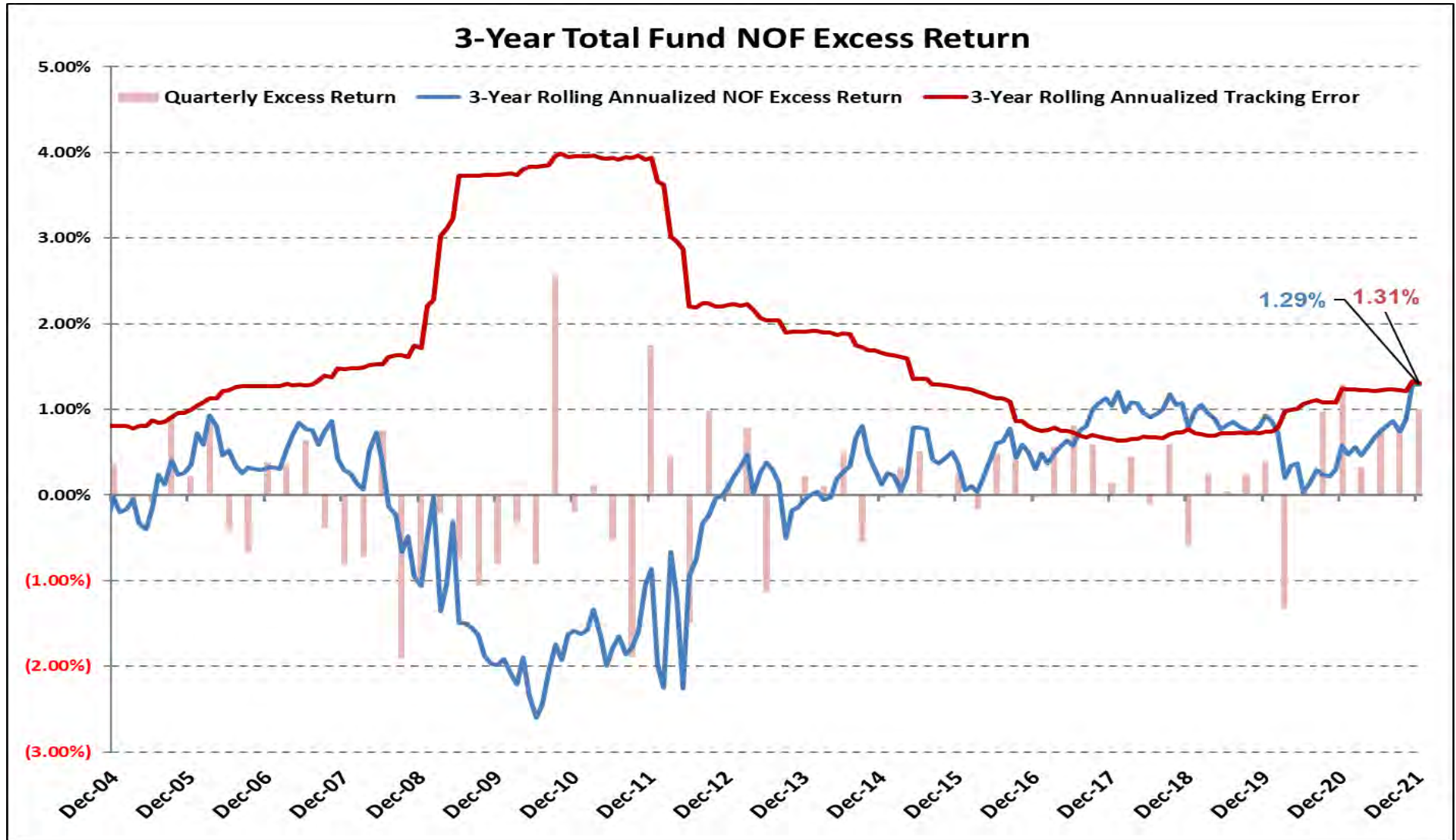
Total Fund Performance



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

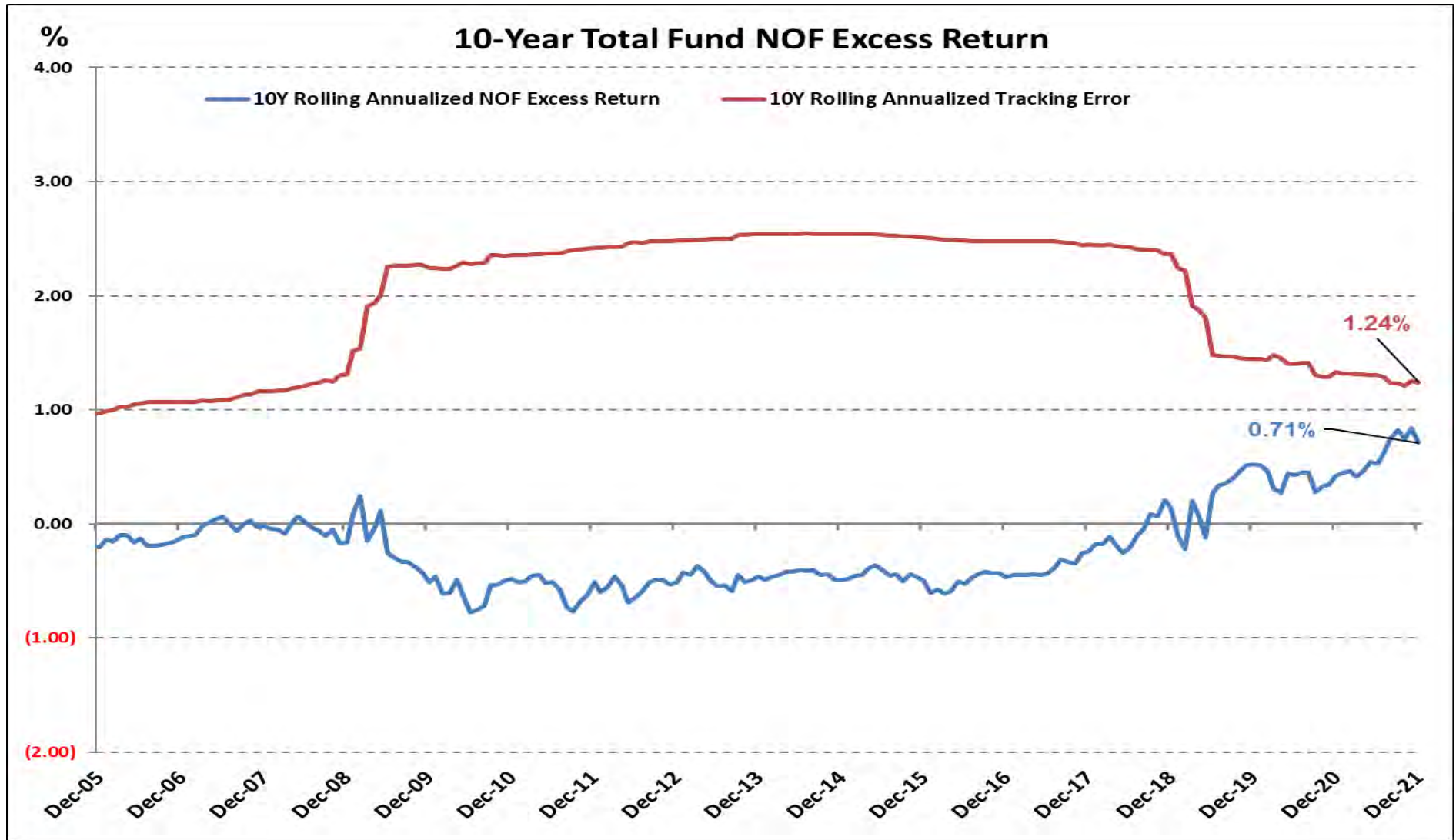


Total Fund Performance





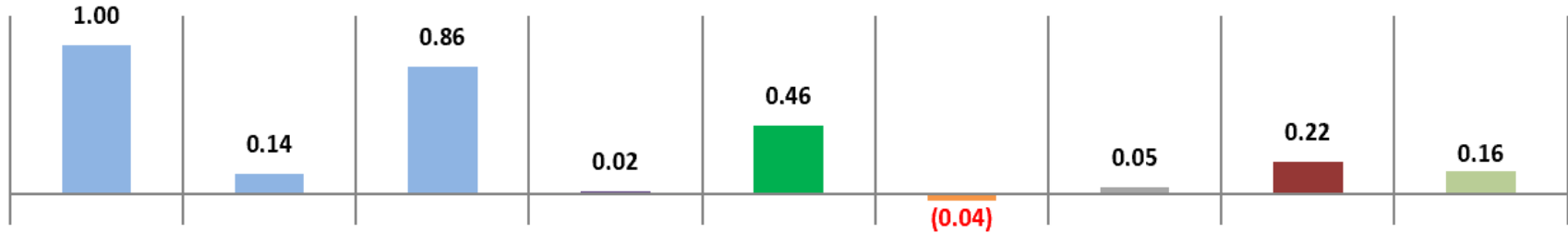
Total Fund Performance



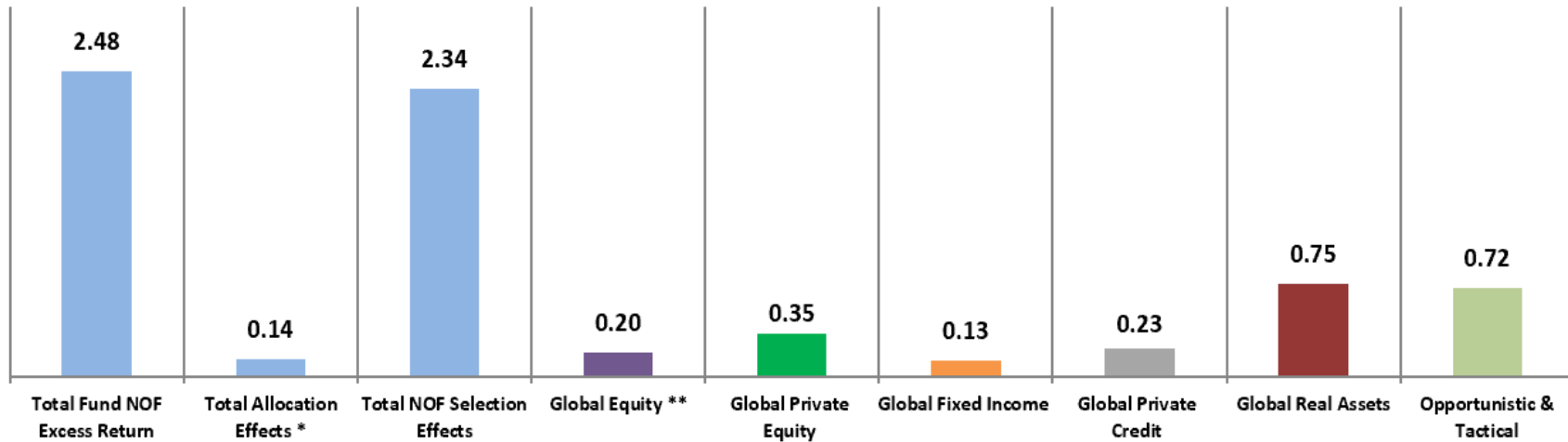


Total Fund Attribution

3 Month Attribution (%)



1 Year Attribution (%)

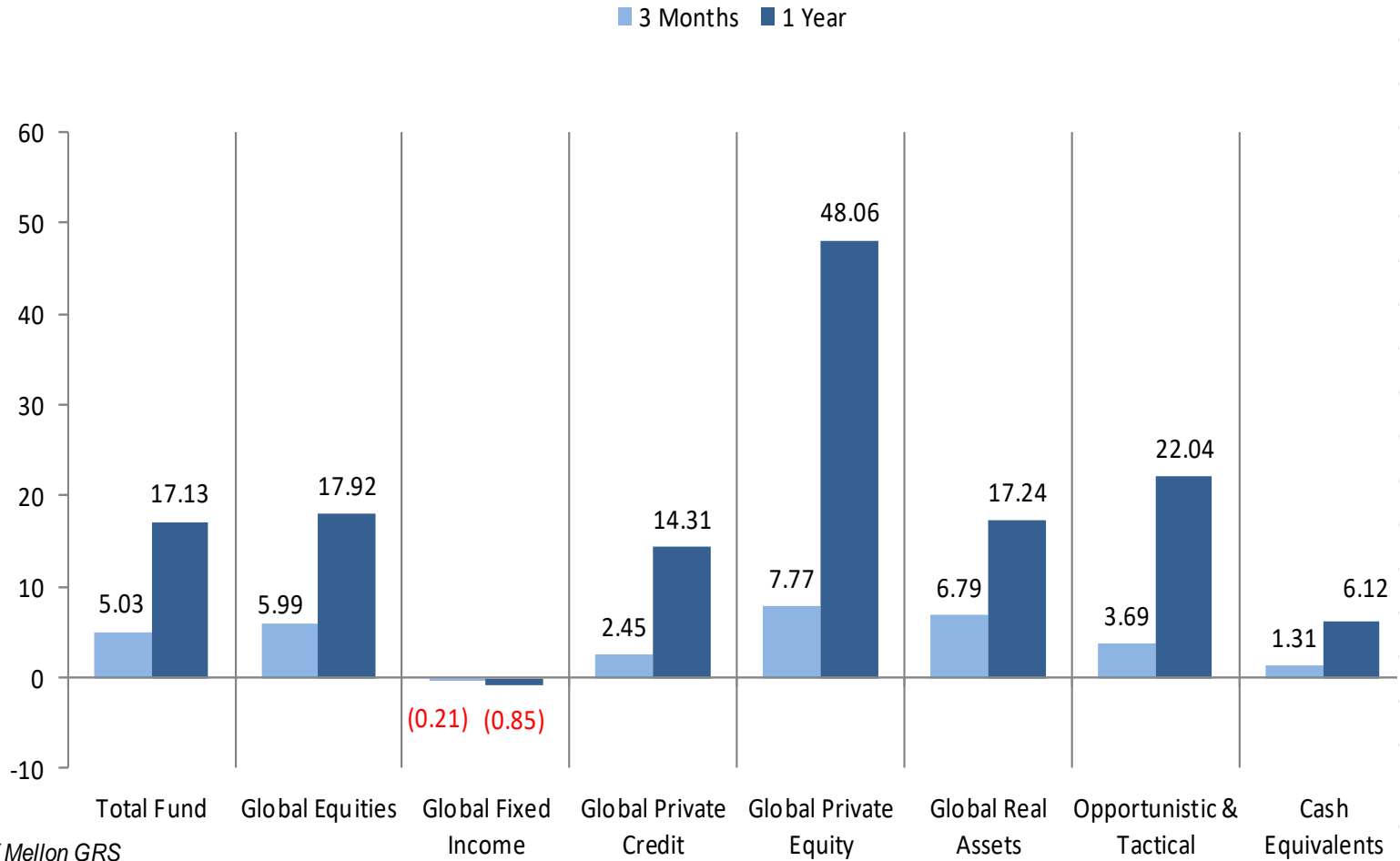


* Total Allocation Effects include net contributions from the Enhanced Asset Allocation and Currency Overlay Programs

** Global Equity including US Equity, Non-US Equity Developed Markets and Non-US Equity Emerging Markets Portfolios

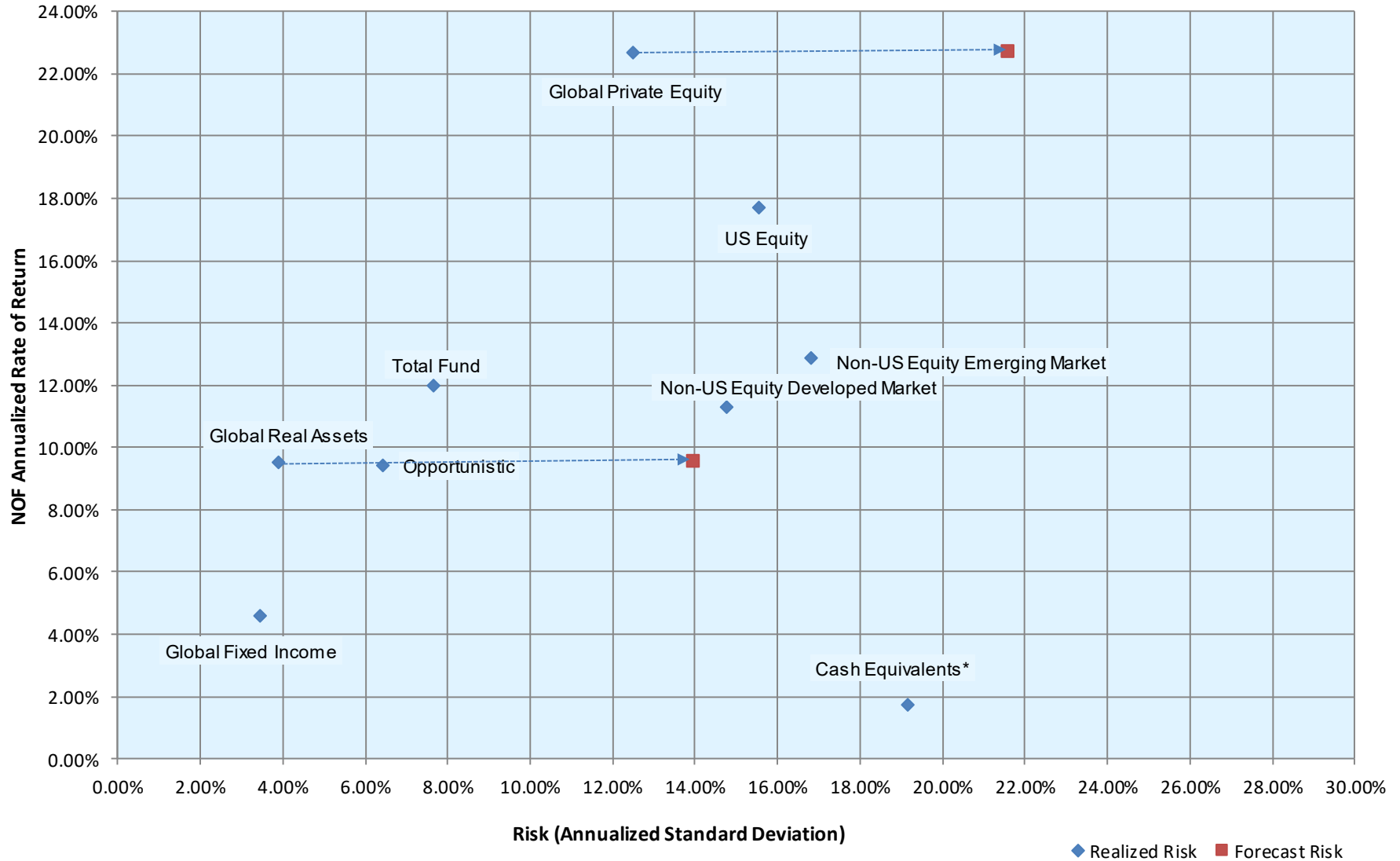


Total Fund and Asset Class Performance (Net)





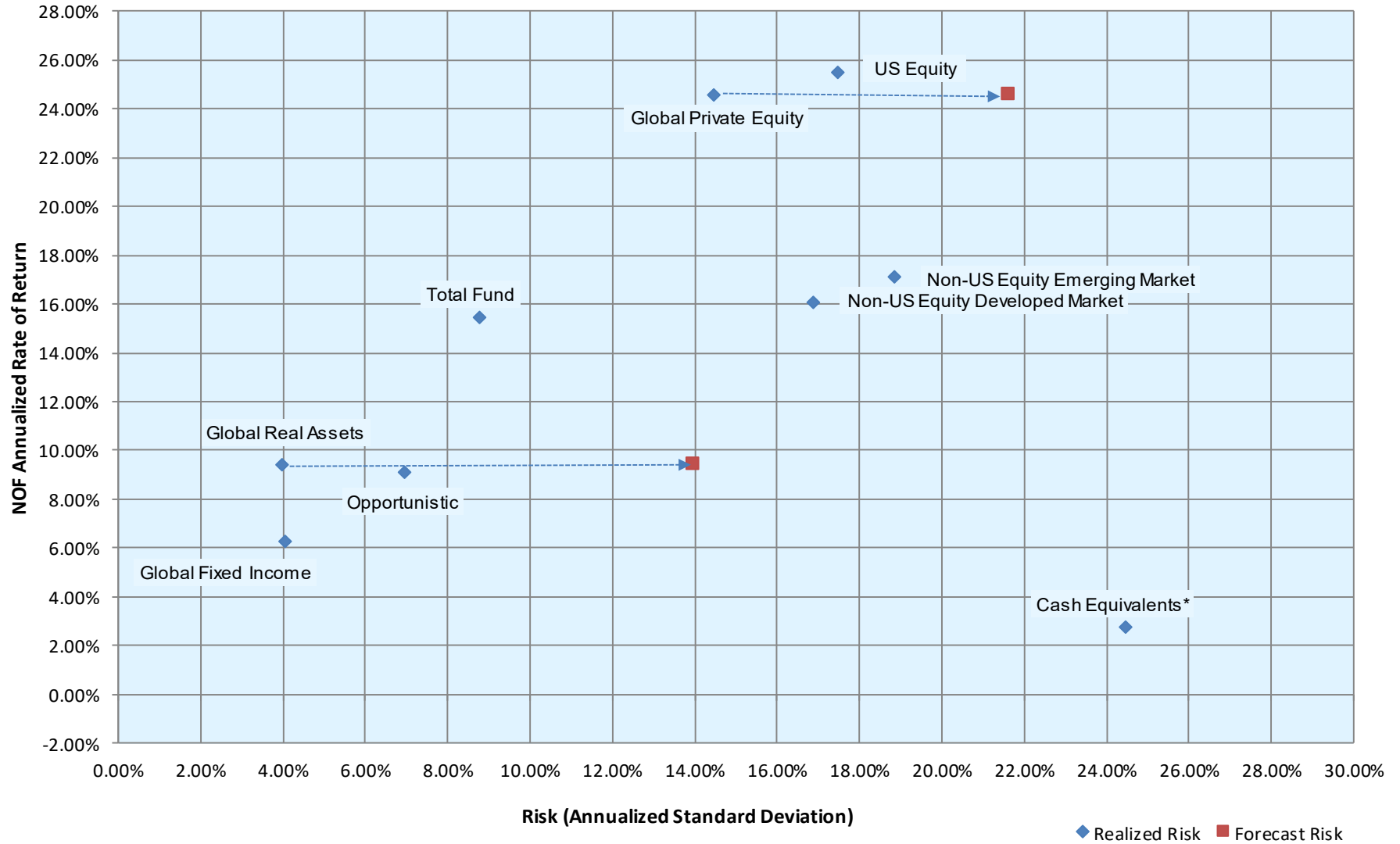
5 Year Risk and Return



*Cash Equivalents include Short-Term, Enhanced Allocation Overlay and Currency Overlay



3 Year Risk and Return



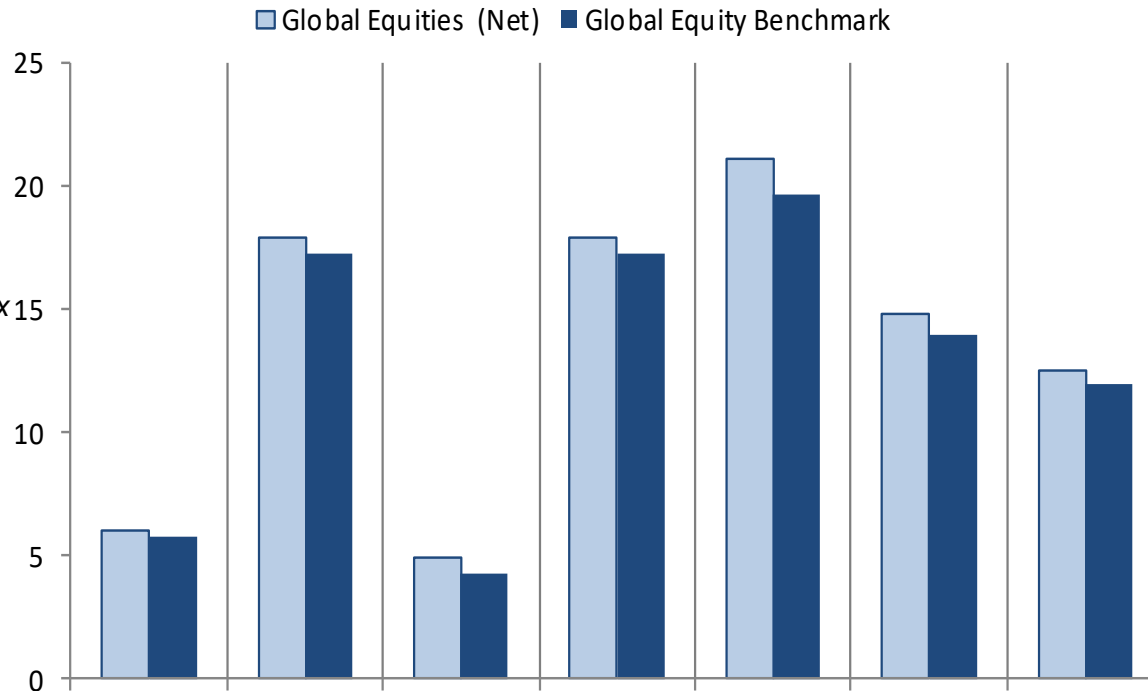
*Cash Equivalents include Short-Term, Enhanced Allocation Overlay and Currency Overlay



Global Equities Performance

Current Benchmark:

55% Russell 3000
 30% MSCI World Ex United States
 Index (Net dividends)
 15% MSCI Emerging Markets Index
 (Net dividends)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Global Equities (Gross)	6.06	18.25	5.08	18.25	21.46	15.12	12.87
Global Equities (Net)	5.99	17.92	4.94	17.92	21.11	14.77	12.51
Global Equity Benchmark	5.81	17.22	4.27	17.22	19.64	13.93	11.97
MSCI ACWI	6.77	19.04	5.75	19.04	20.97	14.97	12.44
Value Added (Net of Fee)	0.18	0.71	0.67	0.71	1.48	0.84	0.54

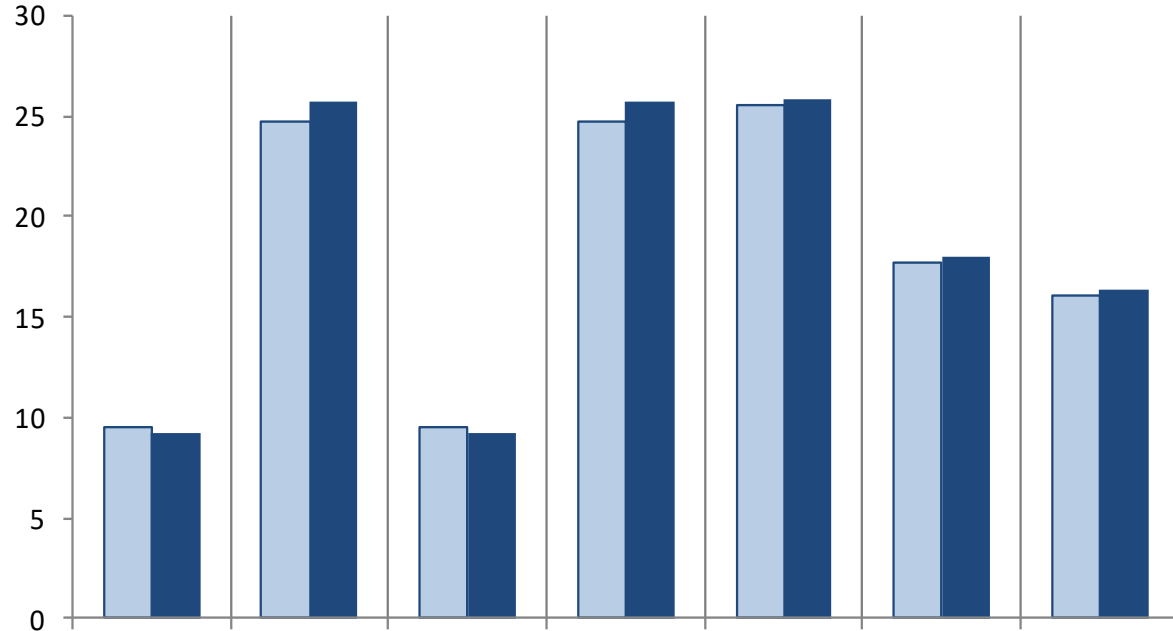
Source: BNY Mellon GRS



US Equity Performance

■ US Equity Portfolio (Net) ■ US Equity Policy Benchmark

Current Benchmark:
Russell 3000



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
US Equity Portfolio (Gross)	9.60	24.90	9.62	24.90	25.74	17.93	16.32
US Equity Portfolio (Net)	9.56	24.71	9.54	24.71	25.52	17.70	16.02
US Equity Policy Benchmark	9.28	25.66	9.17	25.66	25.79	17.97	16.30
Value Added (Net of Fee)	0.29	(0.95)	0.37	(0.95)	(0.27)	(0.27)	(0.28)

Source: BNY Mellon GRS

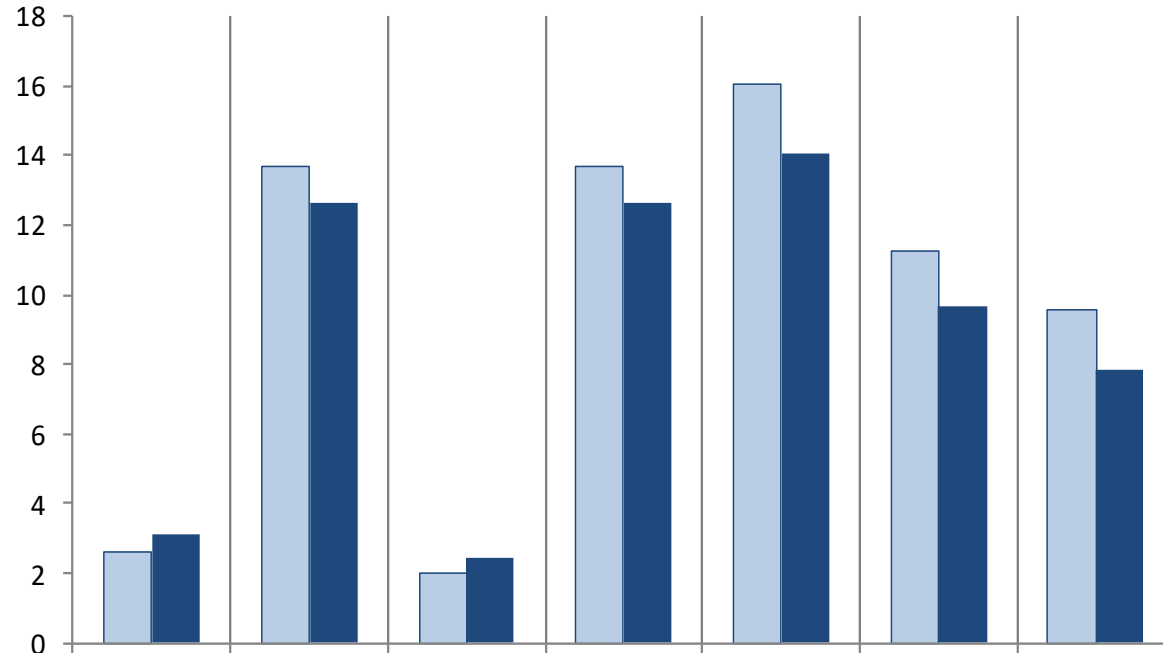


Non-US Equity Developed Market Performance

■ Non-US Developed Market (Net) ■ Non-US Equity Policy Benchmark

Current Benchmark:

*MSCI World Ex United States Index
(Net dividends)*



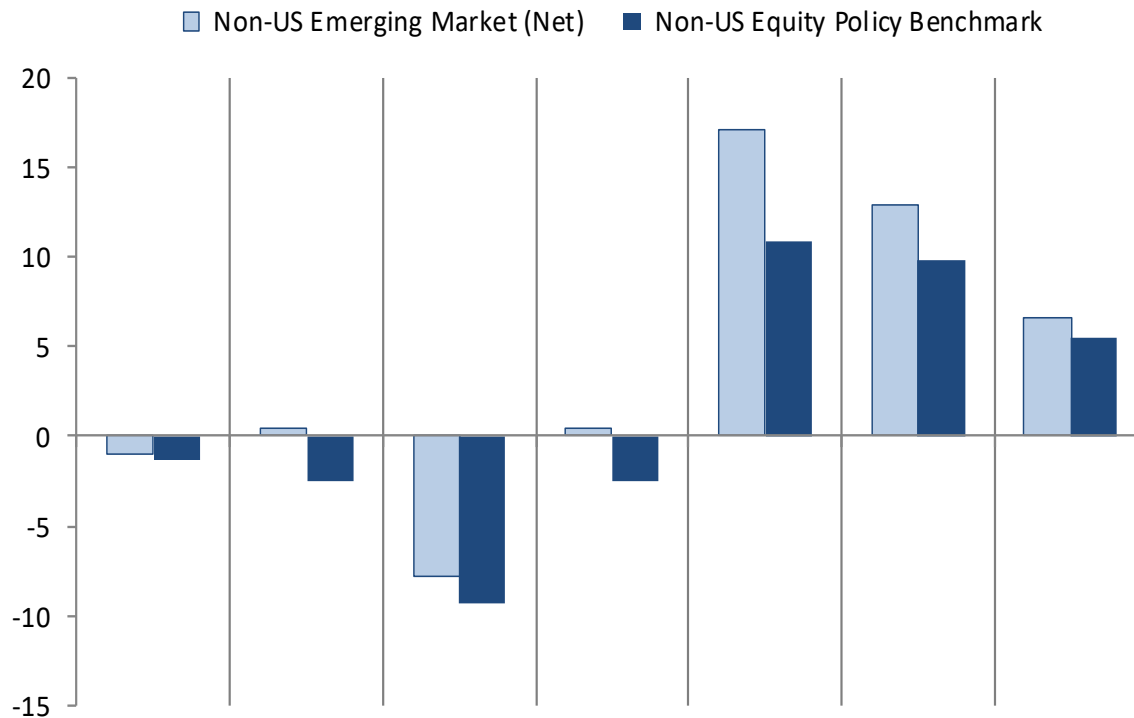
	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Non-US Developed Market (Gross)	2.67	14.06	2.17	14.06	16.41	11.62	9.91
Non-US Developed Market (Net)	2.59	13.71	2.01	13.71	16.07	11.28	9.57
Non-US Equity Policy Benchmark	3.14	12.62	2.46	12.62	14.07	9.63	7.84
Value Added (Net of Fee)	(0.56)	1.08	(0.46)	1.08	2.00	1.65	1.73

Source: BNY Mellon GRS



Non-US Equity Emerging Market Performance

Current Benchmark:
MSCI Emerging Markets Index
 (Net dividends)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Non-US Emerging Market (Gross)	(0.79)	1.27	(7.41)	1.27	18.00	13.76	7.45
Non-US Emerging Market (Net)	(0.97)	0.50	(7.77)	0.50	17.10	12.88	6.66
Non-US Equity Policy Benchmark	(1.31)	(2.54)	(9.30)	(2.54)	10.94	9.88	5.49
Value Added (Net of Fee)	0.34	3.04	1.53	3.04	6.16	3.00	1.17

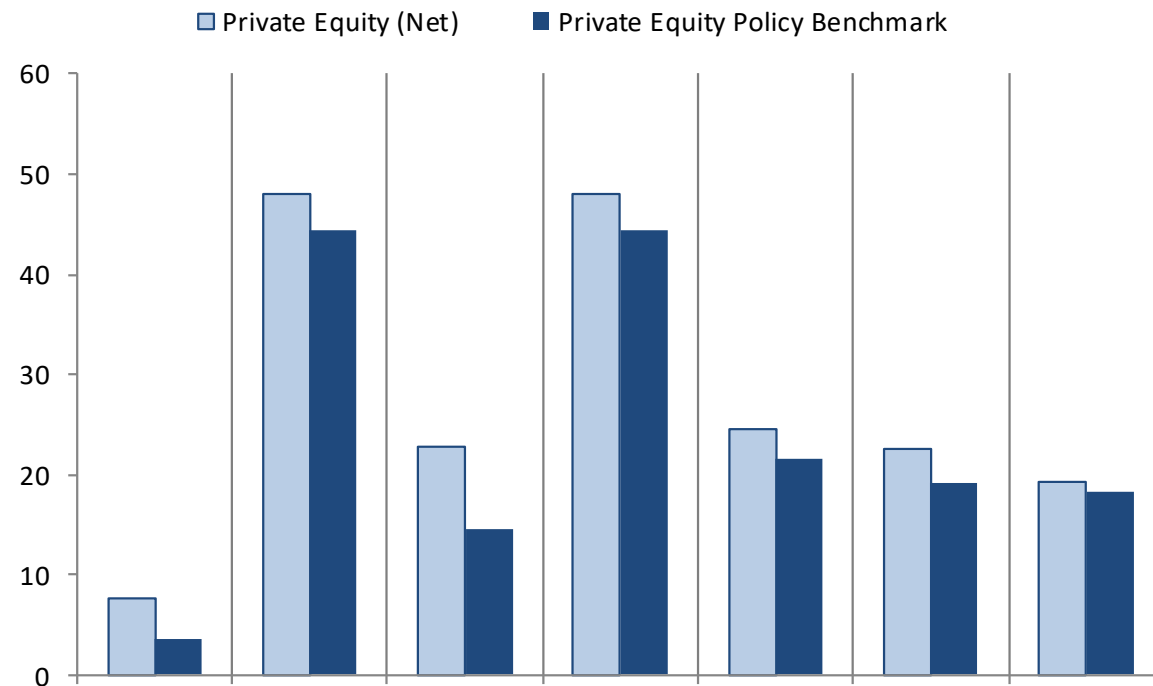
Source: BNY Mellon GRS



Global Private Equity Performance

Results as of: 12/31/2021

Current Benchmark:
Burgiss All Private Equity Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Private Equity (Gross)	8.37	50.65	23.68	50.65	26.39	24.40	20.95
Private Equity (Net)	7.77	48.06	22.72	48.06	24.56	22.68	19.20
Private Equity Policy Benchmark	3.68	44.38	14.62	44.38	21.49	19.24	18.25
Value Added (Net of Fee)	4.09	3.68	8.10	3.68	3.07	3.44	0.95

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.



Public vs Private Equity Performance (Net)

	3 Year	5 Year	10 Year
US Equity	25.52	17.70	16.02
Global Equity	21.11	14.77	12.51
Private Equity	24.56	22.68	19.20

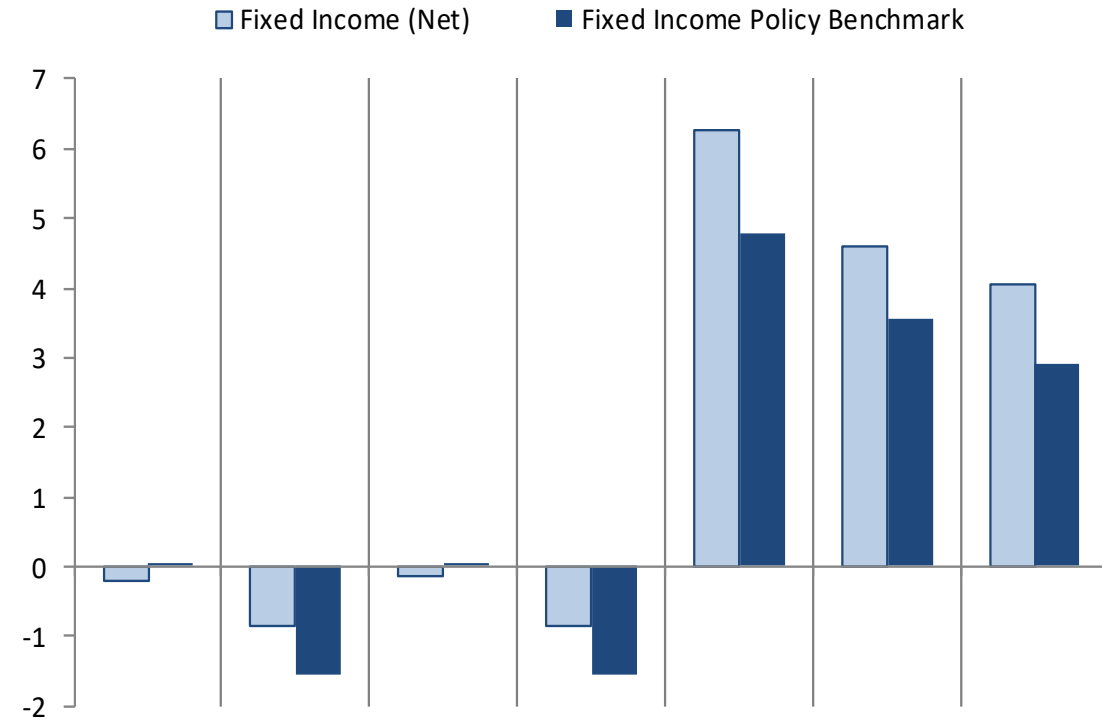
*Private Equity returns are lagged one quarter



Global Fixed Income Performance

Current Benchmark:

Bloomberg Aggregate Bond Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Fixed Income (Gross)	(0.14)	(0.56)	0.01	(0.56)	6.53	4.83	4.30
Fixed Income (Net)	(0.21)	(0.85)	(0.13)	(0.85)	6.28	4.59	4.07
Fixed Income Policy Benchmark	0.01	(1.54)	0.06	(1.54)	4.79	3.57	2.90
Value Added (Net of Fee)	(0.22)	0.69	(0.20)	0.69	1.49	1.02	1.17

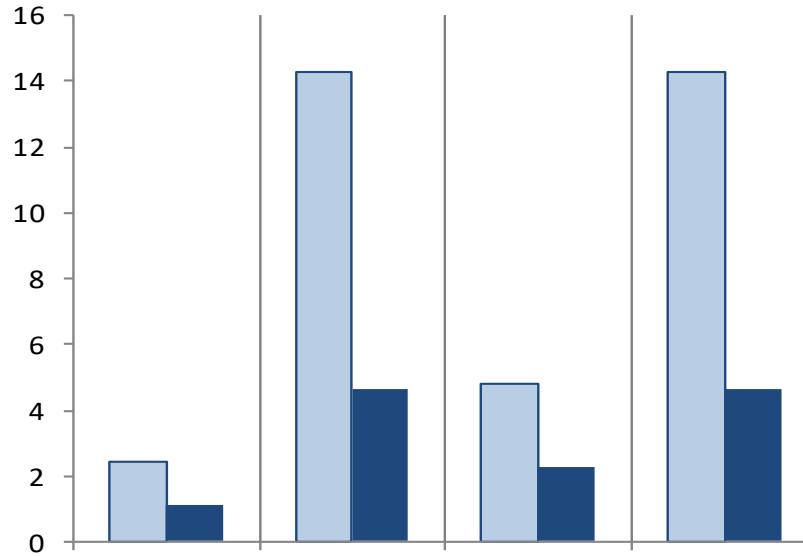
Source: BNY Mellon GRS



Global Private Credit Performance

Current Benchmark:
3 Month LIBOR plus 4.5%

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



	Qtr	CYTD	FYTD	1 Year
Global Private Credit (Gross)	2.79	16.30	5.44	16.30
Global Private Credit (Net)	2.45	14.31	4.78	14.31
Global Private Credit Policy Benchmark	1.13	4.67	2.29	4.67
Value Added (Net of Fee)	1.32	9.64	2.50	9.64

Source: BNY Mellon GRS

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

Ohio SERS Investment Report | Quarter Ending: 12/31/2021



Global Real Assets Performance

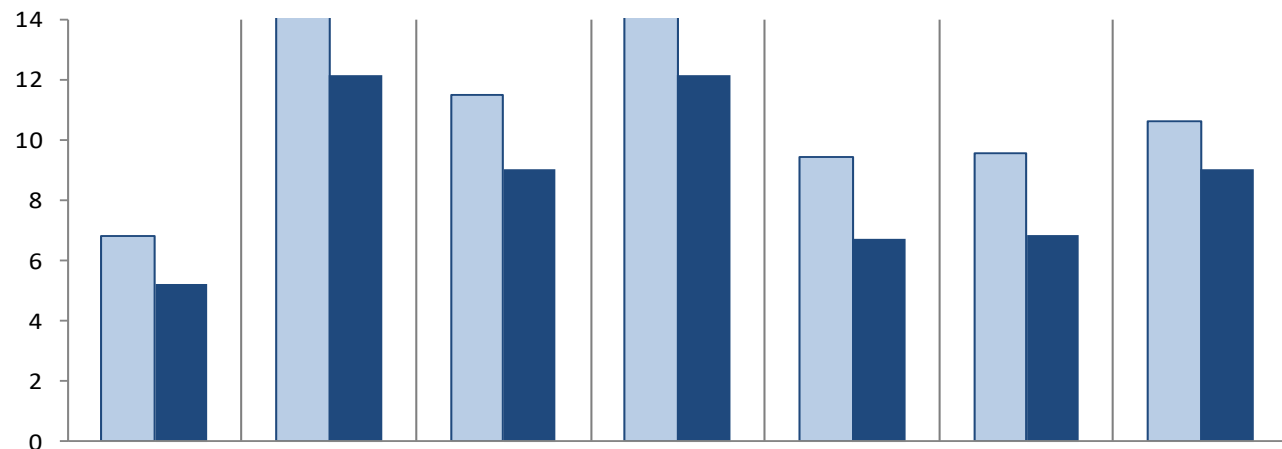
Results as of: 12/31/2021

Real Assets Portfolio (Net)

Real Assets Policy Benchmark

Current Benchmark:

NCREIF Property Index (1q lag)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Real Assets Portfolio (Gross)	7.18	18.47	12.12	18.47	10.36	10.55	11.69
Real Assets Portfolio (Net)	6.79	17.24	11.49	17.24	9.43	9.53	10.59
Real Assets Policy Benchmark	5.23	12.15	9.01	12.15	6.72	6.84	8.99
Real Assets Value Added (NOF)	1.56	5.09	2.49	5.09	2.71	2.69	1.60
Real Assets Core (Net)	8.08	18.52	13.54	18.52	9.24	9.06	10.26
Real Assets Policy Benchmark	5.23	12.15	9.01	12.15	6.72	6.84	8.99
Real Assets Core Value Added (NOF)	2.85	6.37	4.53	6.37	2.52	2.22	1.27
Real Assets Non-Core (Net)	7.52	13.90	12.53	13.90	8.17	9.14	10.33
Real Assets Policy Benchmark	5.23	12.15	9.01	12.15	6.72	6.84	8.99
Real Assets Non-Core Value Added (NOF)	2.29	1.75	3.52	1.75	1.45	2.30	1.34
Real Assets Infrastructure (Net)	2.63	13.35	6.09	13.35	10.31	12.24	n/a
Real Assets Policy Benchmark	5.23	12.15	9.01	12.15	6.72	6.84	n/a
Real Assets Infrastructure Value Added (NOF)	(2.60)	1.20	(2.92)	1.20	3.59	5.40	n/a

Source: BNY Mellon GRS

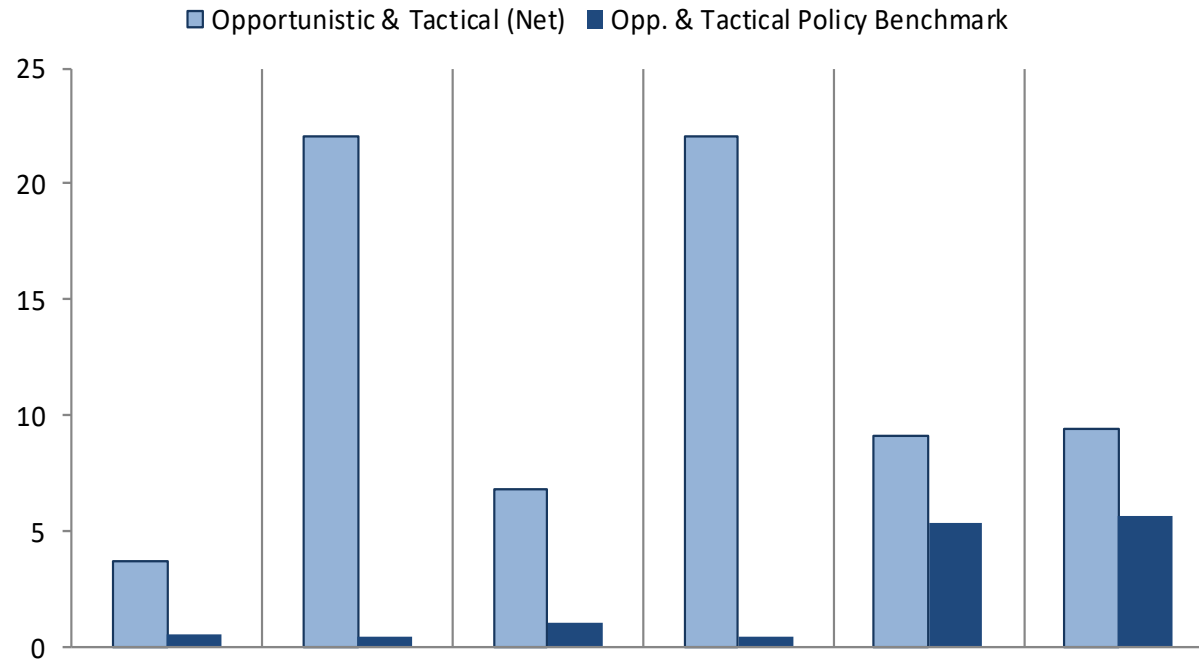
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Real Assets performance is reported one quarter in arrears.



Opportunistic & Tactical Performance

Current Benchmark:
*Bloomberg Aggregate
 Bond Index + 2%*



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year
Opportunistic & Tactical (Gross)	4.02	23.76	7.42	23.76	10.68	10.94
Opportunistic & Tactical (Net)	3.69	22.04	6.77	22.04	9.12	9.41
Opp. & Tactical Policy Benchmark	0.51	0.46	1.07	0.46	5.39	5.64
Value Added (Net of Fee)	3.17	21.58	5.70	21.58	3.74	3.77

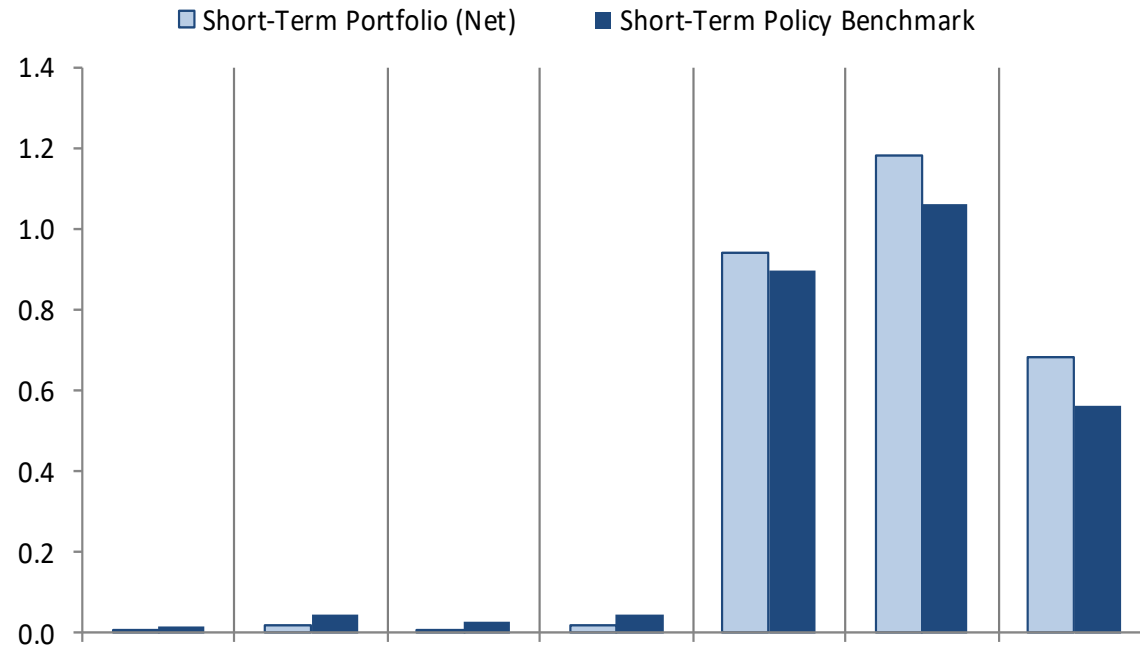
Source: BNY Mellon GRS



Short-Term Performance

Current Benchmark:

Citigroup 30 Day Treasury Bill Index

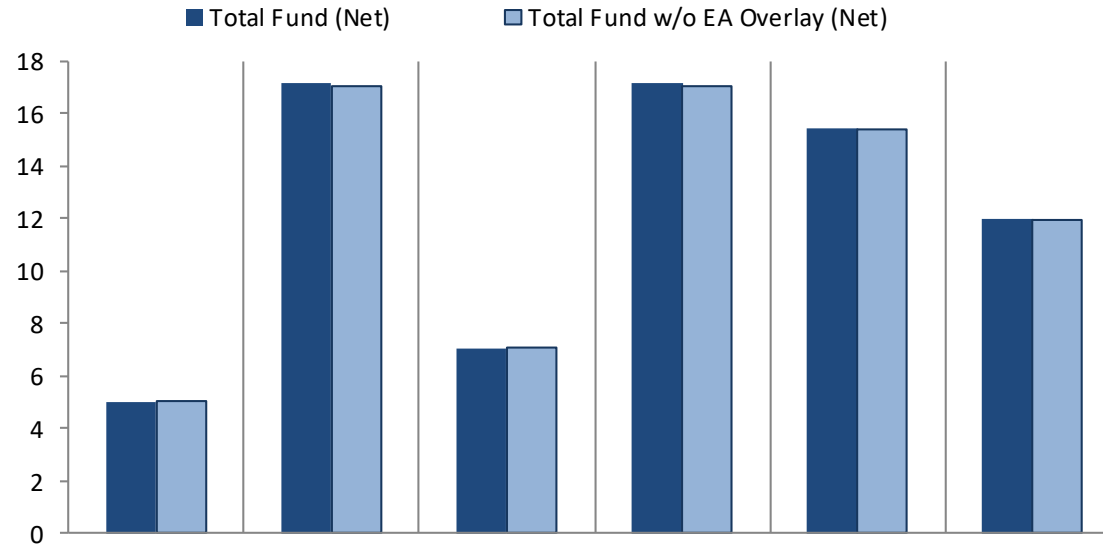


	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Short-Term Portfolio (Gross)	0.00	0.02	0.01	0.02	0.94	1.18	0.68
Short-Term Portfolio (Net)	0.00	0.02	0.01	0.02	0.94	1.18	0.68
Short-Term Policy Benchmark	0.02	0.04	0.03	0.04	0.89	1.06	0.56
Value Added (Net of Fee)	(0.01)	(0.03)	(0.02)	(0.03)	0.05	0.12	0.13

Source: BNY Mellon GRS



Enhanced Asset Overlay Performance

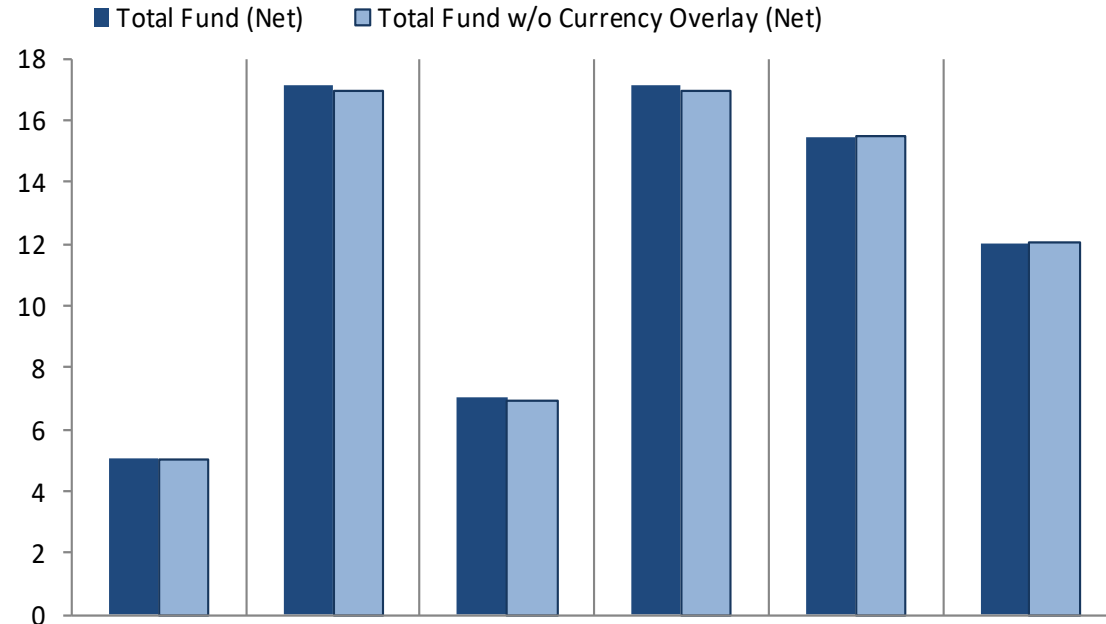


	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year
Total Fund (Gross)	5.25	17.88	7.42	17.88	16.16	12.67
Total Fund w/o EA Overlay (Gross)	5.23	17.82	7.39	17.82	16.09	12.62
Total Fund (Net)	5.03	17.13	7.07	17.13	15.48	11.99
Total Fund w/o EA Overlay (Net)	5.02	17.08	7.06	17.08	15.42	11.94
EA Overlay Impact (Net of Fee)	0.01	0.05	0.01	0.05	0.06	0.04

Source: BNY Mellon GRS



Currency Overlay Performance



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year
Total Fund (Gross)	5.25	17.88	7.42	17.88	16.16	12.67
Total Fund w/o Currency Overlay (Gross)	5.23	17.69	7.28	17.69	16.20	12.70
Total Fund (Net)	5.03	17.13	7.07	17.13	15.48	11.99
Total Fund w/o Currency Overlay (Net)	5.01	16.94	6.93	16.94	15.53	12.03
Currency Overlay Impact (Net of Fee)	0.02	0.19	0.13	0.19	(0.05)	(0.04)


Source: BNY Mellon GRS

Ohio SERS Investment Report | Quarter Ending: 12/31/2021



Proposed Investment Agenda – Next Meeting

Annual Portfolio Review – Opportunistic & Tactical
Monthly Investment Report (January 31, 2022)

	<h2>Statement of Investment Policy</h2>				
	INV1-001				
Effective Date:	08/02/1985	Revision Date:	02/18/2024 TBD	Audience:	Investments
Owner:	Investments	Certifier:	Richard Stensrud	Co-Owner (s):	None
Document Links:	Purpose, Policy, Procedure, Definitions, Related Documents, Policy History				

I. Purpose of Statement of Investment Policy

The purpose of this Statement of Investment Policy (SIP) is to set forth the investment philosophy and objectives of the Retirement Board (Board) for the School Employees Retirement System of Ohio (SERS).

This SIP:

- A. incorporates and is subject to all restrictions and obligations set forth in Chapter 3309 of the Ohio Revised Code;
- B. establishes investment policies and describes the organization and division of responsibilities necessary to implement the Board's philosophy and objectives prudently; and
- C. establishes a framework for making investment decisions, and monitoring investment activity, and promotes effective communication between the Board, Staff, and other involved parties.

This SIP is subject to change at any time by the Board. The Board will review the SIP and revise it periodically to assure it continues to reflect the investment philosophy, objectives and strategies of the Board.

II. Investment Philosophy

The Board recognizes the need to manage SERS assets prudently (the Total Fund) to meet its statutory and fiduciary obligations and to achieve or exceed its objectives. The Board's investment philosophy is grounded in fundamental, prudent investment principles, incorporating modern portfolio theory, risk management and portfolio management practices. These principles are incorporated in the "Investment Beliefs" below. The Board believes it can provide consistent, long-term performance at appropriate levels of risk. By delineating responsibilities and defining policy objectives, this SIP reflects the Board's investment philosophy and governance.

SERS Investment Beliefs:

Financial Markets

- A. Capital markets are not perfectly efficient. Inefficiencies create opportunities that skilled investors could exploit to generate excess returns. Investment Staff will prudently attempt to add value by exploiting such inefficiencies across different assets selectively, although it is not easily achieved.
- B. Markets generally afford higher prospective returns for riskier assets, such as equity or credit risk premiums over the long term. Anomalies could occur in intermittent periods on account of shifting valuations. When valuations are elevated returns tend to be lower.

Investment Process

- C. Strategic asset allocation is the key determinant of risk and return and represents the Board's tolerance for risk in achieving funding goals. It is important to diversify across risk factors and return sources and to be explicit about the role of asset classes.

- D. Risk is the likelihood of loss or less than expected outcomes and is not fully captured by a single metric such as volatility. Risk has many dimensions, subjective and objective, which must be comprehensively assessed and managed in the investment process.
- E. Long-term horizon is an advantage as it enables SERS to tolerate volatility, capture illiquidity and other risk premia, and take advantage of trends and opportunities.
- F. Costs matter. Managing fees and transaction costs adds value to the Fund. Costs must be judged relative to expected value added.

Organizational Skills and Design

- G. Investment success is dependent on good governance, decision process, skill and judgment. Having an experienced and talented staff with appropriate decision authority is an advantage. SERS' Board will delegate authority as appropriate to staff to facilitate execution of the investment process, but retain policy and oversight powers.
- H. Explicit investment objectives, guidelines and collaborative teamwork among staff as well as external partners is essential for success.

Sustainability and Corporate Governance

- I. Good governance of markets and entities comprising the markets improves outcomes for investors. SERS Board and Staff will exercise corporate ownership responsibly and with the best fiduciary interest of members and stakeholders.
- J. SERS Board and Staff must be attentive to important environmental, social and governance issues that affect markets and promote its interests in a responsible manner in the best fiduciary interest of members and stakeholders.

III. Investment Objectives

The Investment Objectives of SERS are:

- A. to assure that SERS provides statutorily-mandated retirement benefits;
- B. to earn a net-of-fees total return that equals or exceeds over the long term the Actuarial Assumed Rate approved by the Board; and
- C. to enhance risk-adjusted investment returns of the Total Fund in a prudent and cost-effective manner.

IV. Risk Management

- A. The Board evaluates risk in terms of the probability of not earning the actuarial assumed rate over the long-term. Diversification across asset classes, within asset classes and across investment styles, sectors and securities is employed to manage overall portfolio risk and volatility.
- B. SERS utilizes a risk budgeting approach in management of volatility risk of investment portfolios. Active risk of the Total Fund, asset class and individual portfolios and their respective risk contribution to total risk are important factors in the management of the capital allocations to individual asset classes and portfolios. The Total Fund shall be managed within a forecast active risk (tracking error) range of 0% to 3.0% relative to the policy benchmark and within the asset allocation range specified elsewhere in this SIP. Active risk is determined by asset allocation deviations and active security selection decisions as well as underlying market volatility. Furthermore, active risk (tracking error) shall be inclusive of any applied leverage. In times of high market volatility, the active risk may exceed 3%. In any event, if the active risk exceeds 3% staff will discuss this with the Board and present appropriate recommendations. The realized tracking error is also expected to be below 3% over rolling three-year periods. Individual asset classes will be managed within the tracking error range specified in the respective asset class implementation guideline. Private asset classes (Private Equity, Private Credit and Real Assets) are excluded at this point from tracking error guidelines.
- C. Other risks, including but not limited to those such as interest rate risk, credit risk, and liquidity risk, will be managed and carefully monitored by Investment Managers and Investment Staff.

V. Implementation Approach

- A. The Board reserves certain responsibilities for itself, while delegating other responsibilities to the Executive Director, the Chief Investment Officer, the Investment Committee, Investment Staff, Investment Managers, Investment Consultants, the Investment Compliance Department and other Investment Service Providers. These responsibilities are described in this SIP.
- B. In fulfilling its fiduciary duties, the Board utilizes a competent and qualified Staff to implement the investment program and to manage daily operations.
- C. The Board utilizes Investment Managers or Funds selected by Staff to invest most assets of the Total Fund. The Board recognizes that costs associated with external Investment Managers and Funds are typically higher than costs associated with internal management. However, the Board believes external Investment Managers that act as fiduciaries possess specialized investment expertise and economies of scale, and can generate higher returns on a net-of-fee basis.
- D. The Board requires regular reporting on the Total Fund's investment program to ensure compliance with its SIP.

VI. Investment Organization and Responsibilities

A. Responsibilities of the **Board**

The Board as a fiduciary is responsible for ensuring that Total Fund assets are managed prudently and effectively, in compliance with applicable laws and with this SIP, for the exclusive benefit of participants and beneficiaries.

Responsibilities of the Board include:

1. establishing controls and systems to ensure that Total Fund fiduciaries comply with applicable laws;
2. establishing asset allocation and investment policies for SERS assets;
3. appointing and discharging the Executive Director and Board Investment Consultants;
4. confirming or rejecting the Executive Director's proposed appointment of a Chief Investment Officer for SERS;
5. designating the individual as Chief Investment Officer of SERS for purposes of R.C. 3309.043, and then notifying the Ohio Department of Commerce, Division of Securities in writing of the designation as required by the Ohio Revised Code;
6. monitoring and reviewing investment performance and policy compliance;
7. requesting, receiving and reviewing reports from Investment Staff, Board Consultants and other entities, if applicable;
8. approving an Annual Investment Plan;
9. approving Statement of Investment Policy and changes thereto; and
10. conducting an annual evaluation of the performance of the Board's Investment Consultant.

B. Responsibilities of **Staff**

Staff will administer Total Fund assets as fiduciaries in accordance with applicable federal and state laws and regulations, and in accordance with this SIP, ethics laws, codes of professional conduct (in particular, the CFA Code of Ethics and Standards of Professional Conduct), and other applicable codes and/or regulations. Staff will establish plans, policies and procedures to carry out these duties.

1. The **Executive Director** is responsible for:
 - a. ensuring that reports of the Total Fund's investment performance are presented on a timely basis;

- b. retaining vendors, consultants and advisors as necessary to assist Staff, and assist the Board in the retention of Investment Consultants;
 - c. appointing, discharging and retaining the Chief Investment Officer and Investment Staff;
 - d. overseeing the investment function,
 - e. executing investment documents when necessary,
 - f. conducting a fiduciary audit of investment operations at least on a seven- to ten-year cycle unless circumstances require an audit to be conducted sooner.
2. The **Chief Investment Officer** is responsible for:
- a. overseeing the investment program and keeping the Executive Director advised;
 - b. conducting periodic asset liability studies with the assistance of Investment Consultants and recommending asset allocation targets and ranges;
 - c. reviewing the SIP on an annual basis and recommending changes as needed for approval by the Board;
 - d. preparing and presenting the Annual Investment Plan to the Board for approval;
 - e. implementing the Annual Investment Plan;
 - f. investigating, researching and recommending new and emerging investment concepts and strategies, and implementing appropriate strategies in accordance with approved policies and procedures;
 - g. informing Investment Managers, Investment Consultants, and others providing investment services to SERS about the requirements of applicable laws and Board policies, and monitoring their compliance with said laws and policies;
 - h. adjusting allocations to Asset Classes, Investment Managers and Funds as needed, subject to any approved allocation ranges;
 - i. approving implementation guidelines for each asset class to establish allocation ranges for sub-strategies, risk parameters and risk limits, and providing such guidelines to the Board;
 - j. appointing and discharging Investment Managers and approving investments in or redemptions from Funds subject to conditions and guidelines in Section VII.;
 - k. executing investment documents;
 - l. approving Investment Manager guidelines, changes and additions;
 - m. hiring and supervising Investment Staff;
 - n. monitoring and evaluating the effectiveness of executed securities transactions and reporting annually to the Board regarding the performance of agents who execute securities transactions on behalf of SERS; and
 - o. regularly reporting to the Board on market conditions, the status of the Total Fund, and its multi-period performance relative to benchmarks. Performance will be calculated on a gross-of-fees and net-of-fees basis.
3. The **Investment Committee** is responsible for:
- a. ensuring that a policy and procedure are in place defining the Committee's structure and establishing rules for reviewing and approving investments;
 - b. reviewing Investment Manager and Fund due diligence; and
 - c. approving Investment Managers or Funds.
-

4. The **Investment Staff** is responsible for:
 - a. regularly reporting the status of the respective asset classes and Total Fund and its multi-period performance to the Chief Investment Officer;
 - b. periodically meeting and speaking with existing or potential Investment Managers to review and assess the quality of their investments and management of assets;
 - c. performing ongoing due diligence to evaluate and monitor Investment Manager capabilities relative to managing Total Fund assets;
 - d. recommending to the Chief Investment Officer implementation guidelines for the respective asset classes to establish allocation ranges for sub-strategies, risk parameters and risk limits, and managing the portfolio to the approved implementation guidelines;
 - e. recommending to the Chief Investment Officer any additions or withdrawals from Investment Manager accounts or Funds, or rebalancing of asset class allocations;
 - f. recommending to the Chief Investment Officer and the Investment Committee the appointment or discharge of Investment Managers and investments in or redemptions from Funds;
 - g. investing assets of the cash equivalents portfolio;
 - h. investigating and researching new and emerging investment concepts and strategies, and recommending those strategies to the Chief Investment Officer;
 - i. preparing periodic reports for the Chief Investment Officer on the performance of agents who execute securities transactions on behalf of SERS; and
 - j. maintaining a list of Ohio-qualified Investment Managers and their investment products.

C. Responsibilities of **Investment Service Providers**

Investment Service Providers who do business or seek to do business with SERS will act in the best interest of SERS when providing services to SERS or the Total Fund. Investment Service Providers will:

1. comply with all applicable federal and state laws and regulations, with this SIP, and with all applicable professional codes and regulations;
2. have established ethics and conflict of interest policies and procedures, and proper internal compliance controls in place as needed;
3. at the earliest opportunity disclose to Investment Staff any actual or potential conflict of interest;
4. as permitted by law, disclose any investigation of, or litigation involving, its operations to Investment Staff; and
5. provide annual or other periodic disclosures as required.

D. Responsibilities of **Investment Managers**

Investment Managers and Investment Staff managing assets internally are responsible as fiduciaries for investing prudently the Total Fund assets. In addition to those applicable responsibilities described in VI.B., Investment Managers and internal Investment Staff members will:

1. manage assets within their control in compliance with all applicable federal and state laws and regulations, including but not limited to applicable ethics requirements, this SIP, contractual obligations, and applicable professional codes of conduct;
2. inform the Chief Investment Officer and Investment Staff of any substantial changes in investment strategy, portfolio structure, asset value, and of any organizational changes,

including that of ownership, affiliation, organizational structure, financial condition, or changes in professional personnel staffing in the investment management organization;

3. present in-depth reports to Investment Staff;
4. recommend to Investment Staff changes to investment guidelines the Investment Manager believes would enhance investment performance on a risk adjusted basis; and
5. select such agents for the execution of transactions, at such prices, and at such commission rates as in the good faith judgment of the Investment Manager will be in the best interest of the Total Fund, taking into consideration in the selection of such agents not only the available prices and rates of brokerage commissions, but also other factors relevant to the transaction.

E. Responsibilities of *Investment Consultants*

Investment Consultants will:

1. provide services as fiduciaries and in accordance with all applicable federal and state laws and regulations, including but not limited to applicable ethics requirements; in accordance with this SIP and its written Agreement with SERS; and with all applicable professional codes and/or regulations;
2. provide independent and unbiased research, information and advice to the Board and Staff;
3. assist in the development and amendment of this SIP;
4. assist in the development of investment guidelines as may be requested by Staff;
5. assist in the development of strategic asset allocation targets and ranges;
6. assist in the development of performance measurement standards;
7. monitor and evaluate Investment Manager and Fund performance as appropriate on an ongoing basis;
8. recommend to Staff the retention or discharge of Investment Managers and investment in or redemption from Funds;
9. collaborate with Investment Staff on the due diligence of potential Investment Managers and Funds, and existing Investment Managers and Funds, as requested by Staff;
10. assist in the development of criteria for and procedures to be utilized in the selection of Investment Managers and Funds;
11. provide research, information and advice on investment topics and strategies considered relevant by the Investment Consultant, or when requested by the Board or Investment Staff;
12. provide those services delineated in the Advisory or Consultant Agreement;
13. provide any other advice or services that the Board, Executive Director or Chief Investment Officer determines are necessary, useful or appropriate to fulfill the objectives of this SIP; and
14. regularly report the status of the Total Fund and its multi-period performance to the Board. Performance will be calculated on a net-of-fee basis.

F. Responsibilities of the *Investment Compliance Department*

The Investment Compliance Department is responsible for:

1. monitoring and reporting compliance with this SIP and Board Resolutions;
2. ensuring that investment management agreements and related contracts comply with the SIP;
3. ensuring that Investment Service Providers and Investment Managers comply with Section VI., herein; and
4. identifying and, in concert with Investment Staff, resolving compliance violations by Investment Managers and Investment Staff relative to their respective investment guidelines.

Staff will ensure that those accounts with guideline violations are efficiently and effectively brought back into compliance;

G. Responsibilities of the **Government Relations Officer**

The Government Relations Officer is responsible for:

1. promptly voting proxies and related actions in accordance with Board approved procedures, and maintaining detailed records of proxy votes and related actions for the Proxy Review Committee; and
2. reporting proxy voting activity to the Board on a quarterly basis and highlighting any emerging issues related to this activity.

H. Responsibilities of the **Investment Accounting Department**

Responsibilities of the Investment Accounting Department related to the Investments Department are defined in Policy FIN4-004 Investment Valuation.

VII. Conditions and Guidelines for Making Investments

A. Conditions

1. In cooperation with legal counsel, Staff will endeavor to ensure that the legal structure of each investment limits potential losses to no more than the amount invested;
2. Investments will be of institutional quality;
3. Investments will require the approval of the Chief Investment Officer and the Investment Committee;
4. Investment documents must be approved by SERS' Legal Department and the Investment Compliance Department;
5. The Investment Committee will develop and implement definitive procedures for approving investments in accordance with this SIP; and
6. The Chief Investment Officer or the Executive Director must sign the necessary investment documents when making investments.

B. Guidelines

1. Selected Investment Managers and Funds will have proven track records in the strategy;
2. Monthly reporting by the Fund or Investment Manager is preferred, but there shall be quarterly reporting at a minimum;
3. The liquidity of an investment will be prudent, both for the strategy and for the Total Fund;
4. The amount invested with an Investment Manager or in a Fund will be prudent for the strategy; and
5. Investment limits established by Board resolution remain in effect until modified or eliminated by the Board.

VIII. Implementation Strategies

A. Asset Allocation

The Board will conduct an asset and liability study every three- to five-years or sooner, if necessary, in order to establish allocation targets and ranges for asset classes within distinct capital markets. Staff, with the assistance of consultants, will review annually the market outlook and expected returns for asset classes with the Board. If there are significant changes in return assumptions, Staff will conduct an interim review of the Asset Allocation Policy.

In order to identify the investment horizon of SERS and its cash flow requirements, liability considerations will include but not be limited to current and expected future values of the benefits, contributions and total assets.

After giving due consideration to an asset and liability study conducted by the Investment Consultant, which study meets the requirements of this SIP, the Board hereby recognizes and reaffirms the following asset allocation for SERS:

<u>ASSET CLASS</u>	<u>TARGET</u>	<u>RANGE</u>
<u>Equity</u>	57%	47% - 67%
Global Equities	45%	35% - 55%
Global Private Equity	12%	8% - 16%
<u>Income</u>	43%	38% - 48%
Global Bonds	19%	12% - 26%
Global Private Credit	5%	3% - 7%
Global Real Assets	17%	14% - 20%
Cash Equivalents	2%	0% - 5%
<u>STRATEGY</u>		
Opportunistic and Tactical Investments	0%	0 - 5%
Total	100%	
<u>Leverage</u>	0%	0% - 10%
<u>Total Notional Exposure -(Including Leverage)</u>	100%	100% - 110%

B. Derivatives

The Board authorizes the use of derivatives in the Total Fund and authorizes the Chief Investment Officer, with the advice and assistance of the Investment Consultant, to develop and implement derivatives strategies as needed. The Chief Investment Officer will follow the derivatives policy setting forth general guidelines for the use of derivatives.

C. Leverage

The Board authorizes the use of leverage in the Total Fund and authorizes the Chief Investment Officer, with the advice and assistance of the Investment Consultant, to develop and implement certain leverage strategies. The Chief Investment Officer will follow the leverage policy setting forth general guidelines for the use of leverage. Leverage at the total fund level may be used to gain higher level of exposure than 100% of the above asset allocation targets subject to a limit of 10% of total fund. Economic leverage is obtained by the use of derivatives (equities, bond or other liquid assets) and may be employed to balance risk contribution and/or potentially enhance total fund return. Any active risk introduced by the total fund leverage shall be governed by the limits specified in section IV (Risk Management) above.

D. Rebalancing

The Total Fund rebalancing is conducted by the Chief Investment Officer within the active risk limit specified in Section IV. (Risk Management) as well as asset class portfolio ranges specified in Section VIII. Within individual asset classes, rebalancing is conducted based on the specific targets and ranges of the sub-strategies specified in the implementation guidelines subject to the overall tracking error limit of each asset class.

E. Currency Hedging

The Board authorizes currency hedging in the Total Fund and authorizes the Chief Investment Officer to develop and implement currency hedging strategies as needed. Currency hedging programs and managers shall be approved by the Investment Committee.

F. Transition Management

The Board authorizes the Executive Director and the Chief Investment Officer to hire Transition Managers as needed.

G. Proxy Voting

The Board authorizes the Proxy Review Committee, which consists of staff members from Executive and Investments, to vote proxies of common stock owned by SERS and to hire proxy services as required to implement this strategy. The Proxy Review Committee will follow a process for voting proxies as described in the Proxy Voting Procedures document.

H. Securities Lending

The Board authorizes Investment Staff to develop and implement a securities lending program which may involve the appointment or discharge of third party securities lending agents by the Executive Director or the Chief Investment Officer. The Board recognizes that while the practice of securities lending can generate meaningful income for the Total Fund, it is not without investment risk. To mitigate investment risk the securities lending program will focus on intrinsic value lending and use conservative collateral reinvestment guidelines as outlined in the securities lending policy. If Staff determines the risk/reward relationship of the program is no longer advantageous for the Total Fund, the program will be discontinued.

I. Opportunistic and Tactical Investments

The Board authorizes Investment Staff to invest up to 5% of Total Assets in Opportunistic and Tactical Investment Strategies. These investments will comply with the Opportunistic and Tactical Investment Policy approved by the Chief Investment Officer.

J. Overlay Program

The Board authorizes Investment Staff to invest in an overlay program which includes tactical asset allocation and active currency strategies. The overlay program trades derivatives of the Total Fund's underlying assets and foreign currency exposures to enhance Total Fund's risk adjusted return. The net notional exposures of the tactical asset allocation should be zero and the gross notional exposure of the currency program is limited to 50% of the Non-US Equity portfolio value. The active risk (tracking error) of the overlay positions are governed by the overall tracking error limit for the Total Fund as stated in Section IV. (Risk Management).

K. Investment Managers and Funds

The Board authorizes the Chief Investment Officer and the Investment Committee to approve Investment Managers and Funds based upon recommendations of Investment Staff or Investment Consultants, as may be appropriate, and discussions with Managers. The Chief Investment Officer is authorized to discharge Investment Managers or Funds and report such actions to the Investment Committee or to present the discharge action to the Investment Committee for approval on a discretionary basis. Allocations to approved Investment Managers and Funds will be determined or adjusted by the Chief Investment Officer in accordance Section VI. Allocations and adjustments are subject to any maximum allocation amounts established by the Board.

Investment Managers will adhere to investment guidelines established by Investment Staff, as well as all applicable laws and policies. The Chief Investment Officer is authorized to establish and amend investment guidelines as needed.

It is a goal of the Board to increase the utilization of Ohio-qualified Investment Managers when an Ohio-qualified Investment Manager offers quality, services and safety comparable to other Investment

Managers available to the Board, and the use of such Investment Manager is consistent with the Board's fiduciary duties.

The Board will require that a list of Ohio-qualified Investment Managers and their investment products be maintained, and that public notice be given to Ohio-qualified Investment Managers of Investment Manager searches and search criteria.

SERS will give equal consideration to minority owned and controlled firms, and firms owned and controlled by women.

L. Co-investments

The Board authorizes the Chief Investment Officer to approve co-investments in a single investment within a Fund investment previously approved by the Investment Committee. A single co-investment is limited to ~~\$2540~~ million. Such approvals shall be reported to the Investment Committee with supporting investment memoranda. The Chief Investment Officer may present the co-investment to the Investment Committee for approval (on a discretionary basis) if time permits.

M. Collective Investment Funds

To the extent SERS' assets are invested in a group trust described in IRS Revenue Ruling 81-100, the instruments governing such trusts, as they may be amended from time to time, are hereby incorporated by reference and made part of the SIP as if fully set forth herein.

N. Approved Brokers

Brokers (or broker/dealers) who may provide execution of securities transactions for SERS will be evaluated on the basis of financial soundness, underwriting capabilities, research services, execution costs, and any other capabilities necessary in the execution of such transactions. Investment Managers who use such brokers will use their good faith judgment to ensure that said brokers will perform in the best interest of the Total Fund.

It is a goal of the Board to increase its utilization of Ohio-qualified brokers for the execution of domestic equity and domestic fixed income trades when an Ohio-qualified broker offers quality, services, and safety comparable to other brokers available to the Board or its Investment Managers, and the use of such broker is consistent with the Board's fiduciary duties.

SERS will give equal consideration to minority owned and controlled firms, and firms owned and controlled by women.

O. Soft Dollars

SERS allows investment managers to enter into limited soft dollar trading arrangements as governed by the "safe harbor" provision of Section 28(e) of the Securities and Exchange Act of 1934, and guided by the CFA Institute Soft Dollar Standards. SERS does not support any new soft dollar arrangements outside of these noted provisions.

P. Securities Litigation

SERS will follow the securities litigation policy and procedures as approved by the Board in setting out a course of action that best represents the interests of SERS' participants and beneficiaries.

Q. Other

The strategies listed herein are not meant to constrain the Chief Investment Officer from managing the investment program in a prudent manner. The Chief Investment Officer may develop additional investment strategies as needed and will discuss such additional strategies with the Board prior to implementation.

IX. Performance

A. Performance Measurement Standard

Performance evaluation for the Total Fund will focus on total return, on an accrual accounting basis, including realized and unrealized capital gains and losses, and income. Valuations are to be made at

least on a quarterly basis, and period returns are to be geometrically linked. Private market asset returns may be reported one quarter in arrears. Cash and cash equivalents will be included in the portfolio's return. Performance will be calculated on a gross-of-fee and net-of-fee basis.

B. Performance Benchmark – Total Fund

Performance of the Total Fund relative to benchmarks will be examined monthly, and will be reported for multiple time periods as needed. The Board's Investment Consultant will report performance net-of-fees on a quarterly basis.

The performance benchmark for the Total Fund will be the target-weighted average of the performance benchmark for each asset class and strategy grouping as stated in Section VIII, excluding leverage. Performance for the Total Fund shall be reported including total fund leverage.

In the event of a significant change in policy targets, the Board may approve interim targets for a period to move progressively toward the final target; interim targets may be used for the purpose of calculating the Total Fund policy benchmark in the interim period.

C. Performance Benchmarks – Asset Classes and Strategies

The long-term performance benchmark for each asset class is shown below. Performance benchmarks are determined as appropriate for SERS in cooperation with SERS' Investment Consultant. For purposes of this section, long-term refers to rolling three- to five-year periods. Performance in each asset class should meet or exceed the Benchmark measure.

ASSET CLASS	BENCHMARK MEASURE
Global Equities	<u>US Equity</u> : 55% Russell 3000; <u>NUSE Developed Market</u> : 30% MSCI World ex-USA Net Total Return Index (USD); <u>NUSE Emerging Market</u> : 15% MSCI Emerging Markets Net Total Return Index (USD)
Global Private Equity	Burgiss All Private Equity benchmark (BAPE) (one quarter in arrears)
Global Fixed Income	Bloomberg Barclays Capital US Aggregate Bond Index
Global Private Credit	<u>LIBOR + 4.5% 90 day Treasury bill rate + 4.5%</u>
Global Real Assets	NCREIF Property Index (one quarter in arrears)
Cash Equivalents	Citigroup 30-day T-Bill Index
STRATEGY	BENCHMARK MEASURE
Opportunistic and Tactical Investments	Bloomberg Barclays Capital US Aggregate Bond Index + 2%

D. Performance Benchmarks – Individual Investment Managers

Investment Staff will establish performance benchmarks for each Investment Manager based on its respective style.

X. Review and Evaluation

The Board will review and evaluate periodic reports on the investment performance of Total Fund assets. Greater emphasis will be placed on three- to five-year results. The intended frequency for review and evaluation, subject to change by the Board, is as follows:

- A. Monthly – Investment Report including Total Fund market value, asset allocation, performance of the Total Fund and each asset class, and the Total Fund's compliance with this SIP.

- B. Quarterly – Summary Investment Report presented by the Investment Consultant, including highlights and commentary about market conditions, investment performance, asset composition and characteristics for each asset class, and relevant manager level information.

XI. Related Policies and Procedures

A list of related policies and procedures that govern the investment program is attached as Appendix I.

Appendix I - Related Policies

SIP	Number	Document
	INV1-001	Statement of Investment Policy
VIII	INV1-002	Derivatives Policy
VIII	INV1-003	Leverage Policy
VIII	INV1-004	Opportunistic and Tactical Investment Policy
IV	INV1-006	Investment Risk Management Policy
VIII	INV1-007	Securities Lending Policy
VI	INV1-012	Cash Equivalents Portfolio Investment Guidelines Policy
VIII	INV1-014	Cash Equitization Policy
VI	INV1-024	Investment Committee and Investment Approval Policy
VIII	INV1-025	Private Market Co-Investment Policy
VI	INV3-001	Investment Oversight Policy
VIII	BD3-008	Securities Litigation Policy
VIII	EXE6-002	Proxy Voting Policy

Appendix II – Glossary of Terms

Active Risk – also known as Tracking Error, describes how a portfolio's performance is different from its benchmark and is measured by the standard deviation of the differences in returns of the actual portfolio and the benchmark portfolio.

Active Share – the Active Share of a fund represents the percent of portfolio holdings that differ from the (declared) benchmark index holdings.

Actuarial Assumed Rate – also referred to as the actuarial discount rate. This rate is used to value a pension fund's liabilities and is also used as a long-term investment return objective.

Asset and Liability Study – a study to determine the appropriate level of overall investment risk for a pension plan, based on future liabilities and funding resources. The study helps maximize the probability that the return on plan assets exceeds the growth of plan liabilities.

Benchmark – a gauge in the securities market by which investment performance can be measured, such as the Standard & Poor's 500 Index.

Bloomberg ~~Barcays Capital~~ US Aggregate Bond Index – a market capitalization weighted US bond index published by ~~Bloombergarclay's Capital~~. Most US traded investment grade bonds are represented in the index. SERS' global fixed income policy benchmark.

Broker – an individual or firm authorized to act on behalf of another, such as executing a transaction. The broker does not assume any financial risk in the transaction, as a dealer would.

Brokerage Commission – fee paid to a broker for the purchase and sale of securities.

Broker/dealer – any individual or firm in the business of buying and selling securities for itself and others. Broker/dealers must register with the SEC. When acting as a broker, a broker/dealer executes orders on behalf of a client. When acting as a dealer, a broker/dealer executes trades for the firm's own account. Securities bought for the firm's own account may be sold to clients or other firms or become a part of the firm's holdings.

Burgiss All Private Equity (BAPE) – The BAPE is comprised of data from more than 5,000 private equity funds contributed by limited partners that are Burgiss clients and use Burgiss' web-based institutional portfolio management platform Private i. The benchmark data is sourced from Burgiss' limited partner clients and includes complete transactional and valuation history between the limited partner and their fund investments. Burgiss publishes a detailed breakdown of the dataset every quarter allowing for increased transparency.

Cash Securitization – Cash securitization is a method used to obtain asset-like returns on short-term cash investments in equity, fixed income or other accounts by overlaying the short-term cash investments with relevant futures. Securitization of equity cash is referred to as cash equitization.

Cash Equivalents – highly liquid, safe investments with maturities of 397 days or less, which can be easily converted into cash. Examples include Treasury Bills, money market funds, and quality commercial paper. The cash equivalents asset class serves as a liquidity pool for SERS.

Chapter 3309, Ohio Revised Code – the Ohio statute governing the School Employees Retirement Board and School Employees Retirement System of Ohio.

Citigroup 30-day T-Bill Index – an index that measures the rate of return for 30-day US Treasury Bills, which are considered representative of the performance of short-term money market instruments. The Citigroup 30-day T-Bill index is the policy benchmark for Cash Equivalents.

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.

Collective Investment Fund – A fund that is operated by a trust or bank and holds commingled (pooled) assets.

Conflict of Interest – a direct or indirect pecuniary interest or a relationship (without regard to whether the relationship is personal, private, commercial, or business) and the interest or relationship could diminish the Investment Service Provider's independence of judgment in the performance of its responsibilities to SERS; or bias the Investment Service Provider's evaluation of, or advice with respect to, a transaction or assignment on behalf of SERS.

Credit Risk – the possibility that a bond issuer will default by failing to repay principal and interest in a timely manner.

Currency Hedging – also known as Currency Management. A technique or strategy used to address foreign exchange fluctuations which affect investment returns on international investments. Currency hedging can be active, passive, or a combination of active and passive. Passive hedging is a strategy to neutralize fluctuations between US and Non-US currencies to a predetermined level. Active hedging is a strategy to manage currency fluctuations in an effort to generate returns.

Default Risk – see Credit Risk.

Derivatives (Derivative Instruments) – financial instruments (securities or contracts) whose values are derived from underlying financial assets, indices or other instruments. Derivative performance is based on the performance of assets, interest rates, currency exchange rates, and various domestic and foreign indices underlying the instruments. The common forms of derivatives are forward, futures, swap and options contracts.

Diversification – spreading a portfolio over many investments to avoid excessive exposure to any one source of risk.

Due Diligence – an investigation or audit of a potential or existing investment.

Equity Investment – claims held by the residual owners of a firm. May also be referred to as common stock. Investments in real estate and certain private markets classifications may also be considered equity.

External Management – the management or investment of fund assets by Investment Managers.

Fiduciary – a person, company or association holding assets in trust for a beneficiary. One who can exercise discretionary authority or can control important aspects of a pension plan's management.

Firm Level – as used in this SIP, Firm Level refers to an Investment Management Firm and includes all investment products, strategies or styles offered by the firm.

Fixed Income Investment – a security issued by a borrower that obligates the issuer to make specified payments to the holder over a specific period. May also be referred to as "debt" or "bonds."

Foreign Currency Risk – incurred by investing in foreign countries. Fluctuations in exchange rates between domestic and foreign currencies impact total returns. Impacts may be positive or negative.

Fund – Fund means a limited partnership, trust or commingled investment vehicle in which SERS invests or may invest (e.g., hedge fund, private equity fund, or real estate fund).

Global Equities – reflects the consolidation of what had been treated by SERS as US equity and Non-US equity asset classes; includes equities of US and non-US origin, equities of various capitalizations (e.g., large cap, small cap, mid cap, etc.), equities from developed, emerging and frontier markets, growth and value equities, and passive and active strategies. Investments in global equities strategies are made in accordance with investment allocation guidelines established and amended as necessary, by mutual agreement between the Chief Investment Officer and the Investment Consultant.

Global Private Credit - broadly defined as strategies that provide loans and financing to middle market companies in lieu of bank financing. Strategies can have objectives of either preserving capital, with return coming primarily from current pay coupon and fees or maximizing appreciation of more subordinated loans.

Guidelines – refers to an Investment Manager's "Investment Guidelines," established between the Investment Manager and Staff as part of an investment management agreement. Guidelines may be general or specific.

Hedge Fund – a private investment partnership or an offshore investment corporation in which the general partner has made a substantial personal investment, and whose offering memorandum allows for the Fund to take both long and short positions, using leverage and derivatives, and invest in many markets. Hedge funds often use strategies involving program trading, selling short, swaps and arbitrage.

Indexing – the weighting of investments that are in line with one of the major market indices, such as the Standard & Poor's 500 Index. Also referred to as passive investing.

Interest Rate Risk – the risk that an investment's value will change due to a change in the absolute level of interest rates.

Internal Management – the management or investment of fund assets by Investment Staff.

Intrinsic Value Lending – lending that produces returns based upon the securities loan itself, with little incremental benefit from collateral reinvestments.

Investment Committee – a committee comprised of the Chief Investment Officer and Investment Officers from SERS' Investment Department who possess the State Retirement System Investment Officer (SRSIO) license, with clearly defined structure, rules and procedures for reviewing and approving investments in a timely and prudent fashion.

Investment Consultant – any consultant hired by the Board or by Staff to advise or assist with the investment program in accordance with this SIP. Board Investment Consultants must be approved by the Board. Staff Investment Consultants shall be approved by the Executive Director.

Investment Manager – a manager or potential manager of SERS assets, both public market and private market. Includes, but is not limited to managers of equity, fixed income, private equity, real estate, hedge funds, commodities and cash.

Investment Program – the implementation of SERS' investment responsibilities and the Board's SIP by fund fiduciaries.

Investment Service Provider – an entity or person, other than a Retirement Board member or SERS employee, who provides investment advice to SERS intended to affect or form a basis for investment or fund management decisions by SERS, including but not limited to (a) Investment Consultants, (b) Investment Managers, (c) agents, (d) broker/dealers, (e) master record keepers, and (f) custodian.

Investment Staff – members of the Investment Department of SERS, including the Chief Investment Officer, State Retirement System Investment Officers, and other department personnel.

Leverage – in investments, this is the control of a large amount of money by a smaller amount of money, such as buying on margin. In finance, this is the relationship of debt to equity on a company's balance sheet in the form of the debt/equity ratio.

~~**LIBOR** – The London Interbank Offered Rate (LIBOR) is a benchmark interest rate at which major global banks lend to one another in the international interbank market for short-term loans.~~

Liquidity Risk – the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or to make the required profit.

Long-term – in the context of SERS' liability and investment horizons, long-term is assumed to be at least 10 years.

Mandate – mandate is the macro or high-level strategy employed by a manager. Examples of macro strategies include US versus Non-US; large cap versus small cap; real estate versus private equity; etc.

Master Record Keeper – the master accountant used by SERS.

Modern Portfolio Theory – a theory about how rational investors can construct portfolios in order to optimize market risk for expected returns, emphasizing that risk is an inherent part of higher reward. According to the theory, it is possible to construct an "efficient frontier" of optimal portfolios offering the maximum possible expected return for a given level of risk. This theory was pioneered by Harry Markowitz in his paper "Portfolio Selection," published in 1952 by the *Journal of Finance*.

Morgan Stanley Capital International – All Country World Free ex-USA Index (\$Net) – an equity index representing 44 developed and emerging countries. "Free" indicates the index reflects actual investable opportunities for global investors by taking into account local market restrictions on share ownership by foreigners. "Net" indicates that dividends are reinvested after the deduction of withholding taxes applicable to non-resident institutional investors. The MSCI-ACWI ex-USA Index, net of dividends reinvested is SERS' policy benchmark for Non-US Equities.

NCREIF Property Index (NPI) – a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. The NCREIF Property Index is a component of SERS' global real estate policy benchmark.

Opportunistic and Tactical Investments – Global opportunistic investments are tactical or non-traditional investment opportunities that may be short-term or may not fit within the generally accepted risk/return parameters of specific asset classes or strategy groupings. Such opportunities may involve capitalizing on short-term market dislocations or other such unique situations. Tactical investments may include strategies with dynamic allocations to single assets or across multiple asset types or other innovative approaches.

Portfolio – a collection of investments owned, managed, or overseen by an individual or Investment Manager, a board or an organization. Portfolio can mean a manager account or subset thereof (e.g., Goldman Sachs Core Plus account), an asset class (e.g., US equity), or the entire fund (e.g., SERS' Total Fund).

Private Market Assets – broadly defined as those assets of alternative mandates utilizing either publicly- or privately-traded securities or other investment instruments. These include, but are not limited to, real assets, private equity, private credit and hedge funds.

Proxy – an agent legally authorized to act on behalf of another party. Shareholders not attending a company's annual meeting may choose to vote their shares by proxy by allowing someone else to cast votes on their behalf. Management often encourages shareholders to vote by proxy so that ownership interests are fully represented even if shareholders are unable to attend the company's annual meetings in person.

Prudent (Prudent Person) – this phrase generally refers to the prudent person rule which is a legal maxim restricting the discretion in a client's account to investments only in those securities that a prudent person seeking reasonable income and preservation of capital might buy for his or her own investment.

Rebalancing – the action of adjusting allocations relative to their targets or ranges to adjust for actual or anticipated market movements.

Risk – the chance that an investment's actual return will be different than expected. This includes the possibility of losing some or all of the original investment. It is usually measured by calculating the standard deviation of the historical returns or average returns of a specific investment.

Risk-Adjusted Return – a measure of how much risk a Fund or portfolio takes on to earn its returns, usually expressed as a ratio. Usually expressed by a Sharpe Ratio or Information Ratio calculation.

Russell 3000 Index – a market-value weighted equity index published by the Frank Russell Company. The index measures the performance of the 3,000 largest US companies in terms of market capitalization. The Russell 3000 Index is SERS' Domestic Equity Policy Benchmark.

Securities Lending – the temporary loan of a security from an institutional investor's portfolio to a broker/dealer or dealer bank to support that firm's trading activities. These trading activities include short selling, selling on margin or the satisfaction of some other type of transaction. Loaned securities are generally collateralized, reducing the lender's credit exposure to the borrower. Except for the right to vote proxies, the lender retains entitlement to all the benefits of owning the original securities, including the receipt of dividends and interest.

Securities Litigation – refer to SERS' Securities Litigation Policy.

Soft Dollars – Soft dollar trading arrangements refer to agreements whereby an investment manager directs transactions to a broker in exchange for brokerage and research services. The research services provided to the investment manager may be either proprietary or originate with a third-party.

Style – Style refers to an investment product, strategy or style offered by an Investment Management Firm and reflects how the assets are invested. For example, value versus growth; core versus value added; quantitative versus fundamental; etc.

Total Fund – Total Fund refers to SERS' total investment assets.

Total Return – the return on an investment, including income from dividends and interest, as well as appreciation or depreciation in the price of the security, over a given time period.

Tracking Error – a divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark. Calculated as the standard deviation of the difference in returns between a portfolio and its benchmark.

Transition Management – management of the transition of assets from one portfolio to another by a transition manager.

Related Documents and Information

Statutes: R.C. 3309, Ohio Revised Code

Rules: N/A

Document Links: Purpose, Policy, Procedure, Definitions, Related Documents, Policy History

Forms: ---

Policy History

This policy supersedes the policy adopted August 2, 1985 and all revised policies dated [2/18/21](#); 7/1/20; 9/17/15; 6/18/15; 12/18/14; 5/01/14; 1/01/14; 7/01/13; 1/19/12; 7/21/11; 7/01/10; 2/01/09; 8/01/08; 2/21/08; 10/01/07; 10/20/05; 9/15/00; 10/23/98; 6/19/98; 12/12/97; 7/25/97; 3/21/97; 12/20/96; 11/22/96; 6/21/96; 4/25/96; 9/15/95; 7/28/95; 6/16/95; 3/17/95; 1/20/95; 10/21/94; 5/20/94; 3/06/92; 4/07/89; 9/04/87; 1/09/87.

STATEMENT OF INVESTMENT POLICY AMENDMENTS

As discussed during the February 17, 2022 Board meeting, _____ moved and _____ seconded the motion to approve amendments to the Statement of Investment Policy. The amended Statement of Investment Policy will become effective February 17, 2022 and replaces the Statement of Investment Policy dated February 18, 2021.

Upon roll call, the vote was as follows:

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

School Employees Retirement System of Ohio

Summary of administrative operation expenses during the period December 1, 2021-December 31, 2021.

Actuals
Dec-2021

Account	Amount
Salaries & Wages	1,589,845.39
Salaries & Wages-Cash in Sick at Retirement	66.03
Salaries & Wages- Cash in Vacation at Term/Retirement	3,074.52
Salaries & Wages- Length of Service	149,416.57
Salaries & Wages- Overtime	3,047.43
Vacation Leave Expense	140,935.48
Sick Leave Expense	64,357.37
Employer Contributions- PERS	261,294.76
Group Life	8,484.68
Long Term Disability	2,455.00
Short Term Disability	3,782.54
Group Health Claims	323,537.50
Group Health- Admin Fees	9,095.28
Prescription Claims	120,462.70
Group Health- Stop Loss Admin	13,960.02
Vision Claims	1,255.20
Vision Admin Fees	172.26
Group Health- Employee Cost	(45,432.69)
Group Health- Wellness Incentive	3,270.00
Group Health- Tobacco Premiums	(1,240.00)
Medicare Premium- Employer	26,787.93
Workers Compensation	(230.00)
Deferred Compensation Match	7,290.00
Actuarial Services	12,000.00

Audit	637.50
Custodial Fees	89,967.20
Custodial Banking	14,946.75
Master Recordkeeper Fees	84,926.03
Investment Advisory Fees	54,166.67
Performance/ Analytics Fee	34,406.66
Other Prof. Inv. Related Consulting	10.00
Medical Consultant	3,750.00
Special Counsel	12,029.76
Technical	116,989.32
Other Professional Services	10,733.33
Postage	103,667.45
Telecommunications Services	13,348.47
Printing Paper	4,676.00
Communications & Publications	8,738.32
Software Maintenance	70,000.00
Software Subscriptions	22,281.11
Hardware < \$5,000	15,799.80
Equipment Repairs & Maintenance	6,375.55
Records Storage	1,641.70
Seminars & Conferences	540.00
Tuition	1,241.69
Travel & Transportation	8,855.09
Subscriptions	1,721.36
Memberships	1,714.00
Operations Maintenance	2,970.02
Interior Landscaping	1,356.37
Vehicle Expense	382.90

Staff Support	7,948.93
Recruiting Expense	783.36
Board Member- School Board Reimb.	772.75
Reimbursement of Leased Svcs.	(25,416.67)
Total Administrative Expenses	3,369,649.39

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School Employees Retirement System of Ohio
REVIEW OF ADMINISTRATIVE EXPENSES
21-Dec

The following are the administrative expenses of the School Employees Retirement System of Ohio during the period December 1, 2021- December 31, 2021

<u>Expense Account</u>	<u>Vendor</u>	<u>Amount</u>
53100 - Salaries & Wages	ADP, LLC	1,589,845.39
	Subtotal	1,589,845.39
53103 - Salaries & Wages - Cash in Sick at Retirement	ADP, LLC	66.03
	Subtotal	66.03
53105 - Salaries & Wages - Cash in Vacation at Term/Retire	ADP, LLC	3,074.52
	Subtotal	3,074.52
53106 - Salaries & Wages - Length of Service	ADP, LLC	149,416.57
	Subtotal	149,416.57
53110 - Salaries & Wages - Overtime	ADP, LLC	3,047.43
	Subtotal	3,047.43
53111 - Vacation Leave Expense	ADP, LLC	140,935.48
	Subtotal	140,935.48
53112 - Sick Leave Expense	ADP, LLC	64,357.37
	Subtotal	64,357.37
53200 - Employer Contributions - PERS	Ohio Public Emp. Retirement System	261,294.76
	Subtotal	261,294.76
53300 - Group Life	American United Life Insurance Company	8,484.68
	Subtotal	8,484.68
53310 - Long Term Disability	American United Life Insurance Company	2,455.00
	Subtotal	2,455.00
53315 - Short Term Disability	American United Life Insurance Company	3,782.54
	Subtotal	3,782.54
53320 - Group Health Claims	Aetna Daily Wires - ESERS SaveonSP, LLC	320,059.75
	Subtotal	3,477.75 323,537.50
53321 - Group Health - Admin Fees	Mount Carmel Occupational Health Aetna Admin - ESERS	1,560.00
	Subtotal	7,535.28 9,095.28
53322 - Prescription Claims	Express Scripts - ESERS	120,462.70
	Subtotal	120,462.70
53324 - Group Health - Stop Loss Admin	Aetna Admin - ESERS	13,960.02
	Subtotal	13,960.02
53326 - Vision Claims	VSP - (OH)	1,255.20
	Subtotal	1,255.20
53327 - Vision Admin Fees	VSP - (OH)	172.26
	Subtotal	172.26
53330 - Group Health - Employee Cost	Employee Premiums Aetna Daily Wires - ESERS	(42,256.08)
	Subtotal	(3,176.61) (45,432.69)
53331 - Group Health - Wellness Incentive	ADP, LLC	3,270.00
	Subtotal	3,270.00
53332 - Group Health - Tobacco Premiums	ADP, LLC	(1,240.00)
	Subtotal	(1,240.00)
53340 - Medicare Premium - Employer	ADP, LLC ADP, LLC	26,787.94
	Subtotal	(0.01) 26,787.93
53350 - Workers Compensation	Ohio Department of Job and Family Services	(230.00)
	Subtotal	(230.00)
53380 - Deferred Compensation Match	ADP, LLC	7,290.00
	Subtotal	7,290.00
54100 - Actuarial Services	Cavanaugh MacDonald Consulting, LLC	12,000.00
	Subtotal	12,000.00
54200 - Audit	Treasurer of State of Ohio	637.50
	Subtotal	637.50
54310 - Custodial Fees	BNY Mellon Asset Servicing	89,967.20
	Subtotal	89,967.20
54320 - Custodial Banking	Treasurer of State - Warrants Huntington National Bank	455.42
	Subtotal	14,491.33 14,946.75
54410 - Master Recordkeeper Fees	BNY Mellon Asset Servicing	84,926.03
	Subtotal	84,926.03
54420 - Investment Advisory Fees	Wilshire/Askian	54,166.67
	Subtotal	54,166.67
54430 - Performance/Analytics Fee	BNY Mellon Asset Servicing Easterday, Stacy	34,401.66
	Subtotal	5.00

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		Subtotal	34,406.66
54450 - Other Prof. Inv. Related Consulting	Ohio Secretary of State		
		Subtotal	10.00
54520 - Medical Consultant	Borchers, M.D., Glen G.		
		Subtotal	3,750.00
54610 - Special Counsel	Ice Miller LLP Newhouse, Prophater, Kolman & Hogan LLC Kayne Law Group Porter, Wright, Morris, Frost Brown Todd, LLC		
		Subtotal	7,091.19 280.00 62.50 4,296.07 300.00 12,029.76
54620 - Technical	Sagitec Solutions, LLC LexisNexis Risk Data Management, Inc ComResource Velosio CGI, Inc. Buck Global, LLC Royal Document Destruction		
		Subtotal	66,383.25 2,868.97 21,392.50 2,215.00 13,200.00 10,565.10 364.50 116,989.32
54630 - Other Professional Services	Wickert, Kimberly Government Finance Officers Association Cristo Rey Columbus High School Vorys Advisors LLC Contoural, Inc.		
		Subtotal	765.00 250.00 5,000.00 3,333.33 1,385.00 10,733.33
55100 - Postage	Employee Reimbursement Pitney Bowes Inc. United States Postal Service Unishippers Association Quadient		
		Subtotal	(11.96) 2,791.64 100,000.00 360.00 527.77 103,667.45
55200 - Telecommunications Services	Verizon Wireless Black Box Network Services TBG Conferencing XO Communications Time Warner Cable Nextel Communications AT&T LUMEN		
		Subtotal	456.05 1,055.00 14.19 1,789.77 6,069.25 111.50 40.10 3,812.61 13,348.47
55400 - Printing Paper	Sterling Paper Company		
		Subtotal	4,676.00 4,676.00
55420 - Communications & Publications	Tension Envelope Corporation Millcraft Paper Co.		
		Subtotal	8,535.67 202.65 8,738.32
56030 - Software Maintenance	Sagitec Solutions, LLC		
		Subtotal	70,000.00 70,000.00
56035 - Software Subscriptions	Shi International Corp. ADP, LLC KLDISCOVERY Liquid Web Inc CDW-Government, Inc. Zoom Wellable LLC		
		Subtotal	11,845.00 4,637.35 2,550.00 264.50 2,000.00 513.66 470.60 22,281.11
56040 - Hardware < \$5,000	Amazon.com Dell Marketing LP		
		Subtotal	503.82 15,295.98 15,799.80
56110 - Equipment Repairs & Maintenance	Ricoh USA, Inc Digital Print Solutions Amazon.com Canon Financial Services, Inc LD Products Inc. US Bank Equipment Finance		
		Subtotal	2,008.82 648.77 400.00 1,647.27 467.94 1,202.75 6,375.55
56160 - Records Storage	Vital Records Holdings, LLC		
		Subtotal	1,641.70 1,641.70
56210 - Seminars & Conferences	Government Finance Officers Association		
		Subtotal	540.00 540.00
53370 - Tuition	Maynard, Chris		
		Subtotal	1,241.69 1,241.69
56310 - Travel & Transportation	Naber, Jason Kroger Rossler, James Haller, James Phillips, Barbra Giant Eagle Majeed, Farouki Moss, Catherine Wilson, Daniel L. King, Matt Weglarz, Frank Scarver, Gina Corporate Caterers		
		Subtotal	949.86 19.36 67.04 816.44 508.28 7.84 2,804.81 921.89 566.00 801.72 990.13 15.57 386.15

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		Subtotal	8,855.09
56410 - Subscriptions	Wall Street Journal		46.99
	Constant Contact		125.00
	Shutterstock, Inc.		29.00
	Thomson Reuters - West Publishing Corp		1,507.38
	Toledo Blade		12.99
		Subtotal	1,721.36
56420 - Memberships	National institute of Governmental Purchasing		190.00
	Government Finance Officers Association		1,205.00
	Society for Human Resource Management		319.00
		Subtotal	1,714.00
56610 - Operations Maintenance	AT&T		248.94
	Amtrec, LLC		1,666.00
	South Central Power Company		882.00
	Northeast Ohio Natural Gas Corp.		173.08
		Subtotal	2,970.02
	Ambius Inc. (05)		1,356.37
		Subtotal	1,356.37
56630 - Interior Landscaping	ACA Auto Club of America		284.90
	AutoTrader.Com		98.00
		Subtotal	382.90
56640 - Vehicle Expense	Franklin Services		415.24
	ADP, LLC		5,115.00
	Grumney, John		69.35
56620 - Staff Support	Certif-A-Gift Company		56.00
	Kroger		75.00
	Premier ProduceOne		201.10
	Giant Eagle		120.69
	Amazon.com		435.21
	Sam's Club		21.98
	Unisan, LLC		246.77
	ThrivePass		552.00
	Matrix Integrated Psychological Services		590.70
	Culligan Bottled Water of Columbus		49.89
		Subtotal	7,948.93
	ADP Screening & Selection Services		132.00
	Indeed		651.36
		Subtotal	783.36
56621 - Recruiting Expense	Ashland City School District		772.75
		Subtotal	772.75
56710 - Board Member - School Board Reimb.	-		(25,416.67)
		Subtotal	(25,416.67)
56900 - Reimbursement of Leased Svcs	Total SERS Administrative Expense		3,369,649.39

School Employees Retirement System of Ohio

Summary of administrative operation expenses during the period December 1, 2021-December 31, 2021.

Actuals
Dec-2021

Account	Amount
Salaries & Wages	1,589,845.39
Salaries & Wages-Cash in Sick at Retirement	66.03
Salaries & Wages- Cash in Vacation at Term/Retirement	3,074.52
Salaries & Wages- Length of Service	149,416.57
Salaries & Wages- Overtime	3,047.43
Vacation Leave Expense	140,935.48
Sick Leave Expense	64,357.37
Employer Contributions- PERS	261,294.76
Group Life	8,484.68
Long Term Disability	2,455.00
Short Term Disability	3,782.54
Group Health Claims	323,537.50
Group Health- Admin Fees	9,095.28
Prescription Claims	120,462.70
Group Health- Stop Loss Admin	13,960.02
Vision Claims	1,255.20
Vision Admin Fees	172.26
Group Health- Employee Cost	(45,432.69)
Group Health- Wellness Incentive	3,270.00
Group Health- Tobacco Premiums	(1,240.00)
Medicare Premium- Employer	26,787.93
Workers Compensation	(230.00)
Deferred Compensation Match	7,290.00
Actuarial Services	12,000.00

Audit	637.50
Custodial Fees	89,967.20
Custodial Banking	14,946.75
Master Recordkeeper Fees	84,926.03
Investment Advisory Fees	54,166.67
Performance/ Analytics Fee	34,406.66
Other Prof. Inv. Related Consulting	10.00
Medical Consultant	3,750.00
Special Counsel	12,029.76
Technical	116,989.32
Other Professional Services	10,733.33
Postage	103,667.45
Telecommunications Services	13,348.47
Printing Paper	4,676.00
Communications & Publications	8,738.32
Software Maintenance	70,000.00
Software Subscriptions	22,281.11
Hardware < \$5,000	15,799.80
Equipment Repairs & Maintenance	6,375.55
Records Storage	1,641.70
Seminars & Conferences	540.00
Tuition	1,241.69
Travel & Transportation	8,855.09
Subscriptions	1,721.36
Memberships	1,714.00
Operations Maintenance	2,970.02
Interior Landscaping	1,356.37
Vehicle Expense	382.90

Staff Support	7,948.93
Recruiting Expense	783.36
Board Member- School Board Reimb.	772.75
Reimbursement of Leased Svcs.	(25,416.67)
Total Administrative Expenses	3,369,649.39

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School Employees Retirement System of Ohio
 REVIEW OF ADMINISTRATIVE EXPENSES
 21-Dec

The following are the administrative expenses of the School Employees Retirement System of Ohio during the period December 1, 2021- December 31, 2021

<u>Expense Account</u>	<u>Vendor</u>	<u>Amount</u>	
53100 - Salaries & Wages	ADP, LLC	1,589,845.39	
			Subtotal
		1,589,845.39	
53103 - Salaries & Wages - Cash in Sick at Retirement	ADP, LLC	66.03	
		66.03	Subtotal
53105 - Salaries & Wages - Cash in Vacation at Term/Retire	ADP, LLC	3,074.52	
		3,074.52	Subtotal
53106 - Salaries & Wages - Length of Service	ADP, LLC	149,416.57	
		149,416.57	Subtotal
53110 - Salaries & Wages - Overtime	ADP, LLC	3,047.43	
		3,047.43	Subtotal
53111 - Vacation Leave Expense	ADP, LLC	140,935.48	
		140,935.48	Subtotal
53112 - Sick Leave Expense	ADP, LLC	64,357.37	
		64,357.37	Subtotal
53200 - Employer Contributions - PERS	Ohio Public Emp. Retirement System	261,294.76	
		261,294.76	Subtotal
53300 - Group Life	American United Life Insurance Company	8,484.68	
		8,484.68	Subtotal
53310 - Long Term Disability	American United Life Insurance Company	2,455.00	
		2,455.00	Subtotal
53315 - Short Term Disability	American United Life Insurance Company	3,782.54	
		3,782.54	Subtotal
53320 - Group Health Claims	Aetna Daily Wires - ESERS SaveonSP, LLC	320,059.75 3,477.75	
		323,537.50	Subtotal
53321 - Group Health - Admin Fees	Mount Carmel Occupational Health Aetna Admin - ESERS	1,560.00 7,535.28	
		9,095.28	Subtotal
53322 - Prescription Claims	Express Scripts - ESERS	120,462.70	
		120,462.70	Subtotal
53324 - Group Health - Stop Loss Admin	Aetna Admin - ESERS	13,960.02	
		13,960.02	Subtotal
53326 - Vision Claims	VSP - (OH)	1,255.20	
		1,255.20	Subtotal
53327 - Vision Admin Fees	VSP - (OH)	172.26	
		172.26	Subtotal
53330 - Group Health - Employee Cost	Employee Premiums Aetna Daily Wires - ESERS	(42,256.08) (3,176.61)	
		(45,432.69)	Subtotal
53331 - Group Health - Wellness Incentive	ADP, LLC	3,270.00	
		3,270.00	Subtotal
53332 - Group Health - Tobacco Premiums	ADP, LLC	(1,240.00)	
		(1,240.00)	Subtotal
53340 - Medicare Premium - Employer	ADP, LLC ADP, LLC	26,787.94 (0.01)	
		26,787.93	Subtotal
53350 - Workers Compensation	Ohio Department of Job and Family Services	(230.00)	
		(230.00)	Subtotal
53380 - Deferred Compensation Match	ADP, LLC	7,290.00	
		7,290.00	Subtotal
54100 - Actuarial Services	Cavanaugh MacDonald Consulting, LLC	12,000.00	
		12,000.00	Subtotal
54200 - Audit	Treasurer of State of Ohio	637.50	
		637.50	Subtotal
54310 - Custodial Fees	BNY Mellon Asset Servicing	89,967.20	
		89,967.20	Subtotal
54320 - Custodial Banking	Treasurer of State - Warrants Huntington National Bank	455.42 14,491.33	
		14,946.75	Subtotal
54410 - Master Recordkeeper Fees	BNY Mellon Asset Servicing	84,926.03	
		84,926.03	Subtotal
54420 - Investment Advisory Fees	Wilshire/Askian	54,166.67	
		54,166.67	Subtotal
54430 - Performance/Analytics Fee	BNY Mellon Asset Servicing Easterday, Stacy	34,401.66 5.00	

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		Subtotal	34,406.66
54450 - Other Prof. Inv. Related Consulting	Ohio Secretary of State		
		Subtotal	10.00
54520 - Medical Consultant	Borchers, M.D., Glen G.		
		Subtotal	3,750.00
54610 - Special Counsel	Ice Miller LLP		7,091.19
	Newhouse, Prophater, Kolman & Hogan LLC		280.00
	Kayne Law Group		62.50
	Porter, Wright, Morris,		4,296.07
	Frost Brown Todd, LLC		300.00
		Subtotal	12,029.76
54620 - Technical	Sagitec Solutions, LLC		66,383.25
	LexisNexis Risk Data Management, Inc		2,868.97
	ComResource		21,392.50
	Velosio		2,215.00
	CGI, Inc.		13,200.00
	Buck Global, LLC		10,565.10
	Royal Document Destruction		364.50
		Subtotal	116,989.32
54630 - Other Professional Services	Wickert, Kimberly		765.00
	Government Finance Officers Association		250.00
	Cristo Rey Columbus High School		5,000.00
	Vorys Advisors LLC		3,333.33
	Contoural, Inc.		1,385.00
		Subtotal	10,733.33
55100 - Postage	Employee Reimbursement		(11.96)
	Pitney Bowes Inc.		2,791.64
	United States Postal Service		100,000.00
	Unishippers Association		360.00
	Quadient		527.77
		Subtotal	103,667.45
55200 - Telecommunications Services	Verizon Wireless		456.05
	Black Box Network Services		1,055.00
	TBG Conferencing		14.19
	XO Communications		1,789.77
	Time Warner Cable		6,069.25
	Nextel Communications		111.50
	AT&T		40.10
	LUMEN		3,812.61
		Subtotal	13,348.47
55400 - Printing Paper	Sterling Paper Company		4,676.00
		Subtotal	4,676.00
55420 - Communications & Publications	Tension Envelope Corporation		8,535.67
	Millcraft Paper Co.		202.65
		Subtotal	8,738.32
56030 - Software Maintenance	Sagitec Solutions, LLC		70,000.00
		Subtotal	70,000.00
56035 - Software Subscriptions	Shi International Corp.		11,845.00
	ADP, LLC		4,637.35
	KLDiscovery		2,550.00
	Liquid Web Inc		264.50
	CDW-Government, Inc.		2,000.00
	Zoom		513.66
	Wellable LLC		470.60
		Subtotal	22,281.11
56040 - Hardware < \$5,000	Amazon.com		503.82
	Dell Marketing LP		15,295.98
		Subtotal	15,799.80
56110 - Equipment Repairs & Maintenance	Ricoh USA, Inc		2,008.82
	Digital Print Solutions		648.77
	Amazon.com		400.00
	Canon Financial Services, Inc		1,647.27
	LD Products Inc.		467.94
	US Bank Equipment Finance		1,202.75
		Subtotal	6,375.55
56160 - Records Storage	Vital Records Holdings, LLC		1,641.70
		Subtotal	1,641.70
56210 - Seminars & Conferences	Government Finance Officers Association		540.00
		Subtotal	540.00
53370 - Tuition	Maynard, Chris		1,241.69
		Subtotal	1,241.69
56310 - Travel & Transportation	Naber, Jason		949.86
	Kroger		19.36
	Rosler, James		67.04
	Haller, James		816.44
	Phillips, Barbra		508.28
	Giant Eagle		7.84
	Majeed, Farouki		2,804.81
	Moss, Catherine		921.89
	Wilson, Daniel L.		566.00
	King, Matt		801.72
	Weglarz, Frank		990.13
	Scarver, Gina		15.57
	Corporate Caterers		386.15

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		Subtotal	8,855.09
56410 - Subscriptions	Wall Street Journal		46.99
	Constant Contact		125.00
	Shutterstock, Inc.		29.00
	Thomson Reuters - West Publishing Corp		1,507.38
	Toledo Blade		12.99
		Subtotal	1,721.36
56420 - Memberships	National Institute of Governmental Purchasing		190.00
	Government Finance Officers Association		1,205.00
	Society for Human Resource Management		319.00
		Subtotal	1,714.00
56610 - Operations Maintenance	AT&T		248.94
	Amtrec, LLC		1,666.00
	South Central Power Company		882.00
	Northeast Ohio Natural Gas Corp.		173.08
		Subtotal	2,970.02
	Ambius Inc. (05)		1,356.37
		Subtotal	1,356.37
56630 - Interior Landscaping	ACA Auto Club of America		284.90
	AutoTrader.Com		98.00
		Subtotal	382.90
56640 - Vehicle Expense	Franklin Services		415.24
	ADP, LLC		5,115.00
	Grumney, John		69.35
56620 - Staff Support	Certif-A-Gift Company		56.00
	Kroger		75.00
	Premier ProduceOne		201.10
	Giant Eagle		120.69
	Amazon.com		435.21
	Sam's Club		21.98
	Unisan, LLC		246.77
	ThrivePass		552.00
	Matrix Integrated Psychological Services		590.70
	Culligan Bottled Water of Columbus		49.89
		Subtotal	7,948.93
	ADP Screening & Selection Services		132.00
	Indeed		651.36
		Subtotal	783.36
56621 - Recruiting Expense	Ashland City School District		772.75
		Subtotal	772.75
56710 - Board Member - School Board Reimb.	-		(25,416.67)
		Subtotal	(25,416.67)
56900 - Reimbursement of Leased Svcs	Total SERS Administrative Expense		3,369,649.39

School Employees Retirement System of OhioSummary of administrative operation expenses during the period **January 1, 2022-January 31, 2022.**Actuals
Jan-2022

Account	Amount
Salaries & Wages	1,105,440.12
Salaries & Wages- Cash in sick	78,637.18
Salaries & Wages- Cash in Vacation	0.04
Salaries & Wages- Cash in Vacation at Term/Retirement	4,206.88
Salaries & Wages- Overtime	4,215.13
Vacation Leave Expense	101,404.09
Sick Leave Expense	(185.14)
Employer Contributions- PERS	187,769.54
Group Life	9,210.30
Long Term Disability	3,138.71
Short Term Disability	2,505.65
Group Health Claims	282,492.65
Group Health- Admin Fees	7,451.81
Prescription Claims	93,011.79
Group Health- Stop Loss Admin	16,198.00
Vision Claims	2,560.70
Vision Admin Fees	123.12
Group Health- Employee Cost	(29,387.12)
Group Health- Wellness Incentive	3,230.00
Group Health- Tobacco Premiums	(800.00)
Medicare Premium- Employer	20,699.09

School Employees Retirement System of OhioSummary of administrative operation expenses during the period **January 1, 2022-January 31, 2022.**Actuals
Jan-2022

Workers Compensation	1,751.00
Deferred Compensation Match	4,830.00
Actuarial Services	20,367.00
Audit	51,593.00
Custodial Fees	101,110.31
Custodial Banking	21,146.74
Master Recordkeeper Fees	85,333.33
Investment Advisory Fees	54,166.67
Performance/ Analytics Fee	98,017.91
Other Prof. Inv. Related Consulting	40,500.00
Medical Consultant	3,750.00
Special Counsel	19,148.00
Technical	70,176.65
Other Professional Services	45,276.84
Postage	6,561.72
Telecommunications Services	22,437.94
Printing Paper	1,148.91
Communications & Publications	15,039.34
Software Maintenance	5,310.07
Software Subscriptions	79,534.16
Hardware < \$5,000	1,337.00
Equipment Repairs & Maintenance	7,904.20
Office Supplies & Expenses	731.76
Furniture & Equipment < \$5,000	399.99

School Employees Retirement System of Ohio

Summary of administrative operation expenses during the period **January 1, 2022-January 31, 2022.**

Actuals
Jan-2022

Records Storage	1,765.22
Seminars & Conferences	2,146.34
Travel & Transportation	2,690.73
Subscriptions	17,486.39
Memberships	28,750.50
Operations Maintenance	3,071.98
Interior Landscaping	1,356.37
Vehicle Expense	10,638.00
Staff Support	6,116.07
Recruiting Expense	396.12
Ohio Retirement Study Council	9,600.85
Reimbursement of Leased Svcs.	(25,416.67)
Computer Hardware > \$5,000	52,373.76
Total Administrative Expenses	2,760,470.74

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School Employees Retirement System of Ohio
 REVIEW OF ADMINISTRATIVE EXPENSES
 22-Jan

The following are the administrative expenses of the School Employees Retirement System of Ohio during the period January 1, 2022- January 31, 2022

<u>Expense Account</u>	<u>Vendor</u>	<u>Amount</u>
53100 - Salaries & Wages	ADP, LLC	1,105,440.12
	Subtotal	1,105,440.12
53102 - Salaries & Wages - Cash in Sick	ADP, LLC	78,637.18
	Subtotal	78,637.18
53104 - Salaries & Wages - Cash in Vacation	ADP, LLC	0.04
	Subtotal	0.04
53105 - Salaries & Wages - Cash in Vacation at Term/Retire	ADP, LLC	4,206.88
	Subtotal	4,206.88
53110 - Salaries & Wages - Overtime	ADP, LLC	4,215.13
	Subtotal	4,215.13
53111 - Vacation Leave Expense	ADP, LLC	101,404.09
	Subtotal	101,404.09
53112 - Sick Leave Expense	ADP, LLC	(185.14)
	Subtotal	(185.14)
53200 - Employer Contributions - PERS	Ohio Public Emp. Retirement System	187,769.68
	Ohio Public Emp. Retirement System	(0.14)
	Subtotal	187,769.54
53300 - Group Life	American United Life Insurance Company	9,210.30
	Subtotal	9,210.30
53310 - Long Term Disability	American United Life Insurance Company	3,138.71
	Subtotal	3,138.71
53315 - Short Term Disability	American United Life Insurance Company	2,505.65
	Subtotal	2,505.65
53320 - Group Health Claims	Aetna Daily Wires - ESERS	281,377.90
	SaveonSP, LLC	1,114.75
	Subtotal	282,492.65
53321 - Group Health - Admin Fees	Aetna Admin - ESERS	7,451.81
	Subtotal	7,451.81
53322 - Prescription Claims	Express Scripts - ESERS	93,011.79
	Subtotal	93,011.79
53324 - Group Health - Stop Loss Admin	Aetna Admin - ESERS	16,198.00
	Subtotal	16,198.00
53326 - Vision Claims	VSP - (OH)	2,560.70
	Subtotal	2,560.70
53327 - Vision Admin Fees	VSP - (OH)	123.12
	Subtotal	123.12

February 2022 SERS Board Book - Executive Director's Report

		School Employees Retirement System of Ohio REVIEW OF ADMINISTRATIVE EXPENSES 22-Jan	
The following are the administrative expenses of the School Employees Retirement System of Ohio during the period January 1, 2022- January 31, 2022			
53330 - Group Health - Employee Cost	Employee Premiums		(29,387.12)
		Subtotal	(29,387.12)
53331 - Group Health - Wellness Incentive	ADP, LLC		3,230.00
		Subtotal	3,230.00
53332 - Group Health - Tobacco Premiums	ADP, LLC		(800.00)
		Subtotal	(800.00)
53340 - Medicare Premium - Employer	ADP, LLC ADP, LLC		20,699.06 0.03
		Subtotal	20,699.09
53350 - Workers Compensation	Ohio Bureau Of Workers Compensation Ohio Bureau Of Workers Compensation		(159.00) 1,910.00
		Subtotal	1,751.00
53380 - Deferred Compensation Match	ADP, LLC		4,830.00
		Subtotal	4,830.00
54100 - Actuarial Services	Cavanaugh MacDonald Consulting, LLC Cavanaugh MacDonald Consulting, LLC		12,000.00 8,367.00
		Subtotal	20,367.00
54200 - Audit	RSM US LLP Treasurer of State of Ohio		51,168.00 425.00
		Subtotal	51,593.00
54310 - Custodial Fees	BNY Mellon Asset Servicing		101,110.31
		Subtotal	101,110.31
54320 - Custodial Banking	Treasurer of State - Warrants Huntington National Bank		431.34 20,715.40
		Subtotal	21,146.74
54410 - Master Recordkeeper Fees	BNY Mellon Asset Servicing		85,333.33
		Subtotal	85,333.33
54420 - Investment Advisory Fees	Wilshire/ Aksia		54,166.67
		Subtotal	54,166.67
54430 - Performance/Analytics Fee	BNY Mellon Asset Servicing Barra LLC Wilshire Associates Incorporated MSCI ESG Research LLC Employee Reimbursement		34,401.66 59,611.25 3,000.00 1,000.00 5.00
		Subtotal	98,017.91
54450 - Other Prof. Inv. Related Consulting	Institutional Shareholder Services		40,500.00
		Subtotal	40,500.00
54520 - Medical Consultant	Borchers, M.D., Glen G.		3,750.00
		Subtotal	3,750.00
54610 - Special Counsel	Ice Miller LLP Porter, Wright, Morris,		4,425.00 27.10

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School Employees Retirement System of Ohio
 REVIEW OF ADMINISTRATIVE EXPENSES
 22-Jan

The following are the administrative expenses of the School Employees Retirement System of Ohio during the period January 1, 2022- January 31, 2022
 Frost Brown Todd, LLC

		14,695.90
	Subtotal	19,148.00
54620 - Technical	LexisNexis Risk Data Management, Inc	2,310.53
	The Soft Edge, Inc	3,300.00
	Berry, Dunn, McNeil & Parker LLC	19,680.00
	Velosio	1,957.50
	Carlson Management Consulting	200.00
	IBM Corporation	29,500.00
	ForeFront Web	703.25
	CGI, Inc.	2,640.00
	Buck Global, LLC	9,885.37
	Subtotal	70,176.65
54630 - Other Professional Services	Wickert, Kimberly	522.00
	Vorys Advisors LLC	3,333.33
	Attorney General	12,813.51
	Contoural, Inc.	1,108.00
	CBIZ Talent and Compensation Solutions	27,500.00
	Subtotal	45,276.84
55100 - Postage	Employee Reimbursement	(25.92)
	Notifii LLC	237.00
	Pitney Bowes Inc.	5,343.61
	Columbus Courier & Freight LLC	203.07
	Unishippers Association	803.96
	Subtotal	6,561.72
55200 - Telecommunications Services	Verizon Wireless	553.71
	XO Communications	785.00
	Time Warner Cable	6,374.77
	Nextel Communications	111.46
	AT&T	40.10
	LUMEN	7,860.47
	Spectrum	6,712.43
	Subtotal	22,437.94
55400 - Printing Paper	Millcraft Paper Co.	1,148.91
	Subtotal	1,148.91
55420 - Communications & Publications	Tension Envelope Corporation	4,181.23
	Proforma Graphic Services	3,587.83
	Hopkins Printing	7,270.28
	Subtotal	15,039.34
56030 - Software Maintenance	Shi International Corp.	5,310.07
	Subtotal	5,310.07
56035 - Software Subscriptions	Canto, Inc.	175.00
	Workiva Inc.	41,002.53
	ADP, LLC	3,025.97
	Liquid Web Inc	264.50
	CDW-Government, Inc.	33,980.00
	Zoom	513.66
	Wellable LLC	462.80
	JAM Software	109.70

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School Employees Retirement System of Ohio
 REVIEW OF ADMINISTRATIVE EXPENSES
 22-Jan

The following are the administrative expenses of the School Employees Retirement System of Ohio during the period January 1, 2022- January 31, 2022

		Subtotal	79,534.16
56040 - Hardware < \$5,000	Dell Marketing LP	Subtotal	1,337.00
			1,337.00
56110 - Equipment Repairs & Maintenance	Ricoh USA, Inc		2,316.81
	Digital Print Solutions		491.40
	Canon Financial Services, Inc		1,647.27
	BPS Technologies	Subtotal	3,448.72
			7,904.20
56130 - Office Supplies & Expenses	Employers Resource Association		40.00
	Staples Business Advantage		670.77
	Amazon.com		20.99
		Subtotal	731.76
56150 - Furniture & Equipment < \$5,000	Best Buy	Subtotal	399.99
			399.99
56160 - Records Storage	Vital Records Holdings, LLC	Subtotal	1,765.22
			1,765.22
56210 - Seminars & Conferences	Government Finance Officers Association		540.00
	Columbus Area Chapter of APA		20.00
	Information Systems Audit and Control Association		891.34
	Institutional Real Estate, Inc.	Subtotal	695.00
			2,146.34
56310 - Travel & Transportation	Kroger		79.28
	Rossler, James		35.48
	Haller, James		63.02
	Phillips, Barbra		421.70
	Majeed, Farouki		488.05
	Moss, Catherine		80.20
	City Barbeque, Inc.		494.80
	Nanak Cakes & Pastries		89.20
	Cameron Mitchell	Subtotal	939.00
			2,690.73
56410 - Subscriptions	Wall Street Journal		46.99
	Constant Contact		125.00
	Shutterstock, Inc.		29.00
	Wolters Kluwer Law & Business		3,069.61
	BCA Research Inc.		14,202.80
	Toledo Blade		12.99
		Subtotal	17,486.39
56420 - Memberships	Association of Public Pension Fund Auditors		500.00
	Ohio G.F.O.A.		80.00
	NCREIF		2,500.00
	Public Pension Financial Forum		1,200.00
	Institute of Internal Auditors		175.00
	Columbus Area Chapter of APA		50.00
	NCTR		2,100.00
	NASRA		4,400.00
	National Association of Public Pension Attorneys		1,750.00

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School Employees Retirement System of Ohio
 REVIEW OF ADMINISTRATIVE EXPENSES
 22-Jan

The following are the administrative expenses of the School Employees Retirement System of Ohio during the period January 1, 2022- January 31, 2022

	CFA Institute	275.00
	Council of Institutional Investors	14,430.50
	Public Retirement Information Systems Management	300.00
	Clerk of the Supreme Court	325.00
	Information Systems Audit and Control Association	615.00
	Joint Legislative Ethics Committee	50.00
	Subtotal	28,750.50
56610 - Operations Maintenance	Stanley Convergent Security Solutions, Inc.	224.64
	AT&T	246.20
	Amtrec, LLC	1,666.00
	South Central Power Company	878.00
	Northeast Ohio Natural Gas Corp.	57.14
	Subtotal	3,071.98
56630 - Interior Landscaping	Ambius Inc. (05)	1,356.37
	Subtotal	1,356.37
56640 - Vehicle Expense	Fifth Third Bank	(49.00)
	Moo Moo Car Wash	49.00
	BP Oil Company	45.00
	OSERS Broad St., LLC	10,593.00
	Subtotal	10,638.00
56620 - Staff Support	Cintas Corporation	508.14
	ADP, LLC	3,420.00
	Premier ProduceOne	144.50
	Lowe's	164.00
	Giant Eagle	49.99
	Amazon.com	164.35
	PayFlex Systems USA, Inc.	339.50
	Unisan, LLC	157.20
	ThrivePass	552.00
	Matrix Integrated Psychological Services	597.30
	Walmart	19.09
	Subtotal	6,116.07
56621 - Recruiting Expense	ADP Screening & Selection Services	96.25
	Indeed	299.87
	Subtotal	396.12
56820 - Ohio Retirement Study Council	Ohio Retirement Study Council	9,600.85
	Subtotal	9,600.85
56900 - Reimbursement of Leased Svcs	Reimbursement of Leased Services	(25,416.67)
	Subtotal	(25,416.67)
15140 - Computer Hardware > \$5,000	Dell Marketing LP	52,373.76
	Subtotal	52,373.76
	Total SERS Administrative Expense	2,760,470.74

FY2022 SERS ADMINISTRATIVE CAPITAL BUDGET MODIFICATION

_____ moved and _____ seconded that the FY2022 Administrative Capital Budget be modified as presented today effective February 17, 2022. The modification reallocates \$80,000 within the SERS Capital Budget earmarked for Backup Tape Replacement to the SERS Operating Budget for acquisition of Commvault's cloud storage with an approximate cost of \$20,000 to \$25,000 with remaining monies from the \$80,000 amount applied to overage (license cost increase) incurred for SERS' Microsoft true-up.

Upon roll call, the vote was as follows:

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

**School Employees
Retirement System of Ohio**

Memo

To: Retirement Board
From: Richard Stensrud
CC: Karen Roggenkamp, Tracy Valentino, Jay Patel
Date: February 17, 2022
Re: FY2022 Capital Budget Modification

Business resiliency requires robust data protection and recovery strategy and associated technical solution. Information Technology's vision for data recovery is to minimize dependence on the tape media due to the concerns of reliability and recoverability. IT has adopted the industry standard 3-2-1 data backup and recovery principle. The 3-2-1 backup strategy simply states that you should have 3 copies of your data (your production data and 2 backup copies) on two different media with one copy off-site for business continuity and disaster recovery. To accomplish this vision, we will be executing to a two phased approach.

Phase 1: Our immediate need is to acquire Commvault's Software-As-A-Service (SaaS) backup solution for Microsoft 365 product. This will allow the back up of all SERS data in the M365 cloud, SharePoint, Teams, OneDrive, etc. Since this a SaaS solution, it requires per user license to be renewed on a yearly basis with a cost of approximately \$20K.

Phase 2: The second phase is to acquire Commvault's cloud storage to allow the replication of our production data. This will eventually replace the tape media and get us to our desired end-state. To align with our 3-2-1 backup principle, we will maintain our production data, and additional copy on-prem and off-site backup copy in the Commvault cloud. This requires SaaS cloud storage from Commvault cost of approximately \$20K - \$25K.

In IT's FY22 budget, we have following line-item as a part of the Capital Budget:

- Back up Tape Replacement: \$80K

Since Phase I and Phase II does not require any capital investment bur rather, subscription cloud services, we are requesting an approval to move capital budget to the operating budget to accomplish our data protection and recovery strategy.

The remaining funds of the 80K will then be applied to the overage we incurred for our Microsoft True Up (i.e., license cost increase) because of the following reasons:

- First and the largest expense was converting Standard Server licenses to Datacenter Server licenses in compliance with Microsoft's updated virtual server licensing model. Microsoft changed their server licensing model from processor/socket to per core and forced an upgrade from standard to datacenter licenses for highly virtualized environments.
- The second part expense is additional data center licenses due to growth in the number of servers in use.

Please note this transfer will not increase SERS/IT FY22 budget.

We appreciate your consideration of this request and look forward to further discussions. If you have any questions, please call me at 614.222.5801.

Memo

To: Retirement Board
From: SERS Legal Department
CC: Richard Stensrud
Date: February 4, 2022
Re: Administrative Rules

One category of resolutions on Administrative Rules is on the February Board Agenda.

I. Approval to file with JCARR the following proposed amended rule:

• **3309-1-10 Mandatory direct deposit**

In 2013, SERS initiated a mandatory direct deposit requirement for all new monthly benefit recipients. The approach has been very effective in delivering a timely and secure payment mechanism for these recipients. Electronic payments are also much more cost-effective than providing paper checks.

In recent years, SERS has seen a steady decline in the number of benefit recipients that receive paper checks. Management recommends expanding the direct deposit requirement to all benefit payments – to include both lump sum payments as well as monthly payments made to benefit recipients currently receiving a paper check. This aligns with recent changes to SERS' disaster recovery approach.

The proposed amendments to this rule require all payments from SERS be issued by direct deposit, beginning July 1, 2022. If extenuating circumstances exist, a request can be made to be exempt from the requirement; staff will consider the requests on a case-by-case basis.

Please call Dawn Viggiano at (614) 222-5924 if you have any questions before the meeting.

FILING OF PROPOSED AMENDED ADMINISTRATIVE RULE

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rule: 3309-1-10 Mandatory direct deposit.

_____ moved and _____ seconded that proposed amended rule 3309-1-10 be filed with JCARR as discussed.

3309-1-10 Mandatory direct deposit.

- (A) For purposes of this rule, “direct deposit” means an electronic fund transfer directly to an individual’s account at a financial institution~~“alternate payee” has the same meaning as defined in section 3105.80 of the Revised Code.~~
- (B) ~~Except as provided in paragraph (C) of this rule, an individual whose retirement, benefit, or payment effective date is on or after January 1, 2013 and who receives an annuity, pension, allowance, monthly benefit, or monthly payment from the school employees retirement system~~All retirement allowances and benefits payable under Chapter 3309 of the Revised Code shall be paid by direct deposit, which is an electronic fund transfer directly to an individual's account at a financial institution.
- (C) ~~Retirants, benefit recipients, and alternate payees~~Individuals shall provide to the retirement system valid direct deposit account and routing numbers, the name and contact information of the financial institution, and such other information as may be required by the retirement system. The retirement system may withhold payment until the individual provides the information described in this paragraph.
- (C) If ~~a retirant, benefit recipient, or alternate payee~~an individual resides outside the United States, ~~in a nursing or convalescent home, correctional facility, jail, or prison,~~ or experiences other circumstances such that compliance with ~~paragraph (B)~~ of this rule is impracticable, the individual may submit a written request for exemption from direct deposit and the retirement system staff shall approve or deny the request.

Effective: [7/1/22](#)
 Promulgated Under: 111.15
 Statutory Authority: 3309.04
 Rule Amplifies: [3309.03](#), 3309.341, 3309.344, 3309.35, 3309.36, [3309.3712](#), 3309.381, 3309.40, 3309.401, [3309.42](#), [3309.43](#), [3309.44](#), 3309.45, 3309.46, 3309.47, [3309.50](#), [3309.671](#)
 Prior Effective Dates: 1/1/13, 4/20/17

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Jeffrey DeLeone	_____	_____	_____
Hugh Garside	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____

Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Barbra Phillips	_____	_____	_____

EXECUTIVE SESSION

_____ moved and _____ seconded the motion that the Committee convene in Executive Session pursuant to R.C. 121.22 (G)(5) to discuss a matter required to be kept confidential by law.

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>
Jeffrey DeLeone	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Hugh Garside	_____	_____	_____
Barbra Phillips	_____	_____	_____

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

GREENE COUNTY VOCATIONAL SCHOOL DISTRICT BOARD OF EDUCATION
APPEAL – AFFIRM FINAL STAFF DETERMINATION

_____ moved and _____ seconded to affirm the Final Staff Determination to not accept contributions on the construction award earnings reported to SERS.

Upon roll call, the vote was as follows:

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

GREENE COUNTY VOCATIONAL SCHOOL DISTRICT BOARD OF EDUCATION
APPEAL - REVERSE FINAL STAFF DETERMINATION

_____ moved and _____ seconded to reverse the Final Staff Determination to not accept contributions on the construction award earnings reported to SERS.

Upon roll call, the vote was as follows:

ROLL CALL:

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

School Employees Retirement System

Memo

To: Retirement Board
From: Chris Collins
cc: Richard Stensrud, Karen Roggenkamp
Date: February 4, 2022
Re: **Federal Legislative Report**

OVERVIEW

Senator Joe Manchin (D-WV) declared before the new year he would not be able to support the president's signature Build Back Better Act (H.R. 5376) in its current form, a blow to the chances of moving the bill forward using the reconciliation process. Despite his opposition to the bill, Manchin did share his support for some provisions of the package, including legislation that would give Medicare power to negotiate drug prices. Manchin also expressed support in extending the re-structured ACA tax credits for impoverished Americans and eliminating the subsidy cliff that blocked the financial assistance for people earning more than four times the poverty level.

On January 19, President Biden expressed support for breaking up the Build Back Better Act in order to pass some elements of the proposal prior to the mid-term elections. Manchin and several other Democratic senators confirmed on February 1st that larger-scale talks on the package have yet to resume, and some key issues continue to divide the Senate Democratic caucus. In the Senate, Democrats can't lose any votes and pass the roughly \$2 trillion budget bill through the reconciliation process, which bypasses united GOP opposition and allows for a simple majority vote.

In the interim the Senate has turned its attention to voting rights issues, but also failed to advance legislation combining elements of the John Lewis Voting Rights Act (H.R. 4) and the Freedom to Vote Act (S. 2747). The Senate also failed to adopt a motion to modify the Senate rules to allow the bill to pass by a majority vote following a "talking filibuster" after objections from Manchin and Senator Kyrsten Sinema (D-AZ). Discussions continue on a possible bi-partisan approach to reform the Electoral Count Act which would address critical flaws in election certification, but comes up short on addressing broader issues relating to election administration.

FEDERAL APPROPRIATIONS

Congress still must pass the fiscal year 2022 appropriations bill before government funding expires February 18th. Lawmakers in December passed a continuing resolution (CR) to prevent a government shutdown and maintain current funding levels through mid-February. The CR did not include provisions to extend the suspension of planned Medicare cuts. Those cuts were addressed as part of the Protecting Medicare and American Farmers from Sequester Act also passed that same month. That law delayed the Medicare sequester cuts and made other changes to Medicare payments. It also provided a fast-track pathway for the Senate to raise the nation's debt ceiling.

DEBT CEILING INCREASE

After a short-term debt ceiling hike in October, the two Senate leaders broke the impasse in December by agreeing to a one-time process to lift the debt ceiling with a simple majority, instead of

needing the typical 60 votes to overcome filibuster threats. In a split 50-50 Senate with narrow Democratic control, the party usually needs help from 10 Republicans to advance legislation. But under the agreement, Democrats could do it alone without any support from Republicans.

In a 50-49 vote, all 50 Democrats approved a resolution lifting the nation's borrowing limit by \$2.5 trillion, which will run through next year's midterm elections and into 2023.

RETIREMENT SECURITY

The Secure Act 2.0 (H.R. 2954), which cleared the House Ways and Means Committee back in May is expected to get some attention heading into 2022. Meanwhile, there are two bills in the Senate that are similar to those in the House: the Retirement Security and Savings Act (S. 1770) and the Improving Access to Retirement Savings Act (S. 1703). However, neither have received committee consideration yet.

The legislation has a variety of provisions to encourage and incentivize retirement savings. One key area where Secure Act 2.0 would have an impact is on required minimum distributions. The original Secure Act changed when required minimum distributions, or RMDs, from retirement accounts must begin to age 72, from 70½. Under the House proposal, those mandated annual withdrawals wouldn't have to start until age 73 in 2022, and then age 74 in 2029 and age 75 by 2032. Similarly, the companion Senate proposal would also raise the RMD age to 75 by 2032. It also would waive RMDs for individuals with less than \$100,000 in aggregate retirement savings, as well as reduce the penalty for failing to take RMDs to 25% from the current 50%.

SERS ADVOCACY ON EGWPs

While the process to build a reconciliation package is long and some lawmakers have expressed little interest in passing certain individual pieces of the bill, Senate Finance Committee Chair Ron Wyden (D-OR) said government drug price controls will likely be packaged with tax incentives for clean energy in a smaller budget reconciliation bill.

SERS continues to monitor the process to ensure Congress understands the impact prescription drug reform proposals included in a modified reconciliation package would affect the EGWP used by SERS for our Medicare eligible retirees.

SOCIAL SECURITY AND WINDFALL ELIMINATION PROVISION (WEP)

The House Ways and Means Subcommittee on Social Security held a hearing in December to consider a bill aimed at protecting future Social Security benefits. "Social Security 2100: A Sacred Trust" (H.R. 5723) is a plan to improve and increase benefits, protect against inflation and strengthen the Social Security Trust Fund. It was authored by House Ways and Means Social Security Subcommittee Chairman John Larson, (D-CT), who introduced the bill to Congress in October.

During the subcommittee hearing, Larson said that "the time for procrastination is over" and that Democrats hope to bring the Social Security 2100 Act to the House floor by the spring.

The legislation increases benefits for current beneficiaries and improves future COLAs. The bill also includes a complete repeal of the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO).

Although the bill currently has hundreds of co-sponsors and endorsements from advocacy groups, it's struggling to gain bipartisan support. All of the lawmakers who sponsored the bill are Democrats, and during the hearing, Republicans showed reluctance to support the Social Security 2100 Act amid concerns of how to cover the cost of increased benefits.

Even if the House were to pass the Social Security 2100 Act it would face a difficult road in the Senate given the 50-50 split in the chamber.

WEP Reform: Other legislative efforts to reform and replace the WEP with a new proportional formula remain stalled. The Public Servants Protection and Fairness Act (H.R. 2337) was reintroduced by Representative Richard Neal (D-MA) on April 1, 2021, and the Equal Treatment of Public Servants Act (H.R. 5834) was reintroduced by Representative Kevin Brady (R-TX) on November 3, 2021. In both cases, the legislation would apply to individuals who become eligible for Social Security benefits in 2023 or later. While both Chairman Neal and Ranking Member Brady remain committed to finding a way to reform the WEP, there hasn't been any indication of movement towards compromise between the two bills. Representative Brady had previously announced he would be retiring from Congress at the end of 2022 so the time for action on his current proposal is getting short.

HEALTH CARE

COVID-19 Emergency: The Biden administration announced on January 14th that it would be extending the public health emergency for COVID-19 for the eighth time since the pandemic first began. Health and Human Services (HHS) Secretary Xavier Becerra extended the public health emergency for another 90 days, just before the most recent emergency period was about to expire.

Hospitals and nursing homes had been urging the administration to consider extending the emergency since certain COVID-19 flexibilities would only be in effect only as long as the public health emergency declaration is in place.

Other groups and organizations, including American Health Care Association and State Medicaid directors, have shared their concern about what could happen when the public health emergency comes to an end. Medicaid directors have sited that the end of the period will require a restart of Medicaid beneficiary eligibility renewals and additional training for staff on a process that hasn't been implemented in nearly two years.

ACA Enrollment: HHS also announced that a record 14.5 million people had enrolled in marketplace coverage during the 2022 open enrollment period that ended January 15th. Of the 14.5 million people, about 10.3 million people enrolled through HealthCare.gov and about 4.2 million people enrolled through 18 state-based marketplaces. The number of uninsured Americans fell from 10.3 percent in 2020 to 8.9 percent in the third quarter of 2021.

Vaccine Mandate: The U.S. Department of Labor's Occupational Safety and Health Administration has withdrawn the vaccination and testing emergency temporary standard (ETS) issued on November 5, 2021, to protect unvaccinated employees of large employers with 100 or more employees from workplace exposure to coronavirus. The withdrawal was effective January 26, 2022. The withdrawal comes after the U.S. Supreme Court, in a 6-3 decision, ruled that those challenging the ETS are likely to succeed on the merits of their claim that the Secretary of Labor lacked authority under the Occupational Safety and Health Act to impose the mandate. The Biden Administration continues to strongly encourage employers to require the vaccination of workers.

CONGRESSIONAL REDISTRICTING

The Ohio Supreme Court issued a 4-3 decision on January 14th invalidating the congressional map approved by the Legislature in SB258 (McColley). The opinion found that the congressional map violated the partisan gerrymandering prohibitions contained in the Ohio Constitution.

The Supreme Court went on to order the General Assembly to pass a new map for Ohio's 15 congressional districts that complies with the Ohio Constitution within the timeline required by Article XIX, Section 3(B)(1). That section gives the General Assembly 30 days to pass a constitutional plan. If it fails to do so, map-drawing goes to a reconstituted Ohio Redistricting Commission to adopt

"a congressional district plan in accordance with the provisions of this constitution that are then valid"

In the 4-3 decision, in which Chief Justice Maureen O'Connor was again the swing vote, the Court majority ruled that the Legislature violated two provisions of Article XIX of the Ohio Constitution when it passed SB258 in November 2021 by adopting a congressional-district plan that "unduly favors" the Republican Party and "unduly splits" governmental units into different congressional districts that would favor the Republican Party.

The deadline for the General Assembly to adopt a new congressional map after the Ohio Supreme Court struck down SB258 is Sunday, February 13th. The vehicle is likely going to be SB286 (McColley), which was introduced as a placeholder on January 26th.

New congressional districts are needed for the 2022 elections as the number of congressional representatives for Ohio are slated to drop from 16 to 15 due to population changes in the census leading to reapportionment of the existing seats. The General Assembly did pass legislation to delay candidate filing deadlines to Friday, March 4th.

FEDERAL LEGISLATION BOARD REPORT
117th United States Congress
(Prepared by Chris Collins as of February 4, 2022)

H.R. 82

SPONSOR: Rep. Rodney Davis (R-IL)

LAST ACTIONS: House - 01/04/2021 Referred to the Subcommittee on Social Security.

CAPTION: Social Security Fairness Act of 2021

COMMENT: Repeals the GPO and WEP. 247 co-sponsors; seven Ohioans

H.R.328

SPONSOR: Rep. Peter DeFazio (D-OR)

LAST ACTION: House - 01/15/2021 Referred to the House Committee on Ways and Means.

CAPTION: To amend the Internal Revenue Code of 1986 to impose a tax on certain trading transactions.

COMMENT: 28 co-sponsors; one Ohioan

H.R. 1319

SPONSOR: Rep. John Yarmuth (D-KY)

LAST ACTIONS: 03/11/2021 Became Public Law No: 117-2.

CAPTION: American Rescue Plan Act of 2021

COMMENT: Provides additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses.

H.R. 2337

SPONSOR: Rep. Richard Neal (D-MA)

LAST ACTIONS: House - 04/01/2021 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: 185 cosponsors; three Ohioans

S. 1302

SPONSOR: Sen. Sherrod Brown (D-OH)

LAST ACTIONS: Senate - 04/22/2021 Read twice and referred to the Committee on Finance.

CAPTION: A bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

COMMENT: 37 cosponsors

H.R. 3

SPONSOR: Rep. Frank Pallone (D-NJ)

LAST ACTIONS: House - 04/27/2021 Referred to the Subcommittee on Oversight and Investigations

CAPTION: Elijah E. Cummings Lower Drug Costs Now Act

COMMENT: 86 cosponsors; three Ohioans

H.R. 5376

SPONSOR: Rep. John Yarmuth (D-KY)

LAST ACTIONS: House - 11/19/2021 Motion to reconsider laid on the table.

CAPTION: Build Back Better Act

COMMENT: This bill provides funding, establishes programs, and otherwise modifies provisions relating to a broad array of areas, including education, labor, child care, health care, taxes, immigration, and the environment.

H.R. 5834

SPONSOR: Rep. Kevin Brady (R-TX)

LAST ACTIONS: House - 11/03/2021 Referred to the House Committee on Ways and Means

CAPTION: Equal Treatment of Public Servants Act of 2021

COMMENT: 47 cosponsors; four Ohioans

H.R. 5723

SPONSOR: Rep. Larson, John B. [D-CT-1]

LAST ACTIONS: House - 10/26/2021 Referred to the Committee on Ways and Means, and in addition to the Committees on Education and Labor, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

CAPTION: Social Security 2100: A Sacred Trust

COMMENT: 200 cosponsors; four Ohioans

STATE LEGISLATION BOARD REPORT
(Prepared by Chris Collins as of February 4, 2022)

134th General Assembly

HB110 OPERATING BUDGET Scott Oelslager (R- North Canton) To make operating appropriations for the biennium beginning July 1, 2021, and ending June 30, 2023, to levy taxes, and to provide authorization and conditions for the operation of state programs.

Current Status: 07/01/2021 SIGNED BY GOVERNOR; effective 7/1/21

HB14 REGARDS STATE RETIREMENT SYSTEM Diane Grendell (R – Chesterland) Regarding state retirement system fiduciary duties, Public Employees Retirement System management fees and employee pay, and creating the Committee on Pension Salaries and Fees.

Current Status: 02/04/2021 Referred to Financial Institutions Committee

SB233 SCHOOL NURSE LICENSURE, RETIREMENT Louis Blessing III (R - Cincinnati) Regarding licensure and state retirement system membership for school nurses.

Current Status: 11/09/2021 Senate Primary and Secondary Education, (First Hearing)

HB416 AUTO-ENROLLMENT RETIREMENT PROGRAM FOR PRIVATE EMPLOYEES Juanita Brent, (D – Cleveland) Stephanie Howse (D – Cleveland) To establish an auto-enrollment retirement savings program for private sector employees.

Current Status: 10/27/2021 House Insurance, (First Hearing)

HB499 ALLOW ELECTED OPERS/SERS RECIPIENTS TO RECEIVE BENEFITS (Miller, A) - To allow a Public Employees Retirement System or School Employees Retirement System disability benefit recipient elected to certain offices to continue receiving a disability benefit during the term of office.

Current Status: 12/07/2021 Referred to Insurance Committee

HB512 POLICE, FIRE PENSION FUND (Abrams, C; Baldrige, B) - To increase employer contributions to the Ohio Police and Fire Pension Fund.

Current Status: 01/25/2022 Referred to Insurance Committee

HB539 STATE RETIREMENT SYSTEMS - PUBLIC BROADCAST (Kelly, B; Ghanbari, H) - To require the state retirement systems to publicly broadcast board meetings.

Current Status: 01/24/2022 Introduced

HB540 STATE RETIREMENT SYSTEMS - PUBLIC BROADCAST (Kelly, B; Ghanbari, H) - To require the state retirement system boards to disclose certain financial information regarding alternative investments.

Current Status: 01/24/2022 Introduced

HB541 STATE RETIREMENT SYSTEMS - PUBLIC BROADCAST (Kelly, B; Ghanbari, H) - Regarding the prohibition against the state retirement systems doing business with a former state retirement system employee, officer, or board member.

Current Status: 01/24/2022 Introduced

SERS TECHNOLOGY COMMITTEE REPORT

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>
Jeffrey DeLeone	_____	_____	_____
Hugh Garside	_____	_____	_____
James Haller	_____	_____	_____
Matthew King	_____	_____	_____
Catherine Moss	_____	_____	_____
James Rossler	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____
Barbra Phillips	_____	_____	_____

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

CALENDAR DATES FOR SERS BOARD MEETINGS FOR 2022

AUDIT COMMITTEE MEETINGS

March 16, 2022 - 2:30 p.m. (Weds.)
June 15, 2022 - 2:30 p.m. (Weds.)
September 14, 2022 - 2:30 p.m. (Weds.)
December 14, 2022 - 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 17, 2022 - 7:30 a.m. (Thurs.)
June 16, 2022 - 7:30 a.m. (Thurs.)
September 15, 2022 - 7:30 a.m. (Thurs.)
December 15, 2022 - 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

March 17, 2022 – 12:30 p.m. (Thurs.)
June 16, 2022 – 12:30 p.m. (Thurs.)
September 15, 2022 – 12:30 p.m. (Thurs.)
December 15, 2022 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

March 17-18, 2022 – 8:30 a.m. (Thurs. and Fri.)
April 21-22, 2022 – 8:30 a.m. (Thurs. and Fri.)
May 19-20, 2022 – 8:30 a.m. (Thurs. and Fri.)
June 16-17, 2022 – 8:30 a.m. (Thurs. and Fri.)
July 21-22, 2022 – 8:30 a.m. (Thurs. and Fri.)
September 15-16, 2022 – 8:30 a.m. (Thurs. and Fri.)
October 20-21, 2022 – 8:30 a.m. (Thurs. and Fri.)
November 17-18, 2022 – 8:30 a.m. (Thurs. and Fri.)
December 15-16, 2022 – 8:30 a.m. (Thurs. and Fri.)

****NOTE: The above dates 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 for their next regularly scheduled meeting.

The meeting adjourned at _____ p.m.

Barbra Phillips - Chairperson

Richard Stensrud, Secretary