

December 17, 2020

OATH OF OFFICE

**OATH OF OFFICE OF JAMES ROSSLER
MEMBER OF THE RETIREMENT BOARD OF THE
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO**

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



ROSSER
James Rossler

SWORN TO and SUBSCRIBED before me this 17th day of December, 2020.



Notary

JOSEPH M. MAROTTA
ATTORNEY AT LAW
Notary Public, State of Ohio
My Commission Has No Expiration
Section 147.03 R.C.

STF


Richard Stensrud, Executive Director



Hugh Garside, Jr. Chairperson

The nine hundredth and thirty-five meeting of the Retirement Board of the School Employees Retirement System was held in the boardroom at 300 E. Broad Street, Columbus, Ohio, on Thursday, December 17, 2020. The meeting convened in open session at 8:40 a.m. and continued with the Pledge of Allegiance. Following the Pledge of Allegiance, the roll call was as follows: Hugh Garside, Chair, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Barbra Phillips. Also in attendance was Samuel Peppers, representative of the Attorney General, various members of the SERS staff, and members of the public.

APPROVAL OF MINUTES OF THE RETIREMENT BOARD MEETING HELD ON November 19, 2020

Barbra Phillips moved and Catherine Moss seconded the motion to approve the minutes of the Retirement Board meeting held on Thursday, November 19, 2020. Upon roll call, the vote was as follows: Yea: Barbara Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Hugh Garside. The motion carried.

EXTERNAL AUDIT REPORT

Chief Financial Officer Tracy Valentino introduced David Andrews and Joe Leonard of RSM US LLP to present the findings of SERS external audit. Ms. Valentino also noted the audit as presented in is a draft form as the Ohio State Auditor is asking for information to be provided. That information has not been received but should not affect the outcome of the audit.

Mr. Andrews presented the results of the FY2020 external, financial audit. Mr. Andrews also provided information regarding the results of the audit, the internal controls review, and all other information required to be communicated to the Board.

Mr. Andrews stated that there were no significant issues from a transaction perspective, and there were no issues conducting the audit in a remote environment. Mr. Andrews noted that this document is clear of deficiencies from an auditing perspective. Mr. Andrews also noted that there were no changes in policies or practices this year, and no adoption of any significant accounting changes. The audit focused primarily in the investment area, which included the valuation and alternatives. The audit was found to be satisfied.

Additionally, Mr. Andrews stated that the team did not find any corrections in audit adjustments. Further, the team did not have any disagreements with management in conducting the audit. Estimates were found to be reasonable, and the system has not changed dramatically from a year ago.

Board Chair Hugh Garside thanked Mr. Andrews for the presentation.

INVESTMENT REPORT

Annual Portfolio Review – Global Equity

Investment staff gave the Board an overview of SERS' global equity portfolio.

Judi Masri and Dustin Matthiessen presented the annual review of the Global Equities portfolio. Ms. Masri began by providing a market review and overview on Global Equities. She provided a summary of the US Equity portfolio and discussed its characteristics, sector exposures, three-year risk and return and net of fee performance as of October 30, 2020. Mr. Matthiessen discussed the Non-US Equity portfolio. He provided an overview of characteristics, sector exposures, three-year risk and return and net of fee performance as of October 30, 2020. Following comments, the Board thanked Ms. Masri and Mr. Matthiessen for their presentation.

GLOBAL EQUITIES BENCHMARK RECOMMENDATION

Farouki Majeed presented the Global Equities Allocation options. SERS' allocation to US and Non-US Equity has been equally weighted (50/50) within the portfolio since 2010. Mr. Majeed discussed historical performance and long-term expectations from Wilshire and J.P. Morgan. He recommended potential allocation and benchmark options to split the existing 45% Global Equity allocation among US, developed markets and emerging markets, with the benchmark changing to 55% US, 30% developed markets and 15% emerging markets. After discussion, the Board approved the Benchmark recommendation.

Following discussion, Barbara Phillips moved and Catherine Moss seconded the motion to approve the revised Global Equities Benchmark as indicated below. The current Global Equities allocation will remain the same at 45%. Changes will become effective January 1, 2021.

GLOBAL EQUITIES SUB-ASSET CLASS	BENCHMARK WEIGHT	DESIGNATED BENCHMARK
US Equity	55%	Russell 3000
Non-US Equity Developed Market	30%	MSCI World ex-USA Net Total Return Index (USD)
Non-US Equity Emerging Market	15%	MSCI Emerging Markets Net Total Return Index (USD)
Total	100%	

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

Monthly Investment Report

Farouki Majeed discussed the Investment report for the period ending October 31, 2020. The preliminary performance report as of November 30, 2020 was provided to the Board for their information. As of November 30, 2020, the Fund was \$15.87 billion with a FYTD return of 10.92%. Following comments, the Board thanked Mr. Majeed for the presentation.

SUMMARY OF INVESTMENT TRANSACTIONS

Barbra Phillips moved and Catherine Moss seconded that the following summary of investment transactions made in compliance with the Ohio Revised Code Section 3309.15 during the period of **October 1, 2020** through **October 31, 2020** hereby be approved.

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

PURCHASES

Asset Class	Approximate Cost (in millions)
US Equities	\$ 14.2
Non-US Equities	135.2
Fixed Income	312.0
Multi-Asset Strategies	2.3
Private Equity Capital Calls	26.8
Real Asset Capital Calls	6.9
Opportunistic	4.4
Global Private Credit	13.0
Cash Equivalents	207.4

SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
US Equities	\$16.8	\$ 5.5
Non-US Equities	136.7	5.6
Fixed Income	299.3	3.5
Multi-Asset Strategies	78.7	32.7
Private Equity distributions	24.1	n/a
Real Asset distributions	13.5	n/a
Opportunistic	n/a	n/a
Global Private Credit	n/a	n/a
Cash Equivalents	156.9	n/a

EXECUTIVE DIRECTOR'S UPDATE

COVID-19 Impact on SERS Health Care Participants

Executive Director Richard Stensrud reported that since March 2020 over 1000 Covid-19 tests have been taken by participants in SERS' pre-Medicare plan and that 1.6% of claims are COVID related. He further reported that in the Medicare plan 1455 Covid-19 cases have been reported, including 116 Covid-19 related deaths.

Medicaid Eligibility Outreach update

Mr. Stensrud reports on the progress being made to shift Medicaid eligible participants in the pre-Medicare health care plan to Medicaid. Mr. Stensrud reported that over 600 participants were identified as potentially Medicaid eligible and that responses were received from all but 10. Mr. Stensrud stated SERS will reach out via certified mail the week of December 17, 2020 to the 10 participants who have not responded. Those participants will be terminated from the SERS pre-Medicare plan if they do not

respond. Overall, 62 participants have been found eligible to be covered by Medicaid and transitioning these individuals to Medicaid will save SERS' health care program \$750,000.

Advocacy Groups

Mr. Stensrud reported that SERS has been engaging with stakeholders directly and via the SERS website regarding SERS COLA, Board election updates, and federal Windfall Elimination Provision reform legislation.

Mr. Stensrud reported there has been a four-fold increase in audience attendance since Board Meetings started being held virtually. Mr. Stensrud noted that SERS intends to continue to provide virtual access & transparency to the Board Meetings and the work being done at SERS.

Mr. Stensrud noted that SERS' annual Advocacy Group Roundtable is scheduled to take place on January 29, 2021 from 10am to 12 pm. He noted that this year's Roundtable is planned as a virtual event where stakeholders can receive an update on developments at SERS and engage with SERS staff to ask questions and request information.

Federal Advocacy

SERS' federal advocacy consultant Carol Nolan Drake presented a 2020 year in review. Ms. Nolan Drake reported on actions by the 117th Congress and discussed expected SERS' priorities in engaging with the incoming Biden Administration. Those priorities include the Windfall Elimination Provision and Government Pension Offset; regulation of prescription drugs; the Wraparound Plans; and the possible investment transaction tax.

Ohio Retirement Study Council

The ORSC meeting scheduled for December 10, 2020 was cancelled. The next scheduled meeting has yet to be announced subject to the call of the chair.

Ohio General Assembly

Mr. Stensrud reported that sponsor testimony was heard in the Ohio House Financial Institutions Committee on December 1st on legislation introduced by Representatives Ghanbari and Kelly applicable to the Ohio retirement systems:

HB 514: Retirement board meeting broadcasting

HB 515: Investment fee transparency

HB 516: Revolving door prohibition

Mr. Stensrud noted that the sponsors acknowledged that they will need to reintroduce these legislative proposals for consideration in the next General Assembly. Mr. Stensrud also noted that SERS had shared with the sponsors the increased online public participation statistics noted above as well as SERS' efforts to increase investment fee transparency, and that the sponsors appreciated the information. Mr. Stensrud further reported that the Ohio legislature approved and the Governor signed legislation (HB 404) in November extending a number of COVID-19 related provisions, including the authority for public entities to continue to have the flexibility to meet virtually through July 1, 2021.

SERS Building Update

Mr. Stensrud reported on efforts to update the technology in the O'Keefe conference room on the 1st floor of the SERS building. Mr. Stensrud stated three bids have been received and that work was scheduled to begin in January 2021. Mr. Stensrud stated that the purpose was to expand the meeting capability by equipping the room with better technology.

Monthly Superannuation Benefit Report

Mr. Stensrud reported that the SERS staff looked into the number of superannuations that were not reported correctly previously. Mr. Stensrud stated this error was a reporting issue, not a payment issue. The error occurred in a limited number of cases where the benefits were calculated after payroll cutoff. These errors began with superannuation reports as of 2017. SERS asked for approval for the correct amount to correct the record similar to “special cases”.

Employer Surcharge Discussion

Mr. Stensrud reported that meetings will be scheduled with stakeholders to provide information regarding the revised employer surcharge. These meetings will take place before any revised bills are sent to the school districts.

Compensation Analysis

Mr. Stensrud noted that during the last several months questions have been raised regarding SERS’ staff compensation structure and salary ranges, and the process for making such determinations. Mr. Stensrud noted that it is important that the Board has trust and confidence in the decisions in these matters, and how those decisions are reached, and therefore he was recommending that the Board request that the Compensation Committee evaluate and recommend to the Board the process and approach to be taken for assessing SERS’ compensation structure and salary ranges. It was the consensus of the Board that the Compensation Committee undertake the recommended analysis.

CAFR highlights

Tracy Valentino, Chief Financial Officer for SERS, presented an overview of the organization’s *2020 Comprehensive Annual Financial Report (CAFR)*. She reviewed its contents, including the transmittal letter and county map of pension recipients, as well as the investment, financial, and actuarial sections. As a set of financial statements that comply with the accounting requirements established by the Governmental Accounting Standards Board, the CAFR is produced annually.

Superannuation Adjustments

Mr. Stensrud reported that the SERS staff looked into the number of superannuations that were not reported correctly. It was determined that there was a reporting issue, not a payment issue. The issue occurred when a member benefit was calculated between cut-off (when we stop processing benefits for the current month) and the end of that month. After analysis and review, the reporting problem occurred between April 2017 and November 2020. 325 of the 13,132 member benefits submitted to the Board for approval were overstated compared to their actual paid benefit. These 325 members were calculated between cut-off and the end of the month.

Mr. Stensrud asked for approval to correct the record similar to the way “special cases” are processed. After discussion, the Board approved the superannuations adjustment recommendation.

LEGISLATIVE REPORT

STATE LEGISLATION BOARD REPORT

133rd General Assembly

(Prepared by Chris Collins as of December 4, 2020)

HB326 PUBLIC EMPLOYEE RETIREMENT-DISABILITY BENEFIT Adam Miller (D – Columbus) 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: 11/12/2019 House Insurance, (First Hearing)

HCR13 GENDER REPRESENTATION Thomas West (D- Canton), Sara Carruthers (R-Hamilton) - To encourage equitable and diverse gender representation on the boards and in senior management of Ohio companies and institutions.

Current Status: 11/12/2019 House Civil Justice, (Second Hearing)

HB46 STATE GOVT EXPENDITURE DATABASE [Dave Greenspan \(R- Westlake\)](#) - To require the Treasurer of State to establish the Ohio State Government Expenditure Database

**Current Status: 12/01/2020 Senate General Government and Agency Review, (Ninth Hearing)
All Testimony**

HB530 OPERS PROTECTION 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: 03/10/2020 Referred to Financial Institutions Committee

HB514 BROADCAST RETIREMENT BOARD MEETINGS Brigid Kelly (D - Cincinnati) Haraz Ghanbari (R – Perrysburg) - To require the state retirement systems to publicly broadcast board meetings.

Current Status: 12/01/2020 House Financial Institutions, (First Hearing)

HB515 RETIREMENT SYSTEMS - FINANCIAL DISCLOSURES Brigid Kelly (D - Cincinnati) Haraz Ghanbari (R – Perrysburg) - To require the boards of the state retirement systems to disclose certain financial information regarding alternative investments.

Current Status: 12/01/2020 House Financial Institutions, (First Hearing)

HB516 FORMER STATE RETIREMENT PERSONNEL Brigid Kelly (D - Cincinnati) Haraz Ghanbari (R – Perrysburg) Regarding the prohibition against the state retirement systems doing business with a former state retirement system employee, officer, or board member.

Current Status: 12/01/2020 House Financial Institutions, (First Hearing)

HB197 OMNIBUS MEASURES ON CORONAVIRUS Jena Powell (R-Arcanum) Derek Merrin (R-Monclova) To continue essential operations of state government and maintain the continuity of the state tax code in response to the declared pandemic and global health emergency related to COVID-19, to make appropriations, and to declare an emergency.

Current Status: 03/27/2020 SIGNED BY GOVERNOR; eff. 3/27/20

HB404 GOVERNMENT RESPONSES Susan Manchester (R-Lakeview) Rose Sweeney (D-Cleveland) To continue essential operations of state and local government in response to the declared pandemic and global health emergency related to COVID-19 and to declare an emergency.

Current Status: 11/23/2020 SIGNED BY GOVERNOR; eff. Immediately

FEDERAL LEGISLATION BOARD REPORT
116th United States Congress
(Prepared by Chris Collins as of December 4, 2020)

H.R. 141

SPONSOR: Rep. Rodney Davis (R-IL)

LAST ACTIONS: House - 01/31/2019 Referred to the Subcommittee on Social Security

CAPTION: Social Security Fairness Act of 2019

COMMENT: Repeals the GPO and WEP. 263 co-sponsors; nine Ohioans

S. 521

SPONSOR: Sen. Sherrod Brown (D-OH)

LAST ACTIONS: Senate - 02/14/2019 Referred to Committee on Finance

CAPTION: Social Security Fairness Act of 2019

COMMENT: Repeals the GPO and WEP. 38 co-sponsors.

H.R.3934

SPONSOR: Rep. Kevin Brady (R-TX)

LAST ACTIONS: House - 07/24/2019 Referred to the House Committee on Ways and Means.

CAPTION: To amend title II of the Social Security Act to replace the windfall elimination provision with a formula equalizing benefits for certain individuals with non-covered employment, and for other purposes.

COMMENT: 48 co-sponsors; three Ohioans

H.R.4540

SPONSOR: Rep. Richard Neal (D-MA)

LAST ACTIONS: House - 09/27/2019 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 non-covered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision.

COMMENT: 150 co-sponsors; four Ohioans

H.R.4763

SPONSOR: Rep. Kaptur, Marcy (D-OH)

LAST ACTIONS: House - 10/18/2019 Referred to the House Committee on Energy and Commerce.

CAPTION: To extend the limited wraparound coverage pilot program for an additional 5 years, and for other purposes.

COMMENT: Eight co-sponsors, all of whom are Ohioans.

H.R.748

SPONSOR: Courtney, Joe (D-CT)

LAST ACTION: 03/27/2020 Became Public Law No: 116-136.

CAPTION: CARES Act (Coronavirus Aid, Relief, and Economic Security Act)

COMMENT: Initially introduced as a repeal of the health care "Cadillac Tax." 369 co-sponsors; 14 Ohioans. Ultimately became vehicle for COVID-19 relief legislation.

S. 2543

SPONSOR: Grassley, Chuck (R-IA)

LAST ACTION: Senate - 09/25/2019 Placed on Senate Legislative Calendar under General Orders. Calendar No. 225.

CAPTION: The Prescription Drug Pricing Reduction Act (PDPRA)

COMMENT: This bill alters several programs and requirements relating to the prices of prescription drugs under Medicare and Medicaid. No co-sponsors.

H.R. 3 –

SPONSOR: Pallone, Frank (D-NJ)

LAST ACTION: Senate - 09/08/2020 Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 521.

CAPTION: The Elijah E. Cummings Lower Drug Costs Now Act.

COMMENT: This bill establishes several programs and requirements relating to the prices of prescription drugs, health care coverage and costs, and public health. 106 co-sponsors.

CAFR HIGHLIGHTS

Chief Financial Officer Tracy Valentino provided an overview of the FY2020 Comprehensive Annual Financial Report (CAFR), which includes financial, investment, actuarial, and other supplementary information.

Ms. Valentino noted the CAFR is being presented in draft form. However, there is no expectation that the outcome will not change once finalized. She reviewed its contents, including the transmittal letter and county map of pension recipients, as well as the investment, financial, and actuarial sections.

As a set of financial statements that comply with the accounting requirements established by the Governmental Accounting Standards Board, the CAFR is produced annually. Concluding the presentation, the Board thanked Ms. Valentino and staff for their work on the CAFR.

2021 QUALIFIED EXCESS BENEFIT PLAN BUDGET – QEBA

Chief Finance Officer Tracy Valentino presented the Qualified Excess Benefit Plan Budget.

Ms. Valentino stated that 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 Section 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 governments 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.

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 the plan year 2021, staff is requesting that \$ 369,000 of employer contributions be assigned to the QEBA Fund.

2021 QUALIFIED EXCESS BENEFIT PLAN BUDGET (QEBA)

Catherine Moss moved and Barbra Phillips seconded the motion to assign \$ 369,000 of employer contributions from the last employer of retirees covered by the SERS Qualified Excess Benefit Plan to the QEBA Fund for calendar 2021. The QEBA Fund is authorized to pay benefits of approximately \$ 363,000 to qualified retirees; with the balance allocated to QEBA Fund operating expenses. Upon roll call, the vote

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

FIVE YEAR REVIEW AND FILING OF PROPOSED AMENDED ADMINISTRATIVE RULE

Legal Counsel discussed with the Retirement Board filing with JCARR the following rules as no change rules: 3309-1-12 Contributing service credit; determination of; 3309-1-44 Purchase of service credit; pregnancy and adoption resignation; 3309-1-56 Alternative retirement programs; 3309-1-58 Retirement of member pursuant to section 3309.343 of the Revised Code; 3309-1-63 Plan F - multiple beneficiaries.

Barbra Philips moved and James Rossler seconded that rules 3309-1-12, 3309-1-44, 3309-1-56, 3309-1-58, and 3309-1-63 be filed with JCARR as no change rules as discussed. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Hugh Garside. The motion carried.

3309-1-12 Contributing service credit; determination of.

(A) Any contribution or contributions received for a particular month, beginning with September 1, 1937 and ending June 30, 1955, for credit to a member's savings account shall receive .125% of a year's service credit for that particular month, provided, that no more than one year of service credit shall be granted for all service rendered in any one fiscal year.

(B) Any contribution or contributions received for a particular month, subsequent to June 30, 1955, but prior to July 1, 1977, for credit to a member's savings account, shall receive one-ninth of a year's service credit for that particular month, provided that not more than one year of service credit shall be granted for all service rendered in any one fiscal year.

(C) Service credit granted under the provisions of paragraphs (A) and (B) of this rule, shall be subject to such adjustment by the retirement board as provided by law.

(D) Contributing service credit for school employment rendered on or after July 1, 1977 shall be credited to members as follows:

(1) A full year of service credit will be credited for one hundred twenty or more days of paid school employment during a year.

(2) For less than the above described one hundred twenty days during a year, a fraction of a year credit shall be credited, and shall be determined by dividing the actual number of days paid in a year by one hundred eighty days.

(E) Contributing service as a school board member or governing board member will be credited as provided in paragraph (D) of this rule. A day of "paid school employment" for a board member shall mean any day for which the board member was compensated for attending a regular or special meeting of the board or an approved training program. Payment or reimbursement of fees or expenses by the school district or educational service center does not constitute compensation.

(F) The number of days and the number of hours of paid school employment shall be certified by the employer in a manner specified by the retirement board.

(G) A "year" shall mean the period July first through the following June thirtieth.

(H) Any portion of a day paid shall be considered a full day.

(I) Credit for school service rendered before July 1, 1977 shall continue to be determined pursuant to paragraphs (A) to (C) of this rule.

Effective: 11/3/08

Promulgated Under: 111.15

Statutory Authority: 3309.04

Rule Amplifies: 3309.30; 3309.012

Prior Effective Dates: 12/24/76, 2/18/77, 2/1/92, 2/6/98, 10/28/02

3309-1-44 Purchase of service credit; pregnancy and adoption resignation.

A member who resigned due to pregnancy or adoption of a child may purchase service credit for such period(s) of resignation during which no contributions were made to the system and no service credit granted under any other section of the Revised Code in accordance with section 3309.473 of the Revised Code and this rule.

(A)

- (1) The member must have resigned from a contributing position under Chapter 3309. of the Revised Code due to pregnancy or adoption of a child;
- (2) The member must have returned to a contributing position under Chapter 3309. of the Revised Code not later than the first day of classes of the third school year following the date of the resignation; and
- (3) The member must have earned a minimum of one year of school employees retirement system contributing service credit after the resignation.

(B)

- (1) A member who meets the requirements of paragraph (A) of this rule shall apply to the system to purchase service credit for a period of resignation on a form provided by the system;
- (2) The member shall provide, with the application to purchase service credit, documentation satisfactory to the system that the resignation was due to pregnancy or adoption of a child. Such documentation may include, but is not limited to:
 - (a) In case of resignation due to pregnancy, copies of the member's child's birth certificate, copies of hospital or medical records, or an attending physician's statement; or
 - (b) In the case of resignation due to adoption, copies of the adoption decree.
- (3) The employer who accepted the resignation shall certify on a form provided by the system, the date of the member's resignation and the reason, if any, given for the resignation;
- (4) For each year of service credit purchased, the member shall pay to the system for credit to the member's accumulated account an amount equal to the member's retirement contributions for full-time employment for the first year of contributing service subsequent to the member's return from the period of resignation, plus interest thereon compounded annually at a rate set by the board of the school employees retirement system from the date of the member's return to contributing service to the date of payment.
- (5) For each year of service credit purchased, the employer who accepted the resignation shall pay to the system an amount equal to the employer contribution for full-time employment for the member's first year of contributing service subsequent to the member's return from the period of resignation, plus interest thereon compounded annually at a rate set by the board of the school employees retirement system from the date of the member's return to contributing service to the date of payment. Payment shall be made:
 - (a) In one lump-sum payment from the employer directly to the school employees retirement system; or
 - (b) By authorization of the employer from the amounts allocated to the employer under Chapter 3317. of the

Revised Code.

(C) A member who meets the foregoing requirements is eligible to purchase service credit for the lesser of the actual period of time from the resignation to the return to employment in a contributing position or two years.

Effective: 5/11/06
Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.473
Prior Effective Dates: 5/2/01

3309-1-56 Alternative retirement programs.

(A) For the purpose of this rule:

(1) "Administrative employee" means an administrative employee as defined in division (A) of section 3305.05 of the Revised Code for whom the school employees retirement system would be the applicable state retirement system.

(2) "Eligible employee" means an employee as defined in division (C) of section 3305.01 of the Revised Code for whom this retirement system would be the applicable state retirement system.

(3) "Election period" means:

(a) For administrative employees who made elections under division (B) of section 3305.051 of the Revised Code, the one hundred twenty days after the employee's first day on the institution's payroll.

(b) For administrative employees who made elections under division (C) of section 3305.051 of the Revised Code, the one hundred twenty days after the effective date of the alternative retirement program adopted by the institution.

(c) For eligible employees who make elections under division (B)(1) of section 3305.05 of the Revised Code, the one hundred twenty days after August 1, 2005.

(d) For eligible employees who make elections under division (B)(2) or (B)(3) of section 3305.05 of the Revised Code, the one hundred twenty days after the employee's first day on the institution's payroll.

(4) "Employee" means either an administrative employee or an eligible employee.

(5) "Institution" means a public institution of higher education as defined in division (A) of section 3305.01 of the Revised Code.

(B) Within thirty days of its adoption of an alternative retirement plan under Chapter 3305. of the Revised Code, an institution shall file notice with the retirement system of its adoption of the plan. The notice shall:

(1) Be given in the manner and form prescribed by the retirement system.

(2) Include a copy of the plan adopted.

(3) Include a report in the manner and form prescribed by the retirement system of all current employees.

(C)

(1) Each institution of higher education that employs an employee eligible to elect an alternative retirement program shall:

(a) Notify the retirement system at the time it employs the employee, but in no event later than ten days after the

employee's first day on the institution's payroll.

(b) Notify the retirement system at the time an employee of the institution changes to a classification which qualifies the employee to elect an alternative retirement plan but in no event later than ten days after the effective date of the employee's reclassification.

(2) The notice required under paragraph (C)(1) of this rule shall be given in the manner and form prescribed by the retirement system, and shall include the employee's name, address, social security number, date of birth, sex, annual compensation, first date on the institution's payroll, and any other information required by the school employees retirement system.

(D)

(1) Elections by an employee of an alternative retirement plan shall be made on forms provided by the retirement system and completed by the employee and the institution.

(2) Not later than ten days after an election is filed with the institution, the institution shall file a certified copy with the retirement system.

(E)

(1) Elections made by employees under divisions (B)(2) and (B)(3) of section 3305.05 or division (B) of section 3305.051 of the Revised Code will be implemented no later than thirty days after a certified copy of the employee's election is filed with the retirement system.

(2) The election, when implemented, shall be effective as of the first day upon which the employee appears on the institution's payroll or was reclassified to a position as an administrative or eligible employee.

(3) Once an election is filed with the system, it is not affected by the death of the employee and it shall be implemented and effective as set forth in this rule.

(F)

(1) Elections made by employees under division (B)(1) of section 3305.05 of the Revised Code will be implemented no later than thirty days after a certified copy of the employee's election is filed with the retirement system.

(2) The election, when implemented shall be effective as of the day the employee's election is irrevocable:

(3) Once an election is filed with the system, it is not affected by the death of the employee and it shall be implemented and effective as set forth in this rule.

(G)

(1) Elections made by administrative employees under division (C) of section 3305.051 of the Revised Code will be implemented no later than thirty days after the certified copy of the employee's election is filed with the retirement system.

(2) The elections when implemented shall be effective as of the following dates:

(a) On March 31, 1998 where the public institution's alternative retirement program is established on or after December 8, 1998 but no later than March 31, 1999; or

(b) On the first day of the month in which the public institution's alternative retirement program is established where the program is established after March 31, 1999.

(3) Once an election is filed with the system, it is not affected by the death of the employee and it shall be implemented and effective as set forth in this rule.

(H)

(1) Employee and employer contributions for an employee shall be collected and remitted to the retirement system until an election is implemented pursuant to paragraph (E)(1), (F)(1) or (G)(1) of this rule.

(2) Those employee and employer contributions received after the effective date of an election as determined by this rule for an employee who elects an alternative retirement plan shall be refunded as unauthorized contributions to the provider identified as provided in paragraph (D) of this rule. The amount of employer contributions refunded shall be less the amount due pursuant to division (D) of the section 3305.06 of the Revised Code.

(I)

(1) An application under division (B) of section 3309.42 of the Revised Code for payment of a member's accumulated contributions to the provider of an alternative retirement plan shall be made in a manner and form prescribed by the retirement system.

(2) The institution shall certify:

(a) The name and address of the institution's plan administrator; and

(b) The plan is eligible to receive a trustee-to-trustee transfer from the retirement system which is a plan qualified under Internal Revenue Code section 401(a).

(3) The death of the employee prior to payment of the accumulated contributions to an alternative retirement plan cancels the application for payment.

(J) Not later than the fifteenth day of each month following a month in which an institution employed an employee who elected an alternative retirement, plan the institution shall:

(1) Remit to the retirement system the contributions required under division (D) of section 3305.06 of the Revised Code.

(2) Submit a report on all employees who have elected an alternative retirement plan in a form and manner prescribed by the retirement system.

Effective: 8/11/05

Promulgated Under: 111.15

Statutory Authority: 3309.04

Rule Amplifies: 3305.05, 3305.051, 3305.052, 3305.06, 3309.011, 3309.42

Prior Effective Dates: 8/10/98, 4/11/99, 5/2/01

3309-1-58 Retirement of member pursuant to section 3309.343 of the Revised Code.

(A) For purposes of section 3309.343 of the Revised Code and this rule:

(1) "Active position" means a position a member worked in the month before retirement and for which contributions were being received by a state retirement system at the time of retirement pursuant to section 3309.343 of the Revised Code.

(2) "SERS annual compensation" means a member's compensation for an active position reported by an employer to the school employees retirement system for the most recent twelve-month period. If the compensation has been reported for less than a twelve-month period, the system shall convert the compensation to an annual basis.

(3) "Other retirement system annual compensation" means a member's annual earnable salary or compensation for an active position as certified to this system by the public employees retirement system or the state teachers retirement

system.

(4) "Highest annual compensation" means the highest of the SERS annual compensation or the other retirement system annual compensation for an active position.

(5) "Position" means employment for which a member is covered and contributes to a state retirement system.

(6) "State retirement system" means the school employees retirement system, the public employees retirement system or the state teachers retirement system.

(7) "Other retirement system" means the public employees retirement system or the state teachers retirement system.

(B)

(1) When a member holds more than one active position in this system, no active positions in an other retirement system, and is electing to take a retirement benefit pursuant to section 3309.343 of the Revised Code, the member shall:

(a) Apply for a benefit pursuant to section 3309.35, 3309.36, or 3309.46 of the Revised Code, for the active position which has the highest SERS annual compensation; and

(b) Select which other active position or positions upon which the member shall continue to contribute to this system.

(2) In computing the benefit described in paragraph (B)(1) of this rule all service credit in this system shall be used.

(C)

(1) When a member holds one or more active positions in this system and one or more active positions in an other retirement system, and the active position which has the highest annual compensation is in this system, the member shall:

(a) Apply for a benefit pursuant to section 3309.35, 3309.36, or 3309.46 of the Revised Code, for the active position which has the highest annual compensation; and

(b) Select which other active position or positions upon which the member shall continue to contribute to this system or to an other retirement system.

(2) In computing the benefit described in paragraph (C)(1) of this rule, all service credit in any state retirement system shall be used.

(D) Employment in any position covered by this system that begins subsequent to the effective retirement benefit date under section 3309.343 of the Revised Code shall be subject to section 3309.341 of the Revised Code, and rule 3309-1-50 of the Administrative Code.

Effective: 10/11/18

Promulgated Under: 111.15

Statutory Authority: 3309.04

Rule Amplifies: 3309.43

Prior Effective Dates: 5/2/2001, 5/11/2006, 7/10/2016

3309-1-63 Plan F - multiple beneficiaries.

(A) Amounts due to a retirant receiving a retirement allowance under the plan described in division (B)(3)(e) of section 3309.46 of the Revised Code and unpaid at death shall be paid to the retirant's surviving beneficiaries under the plan on a prorated basis based on the monthly benefit payable to the beneficiary compared to the total monthly benefits payable to all beneficiaries.

(B) Beneficiaries designated in a plan described in division (B)(3)(e) of section 3309.46 of the Revised Code shall be prioritized for purposes of calculation.

(1) A beneficiary who is a former spouse whom the member has been ordered to provide a specified amount to in an order described in division (B)(1)(b)(ii) of section 3309.46 of the Revised Code shall have priority over all other beneficiaries. When a member is subject to more than one order described in division (B)(1)(b)(ii) of section 3309.46 of the Revised Code, the former spouses shall be entitled to beneficiary priority in order of earliest retention by the retirement system.

(2) A current spouse shall have priority over any beneficiaries who are not the subject of an order described in division (B)(1)(b)(ii) of section 3309.46 of the Revised Code.

(3) The member shall designate the priority of any beneficiary who is not a former spouse and the subject of an order described in division (B)(1)(b)(ii) of section 3309.46 of the Revised Code or a current spouse.

(C) In no event shall a member have more than four beneficiaries under the plan described in division (B)(3)(e) of section 3309.46 of the Revised Code.

Effective: 10/27/06
Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.44, 3309.46

APPROVAL OF SUPERANNUATION AND SURVIVOR BENEFITS

It was moved by Catherine Moss and seconded by Barbra Phillips that the following 375 superannuation retirements, 12 survivor benefits, and 3 transfers be approved and further that the persons listed below be granted allowed and benefits in the amounts set forth and effective as of the dates given in the report. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Hugh Garside. The motion carried.

SPECIAL CASES - ADJUSTMENTS

Catherine Moss moved and Barbra Phillips seconded the motion that the following report on Special Cases be approved in the amounts and dates as set forth below. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Hugh Garside. The motion carried.

Name	Recalculation Reason	Retirement Dates		Benefit Amount	
		Original	Correct	Original	Correct
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

DISAPPROVAL OF APPEAL FOR DISABILITY BENEFITS

Catherine Moss moved and Barbra Phillips seconded that the following report, as recommended by the Medical Advisory Committee, and prepared by staff be approved, and further, that the disability appeal of the persons named below be disapproved. Upon roll call, the vote was as follows: Yes: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson, and Hugh Garside. The motion carried.

Name	Job Title	School Employer	Age	Service Credit	Benefit Effective Date
██████████	██████████	██████████	█	██████	██████████

DISAPPROVAL OF DISABILITY BENEFITS

Catherine Moss moved and Barbra Phillips seconded that the following report, as recommended by the Medical Advisory Committee, and prepared by staff be approved, and further, that the disability appeal of the persons named below be disapproved. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.

Name	Job Title	School Employer	Age	Service Credit	Last Date of Service
██████████	██████	██████████	█	██████	██████████

APPROVAL OF APPEAL FOR DISABILITY BENEFITS

James Rossler moved and Barbra Phillips seconded that the following report, as recommended by the Medical Advisory Committee and Vocational Expert, and prepared by staff be approved, and further, that the appeal for disability benefits of the persons named below be approved. Upon roll call, the vote was as follows: Yea: Barbra Phillips, Jeffrey DeLeone, James Haller, Matthew King, Catherine Moss, James Rossler, Frank Weglarz, Daniel Wilson and Hugh Garside. The motion carried.

Name	Job Title	School Employer	Age	Service Credit	Benefit Effective Date
██████████	██████████	██████████	█	██████	██████████

The Board continued with the review of calendar dates.

CALENDAR DATES FOR 2021

AUDIT COMMITTEE MEETINGS

March 17 - 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 18 - 7:30 a.m. (Thurs.)

BOARD MEETINGS

February 18 and 19 (Thurs. and Fri.)

CALENDAR DATES FOR 2021

AUDIT COMMITTEE MEETINGS

March 17 - 2:30 p.m. (Weds.)
June 16 - 2:30 p.m. (Weds.)
September 15 - 2:30 p.m. (Weds.)
December 15 - 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 18 - 7:30 a.m. (Thurs.)
June 17 - 7:30 a.m. (Thurs.)
September 16 - 7:30 a.m. (Thurs.)
December 16 - 7:30 a.m. (Thurs.)

BOARD MEETINGS

February 18 and 19 (Thurs. and Fri.)
March 18 and 19 (Thurs. and Fri.)
April 15 and 16 (Thurs. and Fri.)
May 20 and 21 (Thurs. and Fri.)
June 17 and 18 (Thurs. and Fri.)
July 15 and 16 (Thurs. and Fri.)
September 16 and 17 (Thurs. and Fri.)
October 21 and 22 (Thurs. and Fri.)
November 18 and 19 (Thurs. and Fri.)
December 16 and 17 (Thurs. and Fri.)

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

ADJOURNMENT

Hugh Garside moved that the Board adjourn to meet on Thursday, February 18, 2021 for their regularly scheduled meeting. The meeting adjourned at 12:12 p.m.

Hugh Garside, Chair

Richard Stensrud, Secretary