



**SERS Retirement Board
Special Compensation Committee
Meeting Agenda
Thursday, April 16, 2026
1:00 P.M**

To Join Zoom Meeting:

<https://ohsers.zoom.us/j/96584020102?pwd=7FKLF2eB1epFbraXdu11RSFWXAdeuW.1>

Meeting ID: 965 8402 0102 Password: 12345

To join by phone, dial: +1 309-205-3325 and enter the meeting ID: **965 8402 0102** and password: **12345** when prompted.

1. Roll Call
2. Approval of **March 19, 2026**, Compensation Committee Meeting Minutes (R)
3. Discussion of Request for Proposal (RFP) for Compensation Consultant
4. Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee (R)
5. Adjournment (R)

School Employees Retirement System

Compensation Committee

April 16, 2026

_____ **A.M.**

Roll Call:

Jeanine Alexander	_____
Jeffrey DeLeone	_____
Rebekah Roe	_____
Frank Weglarz	_____
Daniel Wilson	_____

Guests in Attendance:

APPROVAL OF MINUTES OF THE COMPENSATION COMMITTEE MEETING

_____ moved and _____ seconded the motion to approve the minutes of the Compensation Committee meeting held on **March 19, 2026**.

Upon roll call, the vote was as follows:

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Jeanine Alexander	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
Rebekah Roe	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____

School Employees Retirement System	COMPENSATION COMMITTEE MEETING MINUTES		
Preparer	Vatina Gray	Meeting Date:	March 19, 2026
Committee Chair	Daniel Wilson		
Agenda	<ol style="list-style-type: none"> 1. Roll Call 2. Approval of December 18, 2025, Compensation Committee Minutes (R) 3. Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment of a public employee (R) 4. Adjournment 		
Discussion	<p>The SERS Compensation Committee meeting convened in open session at 7:31 a.m.</p> <p><u>ROLL CALL</u></p> <p>The SERS Compensation Committee roll call was as follows: Present: Daniel Wilson, Jeanine Alexander, Jeffrey DeLeone, Rebekah Roe, and Frank Weglarz.</p> <p>Also in attendance was Maggie O'Shea, representative from the Ohio Attorney General's Office. SERS Staff Members: Richard Stensrud, Joe Marotta and Vatina Gray.</p> <p><u>APPROVAL OF MINUTES</u></p> <p>Frank Weglarz moved and Jeanine Alexander seconded the motion to approve the minutes of the Compensation Committee meeting held on December 18, 2025. Upon roll call the vote was as follows: Yea: Jeanine Alexander, Jeffrey DeLeone, Rebekah Roe, Frank Weglarz, and Daniel Wilson. The motion carried.</p> <p><u>EXECUTIVE SESSION</u></p> <p>Jeanine Alexander moved and Rebekah Roe seconded the motion that the Committee convene in Executive Session pursuant to R.C. 121.22 (G)(1) to discuss the employment of a public employee. Upon roll call the vote was as follows: Yea: Jeanine Alexander, Jeffrey DeLeone, Rebekah Roe, Frank Weglarz, and Daniel Wilson. The motion carried.</p> <p>The committee convened in executive session at 7:32 a.m.</p> <p>The committee returned to open session at 8:22 a.m.</p> <p><u>ADJOURNMENT</u></p> <p>Daniel Wilson moved to adjourn the meeting at 8:23 a.m.</p>		

	Action Items	Assigned Person	Due Date
Action Items			
Committee Chair Signature		Date Signed	

Memo

To: Retirement Board and Compensation Committee
From: Richard Stensrud, Executive Director
CC: Karen Roggenkamp, Michelle Miller, Joe Marotta
Date: April 9, 2026
Re: Compensation and Classification Study Request for Proposal (RFP)

Per the discussion at the March Compensation Committee Meeting, the Compensation Committee is being asked to review and approve the issuance of a Request for Proposals (RFP) for the purpose of selecting and engaging a compensation consultant to conduct a full compensation study for SERS' staff. The Board is being asked to authorize the Compensation Committee to issue the RFP, review the responses, interview candidates, select the consultant and implement the engagement. The final report will be presented to the full Board, which will decide upon implementation of the recommendations.

The last full compensation study was conducted by CBIZ in 2021, and since then CBIZ has provided annual recommendations for adjustments to SERS' salary structure and salary budget. This is considered a best practice and is important for maintaining the compensation structure and objectives established in the compensation study. Specifically, it helps assure that SERS' salary ranges and levels remain aligned with the salaries for comparable positions, and in so doing, helps assure that SERS' compensation allow SERS to attract and retain the quality of employees that will enable SERS to continue to be successful at our mission. The annual adjustment also reduces the potential for having to make large adjustments when market-competitive pay is assessed in the next full compensation study.

The proposed RFP is attached for your review and consideration. Also attached are two documents which will help provide context for both the RFP and the elements of the study.

The first document is SERS' Employee Compensation Policy. It outlines SERS' current compensation philosophy and objectives, including how the market of comparable employers and positions is determined (benchmarking and peer groups), and target placement within the salary range (currently the 50th percentile of the relevant market). This includes considerations such as size/operating structure, geography, and industry. Because the weight given to these labor market influencers varies by the position being assessed, the relevant labor market can vary for different positions.

The second document is SERS' Employee Compensation Administration Policy. It outlines the objectives and administration of the compensation system, including establishing pay for new hires; determining pay grades for new positions or reassigning pay grades for existing positions; determining pay for job changes; merit increases; pay above grade maximum; and market-based pay grade range adjustments.

In the last full compensation study a process and series of engagement points with the

Compensation Committee and the Board was established to help assure transparency and understanding of the results of the study. It is proposed that this process and approach be continued in the upcoming study.

Below are some of the key elements of the process and approach:

- The Board authorizes the Compensation Committee to issue the RFP, review the responses, interview candidates, select the consultant and implement the engagement. The Compensation Committee keeps the Board informed of key developments throughout the process. The final report is presented to the full Board, which decides upon implementation of the recommendations.
- The Compensation Committee reviews and approves the issuance of the RFP and determines the process for reviewing the RFP responses. The proposed process would be similar to the investment consultant search where staff reviews all the proposals and recommends the top 2-3 candidates to the Committee for consideration but also provides all the information about all the candidates for the Committee's consideration. The Compensation Committee decides which candidates will make a presentation. Sample questions will be prepared for the Committee to use when interviewing candidates.
- Upon selection of the consultant, the Compensation Committee will set expectations for project timing and meeting dates for discussion/decisions regarding key study parameters, including:
 - Review of the compensation Policies and compensation philosophy. For example, is the objective for SERS to lead/match/lag the market? The current position is to match.
 - Review relevant labor market considerations. For example, geography, industry, organization size/structure.
 - Determine staff groupings. In the last study employees were broken into Staff, Executive, and Investment with a custom peer group for each.
 - Determine peer group(s).
 - Determine relevant factors for identifying comparable employers, for example, location, AUM, number of members, number of employees, governance structure, state class, etc.
 - Consideration of what other published salary data sources will be used.
 - Determine the appropriate factor used to age survey data to account for the market movement between the time of the data collection and when the data is used.
- The decisions above will be made in consultation with staff and the selected consultant, but because they will be made at different points in the process, to keep the project on track the Committee Chair will represent the Committee in any meetings between scheduled Compensation Committee meetings. To assist the Chair in this representation, Committee members will be surveyed on the relevant issues so that the Chair can provide the perspective of the full Committee in those discussions.

Below is the proposed timeline for the review/selection segment of the process:

April Board Meeting

- Board authorizes Compensation Committee to issue the RFP, review the responses,

interview candidates, select the consultant and implement the engagement.

April Compensation Committee Meeting

- Committee reviews the draft RFP, notes any desired changes, and directs its issuance.
- Committee confirms the process for proposal review.
- Committee confirms the point-person to represent the Committee in project meetings with the consultant and staff.

April

- Compensation Committee issues the RFP.

May

- Proposals due by the end of the month.
- Respond to any questions from candidates.

June

- Committee and staff reviews the proposals. Staff makes recommendations to the Committee.
- Committee identifies top 2-3 submissions.
- Committee decides on candidate presentations.

July

- Possible presentations.
- Consultant selection.
- Contract execution.

August

- Project commencement.
- Staff fulfills data requests from consultant (e.g., Policies, job descriptions, salary grades, etc.)

After the consultant selection is made, as noted above, the Committee will provide input on study parameters. The Committee will provide updates to the Board while the work is being done and before preliminary results are in.

The goal is to have the final report for a full Board presentation at the December Board Meeting. This timeline would be optimal to allow any recommended adjustments to be incorporated in the FY 27-28 budgeting process.

I hope this information is helpful. Please let me know if you have any questions.

Request for Proposal

Employee Compensation and Classification Study

April 2026



SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
300 E. BROAD ST., SUITE 100 • COLUMBUS, OHIO 43215-3746
614-222-5853 • Toll-Free 800-878-5853 • www.ohsers.org

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School Employees Retirement System of Ohio

I. INTRODUCTION

The School Employees Retirement System of Ohio (SERS) is requesting proposals from qualified firms to conduct a compensation and classification study for SERS' investment and non-investment positions. The selected vendor(s) is expected to also assist the Board of Trustees and Senior Leadership in determining appropriate benchmarks, review existing compensation policies and structure, as well as make recommendations for enhancements to the existing compensation and classification system.

II. BACKGROUND

SERS is a statewide defined benefit retirement system for non-certificated persons employed by the public schools within the state's cities, villages and counties, as well as local districts, vocational and technical schools, community colleges, and The University of Akron. SERS provides service retirement, disability and survivor benefits, and access to health care coverage for benefit recipients and their dependents. General administration and management of the plan is vested in the Retirement Board established under [Chapter 3309](#) of the Ohio Revised Code.

Links are available for the most recent [SERS Annual Comprehensive Financial Report](#).

SERS employs approximately 186 people in nine departments with approximately 130 unique roles. Of the 186 employees, the Investment Department has 12 employees with approximately 7 unique roles. Approximately 99% of staff are in full-time positions. All staff are located in Central Ohio.

SERS last organization-wide compensation and classification study was conducted in 2021 with recommendations implemented in 2022.

III. SCOPE OF SERVICES

SERS is seeking a qualified vendor to:

- Review SERS' compensation policies and recommend any changes to ensure SERS is following best compensation practices in similar industries.
- Assist SERS' Board of Trustees and Senior Leadership in updating appropriate benchmark comparisons for various levels of the organization, as needed.
- Conduct a market pay analysis for investment and non-investment positions using the agreed upon benchmarks. This includes a review of the Investment Incentive Compensation Plan.

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- Review SERS' current salary grade structure and recommend changes to the current structure or adoption of a new structure to assure internal equity, external competitiveness, and alignment with SERS organizational structure.
- Design a cost-conscious implementation strategy for the updated compensation program, while maintaining internal equity and external competitiveness for each position.
- Present a summary of the work performed and recommendations to SERS Board of Trustees and Senior Leadership.
- If a new structure or policy is recommended, before implementation, the vendor will be required to provide training to the Human Resources Department, as well as designated leadership personnel, on the utilization of the updated compensation program.
- Provide implementation guidance and recommendations related to the communication of any changes to staff.
- Provide post-implementation support for annual review of salary structure and any recommended structure adjustments between this study and the next study for up to 5 years.

SERS will provide copies of all job descriptions currently utilized, organizational charts, and current compensation schedules to assist the selected vendor in their study.

SERS will consider only proposals for the services as described above.

SERS will consider only proposals for the [goods and/or services as described above. **Responses submitted for other services will not be considered.**

IV. PROPOSAL SUBMISSIONS

A. Intent to Respond

If the vendor intends to respond to this RFP, a Notice of Intent to do so should be sent to SERS by May 20, 2026. The Notice should be sent by email to the SERS contact listed in Paragraph C. below, and contain the vendor's name, its intent to respond, the name of a contact person and the contact person's telephone number, and email. Submitting this Notice will not obligate a vendor to submit a Response nor be a prerequisite for submitting a Response but will allow SERS to send out any necessary information to interested vendors.

B. Response Deadline

The completed Response must be received by **May 26, 2026 at 4:00**

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p.m., Eastern Time. Responses received after the Response deadline will not be considered.

C. Delivery

Contact person for all responses, and communications:

Richard Stensrud
Executive Director
School Employees Retirement System
300 East Broad Street, Suite 100
Columbus, OH 43215
SERSExecutive@ohsers.org

Response should be sent via email to the contact person listed above. Faxed transmissions are not acceptable and will not be considered.

D. Response Documents

All of the following documents must be submitted together and in the order listed.

1. A Cover Letter submitting the vendor's Response on the vendor's letterhead signed by at least one individual who is authorized to bind the vendor contractually.
2. The Questionnaire in Appendix A with the question and/or request duplicated in the Response before the answer or response.
3. Review of SERS' general terms and conditions (Appendix B).

E. Submitted Responses

Any Response submitted will become the property of SERS. SERS reserves the right to retain all Responses submitted, and use any information contained in a Response except as otherwise prohibited by law. **All Responses and the contents thereof will be deemed to be a public record which is open to public inspection after a vendor has been selected and contract has been executed, if any.** A vendor may include one additional copy of its Response with any proprietary trade secret information redacted and marked as such with a brief written basis as to why it believes the information is protected from disclosure. If SERS receives a public records request to which, in SERS' sole discretion, any of a vendor's materials are responsive, SERS may release the vendor's redacted materials, or in the event no redacted materials are submitted, the vendor's unredacted materials without notice to the vendor. In the event any of the vendor's redactions are challenged, the vendor shall have sole responsibility to defend such redactions at its cost and expense.

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SERS will not institute any legal action to defend any of vendor's redactions but will notify the vendor of such challenges.

F. Communications with SERS

Vendors which intend to submit a Response should not contact any member of SERS Staff or members of the Retirement Board. An exception to this rule applies to vendors who currently do business with SERS, but any contact made by such vendor(s) with persons should be limited to that business and should not relate to this RFP.

G. Questions Relating to this RFP

All questions concerning this RFP must be received in writing by email by the Contact person by **May 6, 2026, 4:00 p.m., Eastern Time**. Answers to only emailed questions received by this deadline will be available to all vendors by a posting at www.ohsers.org. Questions submitted after 4 p.m. May 6, 2026, or other than by email will not be considered.

V. SELECTION PROCESS

SERS staff will evaluate all timely and complete Responses. SERS reserves the right to request that any Response be clarified or supplemented.

After evaluation of the submitted Responses, at its sole discretion SERS Board and staff will select a group of final candidates. SERS will notify vendors not selected as final candidates that they are no longer under consideration.

SERS anticipates that final candidates will be asked to participate in a presentation of their proposal. SERS will determine, based on the submitted responses, whether presentations are necessary and reserves the right to cancel presentations at any time.

SERS Board and staff will evaluate the selected finalists based on their Response and any given presentation, and will select the vendor for the requested services. Vendors not selected will be notified by SERS that they are no longer under consideration after SERS has contracted with selected vendor.

VI. TENTATIVE TIMETABLE

The following is the tentative time schedule for SERS' search for vendors to provide the requested services. All dates are subject to modification by SERS without prior notice.

Issuance of RFP:	April 22, 2026
Question Deadline:	May 6, 2026
Response to Written Questions:	May 13, 2026
Intent to Respond Deadline:	May 20, 2026

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RFP Response Deadline: May 29, 2026

Presentations & Demonstrations: Anticipated July 2026

Projected Commencement Date: Anticipated August 2026

The vendor(s) selected must enter into a contract.

VII. CRITERIA

SERS will evaluate submitted proposals based on the following considerations:

- Relevant experience providing compensation services to organizations of similar size and scope with similar public sector and industry considerations
- Evaluation of approach and proposed work plans
- Qualifications of staff members that would be assigned to the project
- Recommendations by references
- Proposed fee structure

VIII. QUESTIONNAIRE

Vendors must complete the Questionnaire appearing in Appendix A. Responses to the questions should repeat the question and be answered in order.

IX. TERMS AND CONDITIONS

SERS makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information in the RFP and nothing contained herein is or shall be relied upon as a promise or representation, whether as to the past or the future. The RFP does not purport to contain all the information that may be required to evaluate the RFP and any recipient hereof should conduct its own independent analysis of SERS and the data contained or referenced herein. SERS does not anticipate updating or otherwise revising the RFP. However, this RFP may be withdrawn, modified, or re-circulated at any time at the sole discretion of SERS.

SERS reserves the right, at its sole discretion and without giving reasons or notice, at any time and in any respect, to alter these procedures, to change and alter any and all criteria, to terminate discussions, to accept or reject any Response, in whole or in part, to negotiate modifications or revisions to a Response and to negotiate with any one or more respondents to the RFP.

SERS is not and will not be under any obligation to accept, review or consider any Response to the RFP, and is not and will not be under any obligation to accept the lowest offer submitted or any offer at all. SERS is not and will not be under any obligation to any recipient of, or any respondent to, the RFP except as expressly

School Employees Retirement System of Ohio stated in any binding agreement ultimately entered into with one or more parties, either as part of this RFP process, or otherwise. Any decision to enter into a binding agreement with a respondent to this RFP is in SERS' sole discretion.

This RFP is not an offer but a request to receive a Response. SERS will consider a Response as an offer to develop an agreement based upon the contents of the Response. Respondents agree that the contents of their Responses are valid for one year from the date of submission. SERS will not be liable for any cost incurred in the preparation of a Response and will not reimburse any respondents for their submission. Expenses related to the production of a Response are the sole responsibility of the respondent.

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Appendix A QUESTIONNAIRE

Responses to the following questions should repeat the question and be answered in order.

A. Vendor

1. Provide a brief description of your firm, including but not limited to the following:
 - a. Name of the principal(s) of the firm.
 - b. Name, telephone number, and email address of a representative of the firm authorized to discuss the proposal.
 - c. Addresses of all offices of the firm. Identify the office that will fulfill this agreement.
 - d. Number of employees of the firm.
 - e. Number of years in business under current name and any past corporate names or affiliations.
 - f. Describe your firm and its qualifications, experience, and capabilities to conduct the study.
 - g. Provide a list of successfully competed compensation studies for public organizations, including other retirement systems over the past three years.
 - h. Provide a minimum of two (2) client references for similar services performed, preferably services performed for public sector clients.
2. What are your business continuity and disaster recovery plans?
3. Do you use artificial intelligence? If yes, how is it used in your business?

B. Personnel

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1. Indicate who from your firm would be involved in providing services to SERS. Provide appropriate background information for each person and identify their responsibilities.

C. Proposed Service

1. Provide a detailed work plan to include:
 - A detailed project approach, including a description of steps the vendor will take to complete this project including a timeline for the steps.
 - A list of sources the vendor intends to use for salary survey data.
 - A description of how the vendor will consult with and make presentations to SERS' Board of Trustees and staff during the project.
 - A description of assistance that will be required from SERS' Staff during the project.
 - A list of items SERS will need to provide for the vendor to complete the project scope.
2. Provide any additional information on topics not covered in this RFP that you would like to bring to SERS' attention.

D. Standards of Conduct

1. Does the vendor have a firm written code of conduct or set of standards for professional behavior? If so, attach a copy and state how they are monitored and enforced.
2. Does the vendor have a written anti-discrimination policy? If so, attach a copy and state how the policy is monitored and enforced.
3. How does the vendor identify and manage conflicts of interest?
4. Are there any potential conflicts of interest that the vendor would have in providing the requested services to SERS? If yes, explain.
5. List and describe any relationships and/or contacts the vendor or its officers or employees have had with any SERS Retirement Board member and/or staff member within the last 12 months.

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6. Has the vendor or any officer or employee given any remuneration or anything of value directly or indirectly to SERS or any of its Retirement Board members, officers, or employees? If yes, identify the recipient and remuneration or thing of value. Additional information on the Ohio ethics law in this area may be found at: http://ethics.ohio.gov/education/factsheets/doing_business_with_retirement_systems_in_ohio.pdf.
7. Has the vendor or any officer, principal or employee given any remuneration or anything of value such as a finder's fee, cash solicitation fee, or fee for consulting, lobbying or otherwise, in connection with this RFP? If yes, identify the recipient and remuneration or thing of value.
8. Within the last five (5) years:
 - a. Has the vendor or any officer or employee of the vendor been a defending party in a legal proceeding before a court related to the provision of services?
 - b. Has the vendor or any officer or employee been the subject of a governmental regulatory agency inquiry, investigation, or charge?
 - c. Has the vendor submitted a claim to the vendor's liability insurance carrier involving the type of services sought under this RFP?
 - d. Has the vendor experienced a data breach? If yes, please provide a summary of the root cause, number of individuals impacted, and monetary cost of the breach.

If yes to any of the above, describe the event and the current status or resolution; include any case citation.

D. FEES

1. Describe the way your firm proposes to be compensated for your services. The cost of services is one of the factors that will be considered in awarding this contract. Please provide a thorough breakdown of your proposed fees for this engagement.
2. Provide hourly rates for additional services and other expenses not included in the proposed scope of work.
3. Include a sample contract.

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F. SERS' TERMS AND CONDITIONS

1. Does the vendor agree to all terms and conditions provided in Appendix B?
2. If not, please provide any details as to the specific provisions and vendor's preferred language.

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Appendix B

SERS' TERMS AND CONDITIONS

TERMS AND CONDITIONS

1. Acceptance and Payment.

Upon receipt by SERS of a proper invoice from Vendor, SERS shall pay any amounts not in dispute for Services identified in the invoice and accepted by SERS. The Vendor shall invoice SERS not more often than monthly. After completion of services described in the SOW, SERS shall pay a proper, undisputed invoice not later than twenty (20) business days from the date of receipt. Other than compensation for Services set forth in this Master Agreement or SOW, there shall be no additional amounts paid by SERS.

If billed at an hourly rate, each invoice shall provide details for all Personnel who performed Services under this Master Agreement or applicable SOW, and shall contain, at a minimum, (i) an itemized identification of the Services performed for SERS, (ii) the dates and amount of time (in tenths of an hour increments) for each of the Services performed and (iii) the name(s) of the individual(s) performing the Services. Unless otherwise provided for in the SOW, the Vendor shall submit invoices to SERS monthly during the term of this Master Agreement.

2. Independent Contractor

Vendor is an independent contractor, and nothing herein shall be construed to the contrary. Vendor shall not assume or create any obligations or responsibilities express or implied, on behalf of or in the name of SERS, or bind SERS in any manner or thing whatsoever without SERS's written consent. SERS shall neither have nor exercise disciplinary control or authority over Vendor. None of the employer-paid benefits provided by SERS to its own employees, including but not limited to retirement benefits, workers' compensation insurance and unemployment insurance, are available from SERS to Vendor. Individuals who are employed by Vendor are not public employees for purposes of OPERS membership. Vendor is not a public employer for purposes of Chapter 145 of the Ohio Revised Code. Vendor agrees to pay all applicable social security taxes, unemployment compensation taxes, income taxes and contributions

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required by any federal, state or local law with respect to Vendor for the
services under this Agreement.

3. **Indemnification**

- a. Vendor shall indemnify and save SERS harmless from any and all suits, proceedings at law or in equity, claims, liabilities, costs, payments and expense including reasonable attorney fees asserted against or incurred by SERS, arising out of or in connection with any claim for damages to property or injuries to persons, to the extent that such damages or injuries shall have been caused by, or shall have resulted from the willful or negligent acts or omissions of Vendor's employees, Personnel, or agents, in any way related to this Master Agreement or the performance of Vendor's obligations hereunder.
- b. Vendor shall indemnify and save SERS harmless from any and all liability, damages, losses, claims, demands, assessments, actions, causes of action, costs including reasonable attorney fees, arising out of or resulting from a reclassification or attempt to reclassify Vendor's employees or subcontractors as employees of SERS, including without limitation any tax liability including interest and penalty resulting from SERS' failure to pay, deduct or withhold income taxes, Federal Insurance Contribution Act taxes, or Federal Unemployment Tax Act taxes with respect to Vendor and or its employees.
- c. Vendor agrees to defend at Vendor's own cost and expense any claim or action against SERS, its subsidiaries and/or affiliated entities, board members, officers, employees, and agents, for actual or alleged infringement of any patent, copyright or other property right (including, but not limited to, misappropriation of trade secrets) regarding any computer program, documentation, service, work and/or other materials furnished to SERS by Vendor or Personnel providing Services. Vendor further agrees to indemnify and hold SERS, its subsidiaries and/or affiliated entities, board members, officers, employees, and agents, harmless from and against any and all liabilities, losses, and expenses (including, but not limited to attorney's fees and court costs) associated with any such claim or action.
- d. Vendor shall have the sole right to conduct the defense of any such claim or action and all negotiations for its settlement or compromise,

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unless otherwise mutually agreed to in writing between the parties hereto. SERS shall have the right to participate in the defense of any such claim or action, at its own expense and through counsel of SERS' choosing. If an injunction is sought or obtained against use of any computer program, documentation or other material furnished to SERS, Vendor shall, at its expense, either (i) procure for SERS the right to continue to use without additional cost or charge to SERS the infringing computer program, documentation or other material as set forth in this Master Agreement, or (ii) replace or modify the infringing computer program, documentation or other material to make its use non-infringing while being capable of performing the same function(s) while preserving the original functionality. Notwithstanding the foregoing, Vendor has no obligation for any claim based on SERS' modification of any such computer program, documentation or other material or its combination, operation, or use with any product, data or apparatus not specified or provided by Vendor, provided that such claim solely and necessarily is based on such combination, operation or use.

4. Non-Solicitation of Employees/Liquidated Damages.

- a. Unless otherwise agreed in writing signed by both parties, neither party shall solicit the other party's personnel during the term of this Master Agreement, or for a period of one year thereafter.
- b. In the event of a breach of this provision, the breaching party shall be liable for liquidated and agreed damages since the amount of actual damages is not foreseeable, in an amount equal to the most recent annual salary paid by the non-breaching party to the subject employee. If the subject employee has been there less than one year, then the most recent salary paid will be annualized to calculate the annual salary amount. Provided however, the posting of job openings on a party's web site or through general media outlets shall not be deemed solicitation under this provision.

5. Ownership.

- a. All programs, documentation, specifications and any other technical information or work (collectively "Work") developed or prepared by Vendor or Personnel for SERS hereunder shall be considered a work-made-for-hire under the U.S. copyright laws, and the property of SERS. To the extent that title to any such Work may not, by operation of law, vest in SERS for such Work, or may not be considered a work-made-for-hire, then in consideration for any payment received under this Master Agreement, Vendor hereby irrevocably assigns to SERS all rights, title and interest therein. All

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such Work shall belong exclusively to SERS, with SERS having the right to obtain and hold in its own name copyrights, trademarks, patents, registrations, or such protection as may be appropriate to the subject matter and any extensions and renewals thereof. Vendor reserves no right or interest in the Work. Vendor agrees to give SERS, its successors and assigns, and any person designated by SERS, reasonable assistance, without charge to SERS, required to perfect or secure SERS' rights described in this paragraph. Vendor and/or Personnel shall execute, at the request of SERS, specific assignments to SERS of any patent, copyright or other intellectual property interests in the Work applicable to the United States and to any and all foreign countries, as well as execute all papers and perform all lawful acts which SERS deems necessary in connection therewith, including the giving of testimony that the Vendor retains no right or interest in the Work. This Section shall survive the termination of this Master Agreement regardless of the cause of termination.

- b. Vendor warrants that Personnel shall not cause or permit any work to include or incorporate any material in which any third party shall have registered or unregistered copyrights, patent rights, trade secrets, or other proprietary rights or interests unless SERS is given notice prior to use of such material, SERS gives approval, and the Vendor secures all necessary licenses which are hereby assigned to SERS for such material.

6. **Confidentiality.**

SERS may disclose certain confidential, trade secret, and/or proprietary information to Vendor, its employees, subcontractors, and agents in connection with this Agreement. Vendor shall execute a Confidentiality and Non-Disclosure Agreement in the form of the attached **Exhibit A.** Vendor shall have its employees, subcontractors and agents who may have access to such information sign The Independent Contractor Intellectual Property and Confidentiality Agreement in the form of the attached **Exhibit B.** The signed agreements shall be provided to SERS prior to the commencement of any work.

7. **Representations and Warranties.** As of the Effective Date and at the time of execution of each SOW hereunder, the Vendor represents and warrants that it:

- a) Has the authority to enter into this Master Agreement and perform the Services provided herein.

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- b) Will perform the Services in a workmanlike and professional manner consistent with all applicable statutes, regulations, or ordinances and within applicable industry best practices.
 - c) Will comply with all applicable federal and state laws, including but not limited to, the laws contained in Chapter 102 of the Ohio Revised Code (Ohio ethics laws) governing ethical behavior, understands that such provisions apply to persons doing or seeking to do business with SERS, and agrees to act in accordance with the requirements of such provisions.
 - d) Maintains a non-discrimination policy and is an equal employment opportunity employer.
 - e) Has not paid and will not pay, has not given and will not give, any remuneration or thing of value directly or indirectly to SERS or any of its board members, officers, employees, or agents, or any third party in connection with obtaining or performing any of the engagements of this Master Agreement or otherwise, including, but not limited to, a finder's fee, cash solicitation fee, or a fee for consulting, lobbying or otherwise.
 - f) Vendor represents that its goods and services do not infringe on any third-party copyright or ownership rights.
8. **Public Record Requests.** Vendor acknowledges that SERS is subject to Ohio Public Records Act, Ohio Revised Code Section 149.43, including the requirement to comply with requests for disclosure of public records. Vendor may designate certain of its records in the possession of SERS or information included in this Agreement as exempt from disclosure under the Public Records Act. Vendor must support each claimed exemption and provide SERS with a redacted copy of the Agreement or material at issue that is acceptable to SERS and in compliance with the Public Records Act within thirty days of the Agreement being signed or the I provision of the material to SERS. In the event of a public record request that seeks Vendor's exempt information or data, SERS will refrain from disclosing the information or will make reasonable efforts to contact Vendor in sufficient time to allow Vendor to take appropriate legal steps to protect the exempt information from disclosure. If Vendor does not initiate legal action to protect its information within ten (10) business days of SERS' notice of its intent to disclose Vendor's information, Vendor shall be deemed to have waived its rights to seek an injunction or protective order and SERS shall be entitled to make such disclosure without further notice or liability to Vendor. If as a result of the position taken by Vendor regarding the exempt status of the information SERS is assessed any damages or fees, Vendor shall indemnify SERS for such damages or fees.

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9. **Security and Cybersecurity Incident Notice and Reporting.** Vendor shall have policies and procedures in place for the effective management of any security or cybersecurity incidents, as defined below, which shall be made available to SERS upon request. A “security incident” means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system. A “cybersecurity incident” means a cybersecurity event that has been determined to have an impact on the vendor prompting the need for response and recovery. This may include ransomware that may place SERS’ data or SERS members’ personal data at risk. “Personal data” means full legal name, date of birth, home address, email address, social security number, driver’s license number, state identification card number, SERS account username, SERS account password, record of contributions or financial account numbers.

In addition to the requirements set forth in any applicable Business Associate Agreement as may be attached to the Master Agreement, in the event of any actual security or cybersecurity incident or reasonable belief of an actual security or cybersecurity incident the Vendor either suffers or learns of that either compromises or could compromise SERS’ data, the Vendor shall notify SERS of the following within 48 hours of its discovery:

- a) The date and time of the discovery of the security or cybersecurity incident.
- b) The name of the Vendor security or cybersecurity incident representative and contact information.

The Vendor shall provide the following information to SERS regarding a security or cybersecurity incident within a reasonable period of time:

- a) Date and time of the security or cybersecurity incident.
- b) Nature of the security or cybersecurity incident, including any potential impact on SERS’ data or SERS members’ personal data.
- c) Description of SERS’ data or SERS members’ personal data involved in the security or cybersecurity incident.
- d) Vendor action taken to mitigate the security or cybersecurity incident and secure compromised systems.

The Vendor shall cooperate with SERS and provide such other information, including a written report, as reasonably requested by SERS. Vendor shall analyze and document the incident and provide all notices required by all applicable laws, regulations, rules, and industry standards.

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SERS may, in its sole discretion, choose to provide notice to any or all parties affected by a security or cybersecurity incident, but Vendor shall reimburse SERS for the cost of providing such notification. Vendor further agrees to provide or reimburse SERS for its costs in providing any credit monitoring or similar services that are necessary as a result of Vendor's security or cybersecurity incident.

In addition to any other indemnification obligations in the Master Agreement, the Vendor shall fully indemnify and save harmless SERS from any costs, loss or damage to SERS resulting from a security or cybersecurity incident or the unauthorized disclosure of SERS' data or SERS members' personal data by the Vendor, its officers, agents, employees, and subcontractors.

10. General.

- a. The Master Agreement shall be construed and enforced in accordance with the laws of the State of Ohio and any applicable federal laws.
- b. The Master Agreement is not assignable without the prior written consent of SERS. Any attempt by Vendor to assign any of the rights, duties, or obligations of this Master Agreement without such consent is void.
- c. The Master Agreement can only be modified by written agreement duly signed by persons authorized to sign agreements on behalf of SERS and of Vendor.
- d. Vendor agrees that it will not, without prior written consent of SERS, use in advertising, publicity or otherwise the name of SERS, SERS' logo, service marks, domain names, symbols or any affiliate of SERS, or refer to the existence of this Master Agreement in press releases, advertising or materials distributed to prospective customers.

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Exhibit A

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

This Agreement is entered into as of the _____ day of _____, 202__ (the Effective Date"), by and between SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO, 300 East Broad Street, Columbus, Ohio 43215 (hereinafter referred to as "SERS"), and _____ with its principal place of business at _____ (hereinafter referred to as "vendor." In consideration for the exchange of the mutual covenants and promises set forth below, the parties agree as follows:

1. The parties agree that it is necessary and desirable that SERS disclose to vendor confidential information, including but not limited to contracts and related documents and data, and other documentation or information whether or not expressly designated as confidential (collectively referred to herein as "Information").
2. The parties agree that the Information disclosed shall be used solely for the purpose of reviewing and using the Information in connection with the potential and/or actual providing of services by vendor to SERS. No copies of the Information shall be made except to be used solely in connection with the potential and/or actual providing of services by vendor to SERS.
3. The parties hereby acknowledge that the Information is valuable, confidential and proprietary trade secret assets and vendor agrees that it shall: (a) not communicate Information to any third party; (b) by using means no less than it uses to protect its own most valuable trade secrets, prevent inadvertent or wrongful disclosure of Information to any third party; and (c) limit internal access to employees only on a "need to know" basis for the purposes set forth in Paragraph 2 hereof.
4. Except for the purposes of Paragraph 2 above, or for any purpose the parties may hereafter agree upon in writing, vendor shall not use the Information for productive use or circulate it within its own organization, but to the extent necessary for negotiations, discussions, and consultations with its employees or authorized representatives of SERS.
5. The obligations of confidentiality shall terminate with respect to any particular portion of the Information if:
 - a. it was in the public domain at the time of communication thereof to vendor;

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- b. it entered the public domain through no fault of vendor subsequent to the time of communication thereof;
 - c. it was in vendor's possession free of any obligation of confidence at the time of communication thereof;
 - d. it was rightfully communicated to vendor free of any obligation of confidence subsequent to the time of communication thereof; or
 - e. it was developed prior to the date of this Agreement by employees or agents of vendor independently of, and without reference to, any Information.
6. All Information, and any and all copies thereof, shall, upon written request from and at the sole discretion of SERS, either (a) be returned to SERS, or (b) vendor shall provide a written certification to SERS that any and all copies of the Information provided have been destroyed.
7. Each party recognizes that the wrongful disclosure of the Information, shall give rise to irreparable injury to SERS, inadequately compensable in damages, and that SERS shall have, in addition to any other remedies available to it, the right to injunctive relief enjoining such wrongful disclosure by vendor.
8. This Agreement shall govern all communications between the parties during the period from the Effective Date of this Agreement to the later of (a) the date on which vendor receives written notice from SERS that subsequent communications shall not be so governed, or (b) the termination of all agreements between the parties. However, the terms and conditions of this Agreement shall survive the termination, with or without cause, of this Agreement or any other agreement between the parties. This Agreement shall be construed in accordance with the law of the State of Ohio and any applicable federal laws.

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Exhibit B

INDEPENDENT CONTRACTOR INTELLECTUAL PROPERTY AND CONFIDENTIALITY AGREEMENT

The undersigned, in consideration of an agreement to provide to **School Employees Retirement System ("SERS")** services as an independent contractor, hereby agrees:

I will be devoted to the advancement of SERS's interest by performing such duties as may have been or may be assigned to me.

1. "Intellectual Property" means inventions, discoveries, improvements, ideas, works of authorship, including computer software and related documentation, trade secrets, and other learned or acquired information, whether or not the subject of a patent, copyright, or trademark registration. I will disclose promptly and in writing to SERS, and I hereby assign and agree to assign to SERS all of my right, title, and interest in and to, all Intellectual Property which I make, conceive, or create (in whole, in part, alone or with others): (a) in the course of performing my duties as an independent contractor for SERS (whether in or outside regular working hours); or (b) during my term of service, which relates to SERS's business or interests; or (c) with the use of SERS's time, materials, or confidential information.
2. I agree that during or after my term of service with SERS, I will on request of SERS execute specific assignments to SERS or its nominee of any such Intellectual Property, applicable to the United States and to any and all foreign countries, as well as execute all papers and perform all other lawful acts which SERS deems necessary in connection therewith, including the giving of testimony. I understand that all expenses in connection with formal protection of such Intellectual Property shall be borne by SERS or its nominee. SERS at its sole discretion will decide whether to seek formal patent, copyright, or trademark protection for such Intellectual Property.
3. I agree that during my term of service and thereafter I will hold in confidence all matters and things related to the business of SERS or its affiliated entities, of a confidential or secret nature including, but not limited to, cost data, vendor lists, private business matters, formulas, designs, methods and processes, systems, present and prospective business ventures, and newly discovered uses for known technology, as to which I may acquire information or possession by reason of my affiliation with SERS during my term of service; and that I will not, without the written consent of SERS,

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except as may be required in the fulfillment of my duties as an independent contractor in service to SERS, use any such matter or thing or disclose to others any matter or thing relating to the business of SERS or its affiliated entities.

4. I agree that SERS has all right to possession of, and all title in and to, all computer disks, audio and video recordings, pictures, film, papers and documents (including drawings), and copies, abstracts and summaries thereof, which I may originate or which may come into my possession in any way during my term of service and which relate to the business of SERS or its affiliated companies, and I further agree to deliver such things promptly to SERS on expiration or termination of my contract with SERS.

5. I further represent that I have not entered into any prior agreements which will prevent my full compliance with the terms of this Agreement, unless such agreements are listed below, and copies of such agreements are attached hereto:

_____ (none, if nothing listed)

6. The failure of SERS to insist in any instance on the strict performance of any provision of this Agreement or to exercise any right hereunder shall not constitute a waiver of such provision or such right in any other instance.

7. I agree that the amount paid to me according to my independent contractor agreement constitutes full and complete compensation and consideration to me for all my obligations and services and for all general and specific assignments under this Agreement.

It is understood that my undertaking in foregoing paragraphs 2, 3, 4, 5, and 6 shall be binding upon me both during and subsequent to my term of service with SERS and upon my heirs, successors, personal representatives and assigns, and that this entire Agreement shall inure to the benefit of SERS and its successors and assigns.



HR4-016

Employee Compensation

Effective Date:	12/11/2012	Revision Date:	11/03/2021	Audience:	Everyone
Owner:	Human Resources	Certifier:	Richard Stensrud	Co-Owner (s):	None
Document Links:	Purpose , Policy , Procedure , Definitions , Related Documents , Policy History				

Purpose

The purpose of this policy is to describe the compensation philosophy and objectives of the School Employees Retirement System of Ohio. This document sets forth policy and describes the organization and division of responsibilities to prudently implement SERS' compensation philosophy and objectives. It also establishes the framework to monitor the effectiveness of the compensation program and to promote effective communication between the Board and staff.

Policy

SERS Compensation Philosophy

SERS recognizes that to fulfill SERS' mission and provide the best service to the members and retirees, SERS must attract, retain, and motivate employees. It is SERS' objective to have a compensation program that supports a high performance culture, the organization's values and strategic goals, and pays competitively and equitably. To accomplish this goal SERS needs to:

- Provide compensation, including salary and benefits, at levels that are externally competitive not only to the other Ohio retirement systems, but also local private sector and government employers with similar characteristics to SERS.
- Provide internal equity by considering differences in each position's level of responsibility, knowledge, skills, education, experience, and working conditions required when determining appropriate compensation.
- Link compensation to performance by utilizing a performance management system that directly connects the employee to organizational goals, and rewards employees for meeting or exceeding expected performance.

To fulfill our philosophy of external competitiveness, internal equity, and pay for performance, the following will apply:

- SERS will target compensation levels that approximate the 50th percentile in the labor market when employees are fully proficient in their position and meeting

expectations. Individual placement relative to that target will be based on experience and performance.

For positions not covered under the Annual Investment Incentive Policy, this means salary range midpoints will represent the "middle of the market" base pay. For positions covered under the Annual Investment Incentive Policy, salary range mid-points plus incentive opportunities will represent the "middle of the market" total cash compensation. SERS will rely heavily on appropriate market comparisons when determining compensation levels.

- With the exception of the Executive Director and Chief Investment Officer (CIO) positions, SERS will benchmark to other Ohio Retirement Systems, as well as, local private sector and government employers with similar characteristics to SERS in the Columbus, Ohio metro area. SERS will benchmark public pension funds nationwide with similar asset size, staff size, investment management characteristics, and that are constituted as a separate entity outside of state government for the Executive Director and CIO positions. Cost of living will also be factored into the benchmarks.
- In the absence of market data, jobs will be slotted into the job hierarchy based upon their relative complexity within the organization.
- SERS will consider differences in skill, effort, responsibility, and working conditions when ranking jobs in a hierarchy.
- Merit increases are tied to an effective performance management system, a review of current salary range placement, and overall SERS philosophy of valuing employees and their contributions.
- No across-the-board, cost-of-living, or seniority-based salary increases are considered.
- Additional compensation may be earned in the form of incentives for excellent achievements. [e.g. Employee Recognition Programs]

Responsibilities

To maintain SERS' compensation policy the following responsibilities have been assigned:

Retirement Board

- Based upon annual review of information presented by the Executive Director and reviewed by the Compensation Committee of the Board, approve amount to be allotted for staff merit increases and Annual Investment Incentive Plan.
- Every five years, or as recommended by the Executive Director, approve utilization of an independent source to determine the competitiveness and effectiveness of compensation program.

Executive Director and Deputy Executive Director

- Administer the compensation program in accordance with this Policy.
- In coordination with Directors and Human Resources, periodically review grade levels to assure appropriate classification of positions. Review recommendations for promotions, reclassifications, transfers, salary adjustments for internal equity or external competitiveness, and merit increases submitted by Directors.
- Assure performance evaluations are given on a regular basis, to ensure expectations are clear and employees reach their full potential.
- Evaluate performance of Directors. Work with each Director in planning objectives to be accomplished each year to attain long-range goals.
- Annually review salary structure and adjust to current schedule if appropriate.
- Annually review merit and incentive award practices and make recommendations for Board to approve during budget process.
- Oversee awarding of staff merit increases and incentive awards to assure effective utilization of allotted monies to reward employees appropriately for level of performance.

Procedures None

Definitions

None

Related Documents and Information

Statutes: N/A

Rules: N/A

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

Forms: ---

Policy History

Version 1 – December 11, 2012 – Created – Approved by Lisa Morris

Version 2 – October 27, 2014 – Edited – Approved by Lisa Morris

Version 3 – April 20, 2020 – Edited – Approved by Richard Stensrud



Employee Compensation System Administration

HR4-022

Original Effective Date:	05/15/2013	Revision Date:	09/06/2019	Audience:	Everyone
Owner:	Human Resources	Certifier:	Richard Stensrud	Co-Owner (s):	None
Document Links:	Purpose , Policy , Procedure , Definitions , Related Documents , Policy History				

Purpose

The purpose of this policy is to outline the objectives of SERS' compensation system and the responsibility of administrating and maintaining the system.

Policy

The overall purpose of SERS' compensation system is to provide a means to assist in recruiting, retaining, and rewarding employees. The compensation system seeks to establish salary grades that are competitive with the labor markets from which SERS recruits talented employees and reflect the value of positions to SERS, as determined by a job review that takes into account the duties and level of responsibility of each job.

Objectives of the compensation system are as follows:

1. To ensure a compensation philosophy that is reflective of the values and goals of SERS
2. To ensure SERS' financial resources are used in the most effective and efficient manner
3. To provide a rational basis for making pay decisions, eliminating arbitrary salary assignments, and thereby establishing internal fairness
4. To maintain salary ranges that are competitive with labor markets from which employees are recruited
5. To establish job titles and descriptions that are utilized consistently throughout SERS
6. To clarify relationships among positions to avoid overlaps and gaps in responsibilities
7. To clarify the knowledge, skills, and abilities (KSAs) required to competently perform the position and aid in the development of career paths
8. To assist supervisors in evaluating and rewarding employee job performance

Human Resources (HR), in consultation with the Deputy Executive Director and/or Executive Director, is responsible for the administration and maintenance of the compensation system. These responsibilities include assignment of proposed new jobs to salary grades, reassignment of existing jobs to salary grades, preparation and maintenance of job descriptions, review and approval of pay adjustments, and maintenance and updating of pay structures.

Establishing Pay for New Hires

It is the goal of SERS to offer wages that attract the best possible employees. It is also the goal of SERS to ensure pay fairness among employees within similar job titles. Therefore, a new employee's initial pay should be set in consideration of the candidate's qualifications as defined by knowledge, skills and abilities, the pay of other similarly employed individuals, the pay and pay scales of employees who report to the new employee, and in conformance with external market factors.

Typically, the initial wage should be set between the minimum and the midpoint of the salary grade. Exceptions to this policy may be made in cases with unusual circumstances, where market conditions prohibit hiring within the authorized hiring grade, and/or the current pay or pay scales of employees does not stimulate significant interest in upward career movement. All exceptions must be approved by HR, in consultation with the Deputy Executive Director and/or Executive Director.

Assignment of a New Job to a Salary Grade

HR, in consultation with the Deputy Executive Director and/or Executive Director, is responsible for the assessment of proposed new positions and subsequent assignment to a salary grade. All jobs will be assessed according to SERS' compensation plan based on published salary data and internal comparable equity. This plan establishes a consistent basis for measuring and ranking the relative market salary of each job.

Determining Pay for Job Changes

It is the goal of SERS to ensure pay fairness among employees within similar job titles. Therefore, an employee's pay should be adjusted in consideration of the candidate's qualifications as defined by knowledge, skills, and abilities, the pay of other similarly employed individuals, the pay and pay scales of employees who report to the new position, and in conformance with external market factors.

Merit Increases

Merit increases are intended to recognize and reward employees for performing their job responsibilities well and attaining yearly goals. Merit increases may be awarded during the following times:

- Upon a new employee's successful completion of the orientation period
- When an employee takes on additional job responsibilities
- In conjunction with the annual performance review process
- When an employee exhibits exceptional performance in his or her current position

Department directors are responsible for planning merit increases and including them in their yearly budgets. When merit increases are recommended, Department directors shall provide thorough documentation justifying the rationale for awarding merit increases.

Market-based Pay Adjustments

SERS strives to pay at levels that are competitive with the market. Salary adjustments may be made to employee salaries to address significant discrepancies between SERS' level of pay and market pay levels for jobs. Actual adjustment amounts will be based on SERS' capability to pay as well as individual performance and consultation with the Deputy Executive Director

and/or Executive Director.

Requesting a Review of a Salary Grade

A job reassignment occurs when a job is moved to a different grade because the essential job functions have changed significantly. Department directors and/or employees may request a review of the evaluation of their position. Department directors will be consulted before specific requests to HR will be fulfilled.

Pay Above Grade Maximum

The compensation system is a tool used by SERS to provide a rational basis for pay decisions. It helps to ensure that positions are not underpaid or overpaid based on job responsibilities and the competitive labor markets from which employees are recruited. The salary grade assigned to each position indicates the duties and responsibilities of the position within SERS. For any employee whose pay is at or above the maximum for his or her salary grade, future increases will be limited to any adjustments that may be made to adjust (increase) the salary structure.

Salary Structure Adjustments

SERS' salary structure (pay grades) will be reviewed on an annual basis. The salary structure may be adjusted on a periodic basis to ensure that it remains competitive with markets from which it attracts talented employees. Any adjustment to the salary structure must be approved by the Executive Director.

[Establishing Pay for New Hires](#)

[Assignment of a New Job to a Salary Grade](#)

[Determining Pay for Job Changes](#)

Procedures [Merit Allocation and Distribution](#)

[Market-based Pay Adjustments](#)

[Requesting a Review of a Salary Grade](#)

[Salary Structure Adjustments](#)

Establishing Pay for New Hires

Establishing initial pay for new hires will follow the process below:

1. The department director will carefully review the applicant's qualifications in relation to job knowledge, skills, and abilities, external market factors, and the current wages of individuals employed in similar titles. HR will provide guidance to the department director regarding market pay for the position and budget constraints. It is anticipated that most salary offers will be between the minimum and the midpoint of the salary grade.
 2. The department director and HR will work together to determine a beginning salary that is attractive to the prospective employee, addresses market pay influences, and is fair to existing employees. Beginning salaries for new employees should not be set at a rate greater than the salaries of existing employees with equivalent qualifications within the same job title in order to reduce the possibility of compression issues.
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3. Salary offers will be prepared by HR. HR will then communicate the offer to the prospective employee.

Assignment of a New Job to a Salary Grade

Assignment of new positions to a salary grade will follow the process below:

1. Following approval to create a new position, the department director, or a designee, drafts a job description describing the duties to be assigned to the position.
2. The department director submits the job description to HR for assessment.
3. All new and existing jobs are to be assigned to a salary grade based on the job duties and level of responsibility. Salary is either determined by SERS-approved published salary survey data or SERS' determination of relative internal equity. The first step is to determine if market pay information exists for the job in SERS-approved published salary surveys. HR will compare job duties and responsibilities noted in the job description to the definitions found in the published salary surveys. The job will be assigned to the appropriate salary grade by comparing the salary survey data to the midpoints of the salary grade.
4. If the job does not sufficiently match a salary survey definition it is compared to other jobs within the department. This is accomplished by evaluating and ranking the position based upon its relative equity. HR conducts this assessment of the duties and responsibilities of the position and in consultation with the department director, Deputy Executive Director and/or Executive Director, confirms the position title and assigns a salary grade.
5. The department director is notified in writing of the position title and salary grade assignment after which recruitment for the vacancy may begin. The assigned pay grade provides a spread of a minimum to a maximum rate. New employee compensation within any salary grade is based on such factors as knowledge, skills, abilities, and external market factors in accordance with the policy.

Determining Pay for Job Changes

Promotions

1. HR will provide salary grades, individual pay information, and [promotion](#) adjustment recommendations to each department director upon the notice of the promotion of an employee.
2. The department director in conjunction with HR will determine the promotional increase percentage according to the pay adjustment procedures. The employee's pay shall be adjusted at least to the minimum of the new salary grade.
3. Promotion-based salary adjustments are in addition to annual merit increases if the promotion is made between July 1 and March 31. If promotion is effective between April 1 and June 30, the employee is not eligible for an annual merit increase for that fiscal year.

Demotions

1. In the case of a [demotion](#) resulting from poor performance or employee choice, the employee's current salary is reduced and then compared to the new salary grade

maximum. If the employee's adjusted salary is greater than the new salary grade maximum, the employee's pay will be reduced to the new salary grade maximum.

2. In the case of a demotion resulting from an organizational change or development assignment, all attempts will be made to keep the individual at the current salary.

Transfers and Other Job Changes

1. In the case of [transfers](#) and other job changes that do not result in a salary grade change, the employee may not be eligible for a pay increase at time of the transfer.
2. The department director in conjunction with HR will determine if a salary adjustment is needed by considering the employee's qualifications as defined by knowledge, skills, and abilities, the pay of other similarly employed individuals, the pay and pay scales of supervised employees, and external market factors.

Acting Pay or Temporary Working Level Adjustment

1. In the case of a position vacancy that requires an employee to temporarily fill a position or the employee's working level is significantly increased, acting pay or a temporary working level adjustment may be granted.
2. The department director in conjunction with HR will determine if a salary adjustment is needed by considering the employee's qualifications as defined by knowledge, skills, and abilities, the pay of other similarly employed individuals, the pay and pay scales of supervised employees, and external market factors.
3. At the completion of the assignment, the employee's pay will be adjusted back to the previous amount. If an annual merit increase was given during the acting pay or working level adjustment, the merit percentage will be applied to the previous salary amount when the salary is change back to its previous amount.

Merit Allocation and Distribution

Merit Allocation

The Executive Director makes a recommendation to the Board, during the annual budget process, for an amount to be allotted for merit increases.

The percent the Executive Director recommends will be multiplied by the salaries in the budget to calculate with the dollar amount which will be included in the budget as a line item for merit increases.

Each department director is responsible for including in their department budget merit increases that are planned for outside of the annual performance appraisal process.

Merit Distribution

In Conjunction with Annual Performance Review Process

The Executive Director distributes the total pool of available money for merits, as approved by the Board, to each department director based on the salaries of his or her staff. Example: If the total allotment of money was based on 4% of current salaries, each department director would get an allotment of 4% of his or her staff's salaries to equitably distribute among the department.

The department director may grant the employee a merit increase based on the annual

performance appraisal and the recommendation of the employee's supervisor. Merit recommendations are forwarded to HR for review, then sent to the Executive Deputy Director/Executive Director for approval.

After the Executive Deputy Director/Executive Director's approval, HR will process all approved merit recommendations and prepare the appropriate paperwork.

HR creates the Personnel Action form (HRS-7001) and delivers a supervisor and employee copy to the supervisor. The supervisor then meets with the employee to discuss the merit increase.

Outside the Annual Performance Review Process

The department director may recommend a merit increase outside the annual review process based on the recommendation of the employee's supervisor. Merit recommendations are forwarded to HR, then reviewed and approved by the Executive Deputy Director/Executive Director.

If approved, HR will process the approved merit recommendation and prepare the appropriate paperwork.

HR creates the Personnel Action form (HRS-7001) and delivers a supervisor and employee copy to the supervisor. The supervisor then meets with the employee to discuss the merit increase.

Market-based Pay Adjustments

1. HR will periodically compare current employee pay levels to the market pay for similar jobs.
2. If a particular job or department at SERS becomes exceedingly difficult to recruit and retain because of compensation requirements, HR, in consultation with the Deputy Executive Director and/or Executive Director, will recommend salary adjustments to address the demand for greater pay because of extreme market competitiveness.
3. Individual employee pay will be reviewed in consideration of market survey data and recruiting requirements. Based upon this review, individual employee pay may be adjusted to better reflect market rates, decrease compensation-related turnover, or match a job offer. The actual percentage an employee's pay is adjusted will be based on the employee's knowledge, skills, and abilities in comparison to those of the job, and the extent of external market pay factors. Market adjustments will only be considered for employees with at least a satisfactory performance rating.
4. HR will work with department director, in consultation with the Deputy Executive Director and/or Executive Director, to ensure the adjustments are appropriate.

Requesting a Review of a Salary Grade

Reassignment of an existing position to a salary grade will follow the process below.

1. Department directors and/or employees may request a review of a position's classification. A review of a position's classification is warranted when there has been a material, significant, and permanent change in job duties. The direct supervisor or department director is responsible for recognizing such job changes. Additionally, an employee who believes their job is not properly evaluated may request a reassessment.
 2. When the department director concludes that a material, significant, and permanent
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change in job duties has occurred, the job description should be updated with input from the employee and the employee's direct supervisor, reviewed by the director, and sent to HR.

3. Upon receipt of a newly completed job description, an assessment of the duties and responsibilities of the position will be made using a review of relative internal equity and a review of published salary surveys. This process may include an interview with the employee and/or supervisor. Following this evaluation, HR will determine if the job should remain as presently assigned or if a new assignment is appropriate. The department director is notified in writing of the results.
4. If upon the evaluation of a job, it is determined that a job is still within the same salary grade, no salary grade or salary adjustment will be made. In the instance where an employee's job is reassigned to a lower salary grade, the employee's salary will not be changed; however, the reclassified grade maximum will define the limit of future pay increases. In the instance where an employee's job is reassigned to a higher salary grade, the employee's pay shall be adjusted at least to the minimum of the new salary grade. Not all grade reassignments will result in salary changes.

Salary Structure Adjustments

Salary structure adjustments will follow the process below:

1. On an annual basis, HR will review the pay structures in consideration of changing economic and competitive factors as determined by SERS-approved published salary surveys and other data sources.
2. If an adjustment is needed, HR will recommend an appropriate salary structure adjustment to the Executive Director.
3. Salary structures will be adjusted as approved by the Executive Director.
4. Any employee whose salary is below the assigned updated salary range will receive a pay adjustment at least equal to the difference between actual salary and the salary range minimum. Such pay increases will be provided only if sufficient financial resources are available.

Definitions

Demotion: A demotion occurs when an employee's position is reassessed to a lower salary grade or when an employee is transferred to a position in a lower salary grade typically due to reorganization or performance issues. A demotion also occurs when an employee voluntarily accepts a position in a lower salary grade than the position occupied.

Market-based pay adjustment: Salary adjustment made to an employee's salary to address significant discrepancies between SERS' level of pay and market pay levels for jobs.

Promotion: A job change that causes an employee to move to a job in a higher salary grade or range.

Transfer: A job change that causes an employee to transfer to another position in the same salary grade as the position previously occupied.

Related Documents and Information

Statutes: N/A

Rules: N/A

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

Forms: ---

Policy History

Version 1 – May 15, 2013 – Created – Approved by Lisa Morris

Version 2 – November 5, 2014 – Reviewed – Approved by Lisa Morris

EXECUTIVE SESSION

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

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

<u>ROLL CALL:</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSTAIN</u>
Jeanine Alexander	_____	_____	_____
Jeffrey DeLeone	_____	_____	_____
Rebekah Roe	_____	_____	_____
Frank Weglarz	_____	_____	_____
Daniel Wilson	_____	_____	_____

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

ADJOURNMENT

_____ moved that the Compensation Committee adjourn to meet on
_____ for the next Compensation Committee meeting.

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

Daniel Wilson, Compensation Committee Chair