School Employees Retirement System of Ohio
Board Meeting Highlights
July 2026

Board Receives Training on Ohio's Sunshine Laws
Joseph Marotta, SERS' general counsel, provided a training session to the Board on the Ohio Open Meetings Act and the Ohio Public Records Act.

The Open Meetings Act requires any public body to give appropriate notice, discuss public business in open session, unless the topic is appropriate for executive session discussion, and record minutes.

The Public Records Act provides that any person can make an oral or written public records request, and the organization must respond within a reasonable period of time. Public entities are only required to provide records, not otherwise exempt from disclosure, that already exist and are not obligated to produce new records to satisfy a request.

U.S. Economic Conditions in May
In the first quarter, the U.S. gross domestic product (GDP) grew by 2.1%. Artificial intelligence (AI) infrastructure spending, consumer spending, and government spending were the key contributors to GDP growth. Many economists predicted that the remainder of the year will hover near 2%.

Even though the labor market added 57,000 jobs in June, it was less than half of the expected number. The jobs were added in professional and business services, healthcare, and social assistance. The manufacturing sector registered job losses for the month.

U.S. headline inflation, which measures the overall change in prices across goods and services, rose to 4.2% in May, up from 3.8% in April. It marked the highest level since June 2023.

The University of Michigan consumer sentiment index remains in record low territory, declining 18.5% compared to the previous year. The U.S. economy remains "k-shaped," meaning the wealthiest consumers are powering the economy while lower-income consumers and small businesses are facing financial hardships. Chief Investment Officer Farouki Majeed mentioned a report from the Minneapolis Federal Reserve that showed the top 10% of households based on wealth provide 35%-50% of all consumer spending and own 90% of equity holdings.

SERS' Portfolio
In May, several asset classes were out of range on a cash basis.

Global equities was 0.2% over its 45% maximum. This occurred because equity appreciation happened faster than staff could pull money out. Staff had been selling equities for cash for several months and that money was being used to fund capital calls in private equity, infrastructure, and private credit. Some money also was used to pay monthly benefits.

Fixed income was under its 13% minimum by 0.1% also due to the May equity market rally. Both global equities and global fixed income were within range when considering futures positions.

Finally, global real estate was 0.60% under its 10% minimum as Staff prepares for the new FY2027 asset allocation that begins July 1, 2026.

Investment Committee Approves Two Investments
The SERS Staff Investment Committee approved a commitment of up to $50 million to Marathon Asset-Based Lending Fund IV, an asset lending strategy within the private credit portfolio, and a commitment of up to $50 million to Stepstone VC Secondaries VII, a venture capital secondaries strategy within the private equity portfolio.

These investments will be funded from cash reserves.

Total Fund Update

TOTAL FUND BALANCE		
April 30	**May 31**	**Difference**
$22.86 billion	$23.43 billion	▲$570 million
TOTAL FUND RETURN (net of fees)		
Fiscal Year	**Calendar Year**	**3-Year**
▲16.04%	▲7.89	▲13.27%
TOTAL FUND RETURN vs. BENCHMARK		
Fiscal Year	**Calendar Year**	**3-Year**
▲2.78%	▲2.00%	▲1.67%

Tracking Key Performance Indicators Presentation
SERS has begun implementing a Key Performance Indicator (KPI) dashboard to enhance the effectiveness of the System's ongoing performance. By using Spider Impact software to aggregate data and format graphs for more than 350 metrics, SERS' leadership hopes to identify trends, diagnose issues, and support engagement, leading to operational transparency and guidance in decision-making.

The business data contained in the metrics will be summarized in a quarterly report beginning with the period from July 1 through September 30, 2026.

Staff is currently working to improve the accuracy of modeling outcomes by including historical data. Additionally, Staff also is investigating opportunities to automate data collection to avoid manual data entry where possible.

Executive Director's Update

Welcome Ray Higgins
Executive Director Ray Higgins thanked the Board and staff for their assistance during his first two weeks at SERS. He said his priority is to continue to emphasize the importance of SERS' benefits to the membership and to the people he meets.

He also will continue to spotlight SERS' commitment to transparency, accountability, engagement, and sustainability, as well as emphasize how SERS is different from other systems.

Emerging Leaders Program
In an effort to retain key talent and to prepare staff for the transition to leadership positions, SERS debuted the Emerging Leaders Program in 2026. Fifteen staff members from six departments participated in the education program.

SERS will offer this program to interested staff every two years.


Emerging Leaders, Class of 2026

Monthly Retirement and Survivor Benefit Transactions
For July, the SERS Board approved 132 active members for service retirements, and 16 survivor benefits for spouses and/or dependents.

September Meeting Date
There will not be a regular Board meeting in August. The next regular Board meeting will take place on Thursday, September 17, at 8:30 a.m.