Retirement Board Meeting Agenda
September 17, 2026

Click Link to Join Zoom Meeting:
https://ohsers.zoom.us/j/99760128722?pwd=9zGneL0gIr21XbCJqVGi7NZf9WWCW2.1

Meeting ID: 997 6012 8722 **Password:** 12345

To join by phone, dial: 1 646 931 3860 and enter the meeting ID: **997 6012 8722** and password: **12345** when prompted.

PLEDGE OF ALLEGIANCE
1. Roll Call

CONSENT AGENDA (R)
2. Approval of the **July 16, 2026,** Retirement Board Meeting Minutes
3. Summary of Investment Transactions – **June 1, 2026, to June 30, 2026**
4. Summary of Investment Transactions – **July 1, 2026, to July 31, 2026**
5. Retirement Report
    - Superannuations, Survivor Benefits, and Transfers
    - Special Cases
6. Disability Report
    - Approval of Disability Benefits
    - Disapproval of Disability Benefits
    - Termination of Disability Benefits - Any Occupation
    - Approval of Appeal for Disability Benefits

INVESTMENT REPORT
7. Quarterly Performance Report - Wilshire Associates (Period Ending June 30, 2026)
8. Quarterly Investment Report and Monthly Investment Report – Periods Ending: June 30, 2026, and July 31, 2026
9. Investment Committee Policy Discussion

EXECUTIVE DIRECTOR'S REPORT
10. COLA (Cost of Living Adjustment) Discussion (R)
11. Healthcare Risk Report – CavMac
12. Allocation of Employer Contributions – Healthcare Fund (R)
13. Executive Director's Update
14. FY2026 Year End Budget-to-Actual Report
15. Review of Administrative Expenses
16. Filing of Proposed Amended Administrative Rules (R-2)
17. Executive Session pursuant to R.C. 121.22(G)(3) to discuss imminent court action (R)

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

AUDIT COMMITTEE REPORT
19. Audit Committee Update

COMPENSATION COMMITTEE REPORT
20. Compensation Committee Update

BOARD COMMUNICATION AND POLICY ISSUES
21. Calendar Dates for Future Board Meetings
22. Continued or New Business - Board Information Requests and Follow-up Items

ADJOURNMENT

FY2027 SERS Board Roll Call

Daniel Wilson ____________________

Aimee Russell ____________________

Jeanine Alexander ____________________

Jeffrey DeLeone ____________________

Matthew King ____________________

Catherine Moss ____________________

Rebekah Roe ____________________

James Rossler ____________________

Frank Weglarz ____________________

SEPTEMBER 2026 CONSENT AGENDA

1. Minutes of the
    a. **July 16, 2026,** Retirement Board Meeting

2. Summary of Investment Transactions:
    a. **June 1, 2026, to June 30, 2026**

3. Summary of Investment Transactions:
    a. **July 1, 2026, to July 31, 2026**

4. Retirement Report
    a. Superannuations, Survivor Benefits, and Transfers
    b. Special Cases

5. Disability Report
    a. Approval of Disability Benefits
    b. Disapproval of Disability Benefits
    c. Termination of Disability Benefits – Any Occupation
    d. Approval of Appeal for Disability Benefits

APPROVAL OF CONSENT AGENDA

________________ moved and ____________ seconded the motion to approve the Consent Agenda for **September 17, 2026**, which includes the following items:

1. Minutes of the
    a. **July 16, 2026,** Retirement Board Meeting

2. Summary of Investment Transactions:
    a. **June 1, 2026, to June 30, 2026**

3. Summary of Investment Transactions:
    a. **July 1, 2026, to July 31, 2026**

4. Retirement Report
    a. Superannuations, Survivor Benefits, and Transfers
    b. Special Cases

5. Disability Report
    a. Approval of Disability Benefits
    b. Disapproval of Disability Benefits
    c. Termination of Disability Benefits – Any Occupation
    d. Approval of Appeal for Disability Benefits

Upon roll call, the vote was as follows:

ROLL CALL:	**YEA**	**NAY**	**ABSTAIN**
Aimee Russell	_________	_________	_________
Jeanine Alexander	_________	_________	_________
Jeffrey DeLeone	_________	_________	_________
Matthew King	_________	_________	_________
Catherine Moss	_________	_________	_________
Rebekah Roe	_________	_________	_________
James Rossler	_________	_________	_________
Frank Weglarz	_________	_________	_________
Daniel Wilson	_________	_________	_________

SERS Retirement Board Meeting Minutes
July 16, 2026

The nine hundred and ninety-seventh meeting of the Retirement Board of the School Employees Retirement System was held in the boardroom at 300 E. Broad Street, Columbus, Ohio, and streamed via Zoom videoconferencing on Thursday, July 16, 2026.

Pledge of Allegiance

The SERS Retirement Board Meeting convened at 8:31 a.m. with the Pledge of Allegiance.

Roll Call

The roll call was as follows: Daniel Wilson, Aimee Russell, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, James Rossler, Frank Weglarz. Excused: Jeanine Alexander. Also attending was Henrique Geigel, representative of the Ohio Attorney General's Office. Various members of the public and SERS staff attended in person while other SERS staff members and members of the public attended virtually.

Approval of Out-of-State Board Travel

Catherine Moss moved and Frank Weglarz seconded the motion that the travel request by a Board Member to travel and receive reimbursement for the following out-of-state conference and meeting be approved.

Conference	Attendee	Conference Date(s)	Conference Location	Estimate of Expenses
NCPERS Advanced Fiduciary (NAF) Institute Modules 1 and 2	Aimee Russell	October 24 – 25, 2026	Nashville, TN	$2,977.04

Upon roll call the vote was as follows: Yea: Aimee Russell, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. Excused: Jeanine Alexander. The motion carried.

Jeanine Alexander joined the meeting virtually at 8:33 a.m.

Consent Agenda

The Consent Agenda for July 16, 2026, included:

- **Minutes** of the June 18, 2026, Retirement Board Meeting.
- **Summary of Investment Transactions** for the period of May 1, 2026, to May 31, 2026.
- **Retirement Report -** Superannuations, Survivor Benefits, Transfers and Special Cases.
- **Disability Report -** Approval of Disability Benefits, Disapproval of Disability Benefits, Termination of Disability Benefits – Any Occupation

Frank Weglarz moved and Catherine Moss seconded the motion to approve the Consent Agenda of the Retirement Board Meeting held on Thursday, July 16, 2026. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. The motion carried.

Investment Report

Monthly Investment Report – For the Period ending May 31, 2026

Chief Investment Officer, Farouki Majeed, provided a monthly economic environment and investment performance update. Mr. Majeed reported that there was no change to the quarter one GDP growth, it remained 2.1%, noting this likely is still due to AI-related investments. Mr. Majeed shared that the labor market remained notably similar to June. Mr. Majeed also highlighted the federal debt in US dollars is slightly decreased and is currently at 39 trillion.

Mr. Majeed discussed the total fund investment performance and the performance by asset class as of May 31.

Following a robust discussion, the Board thanked Mr. Majeed for his presentation.

Executive Director’s Report

SERS Executive Director, Ray Higgins, began his inaugural Executive Director Update thanking the Board and SERS for the warm welcome and smooth transition into his new role. Mr. Higgins spoke on his goals and approach to the transition, and the importance of continuity and teamwork within SERS.

Ohio Retirement Study Council

Mr. Higgins reported that the July ORSC meeting was canceled but the Council is scheduled to meet in August. Mr. Higgins reminded the Board that since the last ORSC meeting, SERS has provided the FY2027 budget to the Council. Additionally, the fiduciary audit responses are due to the ORSC by the end of the month, and we should know by this Fall who will be conducting that project and SERS looks forward to working on that project with whatever firm is selected.

Emerging Leaders Program

Mr. Higgins shared the first graduates of SERS newly implemented Emerging Leaders Program. Fifteen individuals completed the program, which is a key component of SERS’ succession-planning efforts to build and retain future talent. The coursework, grounded in SERS’ leadership pillars, helped participants strengthen their leadership skills and deepen their understanding of the organization. The program is planned to continue on a biennial basis.

Key Performance Indicators (KPI) Dashboard Demo

Mr. Higgins introduced Deputy Executive Director, Karen Roggenkamp, and Chief Risk Officer, Colette Barricks, who provided the Board with a detailed demonstration of SERS’ new Executive Dashboard, which centralizes approximately 350 Key Performance Indicators across departments using the Spider Impact software tool. Ms. Roggenkamp and Ms. Barricks explained that selected metrics feed into the quarterly Operations Report and align with SERS’ six strategic plan goals. Ms. Roggenkamp and Ms. Barricks discussed how the enhanced KPI system will improve transparency, guide priorities, identify trends, diagnose issues, and support engagement across the organization.

After brief questions and discussion, the Board commented they look forward to future updates and see value in this tool, thanking Ms. Roggenkamp and Ms. Barricks for their presentation.

Review of Administrative Expenses

SERS Chief Financial Officer, Marni Hall, provided an update on SERS June 2026 administrative expenses, reviewing line items of note in the Administrative Expense Reports.

The Board took a break at 9:54 a.m.

The Board reconvened at 10:08 a.m.

Educational Session under R.C. 171.50 and 3309.051 – Ohio Sunshine Laws Training – SERS Legal

SERS General Counsel, Joe Marotta, provided the Board with an overview of Ohio’s Sunshine Laws, including the Public Records Act and the Open Meetings Act. The presentation highlighted key compliance requirements and reinforced the Board’s responsibilities regarding transparency and public access.

After a robust discussion, the Board thanked Mr. Marotta for his presentation.

Election of Employee Member Schedule (R)

Mr. Marotta continued presenting, sharing the proposed time schedule for the March 2027 Employee Member Board election, for the seat currently held by Aimee Russell. The Board reviewed the resolution to approve the election schedule, as required by Ohio Administrative Code Section 3309-1-04(B)(2).

Following brief questions and discussion, Catherine Moss moved and Rebekah Roe seconded that the following resolution be adopted:

BE IT RESOLVED by the Retirement Board of the School Employees Retirement System that the election of one employee member of the Retirement Board for the term beginning July 1, 2027, and ending June 30, 2031, shall be as provided herewith:

• Any member of the Retirement System, other than a disability recipient, shall be eligible for election and the name of any member who is nominated by petitions, meeting the following requirements, shall be placed upon the ballot as a regular candidate.

- Petitions shall be signed by at least five hundred (500) members of the Retirement System of which there shall be not less than twenty (20) signers each from at least ten (10) counties wherein such members are employed;
- Petitions shall indicate the employer and county of employment of each signing member;
- Petitions shall include the member's SERS ID or last 4 digits of their social security number;
- Petitions shall be signed on or after August 3, 2026;
- Original hard copy petitions, along with the originals of any other completed required forms, must be received in the office of the Retirement System no later than 4:30 p.m., EST, December 4, 2026; and
- Electronic signatures on electronic petitions available on the SERS website must be completed by December 4, 2026, at 4:30 p.m., EST.

All ballots, to be considered valid, must be received in the office of the Retirement System no later than 4:30 p.m. EST, March 1, 2027.

All ballots delivered to the office of the Retirement System shall be delivered unopened to judges appointed by the Retirement Board. The judges shall meet in the office of the Retirement System, make final determination of the validity of the ballots within the intent of this resolution, count the valid ballots, and announce the results of the election on March 2, 2027.

The election shall be conducted in accordance with the Retirement Board's election laws as well as its election rule, policy, and procedures. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. The motion carried.

Compensation Committee Report

Compensation Committee Update

Compensation Committee Chair, Daniel Wilson, provided the Board with an update on the work being done in the Compensation Committee meetings. Mr. Wilson shared that Committee met for a special meeting the morning of July 16, reviewing the Compensation Study Process and role of the Board and Committee. Mr. Wilson noted that the Committee reviewed the draft FY2027 Executive Director performance goals, which will be refined and brought back to the committee at a subsequent meeting. Mr. Wilson briefly highlighted a recommended amendment to the SERS Compensation Committee Charter. The proposed change clarifies that, consistent with the Audit and Technology Committee charters, all non-chair committee members serve two-year terms, as has been the practice for the Compensation Committee for years. There were no questions from the Board. The next Compensation Committee meeting is scheduled for Thursday, September 17, 2026.

SERS Retirement Board Meeting Minutes
July 16, 2026

SERS Compensation Committee Charter Amendment (R)

It was moved by Jeffrey DeLeone and seconded by Aimee Russell to amend the SERS Compensation Committee Charter, as recommended by the SERS Compensation Committee, effective July 16, 2026. Upon roll call the vote was as follows: Yea: Aimee Russell, Jeanine Alexander, Jeffrey DeLeone, Matthew King, Catherine Moss, Rebekah Roe, James Rossler, Frank Weglarz, and Daniel Wilson. The motion carried.

Technology Committee Report

Technology Committee Update

Technology Committee Chair, Frank Weglarz, provided the Board with an update on the work being done in the Technology Committee meetings. Mr. Weglarz reported that the Technology Committee last met on June 18, 2026. The Committee received updates on fourth quarter Technology Roadmap project progress from the Chief Technology Officer and risk initiatives from the Chief Risk Officer. The next Technology Committee meeting is scheduled for Thursday, September 17, 2026. There were no questions from the Board.

Retirement Report

There was no executive session for the retirement report.

Board Communication and Policy Issues

Calendar Dates for Future Board Meetings

The Board members reviewed the 2026 meeting calendar. Catherine Moss will be excused for the September 17, 2026, Board Meeting.

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2026 **

AUDIT COMMITTEE MEETINGS

September 16, 2026 - 2:30 p.m. (Weds.)
December 16, 2026 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

July 16, 2026 – 7:30 a.m. (Thurs.) ***** Special Meeting *****
September 17, 2026 – 7:30 a.m. (Thurs.)
December 17, 2026 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

September 17, 2026 – 12:30 p.m. (Thurs.)
December 17, 2026 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

July 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)
September 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.) ***** Board Picture Day *****
October 15 – 16, 2026 – 8:30 a.m. (Thurs. and Fri.)
November 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.)
December 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.)
**** Please note that these dates and times are tentative.**

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SERS Retirement Board Meeting Minutes
July 16, 2026

Continued or New Business - Board Information Request & Follow Up Items

The Board requested a quarterly or six months preview of the monthly calendar covering expected topics to be addressed by the Board, rather than monthly. Mr. Higgins confirmed this will be provided before monthly board meeting as requested.

The Board requested SERS see if it is possible to generate a report on the profile of our active members. Specifically, please provide data on roles such as bus drivers, food service workers, and instructional aides, along with how these categories have changed over time, to help inform discussions on long-term sustainability. Mr. Higgins noted SERS will report back to the Board on this request.

The Board requested a quarterly or biannual refresh on Sustainability Discussions, including policies and practices that exist.

Adjournment

Board Chair, Daniel Wilson, moved to adjourn to meet on Thursday, September 17, 2026, at 8:30 a.m. for the next SERS regularly scheduled Retirement Board meeting.

The SERS Board Meeting adjourned at 10:50 a.m.

Daniel Wilson, Board Chair	H. Ray Higgins, Jr., Executive Director

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Board Meeting Agenda Item

SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

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

The following is a summary of the investment transactions made during the period of June 1, 2026, through June 30, 2026. A detailed list of these transactions can be found in the Board Agenda provided prior to the Retirement Board Meeting.

A. PURCHASES

Asset Class	Approximate Cost (in millions)
Global Equities	428.8
Fixed Income	465.3
Private Equity Capital Calls	66.8
Real Estate Capital Calls	6.6
Infrastructure Capital Calls	27.4
Opportunistic & Tactical	20.5
Global Private Credit	55.0
Cash Equivalents	196.4

B. SALES

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	618.7	253.0
Fixed Income	338.1	(0.7)
Private Equity Distributions	23.4	(14.1)
Real Estate Distributions	18.0	(4.5)
Infrastructure Distributions	15.6	n/a
Opportunistic & Tactical	4.4	n/a
Global Private Credit	31.8	5.0
Cash Equivalents	149.4	(9.4)

Board Meeting Agenda Item

SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO

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

The following is a summary of the investment transactions made during the period of July 1, 2026, through July 31, 2026. A detailed list of these transactions can be found in the Board Agenda provided prior to the Retirement Board Meeting.

A. PURCHASES/ CAPITAL CALLS

Asset Class	Approximate Cost (in millions)
Global Equities	$247.5
Fixed Income	375.3
Private Equity Capital Calls	21.7
Real Estate Capital Calls	2.8
Infrastructure Capital Calls	70.4
Opportunistic & Tactical	8.2
Global Private Credit	2.8
Cash Equivalents	97.8
Gold	207.7

B. SALES/ DISTRIBUTIONS

Asset Class	Approximate Net Proceeds (in millions)	Approximate Gain/(Loss) (in millions)
Global Equities	245.0	40.3
Fixed Income	304.8	(2.0)
Private Equity	19.5	n/a
Real Estate	54.1	n/a
Infrastructure	3.6	n/a
Opportunistic & Tactical	172.7	80.4
Global Private Credit	34.9	0.9
Cash Equivalents	183.0	n/a
Gold	n/a	n/a

Memo

School Employees Retirement System of Ohio
Serving the People Who Serve Our Schools®

To:	Retirement Board
From:	Farouki Majeed
Department:	Investments
CC:	Ray Higgins, Karen Roggenkamp
Date:	September 4, 2026
Re:	**Investment Report for the September Board Meeting**

The Investment Report for the Board includes the following agenda items:

- Quarterly performance report for the period ended June 30, 2026, presented by Wilshire Advisors.
- Investment report and economic update for the period ended June 30, 2026, and July 31, 2026.
- Investment Committee Policy Discussion (no vote required).

Included with the advance Board materials are the following reports prepared by Staff:

- ➢ Monthly Top 20 Equity and Fixed Income Holdings Reports – June 30, 2026, and July 31, 2026.
- ➢ Monthly Compliance Update memo – June 30, 2026, and July 31, 2026.
- ➢ Quarterly Iran/Sudan Investment Activity Report – June 30, 2026.
- ➢ Quarterly Securities Lending Review Report – June 30, 2026.
- ➢ Quarterly Risk Report – June 30, 2026.
- ➢ Quarterly Proxy Voting memo – June 30, 2026.

If anyone has any questions prior to the Board meeting, please email me at fmajeed@ohsers.org.

Wilshire

Ohio School Employees Retirement System

Jun-2026

Quarterly Executive Summary

Quarterly Market Review

JUNE 30, 2026

Market Commentary

U.S. Equity

The U.S. stock market was up 15.5% for the second quarter and up 23.0% for the past twelve months. Sector performance was mostly positive for the quarter, with only the energy sector producing a meaningful loss (-12.9%). The best performing sector was technology (+33.2%), which now comprises 35% of the U.S. market. Small caps outperformed large while growth stocks led value.

The transition from Jerome Powell to Kevin Warsh as U.S. Federal Reserve Chair could lead to a shift in policy emphasis. Powell regularly highlighted a data driven approach, balancing inflation and employment, while relying on forward guidance and gradual rate adjustments. Warsh is expected to adopt a more proactive stance on inflation control. He is skeptical of forward guidance, instead favoring earlier intervention and structural reforms such as reducing the Fed's balance sheet. He has also emphasized looking beyond standard inflation measures, encouraging consideration of what are called "trimmed averages" that are designed to remove effects of one-time changes in price. Investor expectations for interest rates have also shifted. Earlier in the year, markets anticipated cuts in the overnight rate, while more recent signals point to expectations of rates near 4.00%.

Non-U.S. Equity

England's GDP growth was supported by a strong first quarter, easing inflation and improving real incomes. However, business confidence weakened amid geopolitical uncertainty and softer survey data. Germany's economy continued its slow recovery after several years of stagnation. Public spending and infrastructure investment provided support although manufacturing remains weak. China's economy showed comparatively stronger momentum during the quarter as growth was supported by exports, industrial production, technology investment and policy stimulus. However, domestic demand remained uneven, with retail spending and the property sector relatively weak.

Fixed Income

The U.S. Treasury yield curve was up across the maturity spectrum with the 10-year Treasury yield up 15 basis points to 4.47%. Credit spreads were down as high-yield bond spreads decreased by 47 basis points, finishing the quarter at 2.70%. The FOMC left their overnight rate unchanged, targeting a range of 3.50% to 3.75%. The Fed "dot plot" is messaging that the expectation is for a possible increase in rates of no more than 0.25% in 2026.

June 2026 Asset Class Assumptions

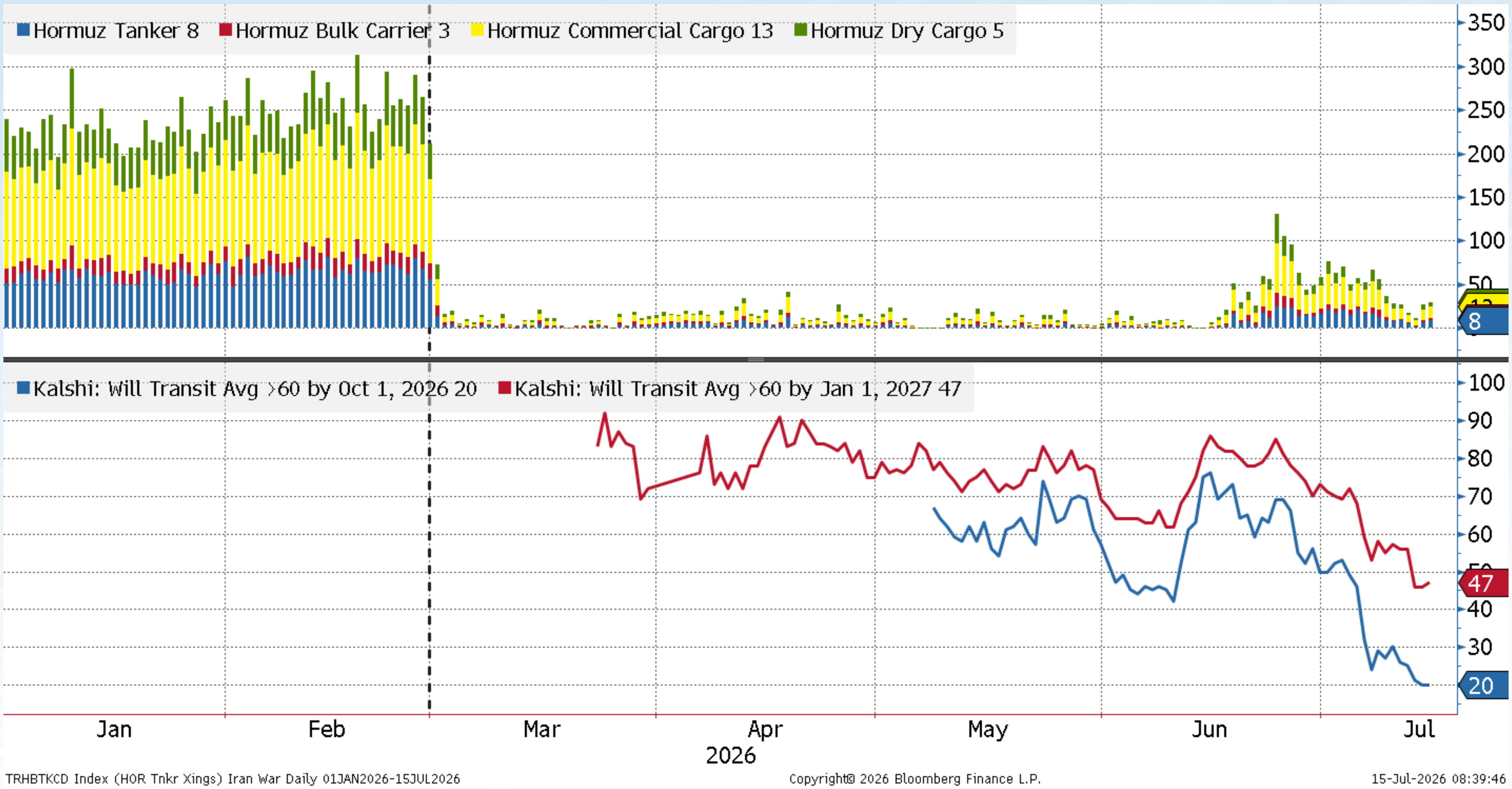
	Equity						Fixed Income							Real Assets					
														Real Estate					
	U.S. Stock	Dev ex-U.S. Stock	Emg Stock	Global ex-U.S. Stock	Global Stock	Private Equity	Cash	Core Bond	LT Core Bond	TIPS	High Yield	Private Credit	Dev ex-U.S. Bond (Hdg)	U.S. RES	Global RES	Private RE	Cmdty	Real Assets	U.S. CPI
Compound Return (%)	4.70	5.70	5.70	6.00	5.25	6.55	3.40	5.20	5.35	4.70	6.30	7.65	3.40	5.35	5.50	6.35	4.80	6.70	2.25
Arithmetic Return (%)	6.05	7.20	8.70	7.65	6.60	10.35	3.40	5.35	5.80	4.85	6.75	8.35	3.50	6.75	6.75	7.20	6.00	7.40	2.25
Risk (%)	17.00	18.00	26.00	19.15	17.05	29.65	0.75	4.75	9.95	6.00	10.00	12.75	4.00	17.50	16.55	13.95	16.00	12.20	1.75
Yield (%)	1.10	2.60	1.70	2.30	1.55	0.00	3.40	5.85	5.90	5.20	9.90	4.80	4.45	3.65	3.65	2.75	3.40	3.60	0.00
Growth Factor Exposure	8.00	8.00	8.00	8.00	8.00	14.00	0.00	-1.00	-2.75	-3.00	4.00	5.10	-1.00	6.00	6.00	3.70	0.00	2.90	0.00
Inflation Factor Exposure	-3.00	-1.00	3.00	0.20	-1.85	-4.25	0.00	-2.65	-7.10	2.50	-1.00	-1.50	-3.00	2.00	2.45	1.50	12.00	5.45	1.00

Correlations

U.S. Stock	1.00																		
Dev ex-U.S. Stock (USD)	0.81	1.00																	
Emerging Mkt Stock	0.74	0.74	1.00																
Global ex-U.S. Stock	0.84	0.96	0.90	1.00															
Global Stock	0.98	0.90	0.83	0.94	1.00														
Private Equity	0.72	0.63	0.61	0.66	0.73	1.00													
Cash Equivalents	-0.05	-0.09	-0.05	-0.08	-0.06	0.00	1.00												
Core Bond	0.27	0.12	-0.01	0.08	0.20	0.29	0.18	1.00											
LT Core Bond	0.29	0.15	0.00	0.10	0.23	0.30	0.11	0.95	1.00										
TIPS	-0.05	0.00	0.15	0.06	-0.01	-0.03	0.20	0.59	0.47	1.00									
High Yield Bond	0.54	0.39	0.49	0.46	0.53	0.31	-0.10	0.24	0.31	0.05	1.00								
Private Credit	0.68	0.55	0.58	0.60	0.68	0.44	0.00	0.23	0.29	0.00	0.76	1.00							
Dev ex-U.S. Bond (Hdg)	0.16	0.25	-0.01	0.16	0.17	0.26	0.10	0.68	0.66	0.39	0.26	0.22	1.00						
U.S. RE Securities	0.57	0.47	0.44	0.49	0.56	0.49	-0.05	0.16	0.21	0.10	0.56	0.62	0.05	1.00					
Global RE Securities	0.62	0.55	0.52	0.58	0.63	0.54	-0.05	0.16	0.21	0.11	0.61	0.67	0.04	0.99	1.00				
Private Real Estate	0.55	0.45	0.45	0.49	0.54	0.50	-0.05	0.18	0.24	0.09	0.58	0.63	0.05	0.79	0.79	1.00			
Commodities	0.25	0.34	0.39	0.38	0.31	0.28	0.00	-0.03	-0.04	0.25	0.29	0.29	-0.10	0.25	0.28	0.25	1.00		
Real Assets	0.62	0.62	0.64	0.67	0.66	0.57	-0.03	0.24	0.25	0.32	0.64	0.69	0.06	0.79	0.84	0.78	0.64	1.00	
Inflation (CPI)	-0.10	-0.15	-0.13	-0.15	-0.13	-0.10	0.10	-0.12	-0.12	0.15	-0.08	0.00	-0.08	0.05	0.04	0.05	0.44	0.21	1.00

Geopolitics

Strait of Hormuz Update (somewhat open)



Data Source: Bloomberg

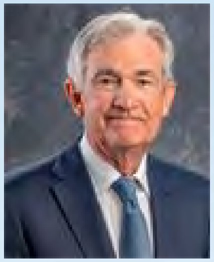
Energy

Oil Prices: Front Month vs. Dec Futures

Data Source: Bloomberg

Federal Reserve

The Old Boss…
Jerome Powell



Tenure / Timeline

- May 2012: Appointed to unexpired seat (Obama)
- June 2014: Appointed to full 14-year term (Obama), **expires Jan 2028**
- Feb 2018: Sworn in as 16th Fed Chair (Trump)
- May 2022: Nominated for 2nd term (Biden)

Too early to write legacy likely to include

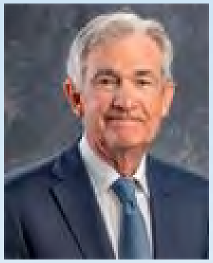
- COVID response
- “Transitory” inflation call
- 2022 rate tightening cycle (Silicon Valley Bank… BTFP)
- Cut rates into 2024 election (despite the purple ties)
- Clashes with Trump admin

Source: Federal Reserve

Federal Reserve

The Old Boss...

Jerome Powell



Highlights / Lowlights

- **Inflation:** CPI peak @ 9.1% (Jun '**22**), **3.6% overall;** Core CPI peak @ 6.6% (Sept '22)
- **FFR Rate Actions 15 Hikes, 10 Cuts (1.5% in 2 emergency cuts March 3/15, 2020)**
- Fed Balance Sheet: Grew from **$4.4T to $6.7T**, peaked at $8.9T (Jan–Jul 2022)

Jerome Powell Tenure Statistics (8.25 Years)

Aggregates	Feb-18	May-26	Chg	% Chg	Ann %
M2 Money Supply ($T)	13.9	23.1	9.1	65.3%	6.3%
Fed Balance Sheet ($T)	4.4	6.7	2.3	52.6%	5.3%
Inflation				% Chg	Ann %
CPI				33.8%	3.6%
Core CPI				28.5%	3.1%
Employment	Feb-18	May-26	Chg		
Unemployment Rate (%)	4.1	4.3	0.2		

Source: Bloomberg

Federal Reserve

Meet the New Boss…
Kevin Warsh

Background / History at Fed

- Feb 2006: Appointed to Fed (Bush II)
- Mar 2011: Left Fed mid-term to pursue private and academic interests
- Viewed as a hawkish governor; expressed skepticism of Fed's Nov 2010 $600B QE2 bond-buying program

First impressions (from June FOMC)

- Forward guidance gone (statement, Dots, Q&A, etc.)…
- **Taskforces…**
  1. Communications
  2. Balance Sheet
  3. Data
  4. Productivity & Jobs
  5. Inflation Measures

Source: Federal Reserve

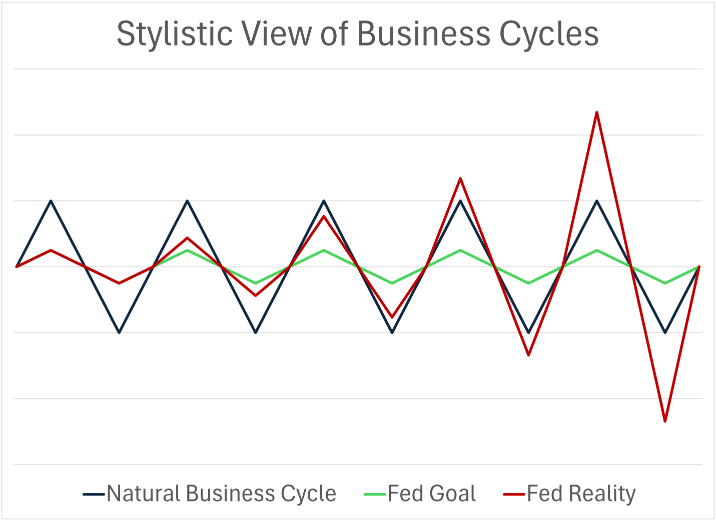
Federal Reserve

Meet the New Boss, Same As the Old Boss”[1]

Does it matter “Who’s Next?”

- **Hopefully, but probably not much…**
  - “Everyone has a plan until they get punched in the mouth.” – Mike Tyson
  - In a highly-leveraged, credit-based system, the Fed will do what it takes to “keep the music playing”
- **Limited forward guidance could help**
  - Likely to result in slightly higher volatility, which could help reduce excessive speculation, leverage and malinvestment

A skeptic’s take on the Fed’s impact

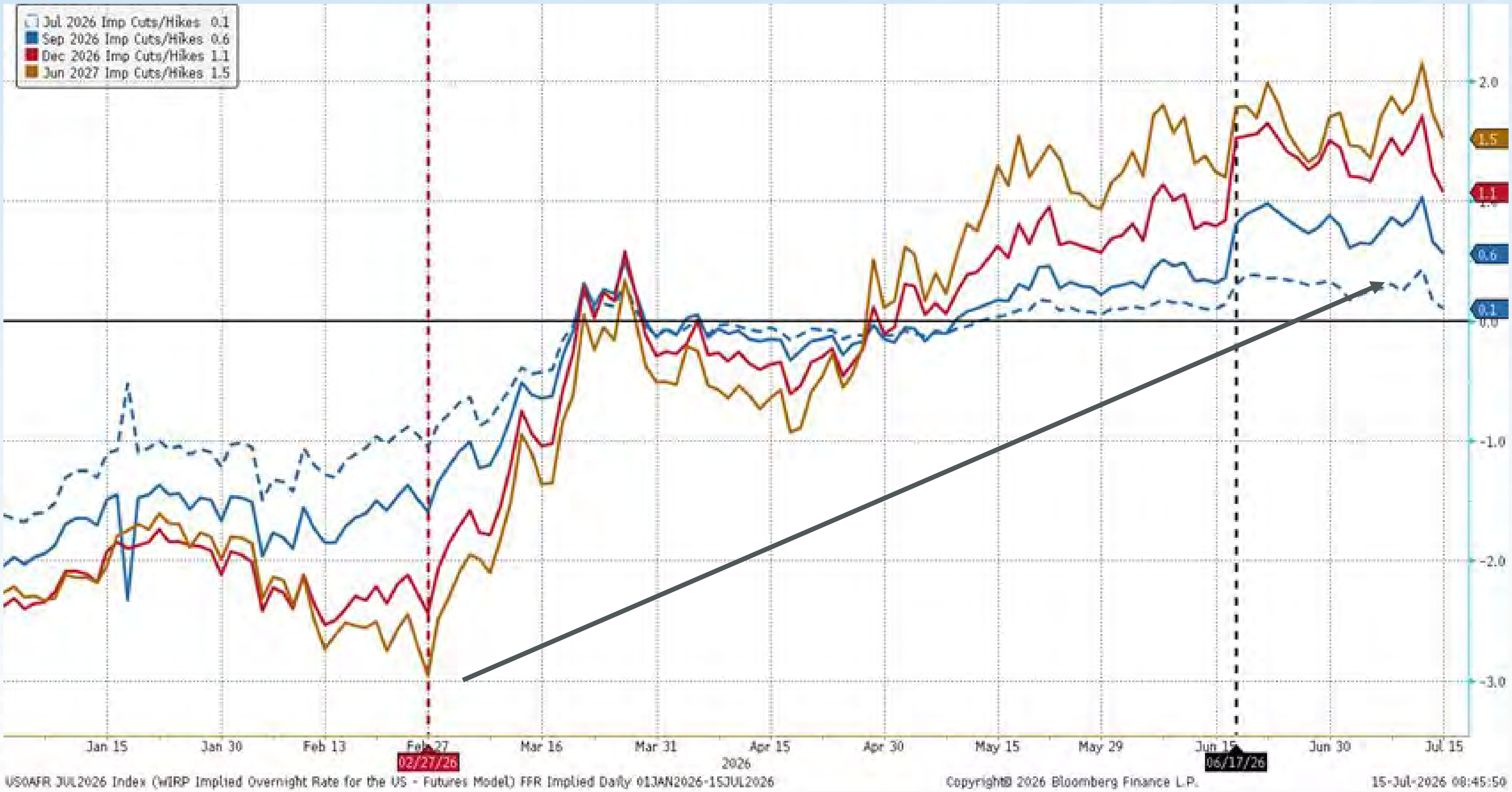


[1] The Who, “Won’t Get Fooled Again” from “Who’s Next” (1971)

Wilshire

Interest Rates

Fed Funds Implied Rate: Shift from Easing to Tightening



Data Source: Bloomberg

Interest Rates

Fed Funds Implied Rate: Move with Oil Prices (until recently)

Data Source: Bloomberg

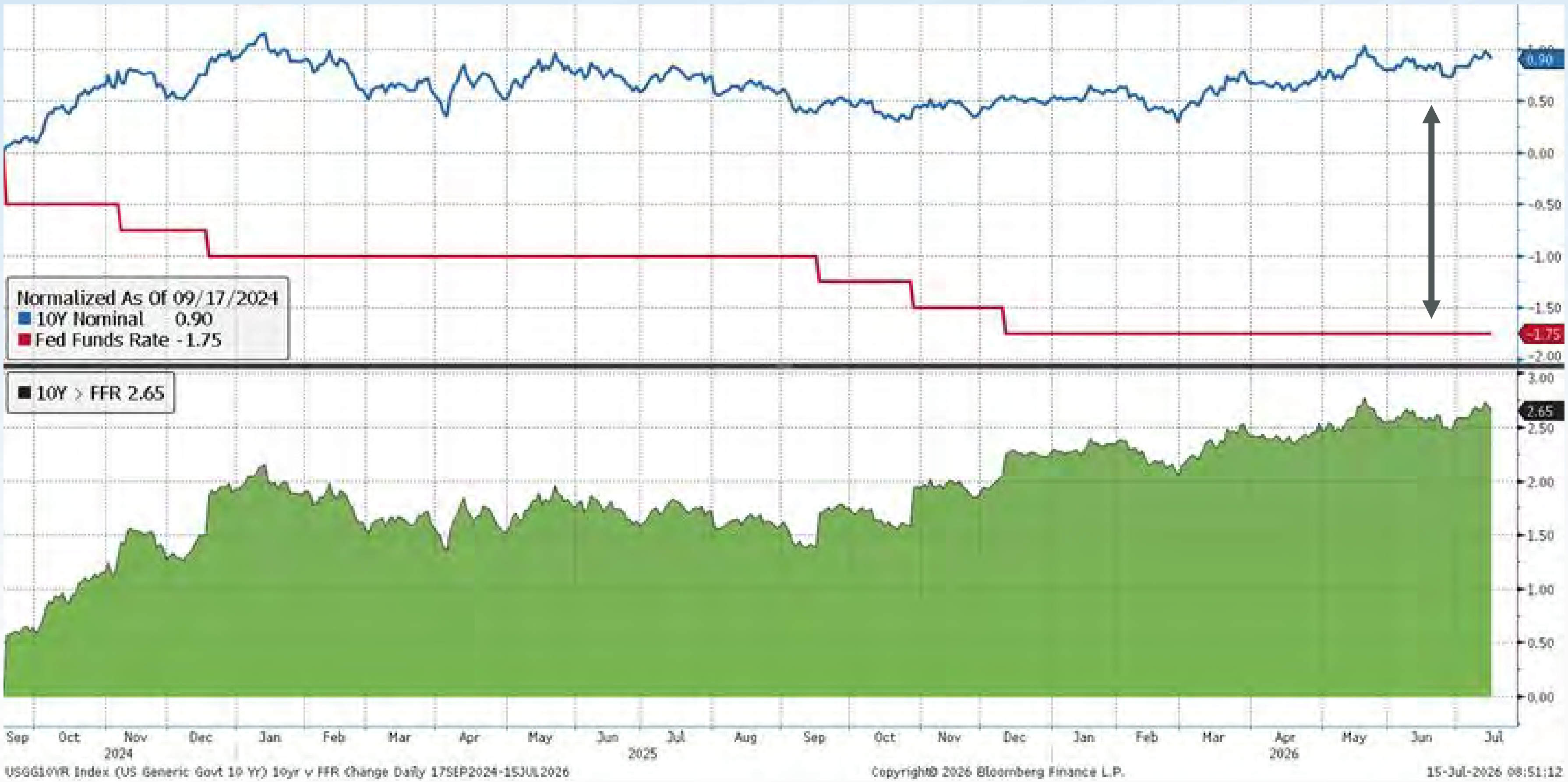
Interest Rates

10-Year Rates: Real Rates Up, BEI Down

Data Source: Bloomberg

Federal Reserve

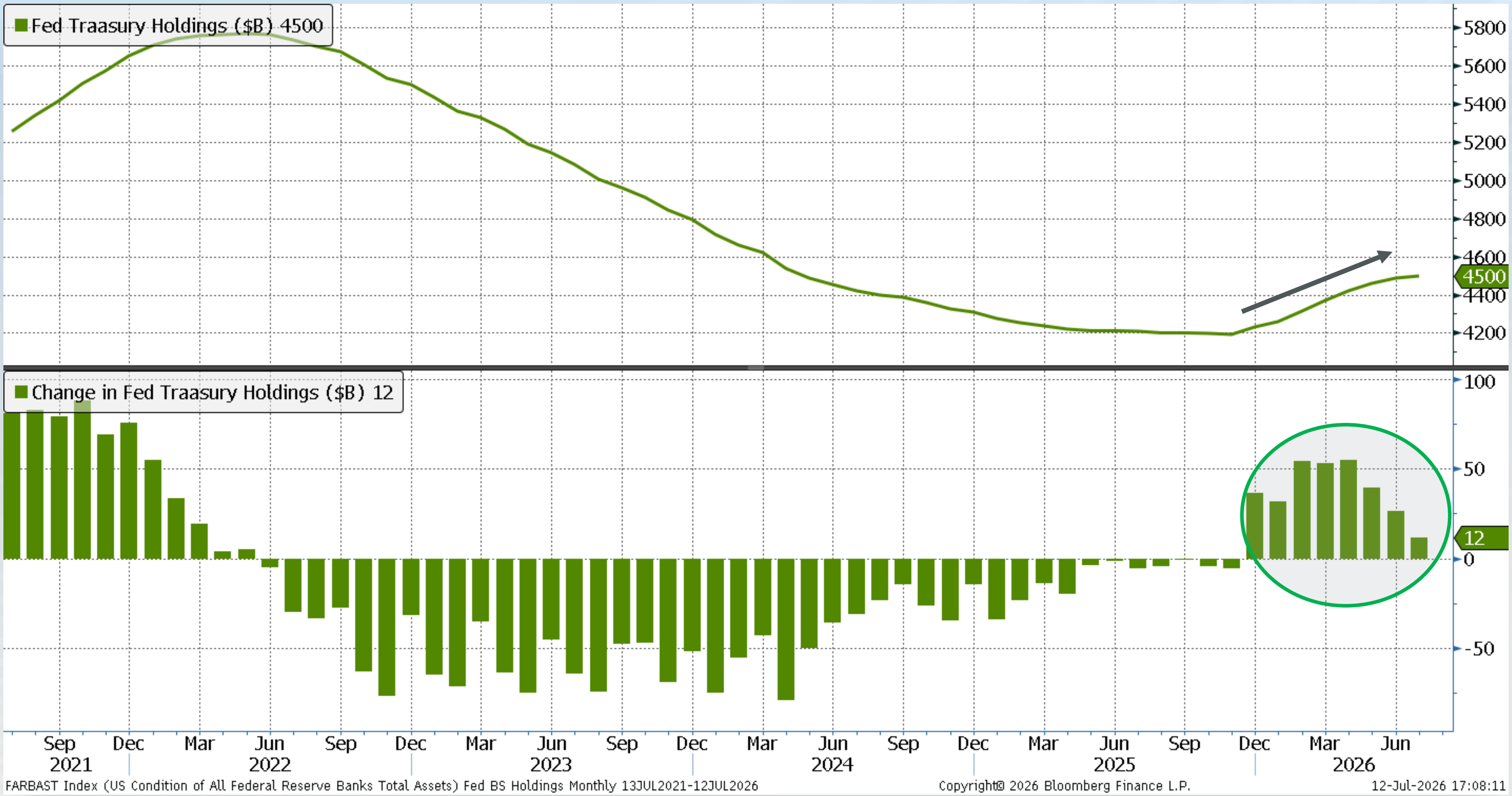
Reminder: Long-Rates Don't Necessarily Follow the Fed Funds Rate



Data Source: Bloomberg

Federal Reserve

Fed Treasury Holdings: Something to Watch (RMPs)



Data Source: Bloomberg

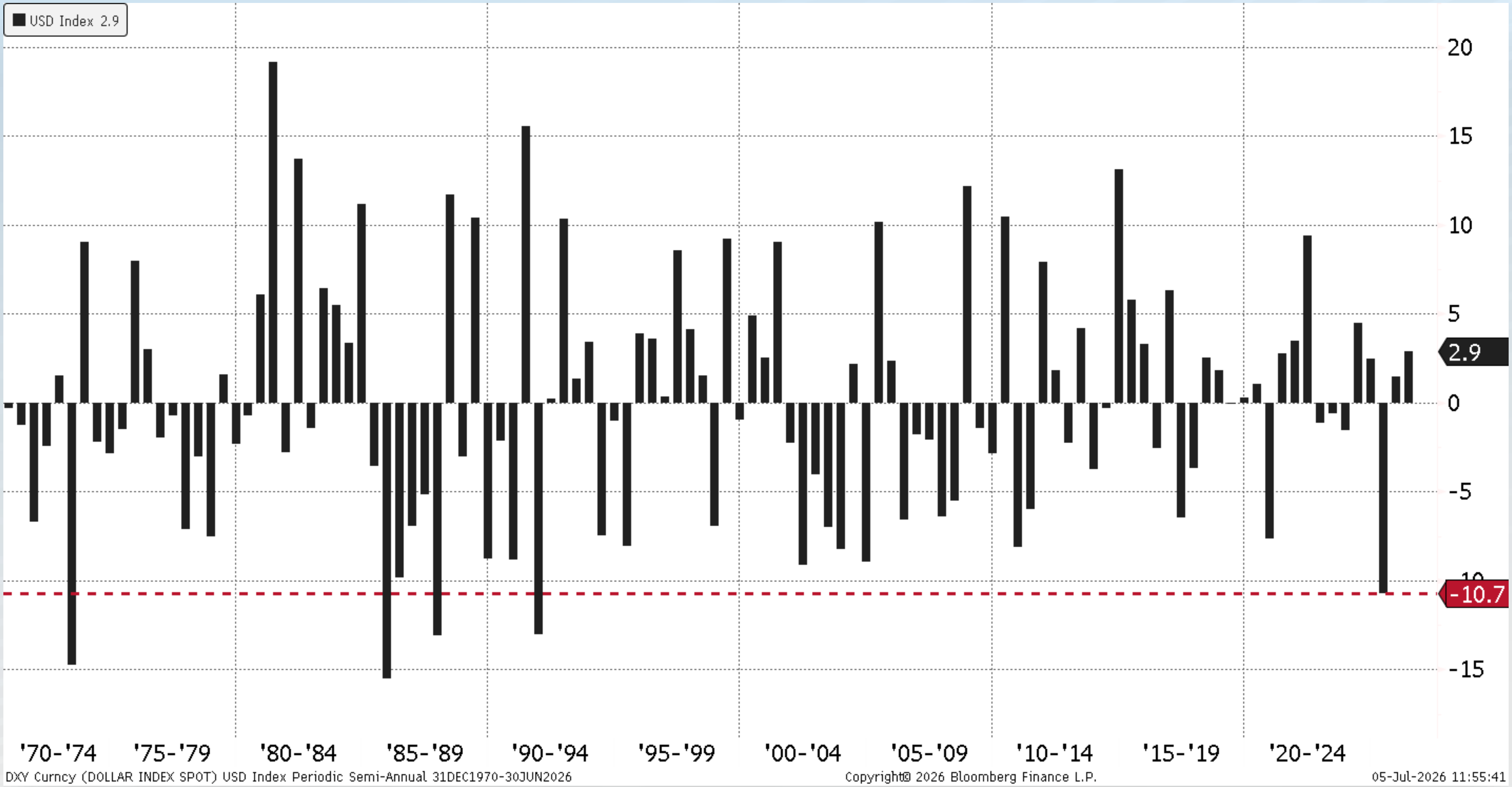
Interest Rates

Global 10Y & 10Y vs. 2Y Spread since Iran War

Data Source: Bloomberg

Currency

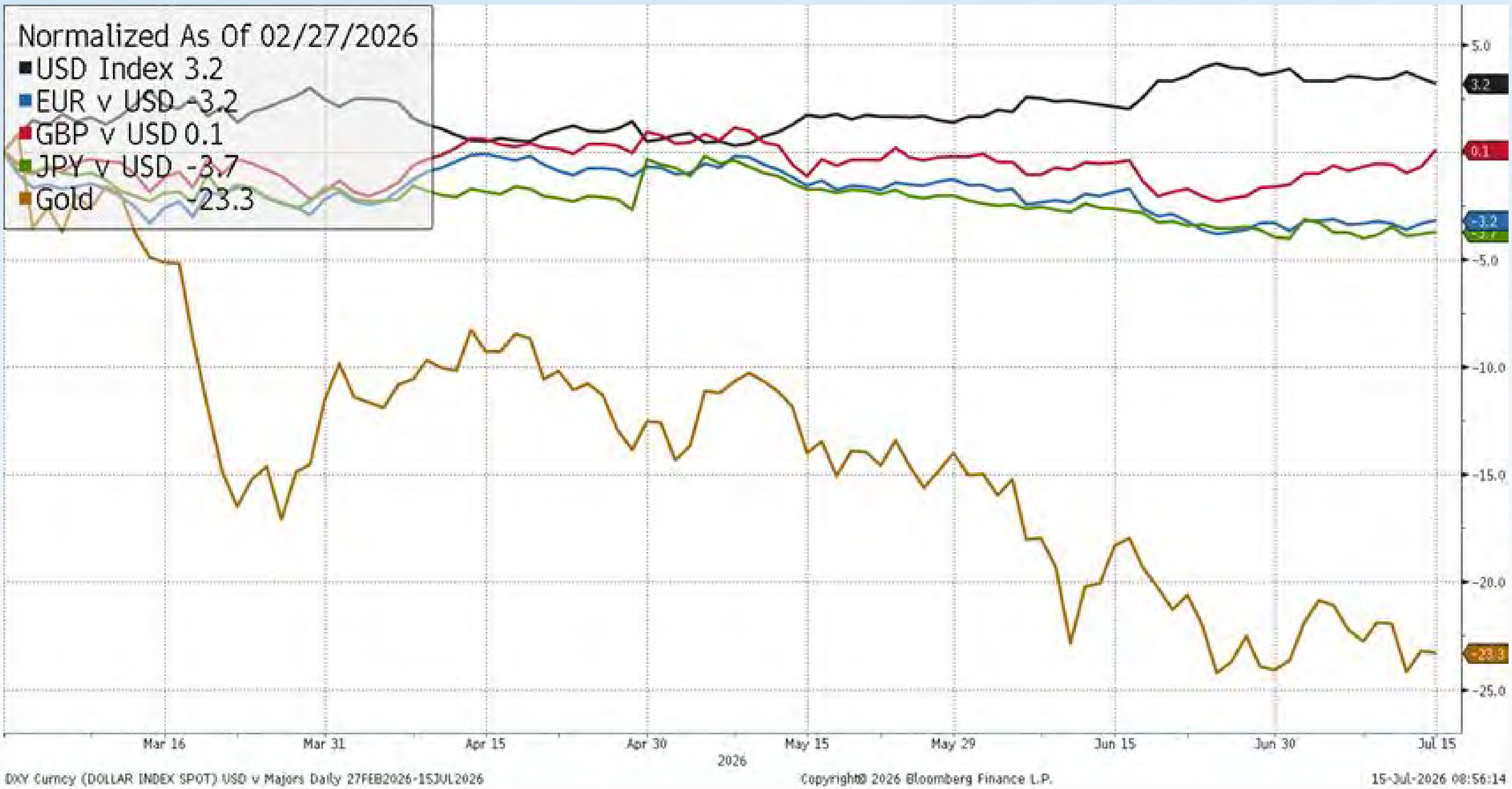
USD Bounce Back



Data Source: Bloomberg

Currency

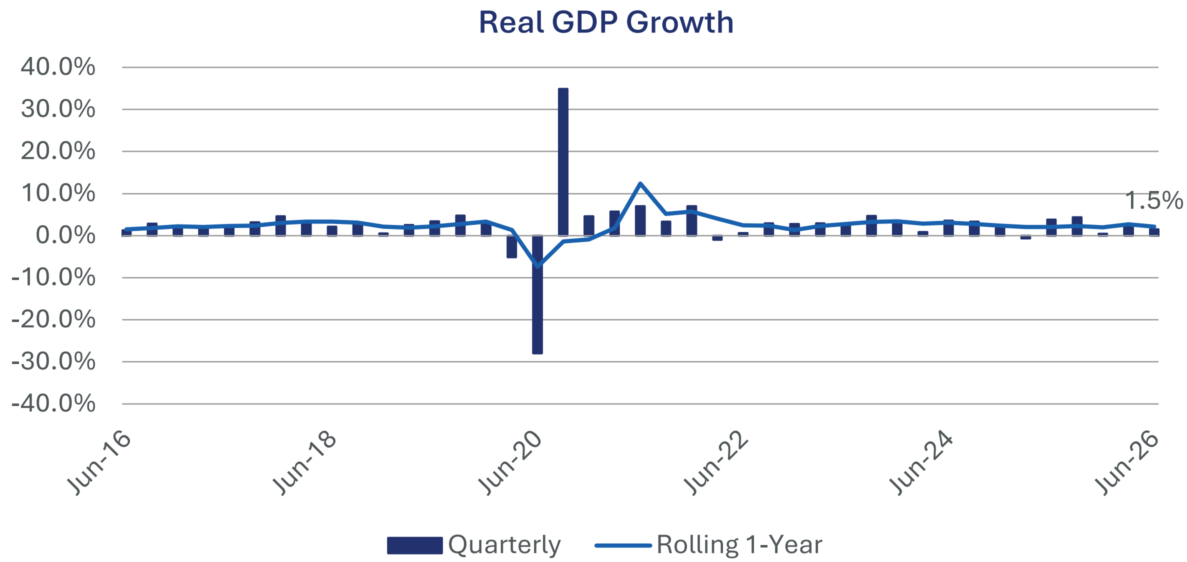
USD Strength… Will It Last?

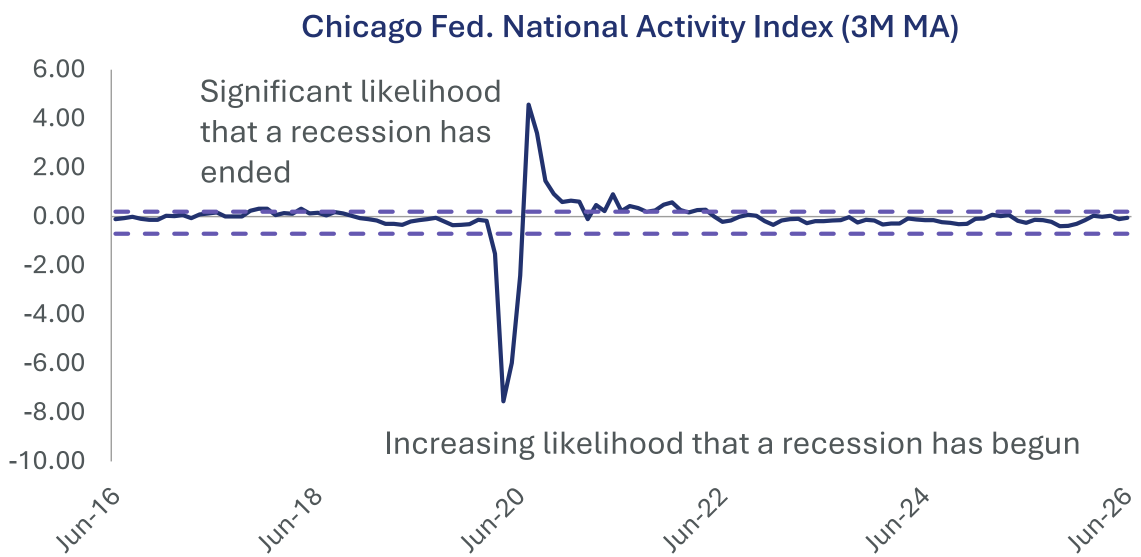


Data Source: Bloomberg

Economic / Market Activity

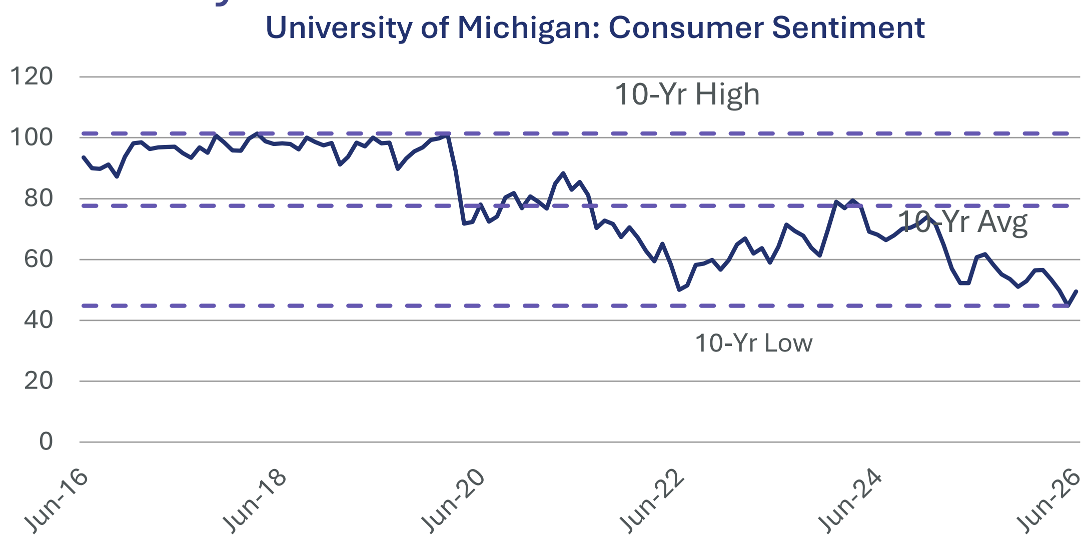
Economic Growth

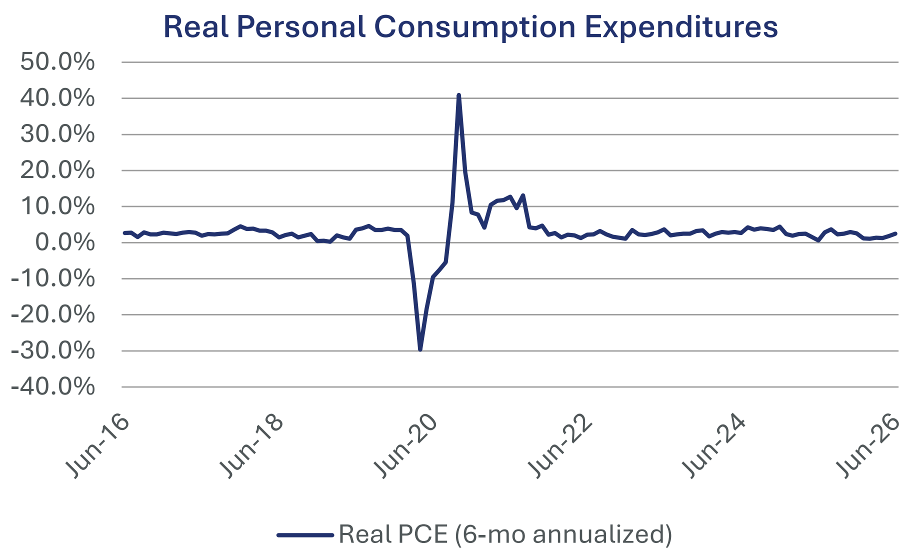


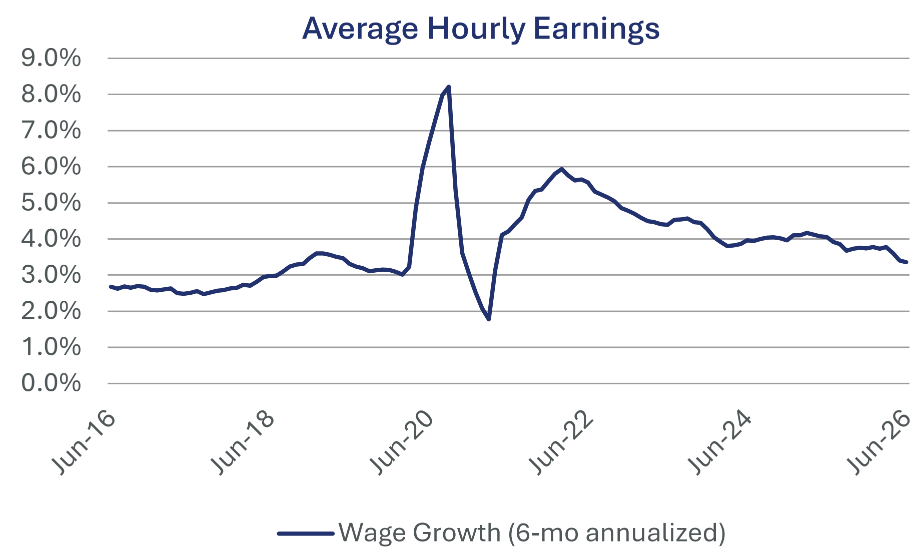


Data Source: Bloomberg

Consumer Activity



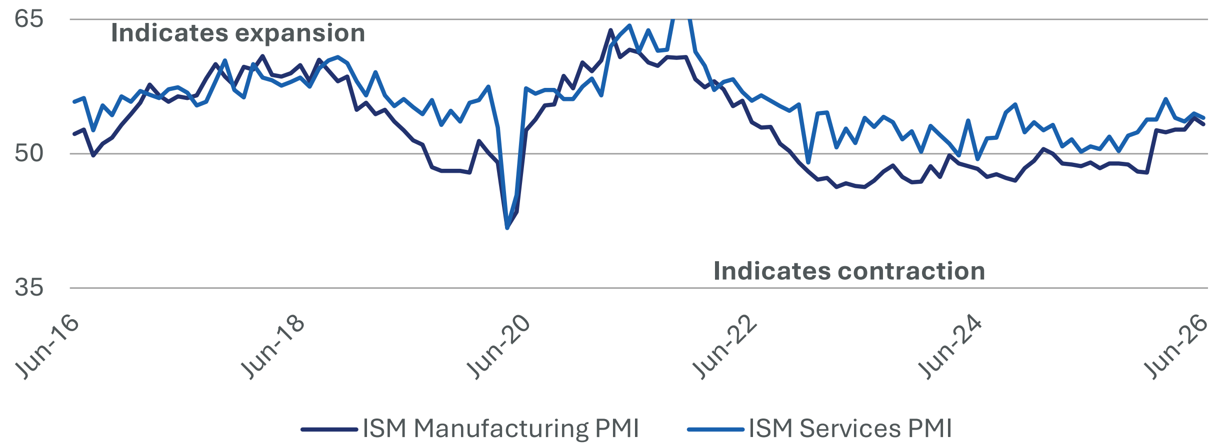




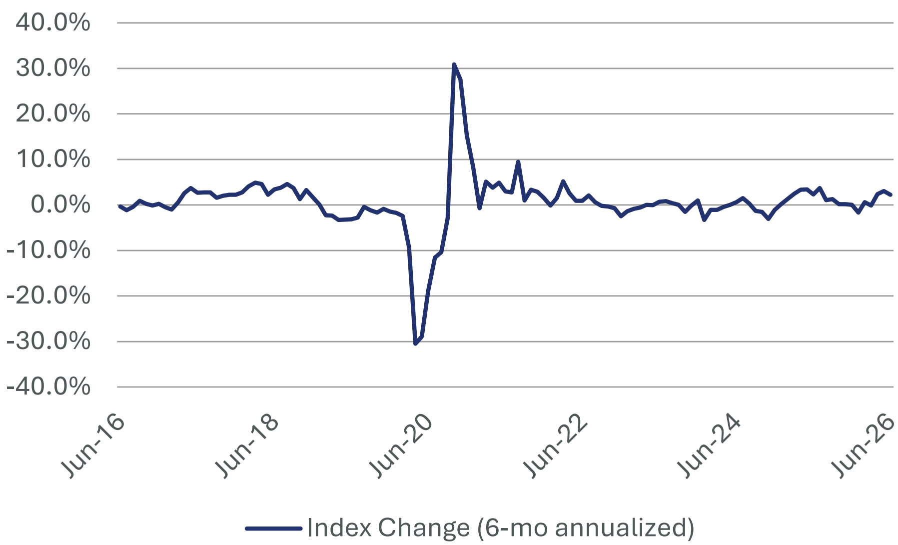
Data Source: Bloomberg

Business Activity

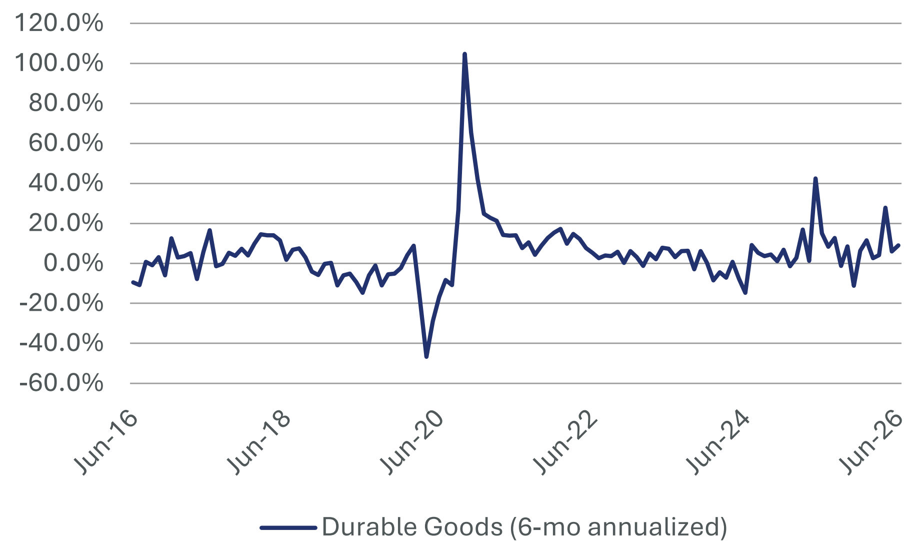
ISM Report on Business



Industrial Production Index

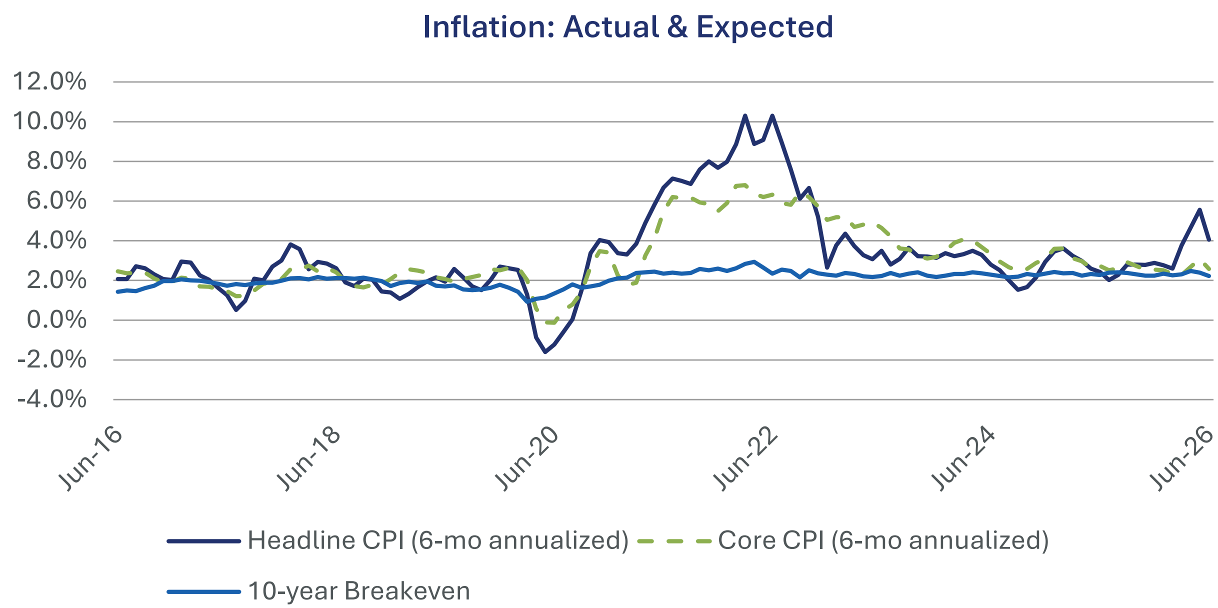


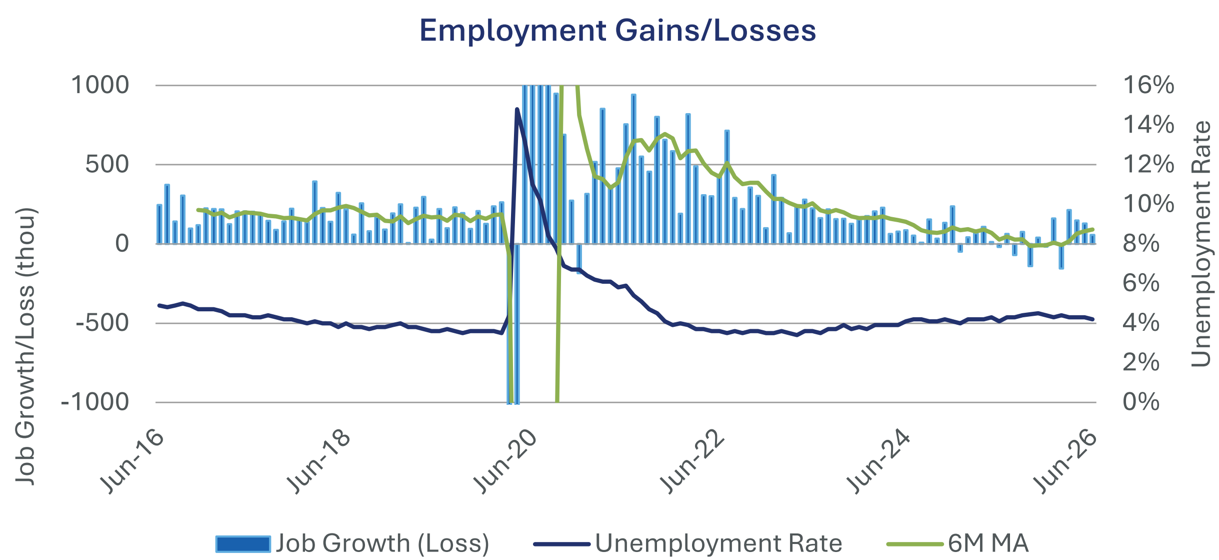
Durable Goods New Orders



Data Source: Bloomberg

Inflation and Employment



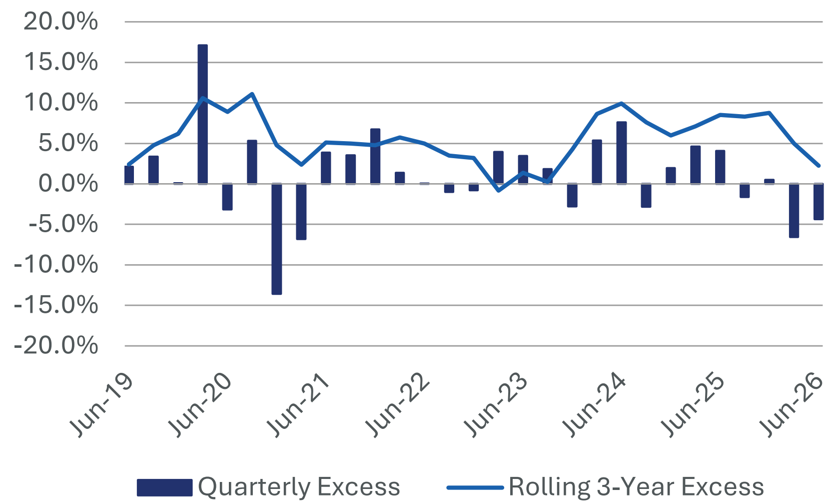


Data Source: Bloomberg

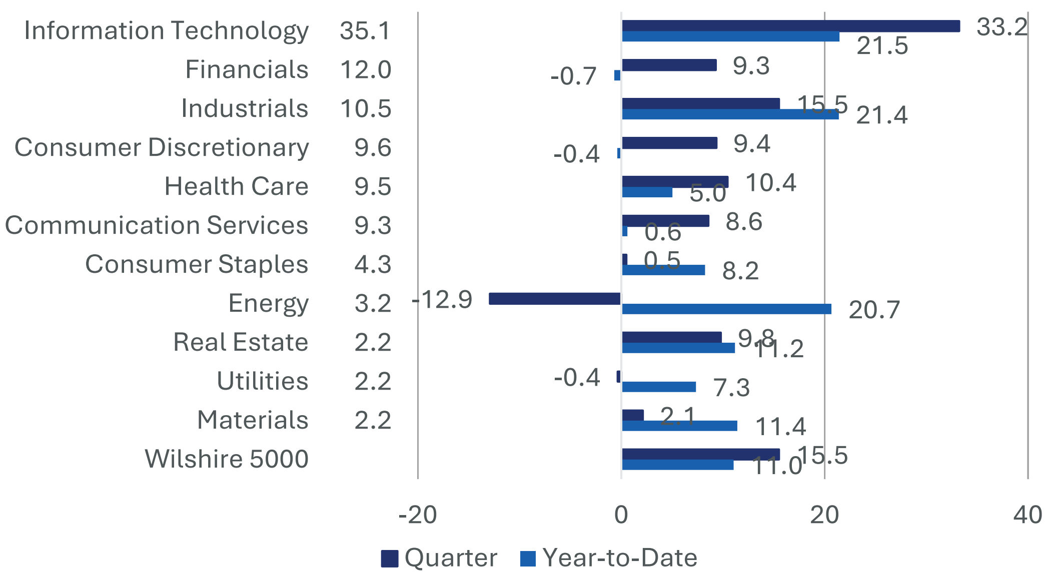
U.S. Equity Market

As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Wilshire 5000	15.5	11.0	23.0	20.4	12.5	15.2
Wilshire U.S. Large Cap	15.2	10.2	22.0	20.6	13.0	15.5
Wilshire U.S. Small Cap	20.4	23.4	38.1	17.9	7.8	11.7
Wilshire U.S. Large Growth	18.9	7.1	19.1	22.4	14.0	n/a
Wilshire U.S. Large Value	9.8	13.3	22.8	17.2	11.0	n/a
Wilshire U.S. Small Growth	25.1	26.9	39.0	18.1	7.1	n/a
Wilshire U.S. Small Value	15.7	19.8	37.1	17.7	8.5	n/a
Wilshire REIT Index	12.3	17.7	21.2	12.8	6.0	6.2
MSCI USA Min. Vol. Index	4.4	3.2	4.5	10.9	7.3	9.7
FTSE RAFI U.S. 1000 Index	9.9	12.6	25.0	18.8	12.4	13.6

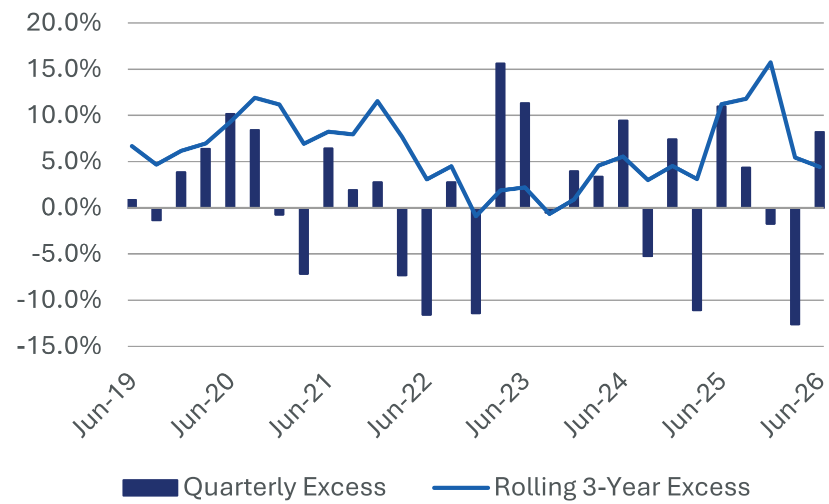
Large Cap vs. Small Cap



U.S. Sector Weight and Return (%)



Large Growth vs. Large Value

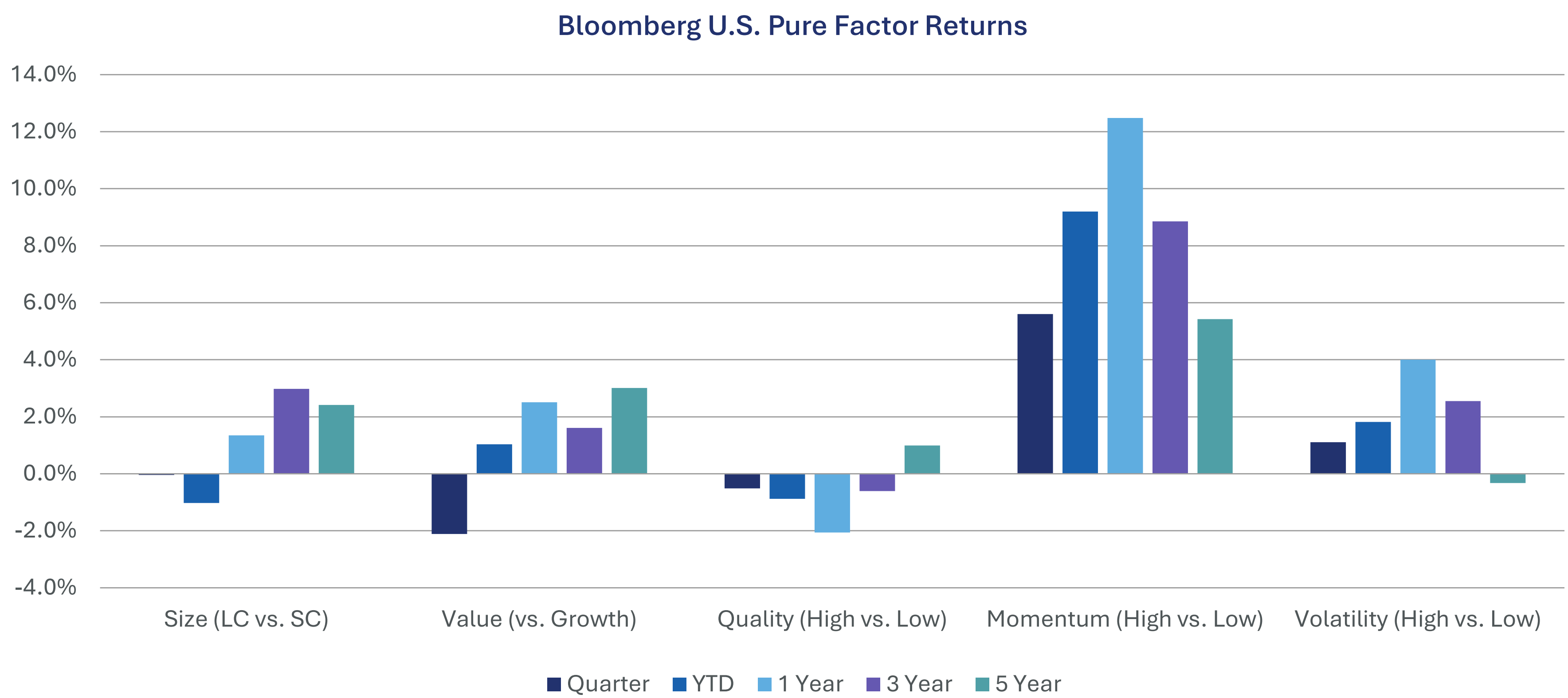


Data Source: Bloomberg, Clearwater Wilshire Atlas

U.S. Factor Returns

Factor returns represent the contribution from large cap, value, etc. stocks within Bloomberg's Portfolio & Risk Analytics module

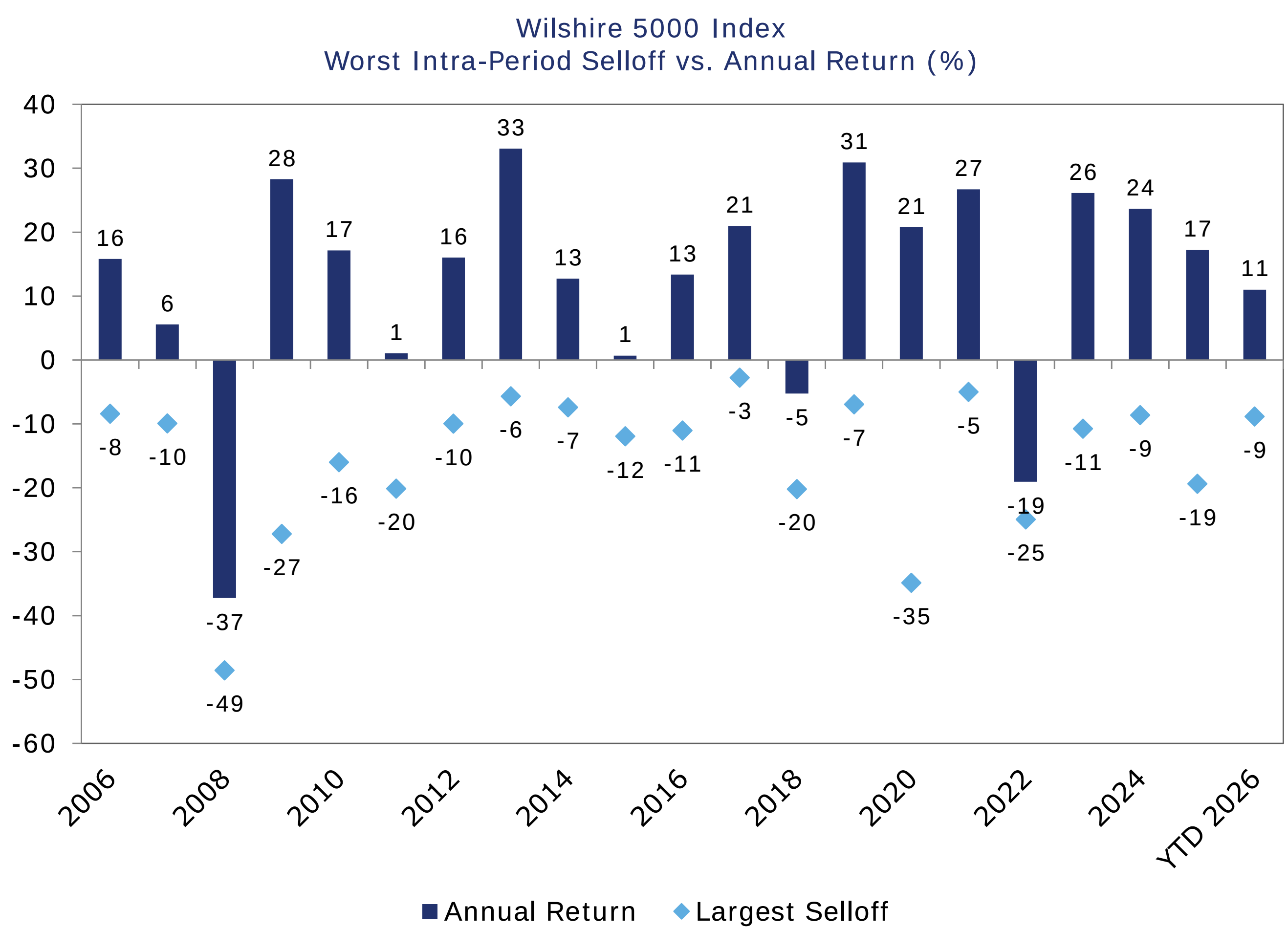
High momentum stocks have been driving the market during 2026



Data Source: Bloomberg

Annual Equity Market Selloffs

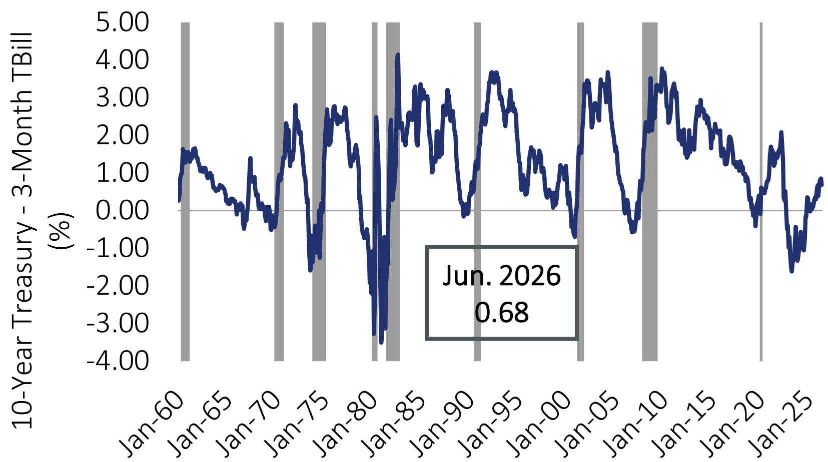
U.S. equity exhibited poor performance in March, accumulating a loss of more than -8%, before snapping back in April and finishing June with a gain for the YTD



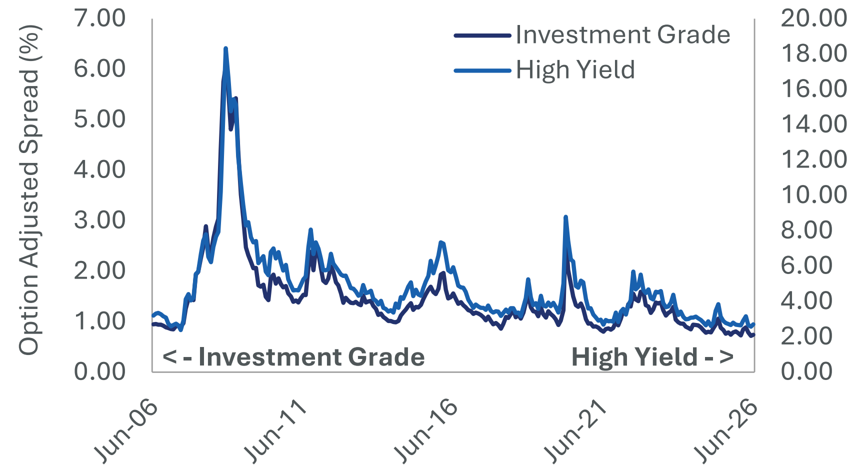
Data Source: Wilshire Web, Bloomberg

Risk Monitor

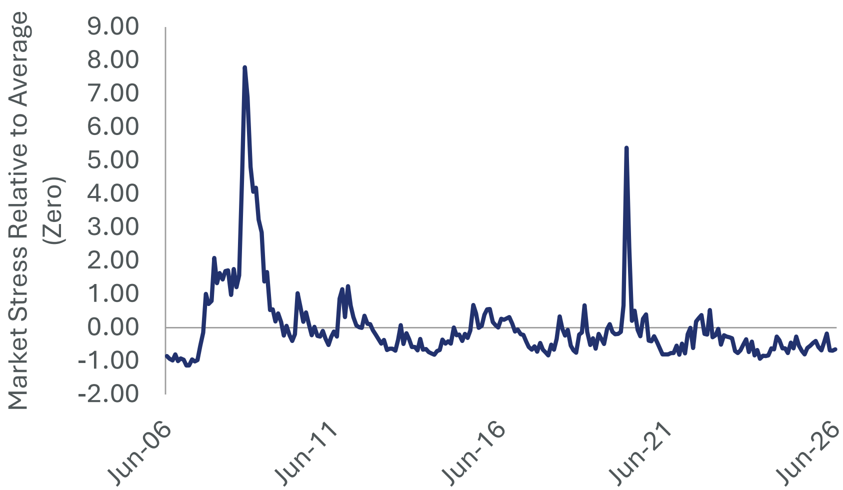
Yield Curve Slope vs Recessions (IN GRAY)



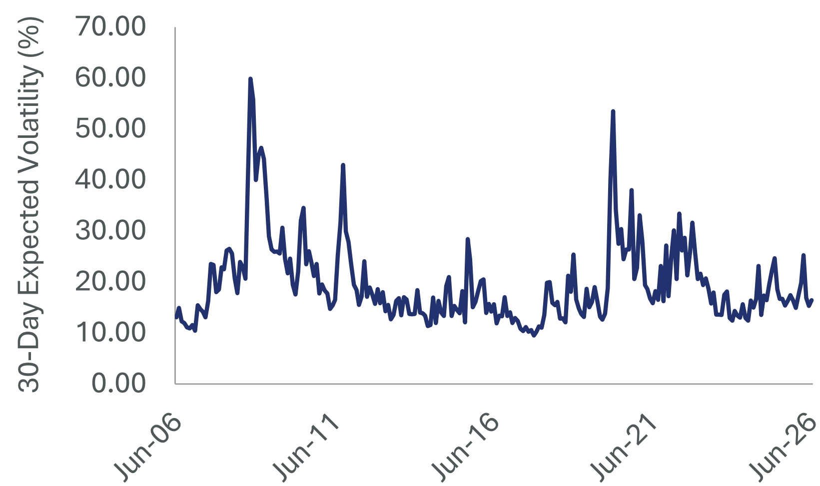
Bloomberg Credit Indexes



St. Louis Fed. Financial Stress Index

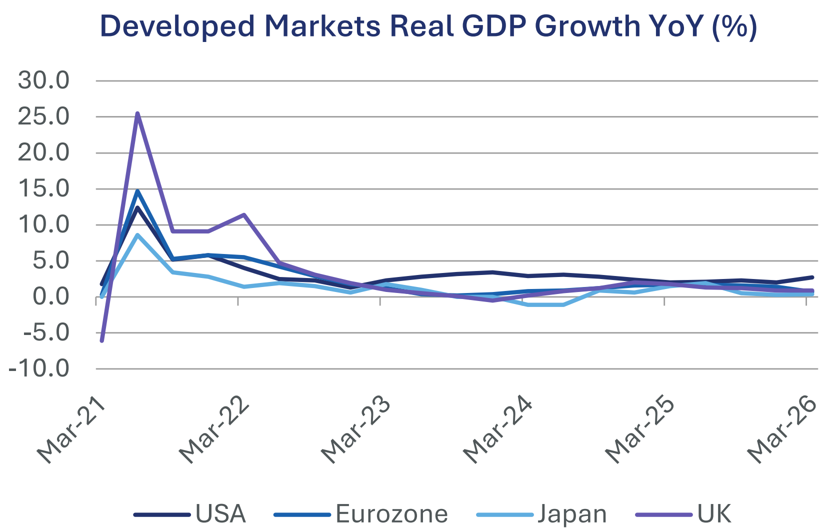


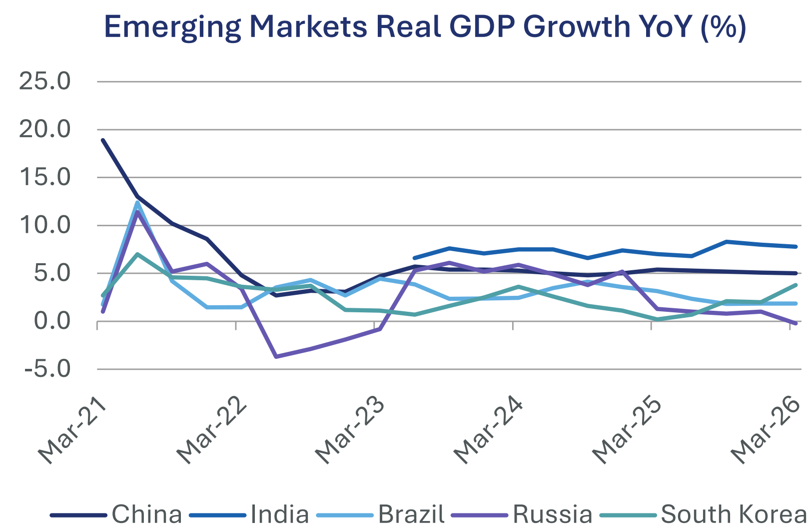
CBOE Volatility Index

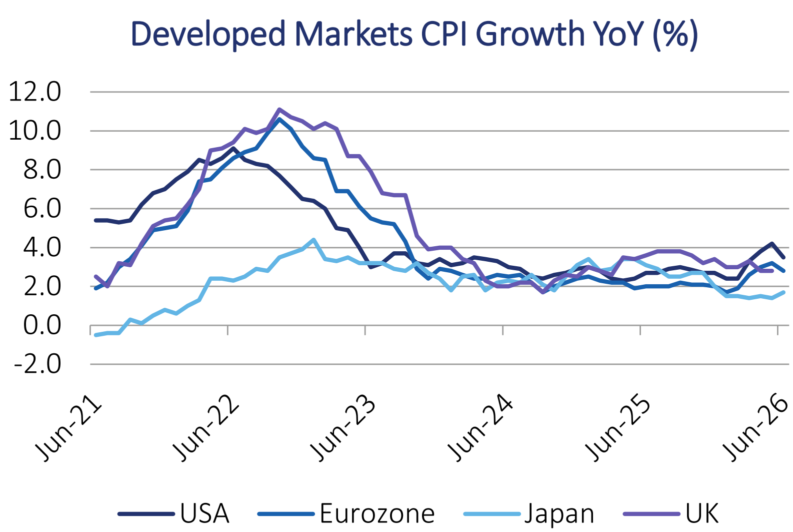


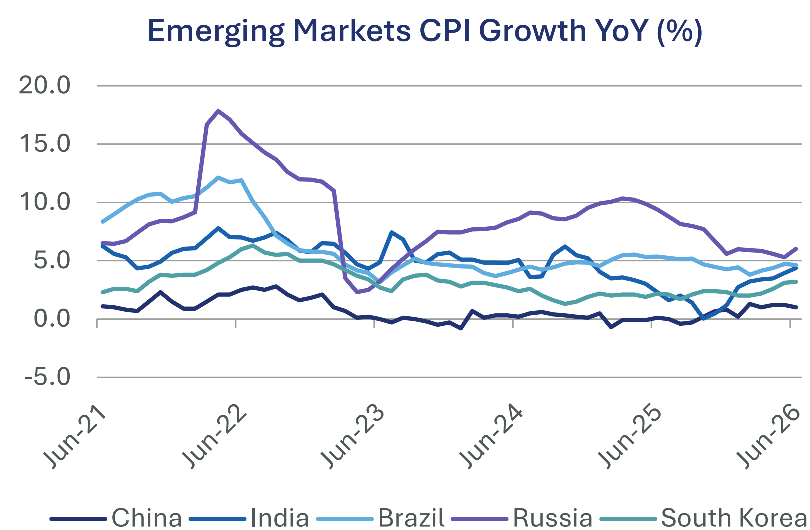
Data Source: Bloomberg

Non-U.S. Growth and Inflation







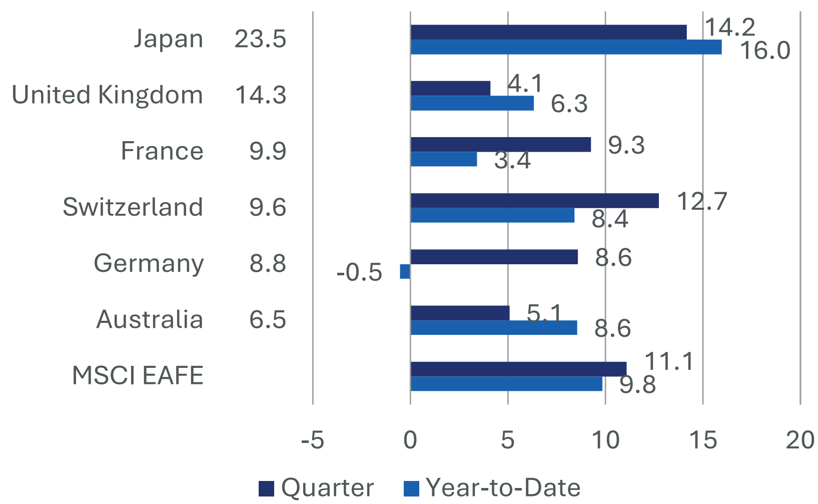


Data Source: Bloomberg

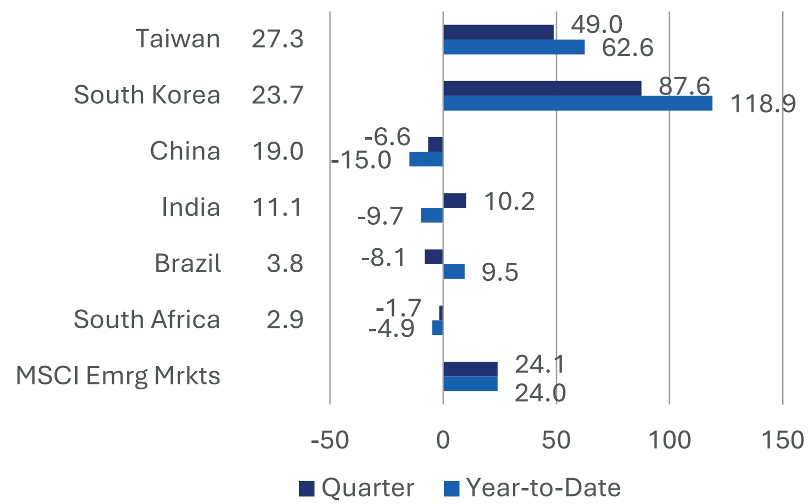
Non-U.S. Equity Market

As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
MSCI ACWI ex-US ($G)	14.7	14.0	28.3	19.4	9.3	10.5
MSCI EAFE ($G)	11.1	9.8	20.8	17.0	9.6	10.2
MSCI Emerging Markets ($G)	24.1	24.0	44.2	23.6	7.7	10.5
MSCI Frontier Markets ($G)	10.2	13.2	37.0	23.1	10.7	7.0
MSCI ACWI ex-US Growth ($G)	17.2	13.0	22.6	15.7	5.5	9.6
MSCI ACWI ex-US Value ($G)	11.8	14.0	32.3	22.6	12.7	11.0
MSCI ACWI ex-US Small ($G)	9.8	9.4	20.4	17.0	6.8	9.6
MSCI All Country World Index	15.1	11.5	24.2	20.2	11.5	13.3
MSCI ACWI Minimum Volatility	2.4	2.2	3.7	9.8	5.8	7.4
MSCI EAFE Minimum Volatility	-0.9	3.6	8.3	13.2	6.5	6.5
FTSE RAFI Developed ex-US	11.1	14.6	33.1	22.3	13.3	11.9
MSCI EAFE LC (G)	11.8	12.1	25.5	16.4	11.8	11.2
MSCI Emerging Markets LC (G)	24.2	26.9	50.9	25.7	10.6	12.3

Developed Markets Weight and Return (%)



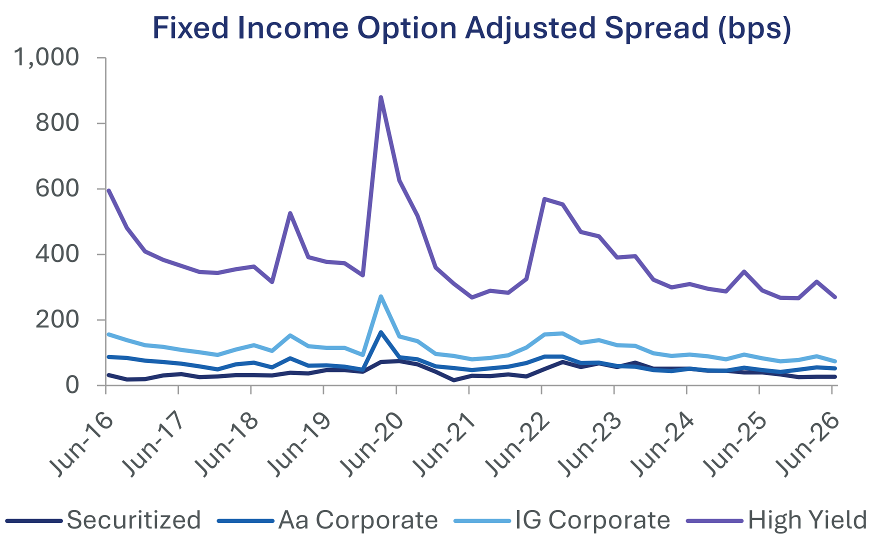
Emerging Markets Weight and Return (%)

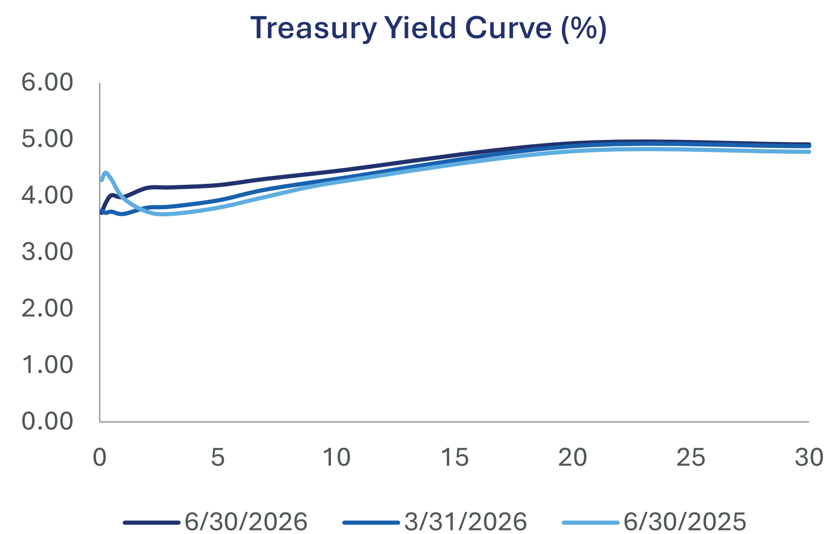


Data Source: Bloomberg

U.S. Fixed Income

As of 6/30/2026	YTW	Dur.	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg Aggregate	4.7	5.9	0.7	0.6	3.8	4.2	0.1	1.5
Bloomberg Treasury	4.4	5.8	0.3	0.3	2.7	3.2	-0.4	0.9
Bloomberg Gov't-Rel.	4.7	5.3	0.8	0.8	4.2	4.6	0.8	1.9
Bloomberg Securitized	5.0	5.3	0.6	1.0	5.1	4.7	0.6	1.5
Bloomberg Corporate	5.2	6.8	1.4	0.9	4.3	5.3	0.3	2.6
Bloomberg LT Gov't/Credit	5.3	13.4	1.5	0.8	3.9	1.9	-3.8	0.7
Bloomberg LT Treasury	4.9	14.2	0.9	0.4	2.9	-0.5	-5.6	-1.3
Bloomberg LT Gov't-Rel.	5.7	11.4	2.2	1.5	7.2	4.1	-1.4	1.8
Bloomberg LT Corporate	5.8	12.5	2.3	1.1	4.8	4.0	-2.3	2.2
Bloomberg U.S. TIPS*	4.3	6.0	0.9	1.2	3.4	4.0	1.0	2.6
Bloomberg High Yield	7.2	2.9	2.5	2.0	5.9	8.9	4.2	5.8
S&P/LSTA Leveraged Loan	7.8	0.3	1.9	1.3	4.4	7.6	6.0	5.5
Treasury Bills	3.8	0.3	0.9	1.8	4.0	4.7	3.5	2.4





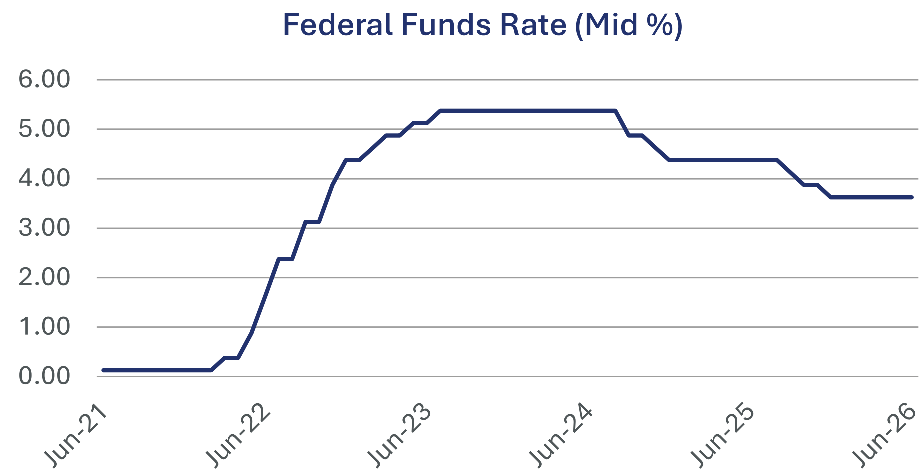
*Yield and Duration statistics are for a proxy index based on similar maturity, the Bloomberg Barclays U.S. Treasury 5-10 Year Index.
Data Source: Bloomberg

Federal Reserve

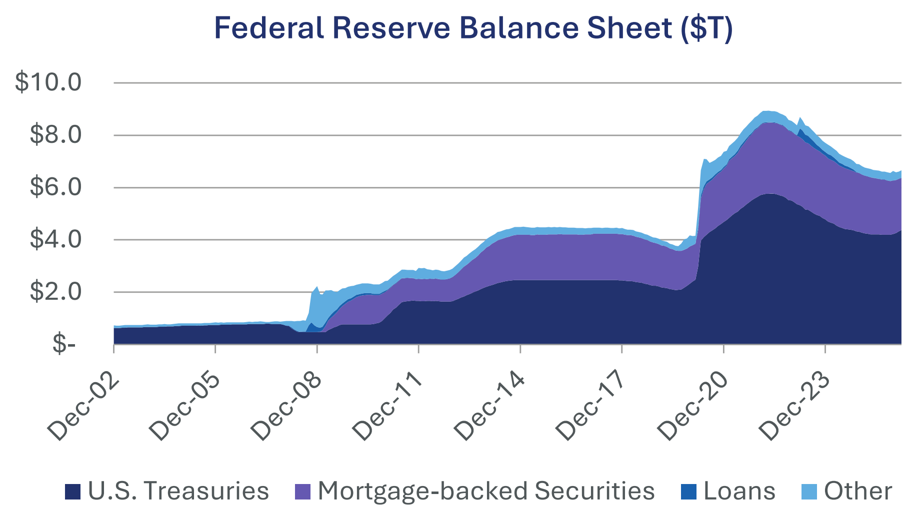
The Federal Open Market Committee left their overnight rate unchanged during Q1

QE4 was larger than the 3 phases of quantitative easing – combined – following the global financial crisis

The Fed's balance sheet is roughly equal to its level following the COVID spike, but is showing signs of re-expansion



	Announced	Closed	Amount (bil)
QE1	11/25/2008	3/31/2010	$1,403
QE2	11/3/2010	6/29/2012	$568
QE3	9/13/2012	10/29/2014	$1,674
QE4	3/23/2020	3/15/2022	$4,779

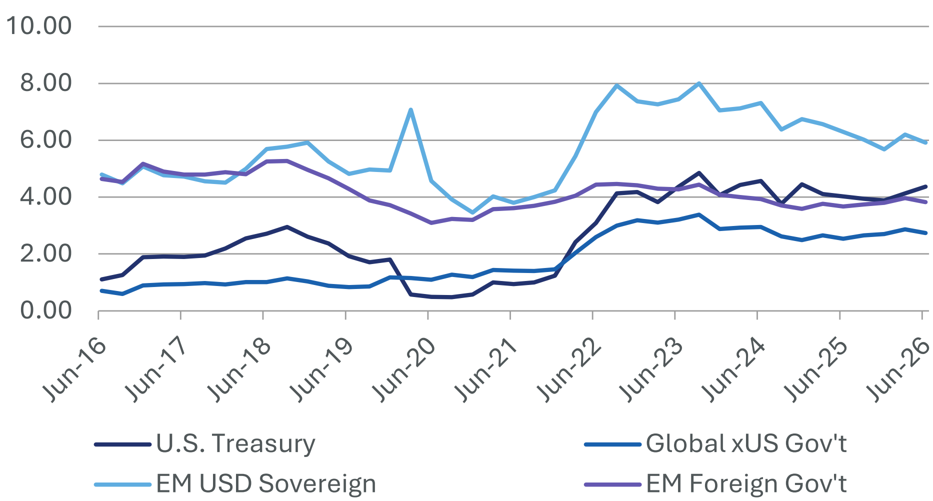


Data Source: Bloomberg

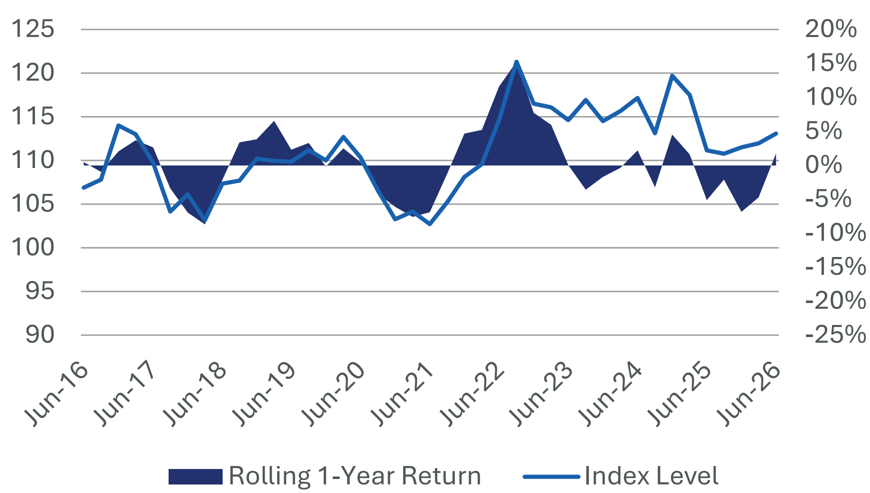
Non-U.S. Fixed Income

As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Developed Markets						
Bloomberg Global Aggregate xUS	1.0	-0.9	-1.9	2.7	-2.9	-0.7
Bloomberg Global Aggregate xUS*	1.8	1.6	2.6	4.6	1.4	2.1
Bloomberg Global Inflation Linked xUS	0.3	-0.3	-0.8	1.8	-4.6	-0.3
Bloomberg Global Inflation Linked xUS*	0.7	2.2	3.5	1.9	-2.2	1.3
Emerging Markets (Hard Currency)						
Bloomberg EM USD Aggregate	3.4	2.0	8.0	8.5	2.0	3.4
Emerging Markets (Foreign Currency)						
Bloomberg EM Local Currency Gov't	2.8	1.7	3.8	5.9	1.9	2.8
Bloomberg EM Local Currency Gov't*	1.8	1.5	2.8	6.5	4.1	3.5
Euro vs. Dollar	-1.1	-2.8	-3.1	1.5	-0.7	0.3
Yen vs. Dollar	-2.4	-3.6	-11.4	-3.9	-7.3	-4.4
Pound vs. Dollar	0.3	-1.6	-3.4	1.4	-0.8	0.0

Global Fixed Income Yield to Worst (%)



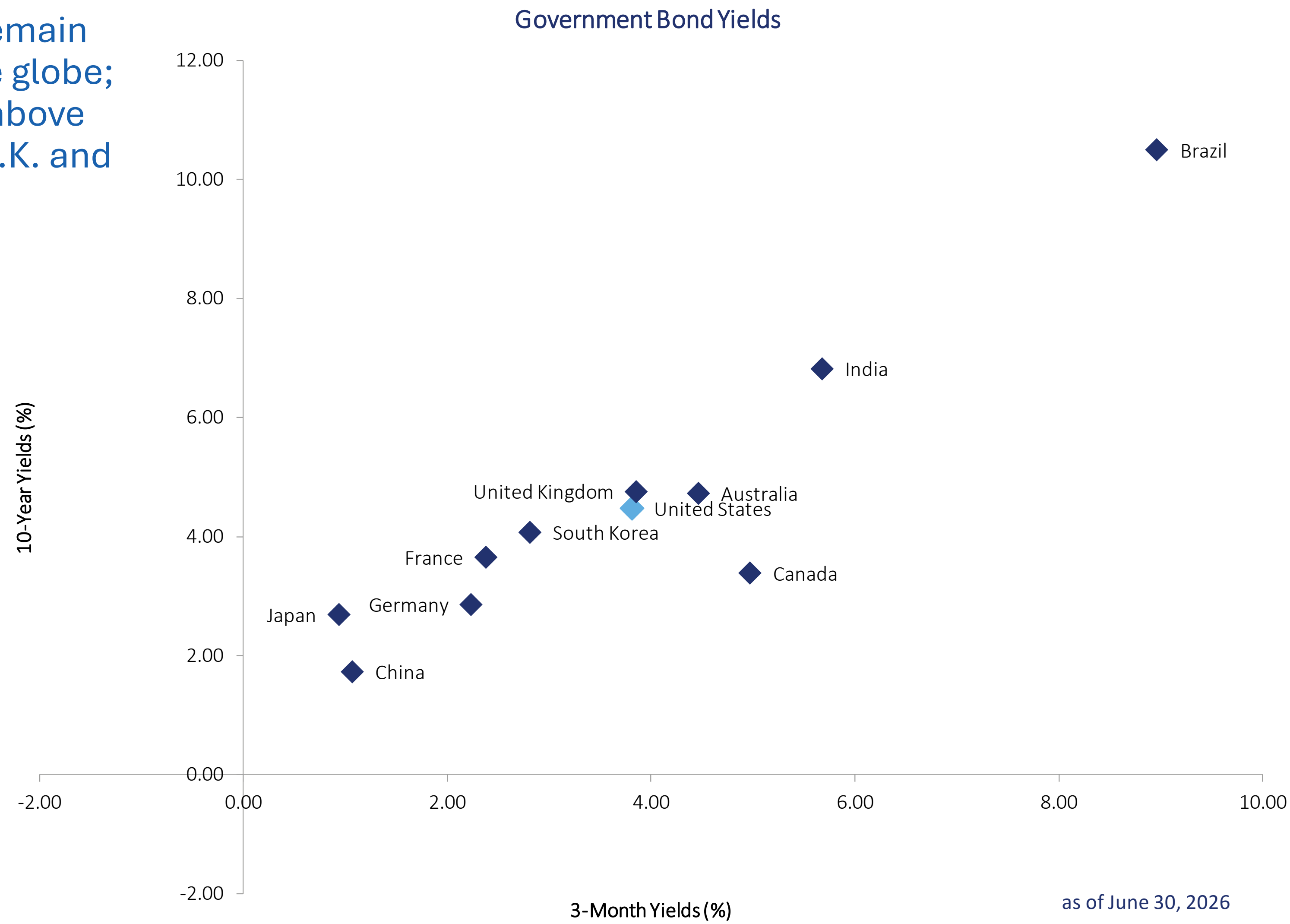
U.S. Dollar Index: Advanced Economies



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

Global Interest Rates

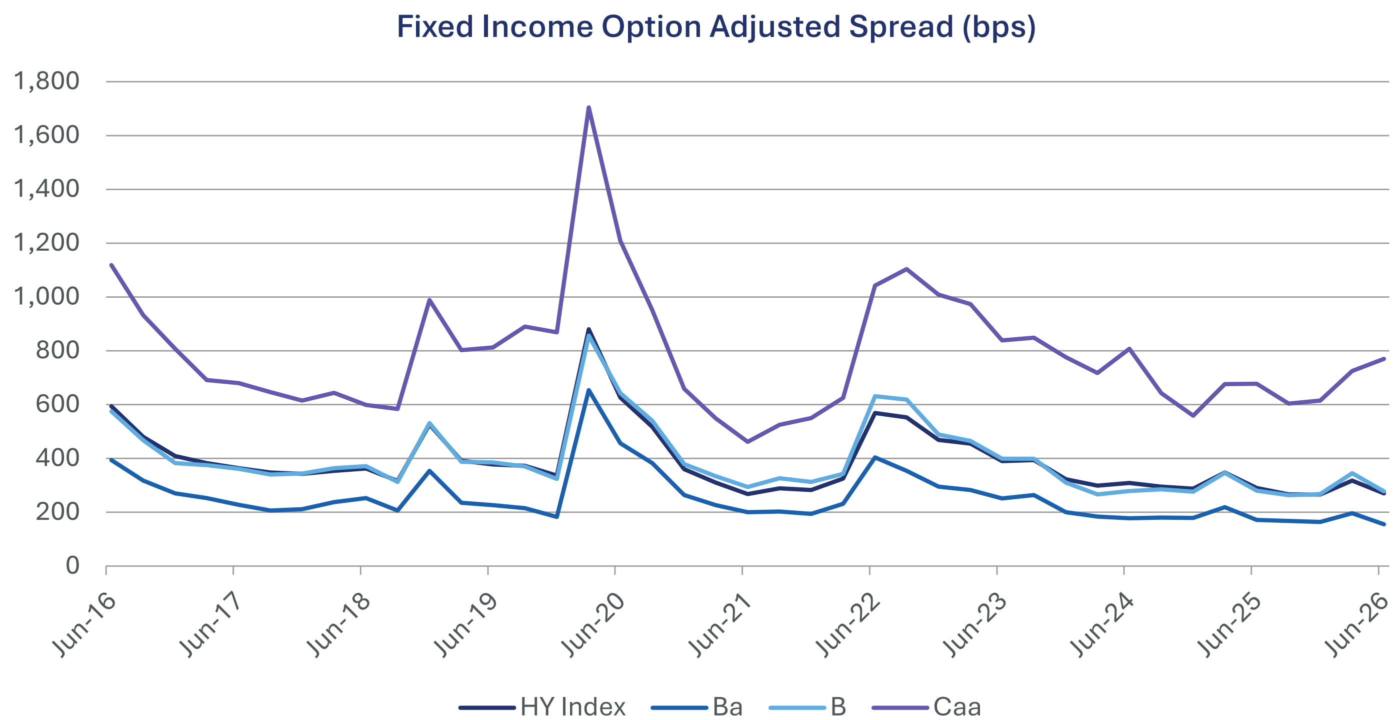
Short-term rates remain positive across the globe; longer-term rates above 4.0% in the U.S., U.K. and Australia



Data Source: Bloomberg

High Yield Bond Market

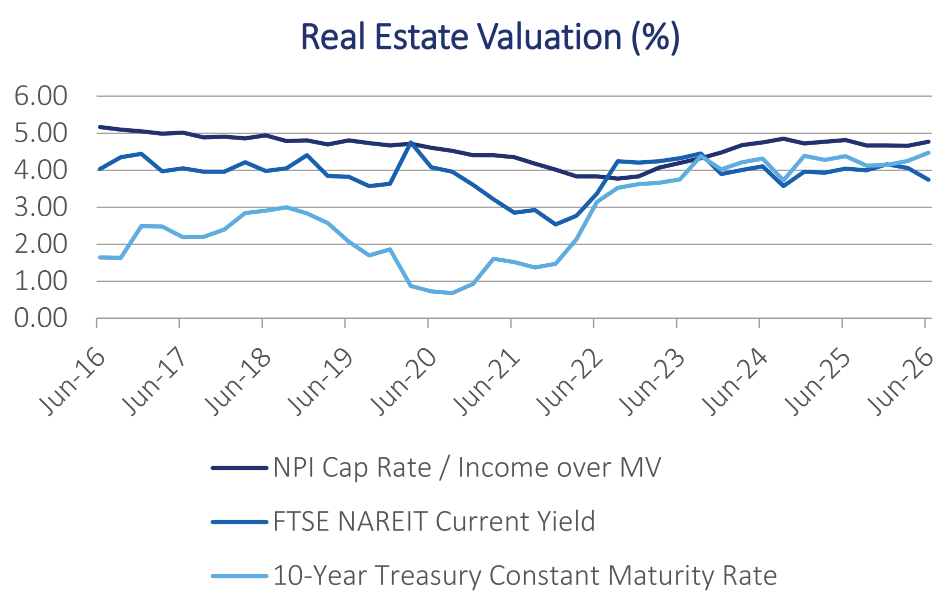
As of 6/30/2026	Weight	YTW	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg High Yield		7.2	2.5	2.0	5.9	8.9	4.2	5.8
S&P LSTA Leveraged Loan		7.8	1.2	0.4	4.3	7.6	5.9	5.3
High Yield Quality Distribution								
Ba U.S. High Yield	55.4%	6.0	2.3	2.0	5.9	8.1	3.7	5.6
B U.S. High Yield	34.8%	7.3	2.8	2.2	6.2	8.7	4.3	5.7
Caa U.S. High Yield	9.3%	12.0	3.0	1.7	6.3	11.6	5.2	6.4
Ca to D U.S. High Yield	0.5%	38.2	-11.5	-9.4	-13.9	12.2	3.5	8.7

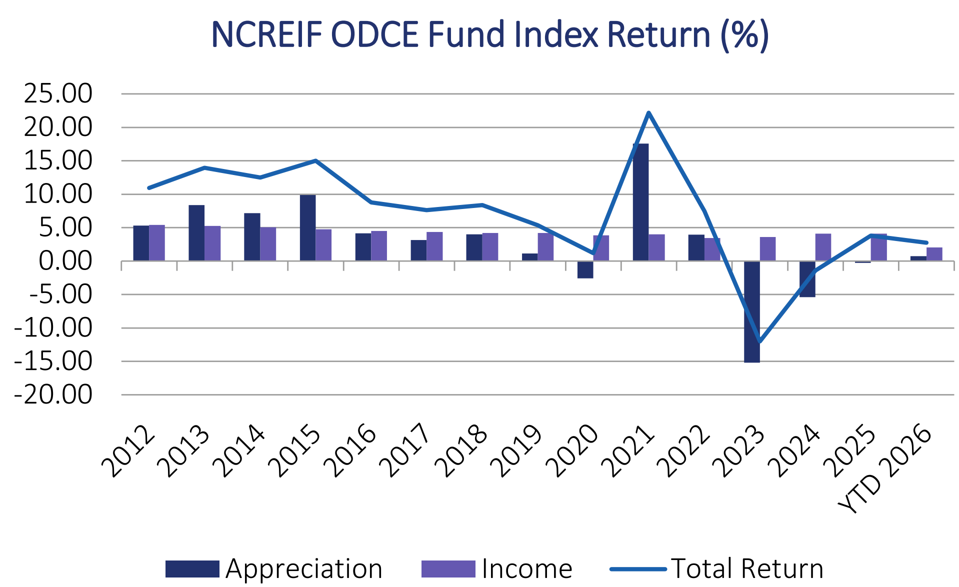


Data Source: Bloomberg

Real Assets

As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg U.S. TIPS	0.9	1.2	3.4	4.0	1.0	2.6
Bloomberg Commodity Index	-8.1	14.4	25.5	11.7	9.4	5.8
Bloomberg Gold Index	-13.5	-7.4	21.0	26.8	17.0	10.7
Wilshire Global RESI Index	6.5	7.3	9.3	9.8	3.3	4.7
NCREIF ODCE Fund Index	1.5	2.7	4.4	-0.6	2.7	4.6
NCREIF Timberland Index	1.0	2.1	4.4	6.5	8.5	5.5
FTSE Global Core Infrastructure 50/50	2.6	11.1	16.7	13.2	8.5	8.3
Alerian Midstream Energy	0.2	23.2	23.0	26.8	20.6	12.2
Bitcoin	-14.0	-33.1	-45.5	24.5	11.1	56.5





Data Sources: Bloomberg, National Council of Real Estate Investment Fiduciaries

Asset Class Performance

Asset Class Returns - Best to Worst

2021	2022	2023	2024	2025	2026 YTD	Annualized 5-Year as of June-26
REITs 46.2%	Commodities 16.1%	U.S. Equity 26.1%	U.S. Equity 23.8%	Emrg Mrkts 34.4%	Emrg Mrkts 24.0%	U.S. Equity 12.5%
Commodities 27.1%	T-Bills 1.3%	Developed 18.9%	REITs 9.1%	Developed 31.9%	REITs 17.7%	Developed 9.6%
U.S. Equity 26.7%	High Yield -11.2%	REITs 16.1%	High Yield 8.2%	U.S. Equity 17.1%	Commodities 14.4%	Commodities 9.4%
Developed 11.8%	U.S. TIPS -11.8%	High Yield 13.4%	Emrg Mrkts 8.1%	Commodities 15.8%	U.S. Equity 11.0%	Emrg Mrkts 7.7%
U.S. TIPS 6.0%	Core Bond -13.0%	Emrg Mrkts 10.3%	Commodities 5.4%	High Yield 8.6%	Developed 9.8%	REITs 6.0%
High Yield 5.3%	Developed -14.0%	Core Bond 5.5%	T-Bills 5.3%	Core Bond 7.3%	High Yield 2.0%	High Yield 4.2%
T-Bills 0.0%	U.S. Equity -19.0%	T-Bills 5.1%	Developed 4.3%	U.S. TIPS 7.0%	T-Bills 1.8%	T-Bills 3.5%
Core Bond -1.5%	Emrg Mrkts -19.7%	U.S. TIPS 3.9%	U.S. TIPS 1.8%	T-Bills 4.3%	U.S. TIPS 1.2%	U.S. TIPS 1.0%
Emrg Mrkts -2.2%	REITs -26.8%	Commodities -1.3%	Core Bond 1.3%	REITs 2.7%	Core Bond 0.6%	Core Bond 0.1%

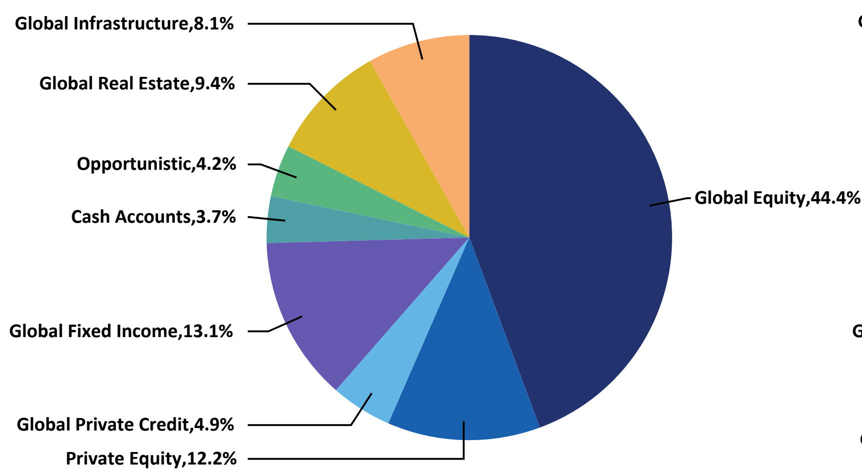
Data Sources: Bloomberg
Note: Developed asset class is developed equity markets ex-U.S., ex-Canada

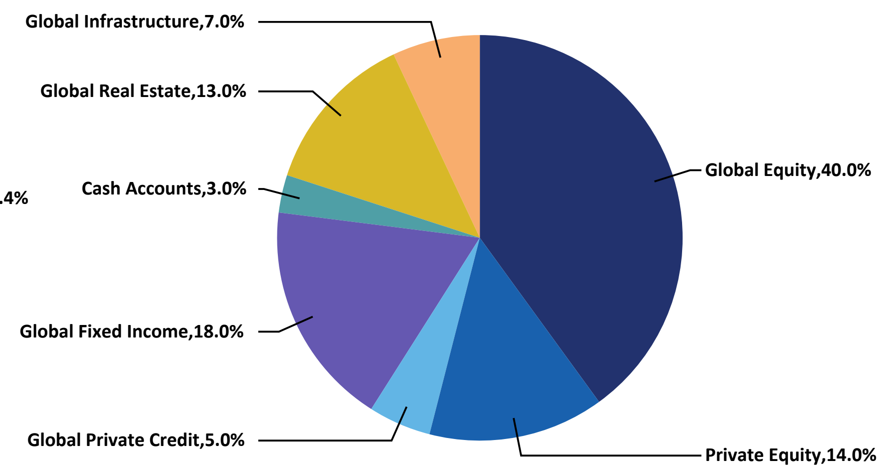
Wilshire

Total Fund

Asset Allocation Compliance - June 30, 2026

Total Fund





Global Equity | Private Equity | Global Private Credit | Global Fixed Income | Cash Accounts | Opportunistic | Global Real Estate | Global Infrastructure

	Asset Allocation $	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Fund	**23,411,100,445**	**100.0**	**100.0**	**0.0**
Global Equity	10,383,540,668	44.4	40.0	4.4
Private Equity	2,853,408,470	12.2	14.0	-1.8
Global Private Credit	1,142,621,401	4.9	5.0	-0.1
Global Fixed Income	3,077,439,171	13.1	18.0	-4.9
Cash Accounts	870,742,820	3.7	3.0	0.7
Opportunistic	972,456,260	4.2	0.0	4.2
Global Real Estate	2,202,936,583	9.4	13.0	-3.6
Global Infrastructure	1,907,955,074	8.1	7.0	1.1

Total Fund assets are greater than the sum of the components due to the addition of notional values from overlay strategies.

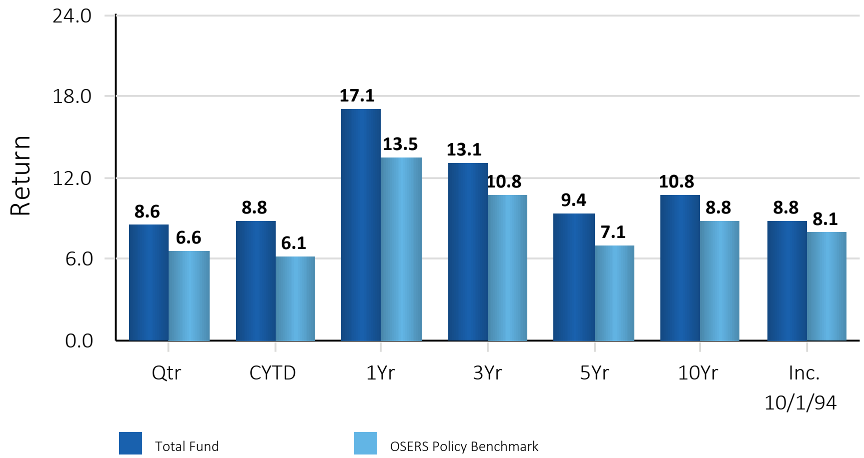
 |

Composite Performance Summary - June 30, 2026

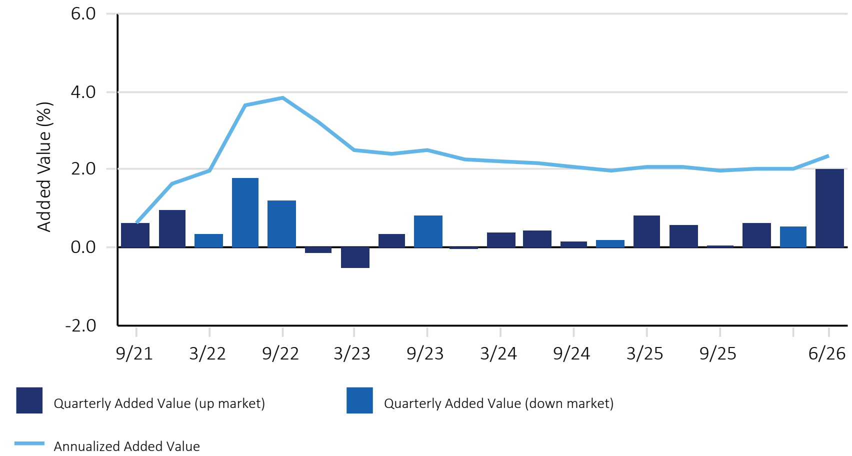
Wilshire

Total Fund

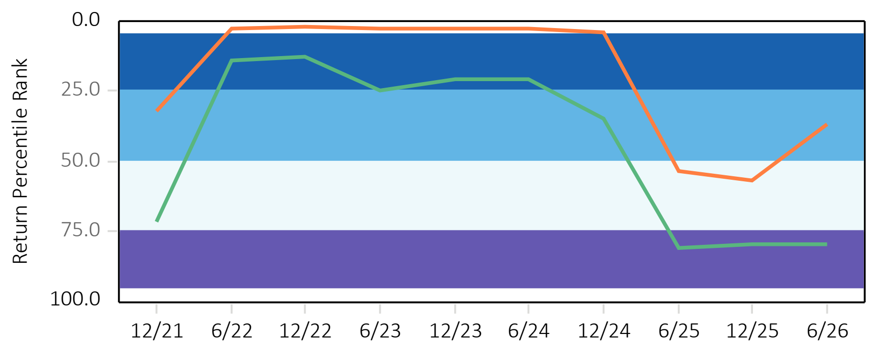
Comparative Performance



Added Value History

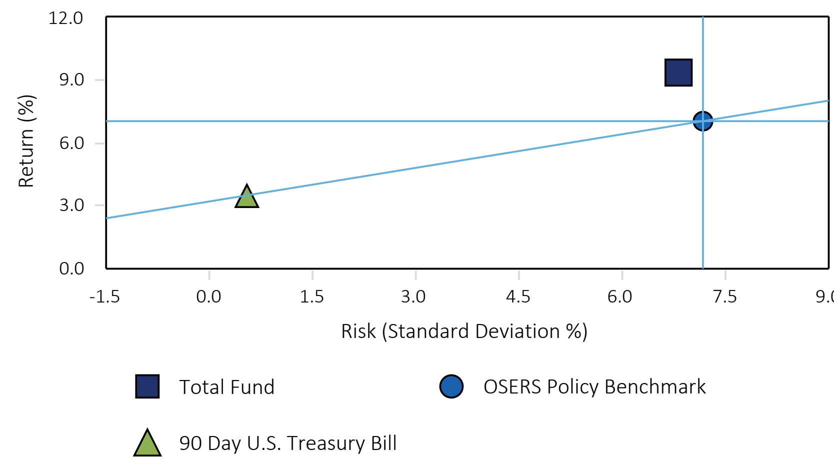


Rolling Percentile Rank: All Public Plans-Total Fund



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Fund	10	6 (60%)	2 (20%)	2 (20%)	0 (0%)
Benchmark	**10**	**5 (50%)**	**1 (10%)**	**1 (10%)**	**3 (30%)**

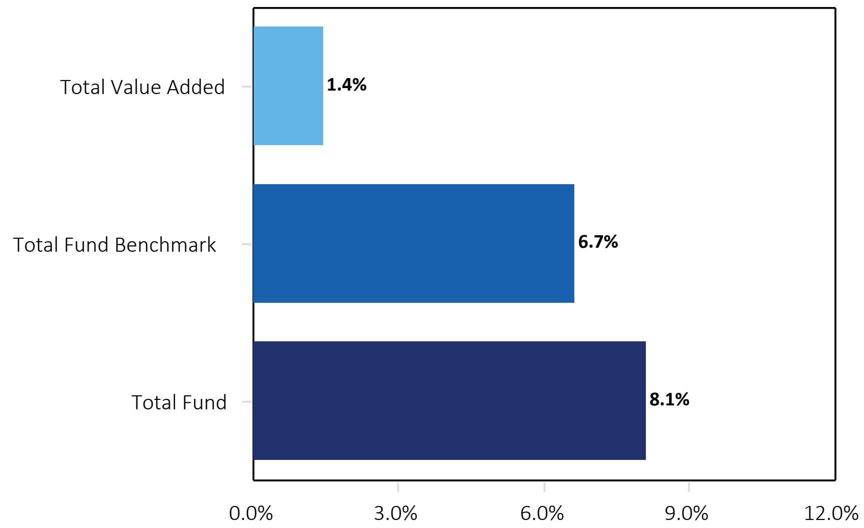
Risk and Return 07/1/21 - 06/30/26



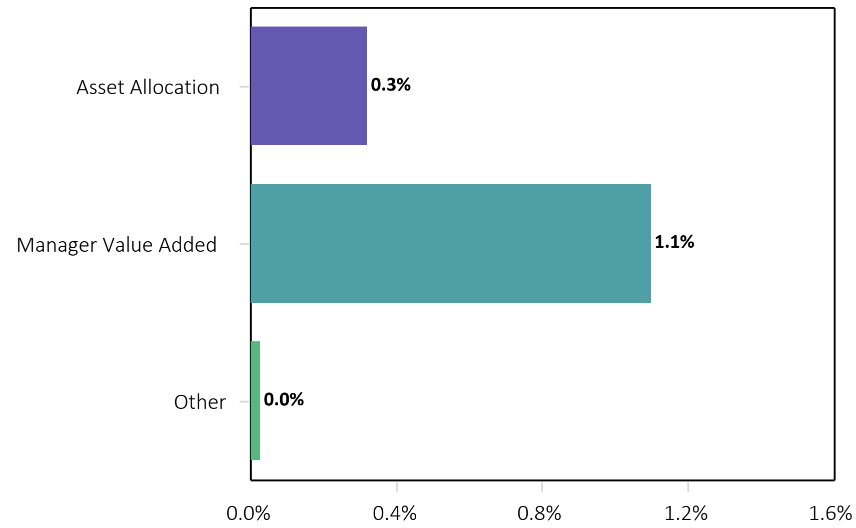
Total Fund Attribution - 1 Quarter Ending June 30, 2026

Total Fund

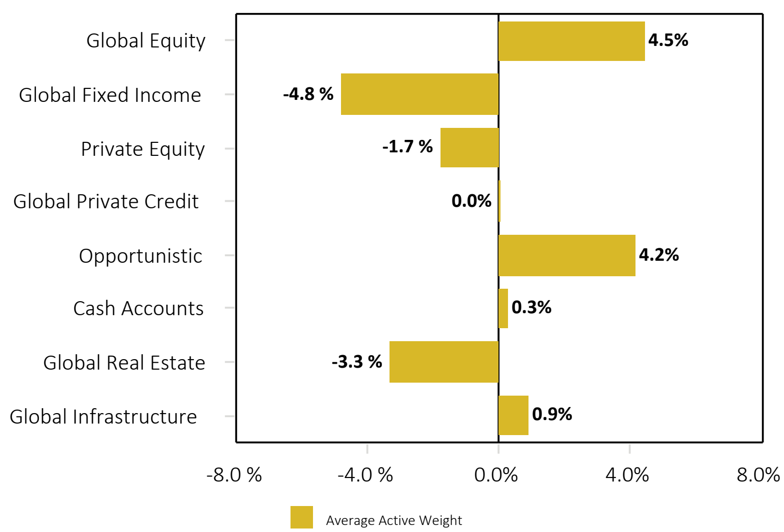
Total Fund Performance



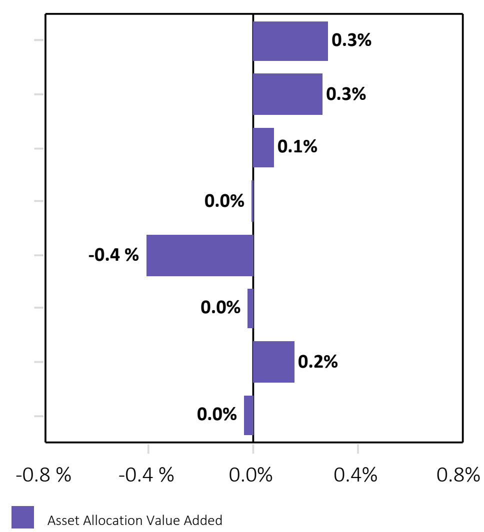
Total Value Added:1.4%



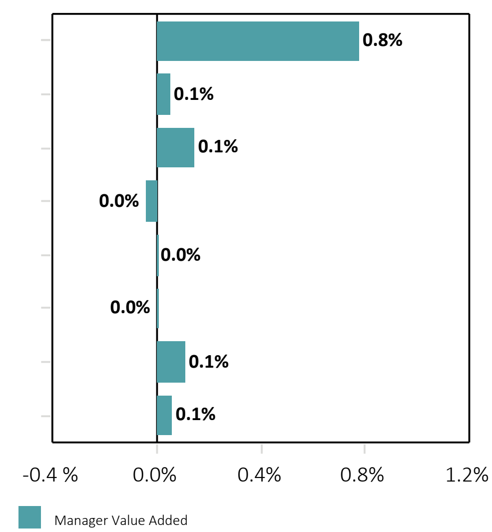
Total Asset Allocation:0.3%



Asset Allocation Value Added:0.3%



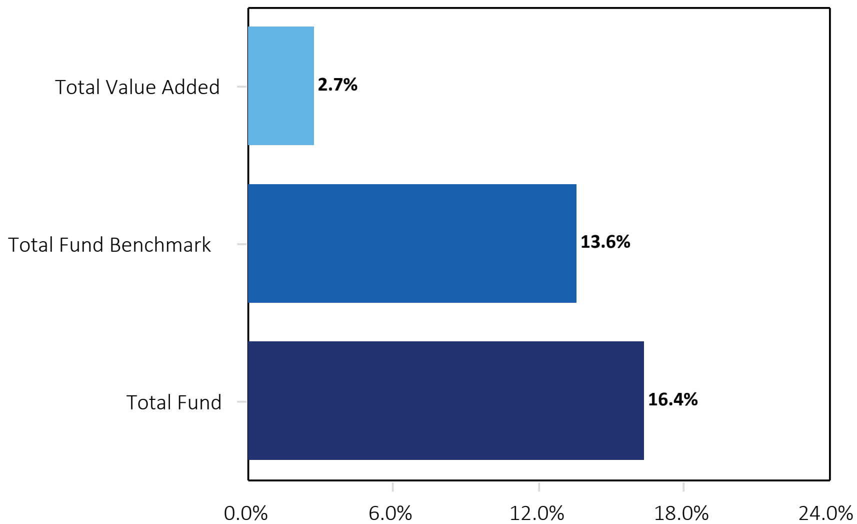
Total Manager Value Added:1.1%



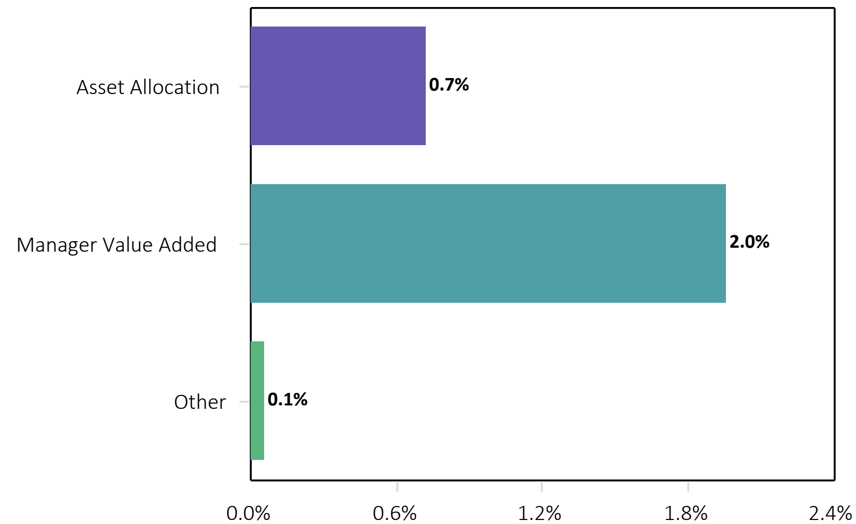
Total Fund Attribution - 1 Year Ending June 30, 2026

Total Fund

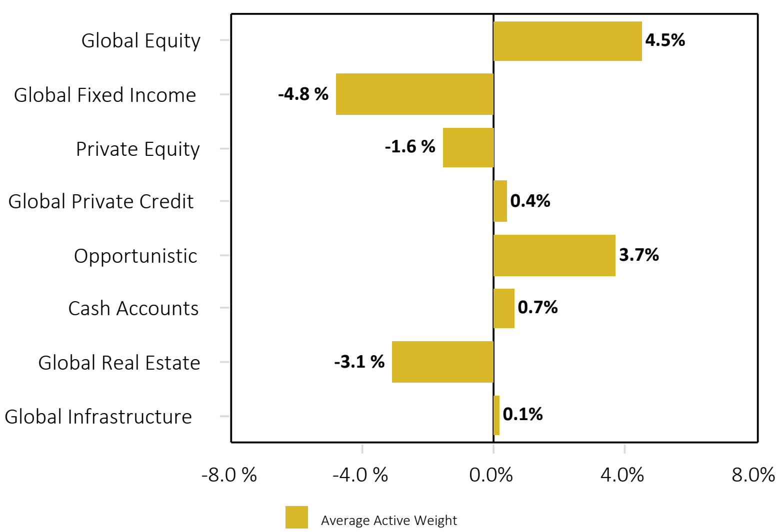
Total Fund Performance



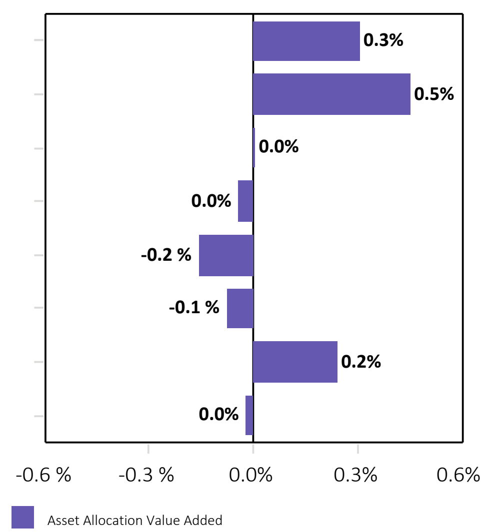
Total Value Added:2.7%



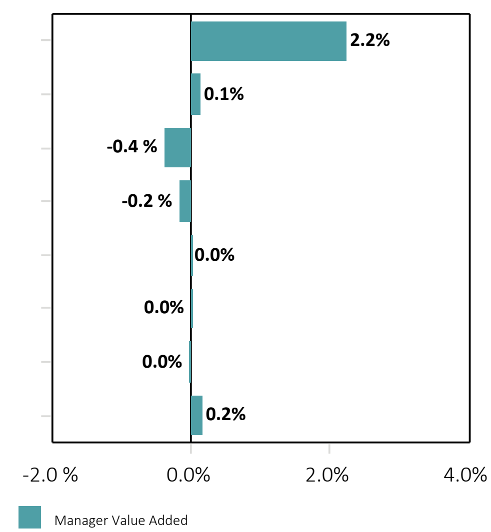
Total Asset Allocation:0.7%



Asset Allocation Value Added:0.7%

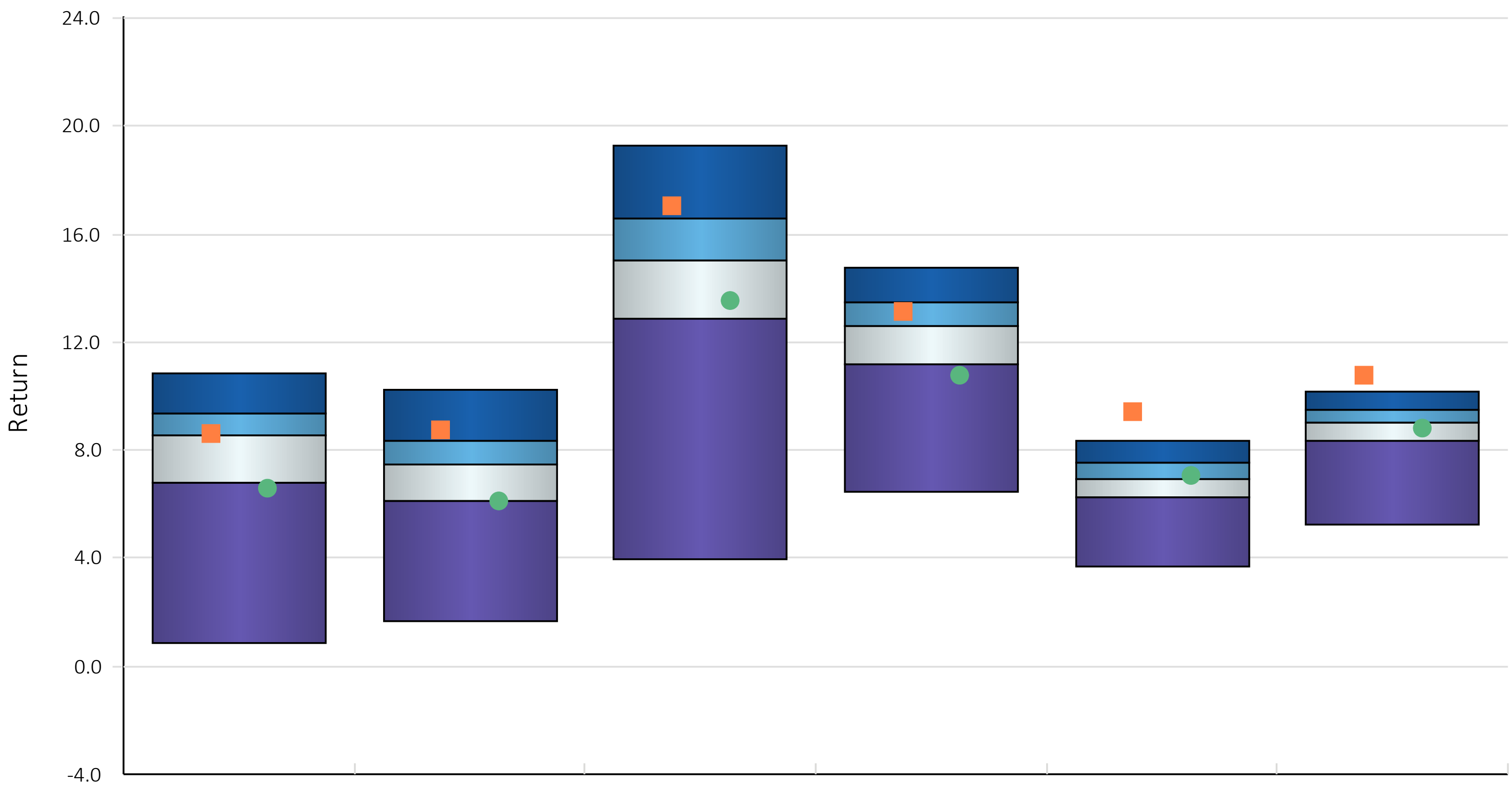


Total Manager Value Added:2.0%



Plan Sponsor Peer Group Analysis - June 30, 2026

Total Fund vs All Public Plans-Total Fund (GOF)

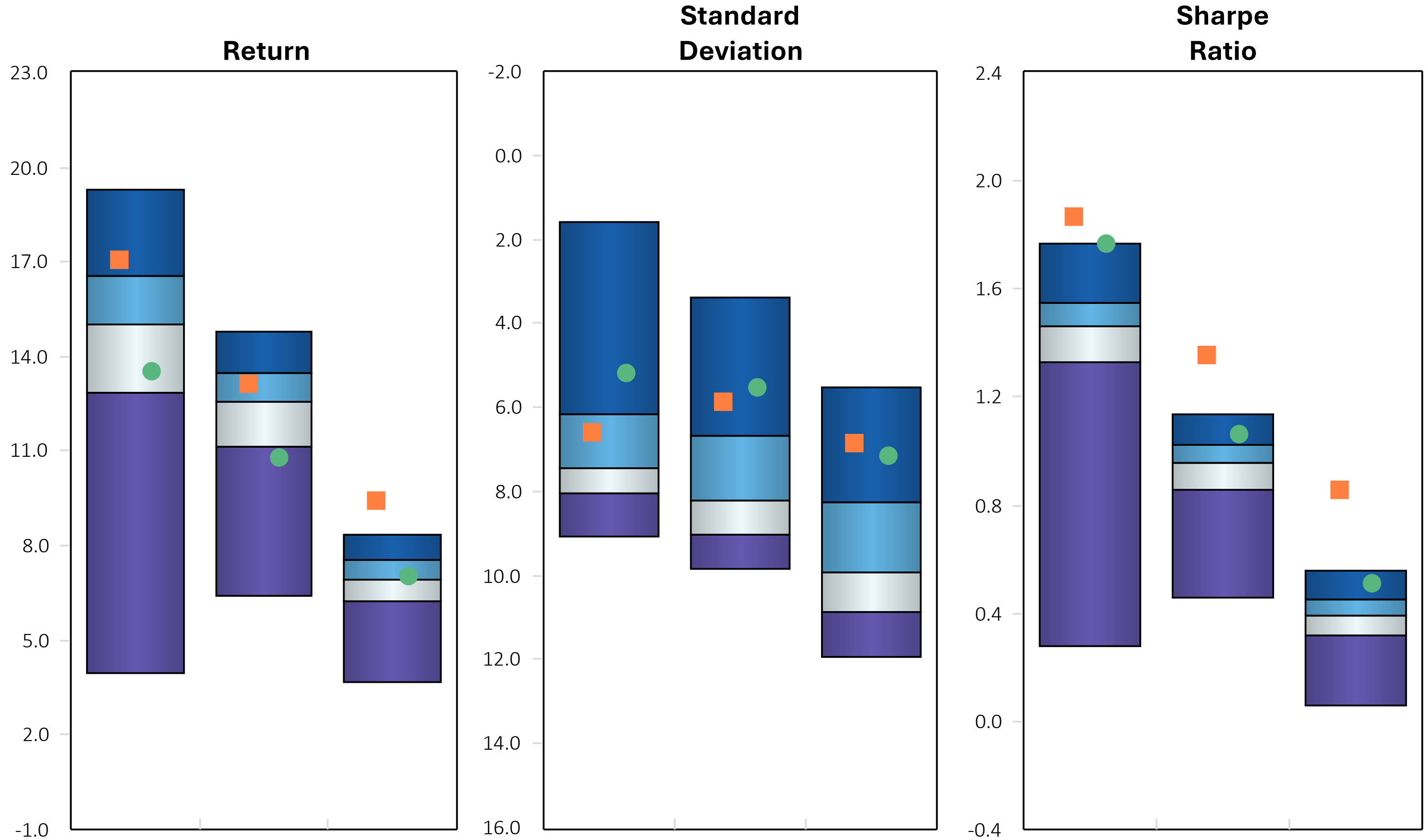


	QTD	CYTD	1Yr	3Yr	5Yr	10Yr
Total Fund	8.60 (50)	8.76 (17)	17.06 (18)	13.12 (37)	9.42 (2)	10.77 (1)
OSERS Policy Benchmark	**6.57 (79)**	**6.15 (76)**	**13.52 (71)**	**10.78 (80)**	**7.05 (44)**	**8.83 (56)**
5th Percentile	10.81	10.22	19.28	14.77	8.34	10.15
1st Quartile	9.39	8.33	16.57	13.49	7.55	9.48
Median	8.52	7.46	15.04	12.59	6.92	8.99
3rd Quartile	6.82	6.15	12.84	11.16	6.24	8.37
95th Percentile	0.87	1.67	3.95	6.43	3.68	5.26
Population	374	374	373	347	333	298

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.
Ohio SERS performance is Gross of Fees

Plan Sponsor Peer Group Analysis - Multi Statistics - June 30, 2026

Total Fund vs All Public Plans-Total Fund (GOF)

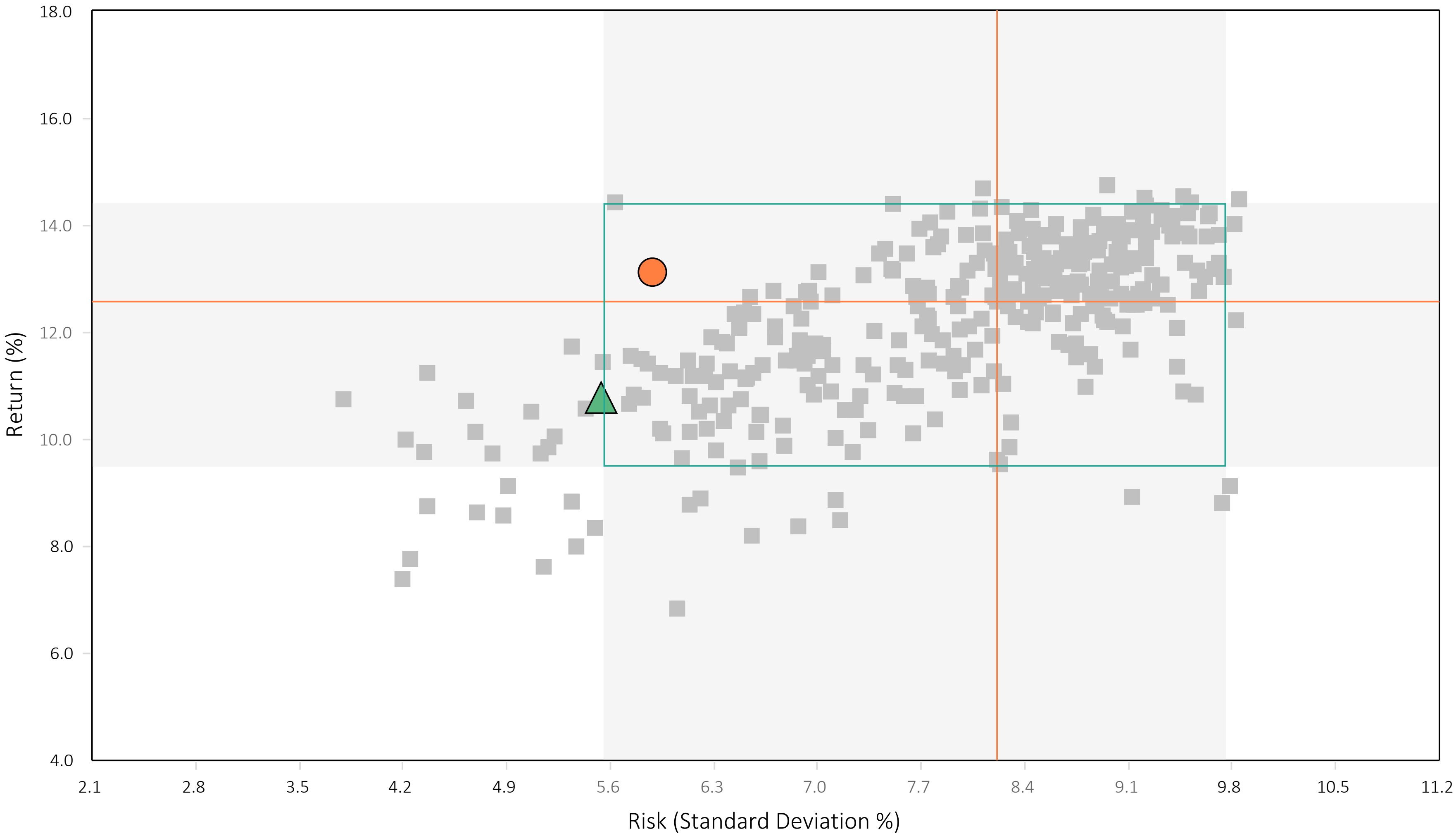


	Return 1Yr	Return 3Yr	Return 5Yr	Standard Deviation 1Yr	Standard Deviation 3Yr	Standard Deviation 5Yr	Sharpe Ratio 1Yr	Sharpe Ratio 3Yr	Sharpe Ratio 5Yr
Total Fund	17.06 (18)	13.12 (37)	9.42 (2)	6.58 (30)	5.89 (13)	6.83 (9)	1.87 (3)	1.36 (1)	0.86 (1)
OSERS Policy Benchmark	**13.52 (71)**	**10.78 (80)**	**7.05 (44)**	**5.17 (14)**	**5.54 (11)**	**7.16 (12)**	**1.77 (6)**	**1.06 (16)**	**0.51 (10)**
5th Percentile	19.28	14.77	8.34	1.59	3.40	5.53	1.77	1.14	0.56
1st Quartile	16.57	13.49	7.55	6.16	6.68	8.25	1.55	1.02	0.45
Median	15.04	12.59	6.92	7.45	8.24	9.91	1.46	0.95	0.39
3rd Quartile	12.84	11.16	6.24	8.06	9.03	10.88	1.33	0.86	0.32
95th Percentile	3.95	6.43	3.68	9.06	9.83	11.95	0.28	0.46	0.06

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.
Ohio SERS performance is Gross of Fees

Plan Sponsor Scattergram - Jul 2023 - Jun 2026

Total Fund vs All Public Plans-Total Fund

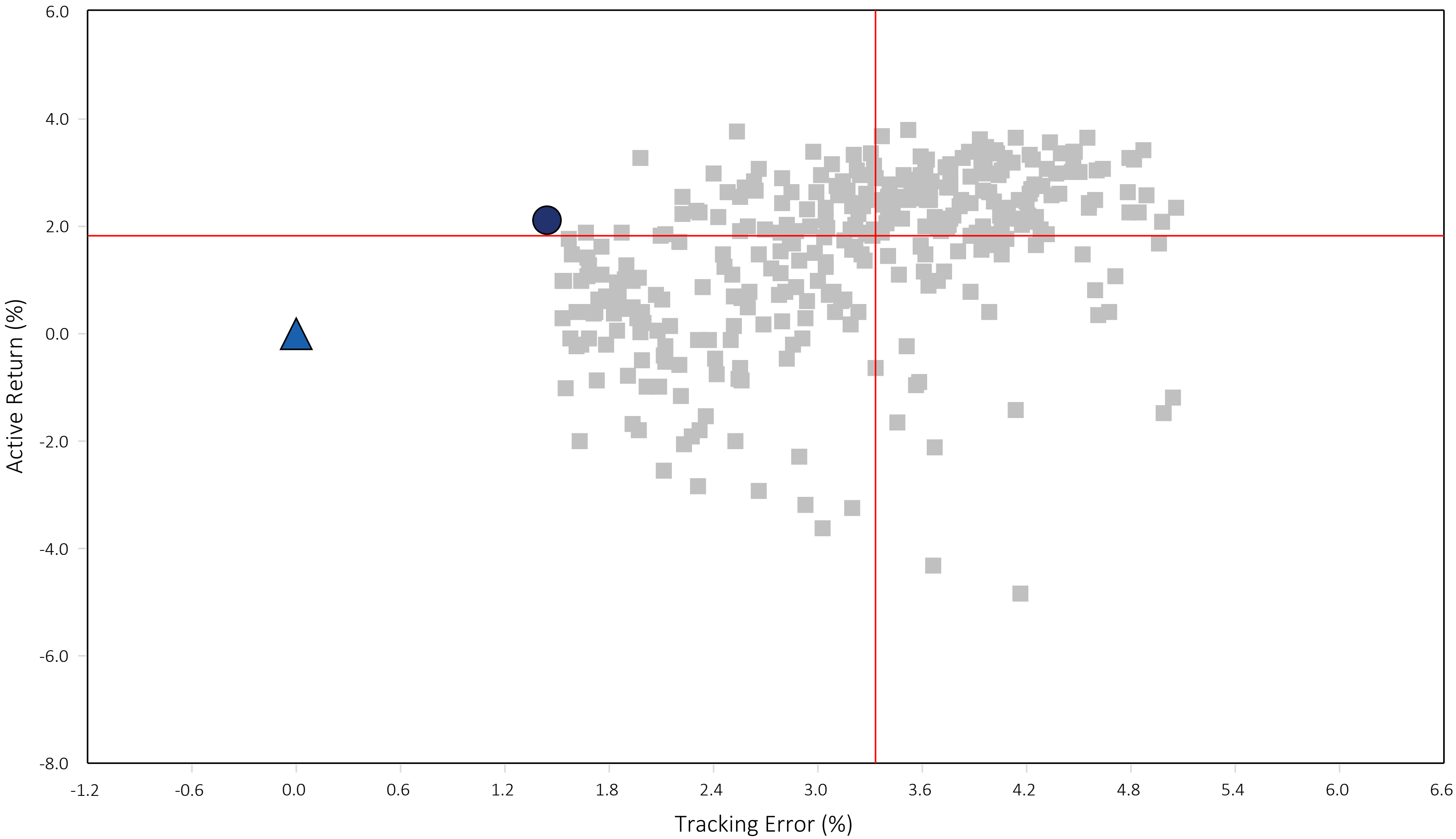


	Return	Standard Deviation
Total Fund	13.12	5.89
OSERS Policy Benchmark	**10.78**	**5.54**
Median	12.57	8.22

Calculation based on monthly periodicity.
Ohio SERS performance is Gross of Fees.

Plan Sponsor Scattergram - Jul 2023 - Jun 2026

Total Fund vs All Public Plans-Total Fund



	Active Return	Tracking Error
Total Fund	2.13	1.44
OSERS Policy Benchmark	**0.00**	**0.00**
Median	1.83	3.33

Calculation based on monthly periodicity.
Ohio SERS performance is Gross of Fees.

Asset Allocation & Performance - June 30, 2026

Total Fund

	Allocation		Performance (%) Net of Fees										
	Market Value $000	%	Month	Qtr	CYTD	FYTD	1Yr	3Yr	5Yr	10Yr	20 Years	S/I	Inception Date
Total Fund	23,448,496	100.00	0.28	8.10	8.20	16.36	16.36	12.37	8.68	10.05	7.48	8.24	10/1/1994
OSERS Policy Benchmark			0.24	6.57	6.15	13.52	13.52	10.78	7.05	8.83	7.14	8.05	
Value Added			0.05	1.54	2.05	2.84	2.84	1.59	1.63	1.22	0.33	0.18	
Global Equity	10,383,541	44.35	0.10	16.77	15.06	29.08	29.08	21.92	11.99	13.54	9.00	9.37	7/1/2002
Global Equity Benchmark			-0.80	14.93	11.25	23.67	23.67	19.70	10.80	12.67	8.58	8.86	
Value Added			0.90	1.85	3.81	5.41	5.41	2.22	1.18	0.87	0.42	0.51	
Global Private Equity	**2,853,408**	**12.19**	**0.46**	**2.21**	**3.56**	**9.46**	**9.46**	**10.12**	**12.97**	**16.06**	**13.58**	**13.05**	**10/1/1994**
Global PE Benchmark			1.06	1.06	4.57	11.99	11.99	7.82	8.33	12.89	11.14	12.43	
Value Added			-0.60	1.15	-1.00	-2.53	-2.53	2.30	4.64	3.17	2.44	0.62	
Global Private Credit	**1,142,621**	**4.88**	**0.10**	**1.21**	**1.95**	**5.54**	**5.54**	**8.68**	**8.29**			**9.78**	**7/1/2020**
Global PC Benchmark			0.66	2.00	4.14	8.65	8.65	9.44	8.25			7.66	
Value Added			-0.56	-0.80	-2.19	-3.11	-3.11	-0.76	0.04			2.12	
Global Fixed Income	**3,077,439**	**13.15**	**0.33**	**1.30**	**1.38**	**5.08**	**5.08**	**5.52**	**1.12**	**2.73**	**4.34**	**5.27**	**10/1/1994**
Fixed Income Benchmark			0.26	0.92	0.77	4.15	4.15	4.42	0.23	1.62	3.36	4.59	
Value Added			0.07	0.38	0.61	0.93	0.93	1.10	0.88	1.11	0.98	0.68	
Cash Accounts	**908,138**	**3.72**	**0.29**	**0.88**	**1.84**	**3.95**	**3.95**	**4.63**	**3.55**	**2.35**	**1.87**	**1.93**	**7/1/2002**
FTSE 1 Month T-Bill			0.31	0.93	1.85	4.02	4.02	4.79	3.63	2.35	1.61	1.68	
Value Added			-0.02	-0.05	-0.01	-0.07	-0.07	-0.16	-0.08	0.01	0.27	0.25	

Ohio SERS performance is Net of Fees.
Total Fund assets are greater than the sum of the components due to the addition of notional values from overlay strategies.

Asset Allocation & Performance - June 30, 2026

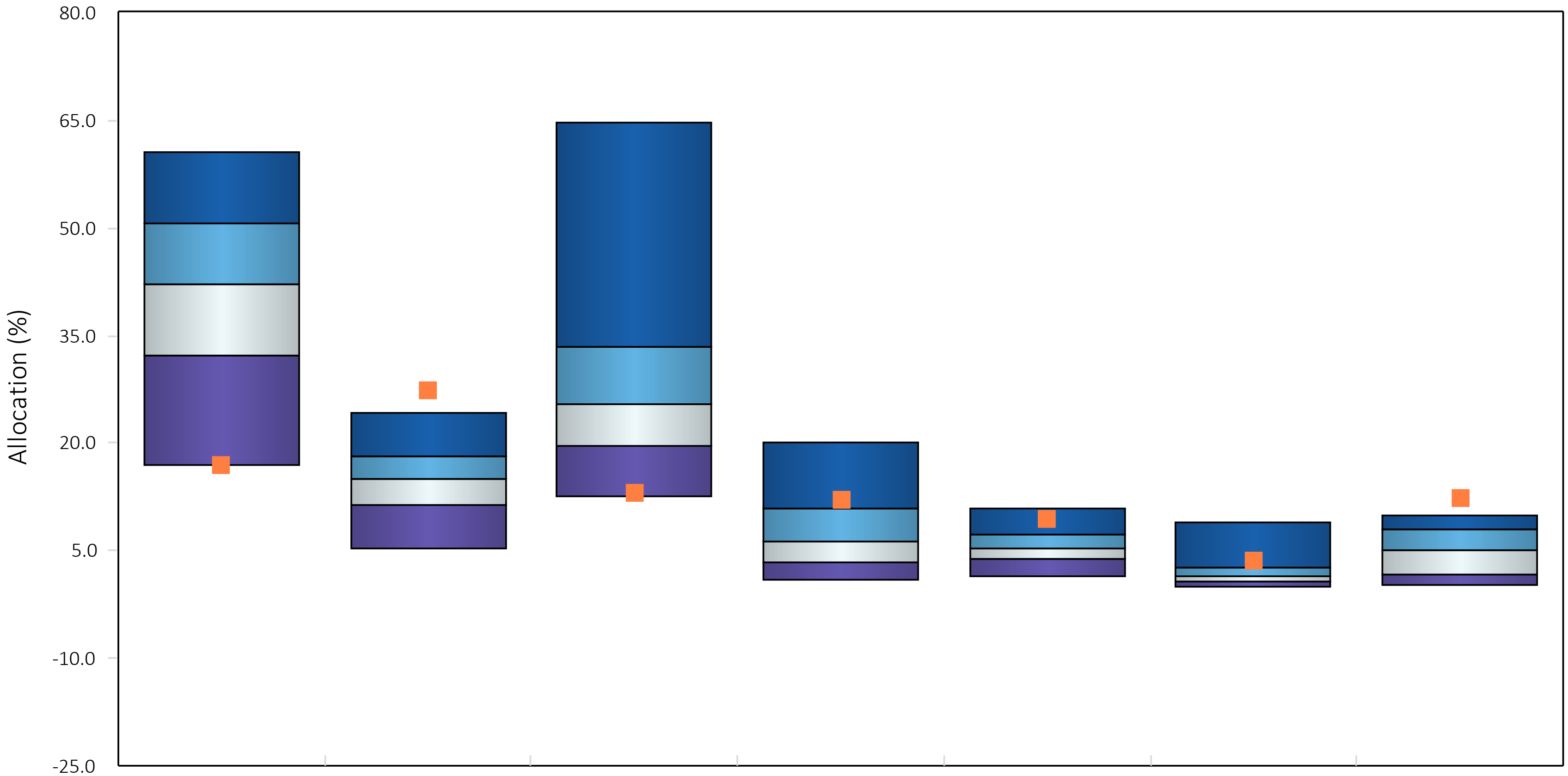
Total Fund

	Allocation		Performance (%) Net of Fees										
	Market Value $000	%	Month	Qtr	CYTD	FYTD	1Yr	3Yr	5Yr	10Yr	20 Years	S/I	Inception Date
Global Real Estate	**2,202,937**	**9.41**	**1.06**	**2.30**	**3.45**	**4.64**	**4.64**	**-1.48**	**4.16**	**5.53**	**4.53**	**6.76**	**9/1/1994**
Global Real Estate Benchmark			1.23	1.23	2.37	4.89	4.89	0.01	3.70	4.75	6.17	8.16	
Value Added			-0.18	1.07	1.08	-0.25	-0.25	-1.49	0.46	0.78	-1.64	-1.40	
Global Infrastructure	**1,907,955**	**8.15**	**1.69**	**2.68**	**5.10**	**10.17**	**10.17**	**8.53**	**8.83**	**10.34**		**10.13**	**10/1/2015**
Global Infrastructure Benchmark			1.98	1.98	3.94	7.89	7.89	5.41	7.03	6.41		6.76	
Value Added			-0.29	0.70	1.16	2.29	2.29	3.12	1.80	3.93		3.37	
Opportunistic & Tactical	**972,456**	**4.15**	**-3.79**	**-2.74**	**0.57**	**10.63**	**10.63**	**9.92**	**7.80**	**9.11**		**7.53**	**6/1/2013**
Opportunistic Benchmark			0.41	1.17	1.58	5.79	5.79	6.16	2.09	4.18		4.64	
Value Added			-4.20	-3.91	-1.01	4.84	4.84	3.76	5.71	4.93		2.89	

Ohio SERS performance is Net of Fees.
Total Fund assets are greater than the sum of the components due to the addition of notional values from overlay strategies.

Plan Sponsor TF Asset Allocation - June 30, 2026

Total Fund vs All Public Plans-Total Fund



	US Equity	Global ex-US Equity	US Fixed	Private Equity	Total Real Estate	Cash & Equivalents	Other
Total Fund	17.07	27.28	13.15	12.19	9.41	3.72	12.30
5th Percentile	60.61	24.34	64.64	20.22	10.87	8.84	10.04
1st Quartile	50.71	18.17	33.41	10.93	7.30	2.63	7.99
Median	42.06	14.97	25.34	6.25	5.34	1.35	5.11
3rd Quartile	32.18	11.46	19.53	3.45	3.95	0.60	1.61
95th Percentile	17.02	5.37	12.60	0.85	1.44	0.06	0.25

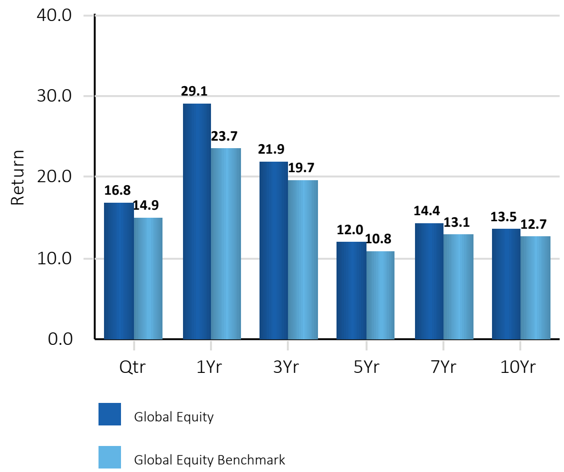
*Other: Infrastructure, Opportunistic & Tactical

Global Equity

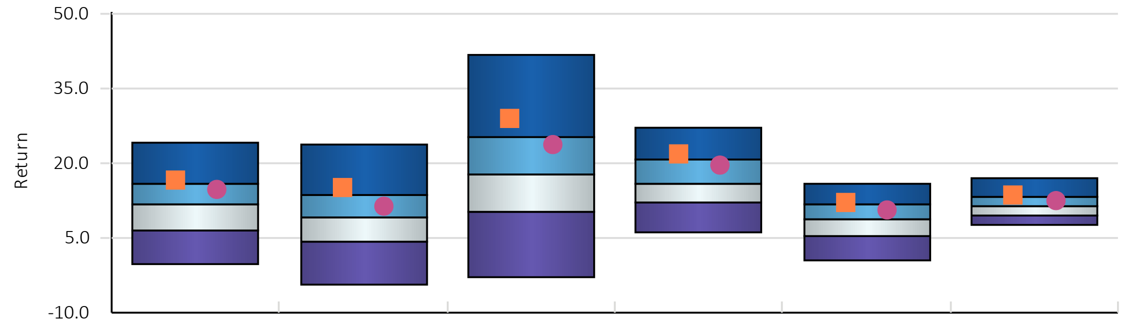
Performance Summary - June 30, 2026

Global Equity

Comparative Performance

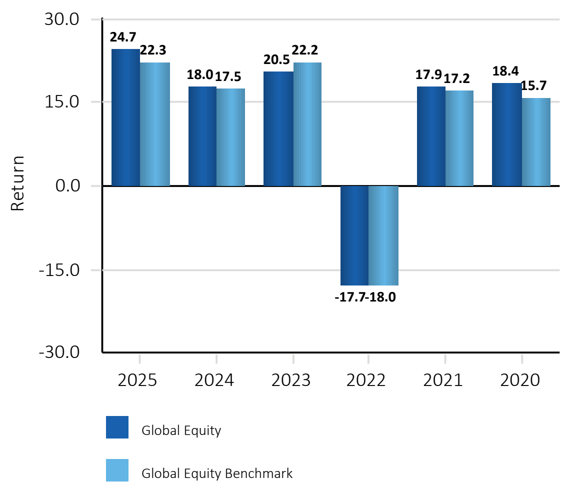


Peer Group Analysis: IM Global Equity (SA+CF)

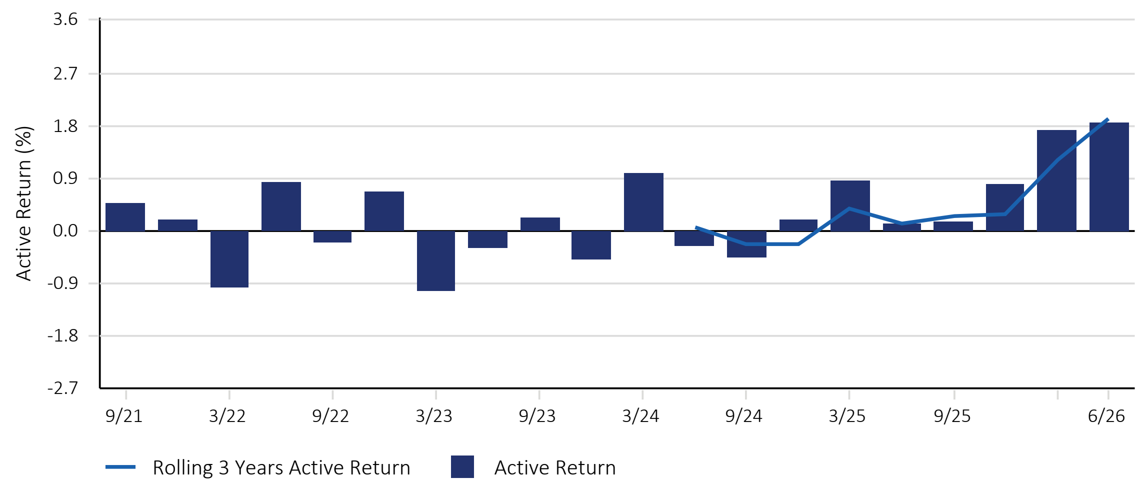


	Quarter		Year To Date		1 Year		3 Years		5 Years		10 Years	
Fund	16.77	(23)	15.06	(20)	29.08	(18)	21.92	(20)	11.99	(24)	13.54	(23)
Benchmark	14.93	(32)	11.25	(35)	23.67	(30)	19.70	(29)	10.80	(32)	12.67	(36)
Median	11.93		9.02		17.59		15.78		8.82		11.44	

Comparative Performance



Quarterly Active Return

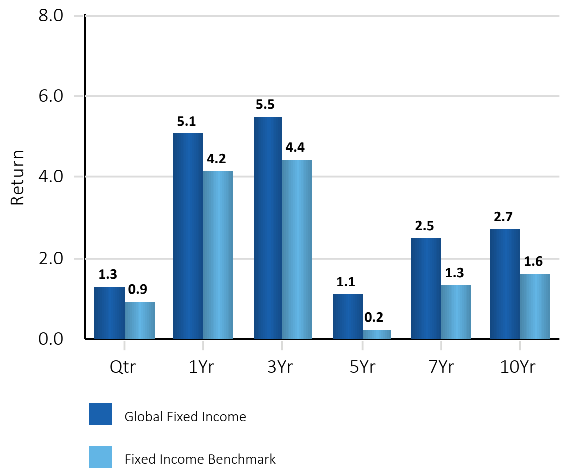


Global Fixed Income

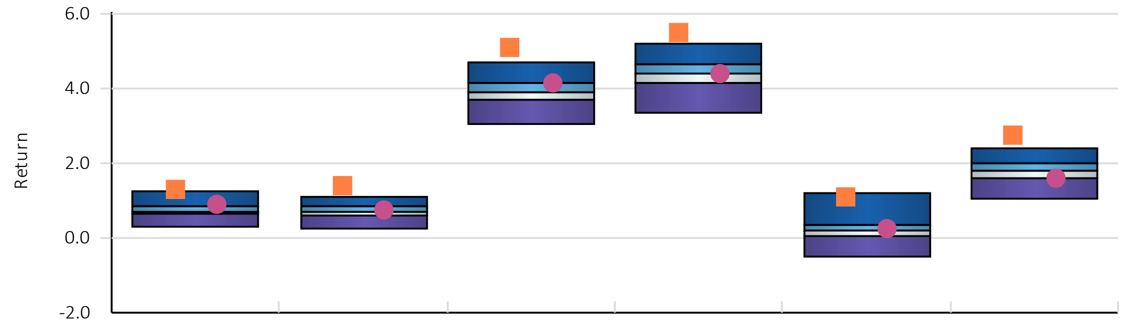
Performance Summary - June 30, 2026

Global Fixed Income

Comparative Performance

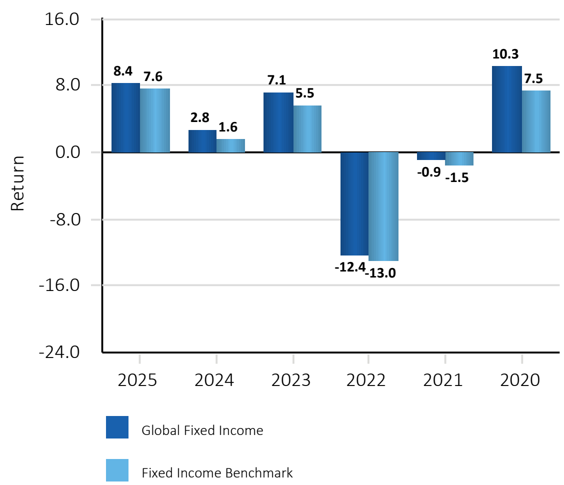


Peer Group Analysis: IM U.S. Broad Market Core Fixed Income (SA+CF)

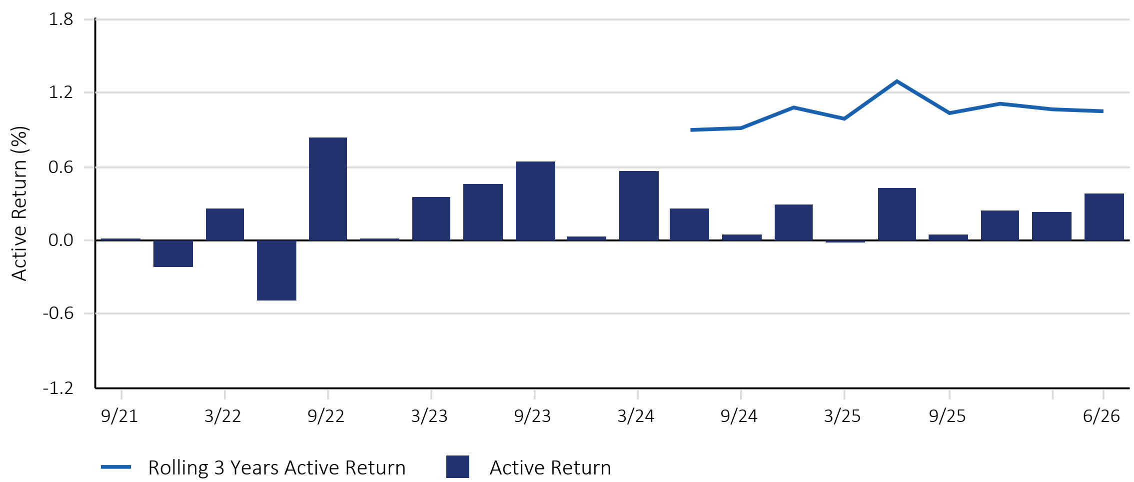


	Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
Fund	1.30 (5)	1.38 (2)	5.08 (2)	5.52 (3)	1.12 (6)	2.73 (3)
Benchmark	0.92 (21)	0.77 (36)	4.15 (22)	4.42 (47)	0.23 (48)	1.62 (74)
Median	0.71	0.71	3.88	4.38	0.22	1.79

Comparative Performance



Quarterly Active Return



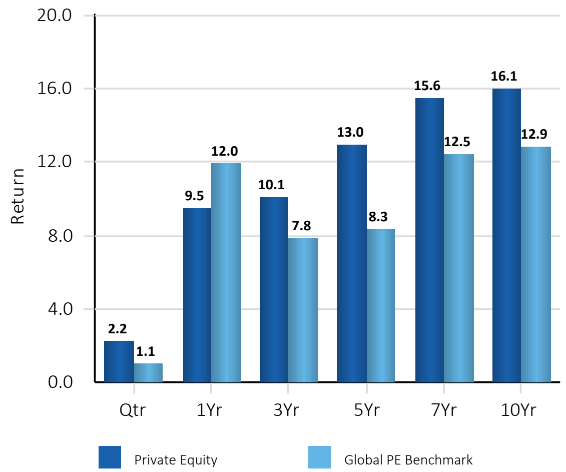
Wilshire

Private Equity

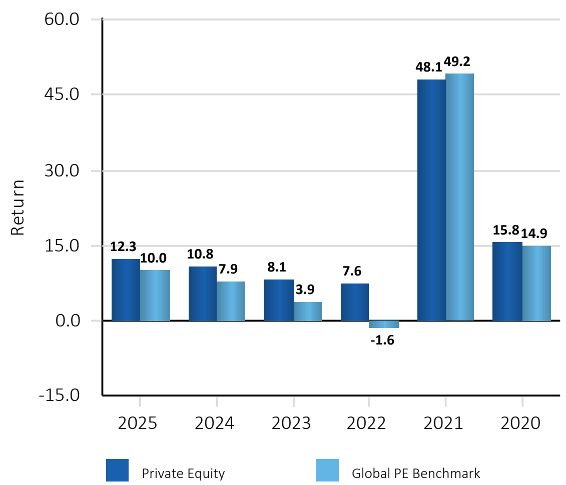
Performance Summary - June 30, 2026

Global Private Equity

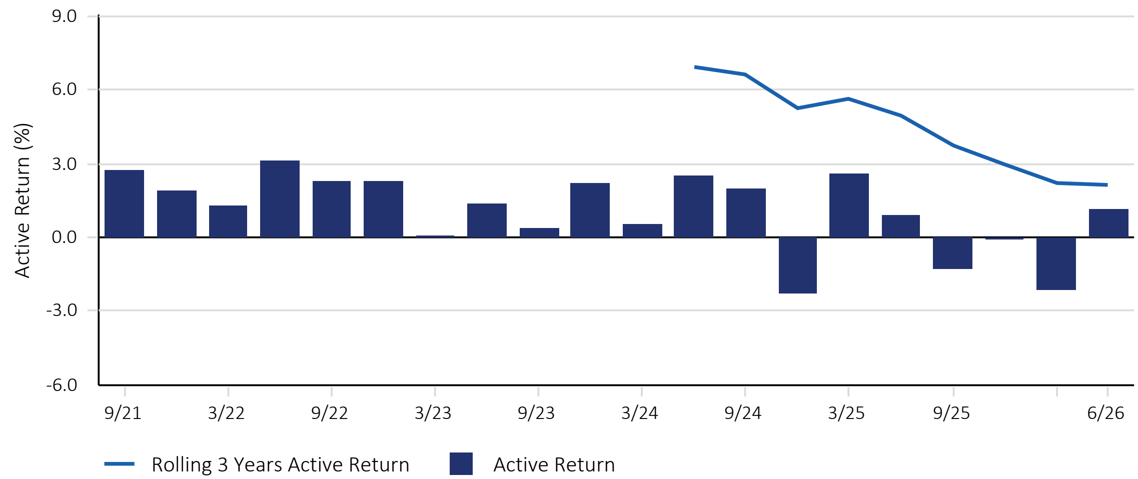
Comparative Performance



Comparative Performance



Quarterly Active Return

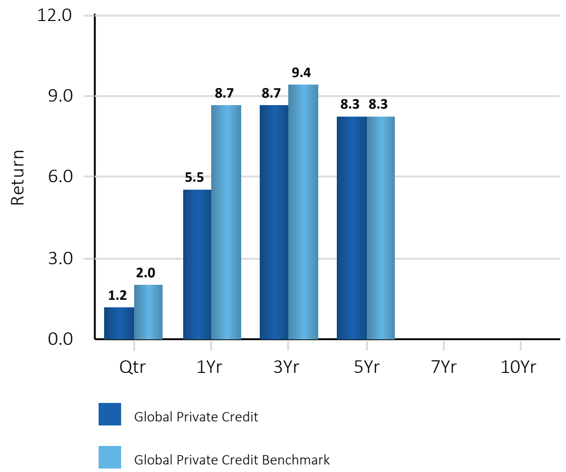


Wilshire

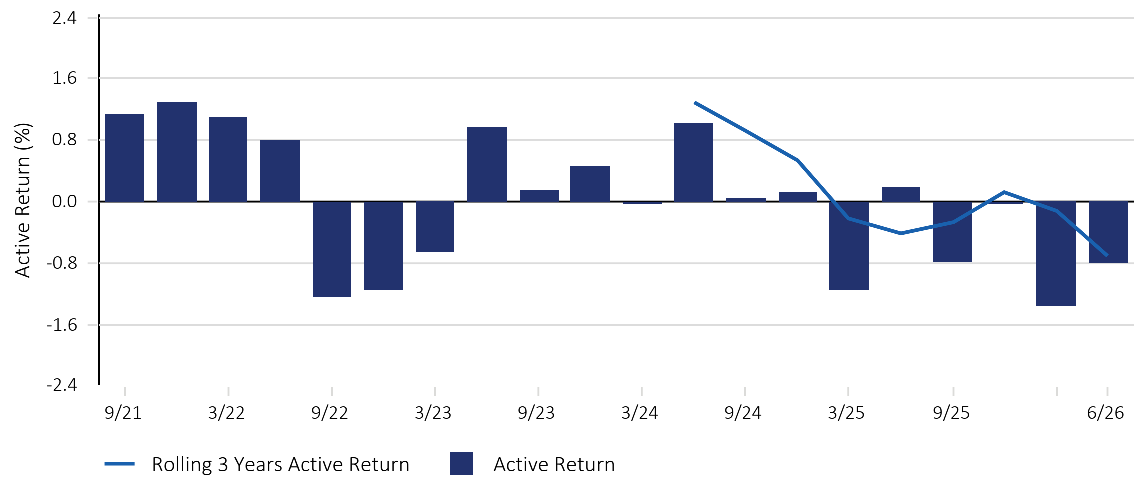
Global Private Credit

Global Private Credit

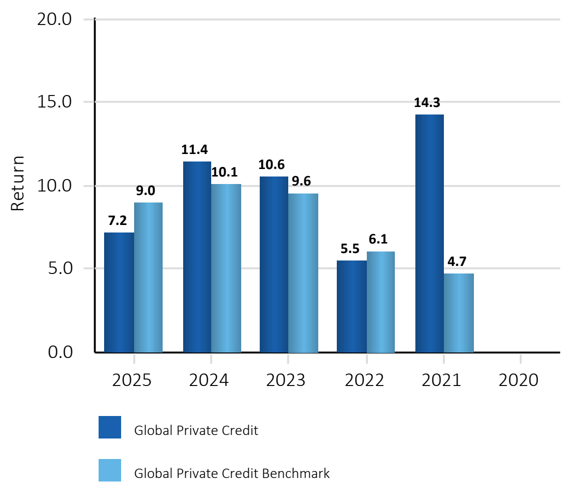
Comparative Performance



Quarterly Active Return



Comparative Performance

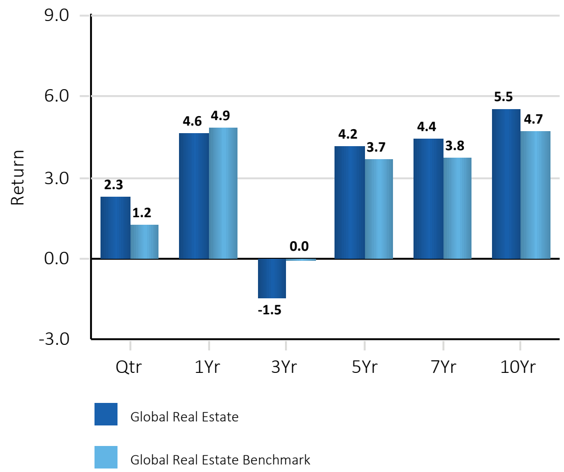


Real Assets

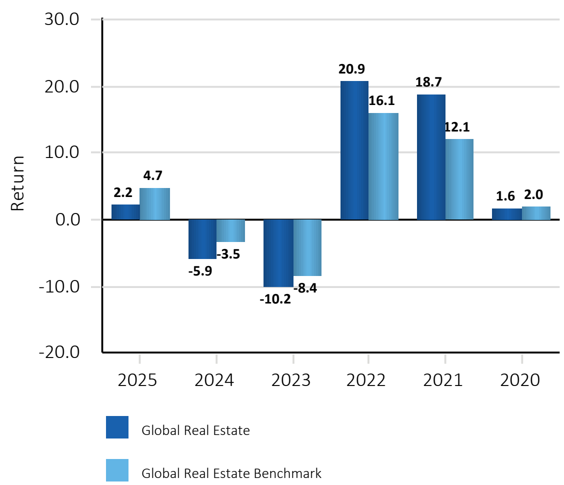
Performance Summary - June 30, 2026

Real Estate

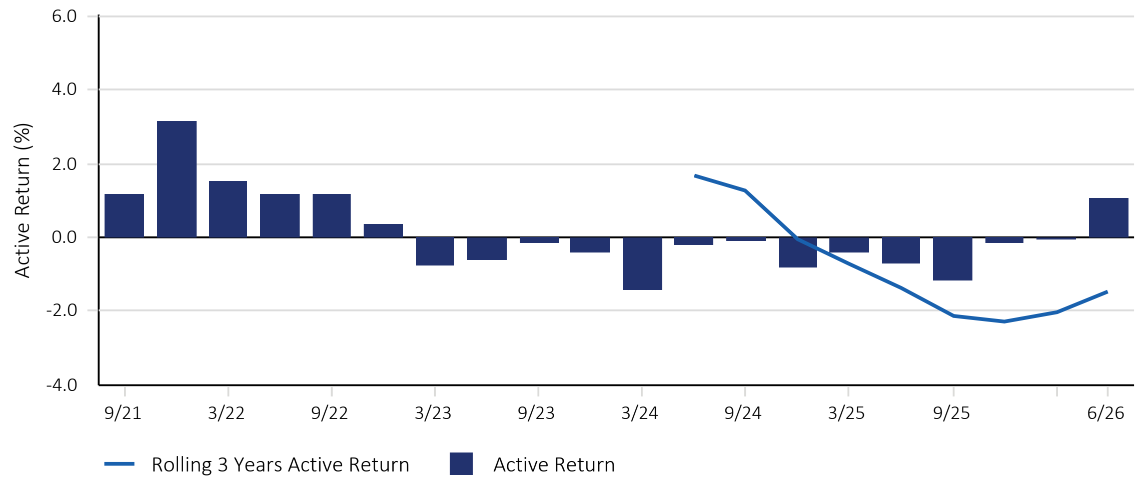
Comparative Performance



Comparative Performance



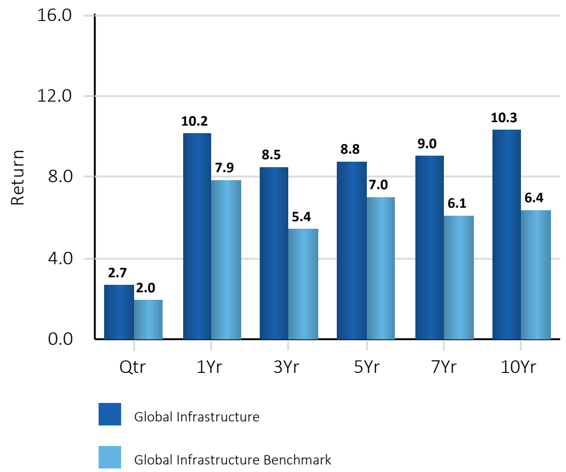
Quarterly Active Return



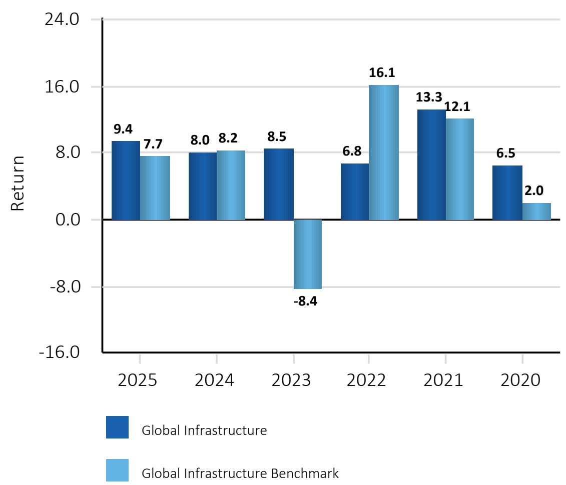
Performance Summary - June 30, 2026

Infrastructure

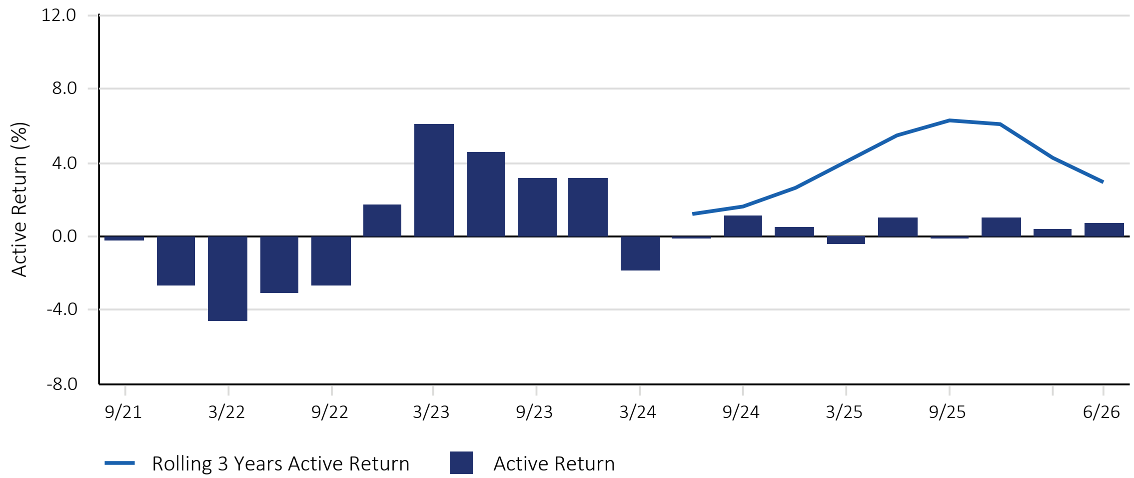
Comparative Performance



Comparative Performance



Quarterly Active Return



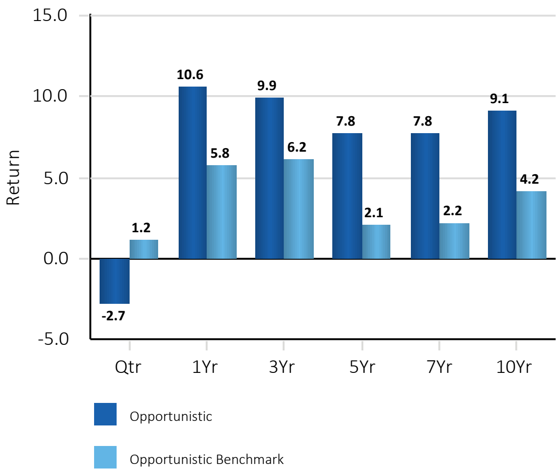
Wilshire

Opportunistic

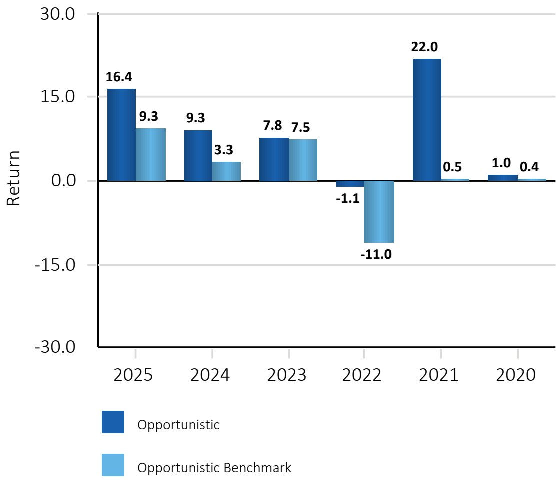
Performance Summary - June 30, 2026

Opportunistic & Tactical

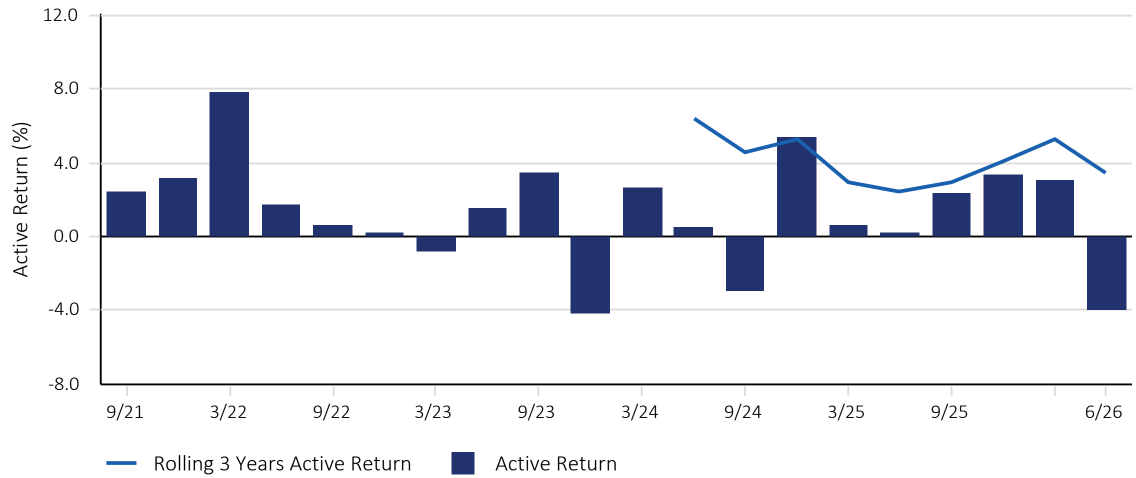
Comparative Performance



Comparative Performance



Quarterly Active Return



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Ohio SERS Investment Report

Monthly Report to the Board

For the period ending: July 31, 2026

Prepared by Investment and IAD Staff

Farouki Majeed, Chief Investment Officer

Meeting Date: September 2026

Investment Agenda

- Quarterly performance report for the period ended June 30, 2026, presented by Wilshire Associates.
- Investment report and economic update for the period ended June 30, 2026, and July 31, 2026.
- Investment Committee Policy Discussion (no vote).

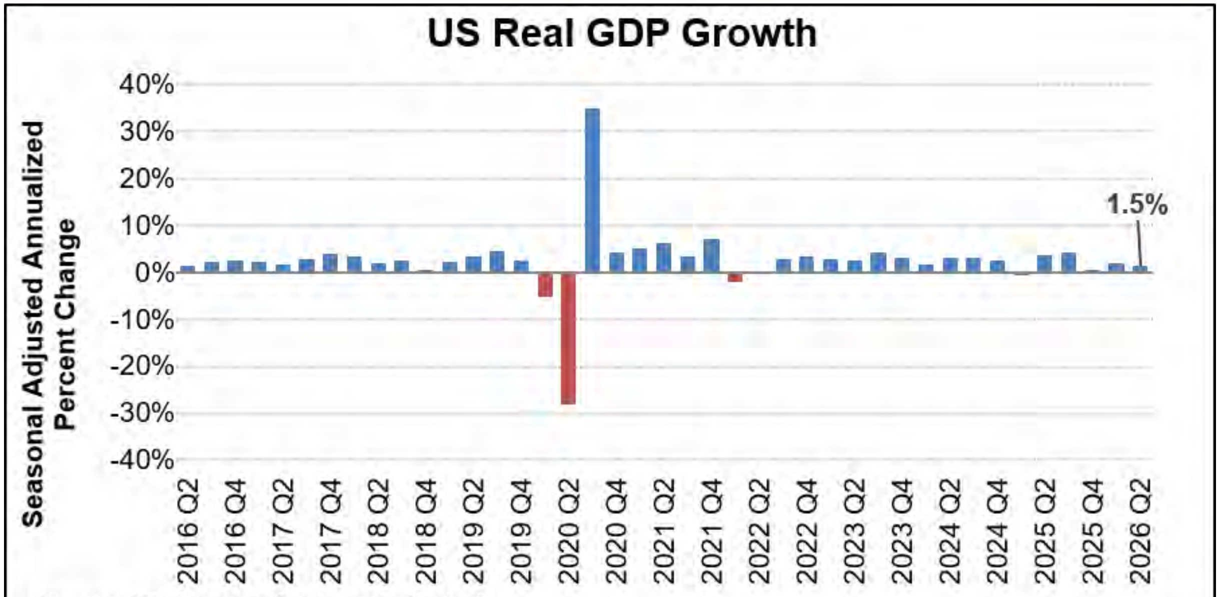
Economic and Financial Market Outlook

- GDP growth in Q2 slowed to 1.5%, down from 2.1% in Q1. As in Q1, the Q2 growth drivers were consumer spending and AI-related investments; however, increased imports and a decline in federal government spending contributed to the deceleration in Q2. The May Blue Chip Economic Indicators forecast 2.1% GDP growth for 2026, driven by AI-led investment and resilient consumer spending. *(Source: Bureau of Economic Analysis and Blue Chip Economic Indicators).*
- The US labor market improved in August with 162,000 job gains after weak numbers for previous months. The previously reported job numbers for June and July were revised up by 55,000 in total. The unemployment rate remained at 4.1%, while the labor force participation rate increased by 0.2% to 61.6%. Job gains were in the restaurant service, local government education, and health care sectors. (*Sources: Bureau of Labor Statistics).*
- US headline inflation declined from 4.2% in May to 3.5% in June and 3.4% in July, mostly attributed to changes in energy prices. The energy price index increased by 14.7% over the last 12 months but declined by 5.7% in June and 1.5% in July. Core inflation (less food and energy) decreased to 2.5% in July from 2.6% in June. Rent (shelter) inflation has gradually cooled and normalized from its post-pandemic peak to 3.2% in July. *(Source: Bureau of Labor Statistics).*
- The 10-year Treasury nominal yield rose from 4.44% in June to 4.75% in July, fluctuated in August, and finished the month at 4.75%. In July, the current 10-year real yield, estimated as the difference between the 10-year Treasury nominal yield and headline inflation rose to 1.39%, 38 bps lower than its historical average of 1.77%. The Federal Reserve maintains the federal funds rate at 3.5%–3.75%.
- The housing market, represented by the S&P Case-Shiller 20-City home price index, rose 2.1% annually in June, up from last month's rate of 1.6%.
- The Consumer Sentiment Index from Thomson Reuters and the University of Michigan was 51.7% in August, down by 6.3% from July and 11.2% from a year ago.
- US and Global Economic Surprise indices both were positive in August, indicating that the actual economic data were better than expected. The US reading was 17.1, and Global at 35.3. The Conference Board's latest Leading Economic Index (LEI) increased by 0.2% in July, making a 0.2% expansion over the six months after previously contracting by 1.3%.
- US Manufacturing PMI rose to 54.6 in August, continuing its expansion for the last eight months. An over-50 level indicates an increase in business activities. Global Manufacturing PMI also increased to 52.3 in August. (Source: Institute for Supply Management and S&P Global).
- Equity markets rallied in August: the US market (Russell 3000) gained 2.74%, Non-US Developed markets (MSCI World ex-USA) and Emerging markets (MSCI EM) were up 2.19% and 3.37%, respectively.
- The US fixed income market, Bloomberg US Universal Bond Index, increased 0.43% in August.

Notes: Acronym – PMI – Purchasing-Managers' Index

ECONOMY

US Real Gross Domestic Product

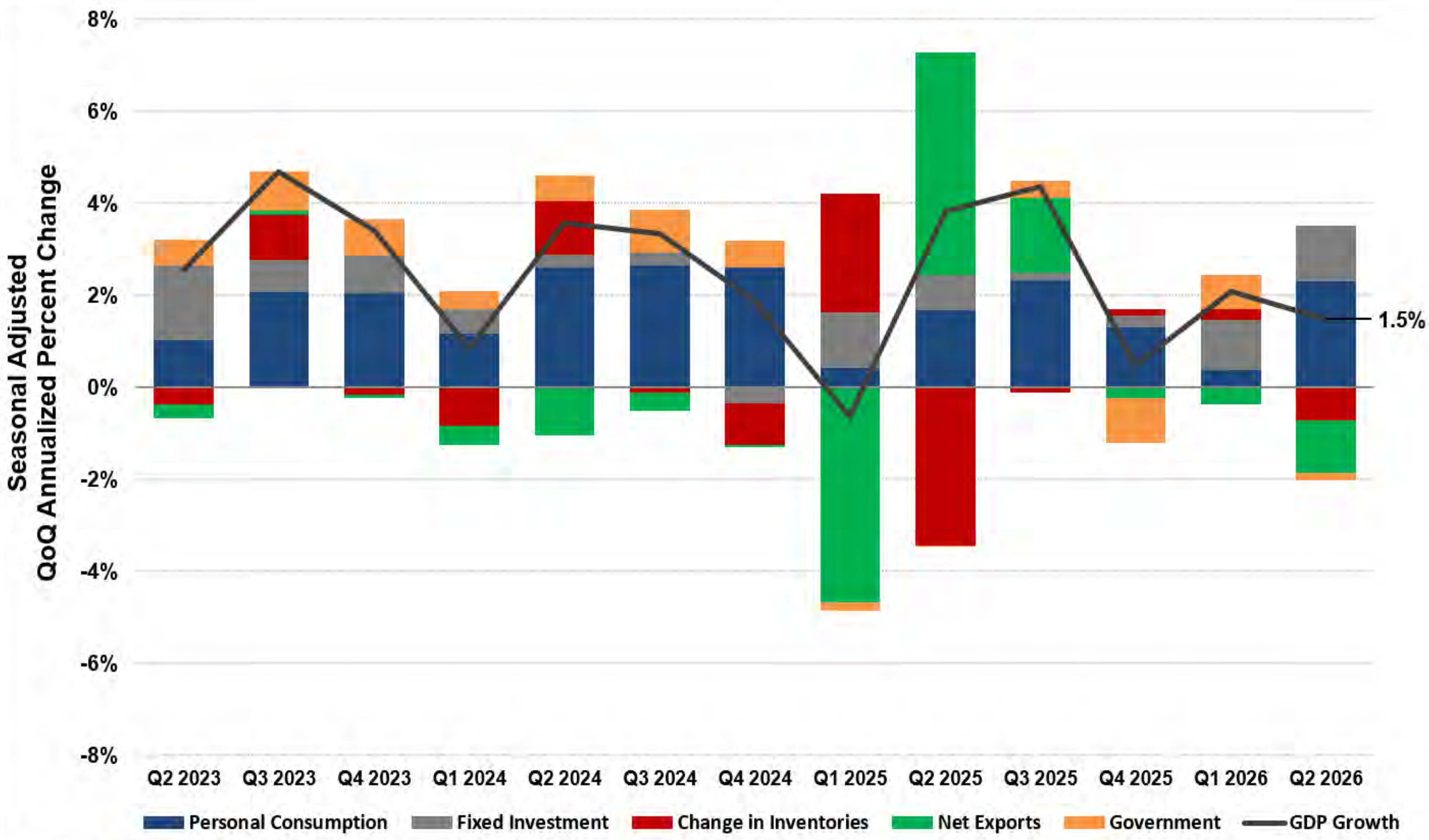


Source: U.S. Bureau of Economic Analysis

Source: U.S. Bureau of Economic Analysis

ECONOMY

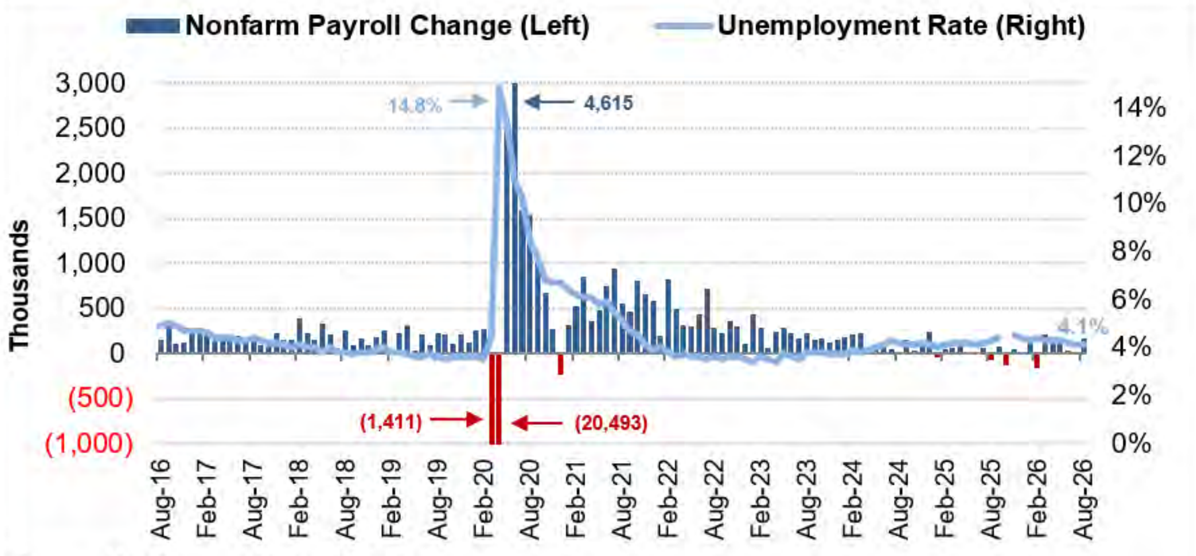
GDP Growth and its Component Contributions



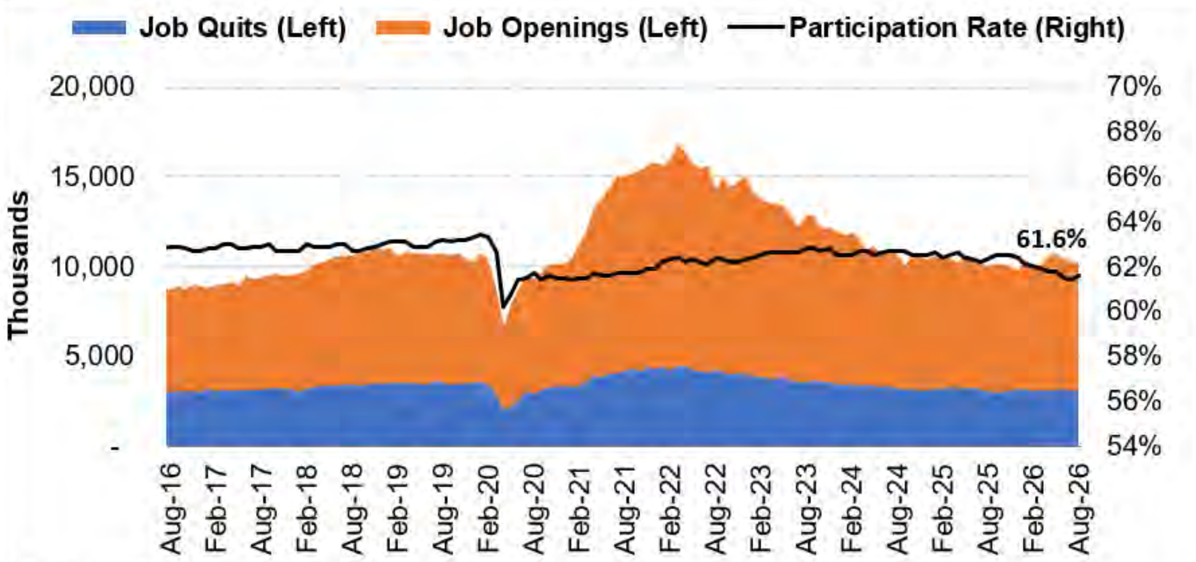
Source: U.S. Bureau of Economic Analysis

ECONOMY

US Labor Market



Source: U.S. Bureau of Labor Statistics



Source: U.S. Bureau of Labor Statistics

ECONOMY

Personal Savings Rate & Personal Expenditures: Goods

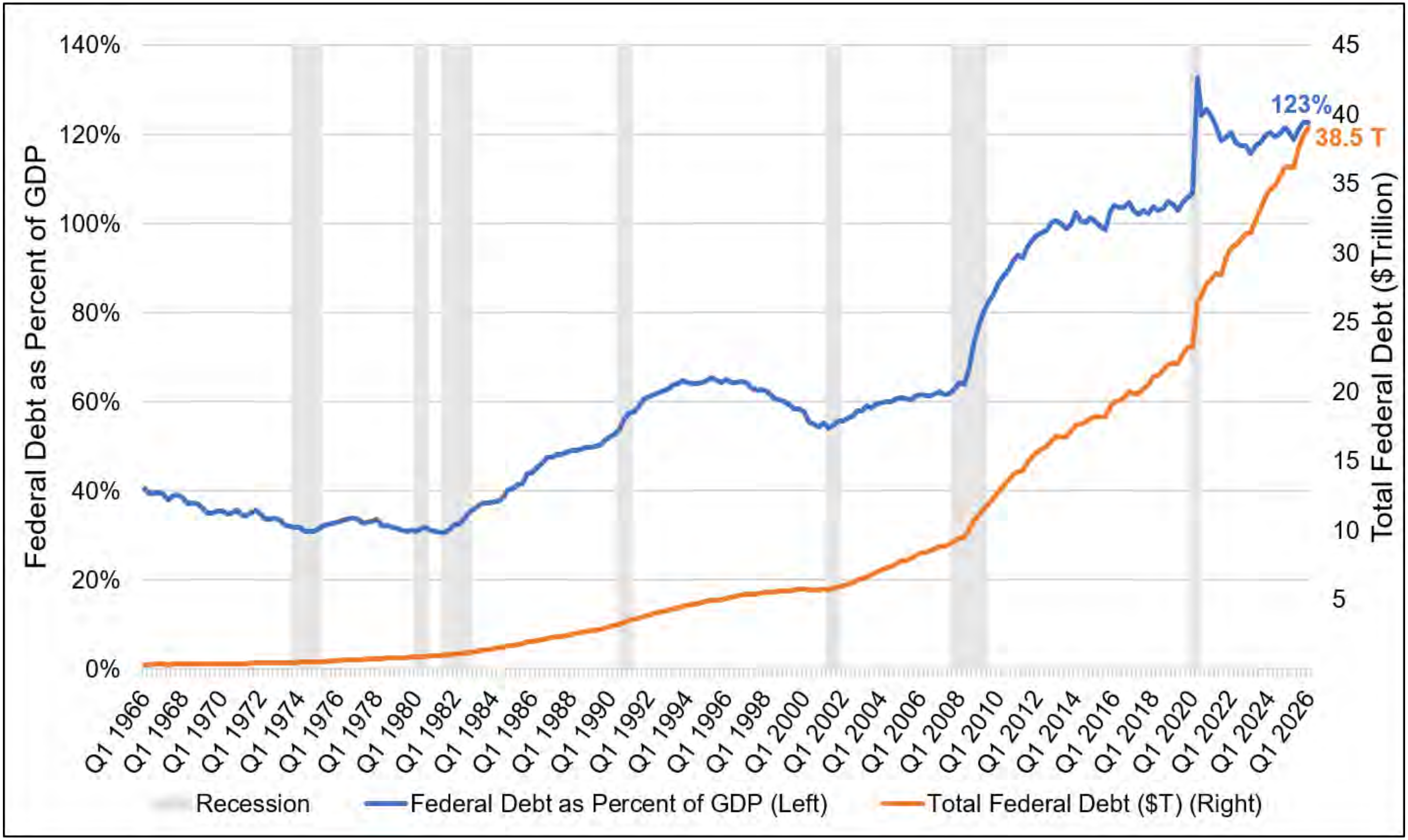
Date	Annual Personal Savings Rate
Jun-23	5.8%
Jun-24	5.7%
Jun-25	4.6%
Jun-26	2.6%
Jul-26	3.0%

Date	Personal Consumption Expenditures: Goods Change from Prior Year
Jun-23	0.9%
Jun-24	2.5%
Jun-25	4.0%
Jun-26	6.3%
Jul-26	5.0%

Source: FRED, U.S. Bureau of Economic Analysis

ECONOMY

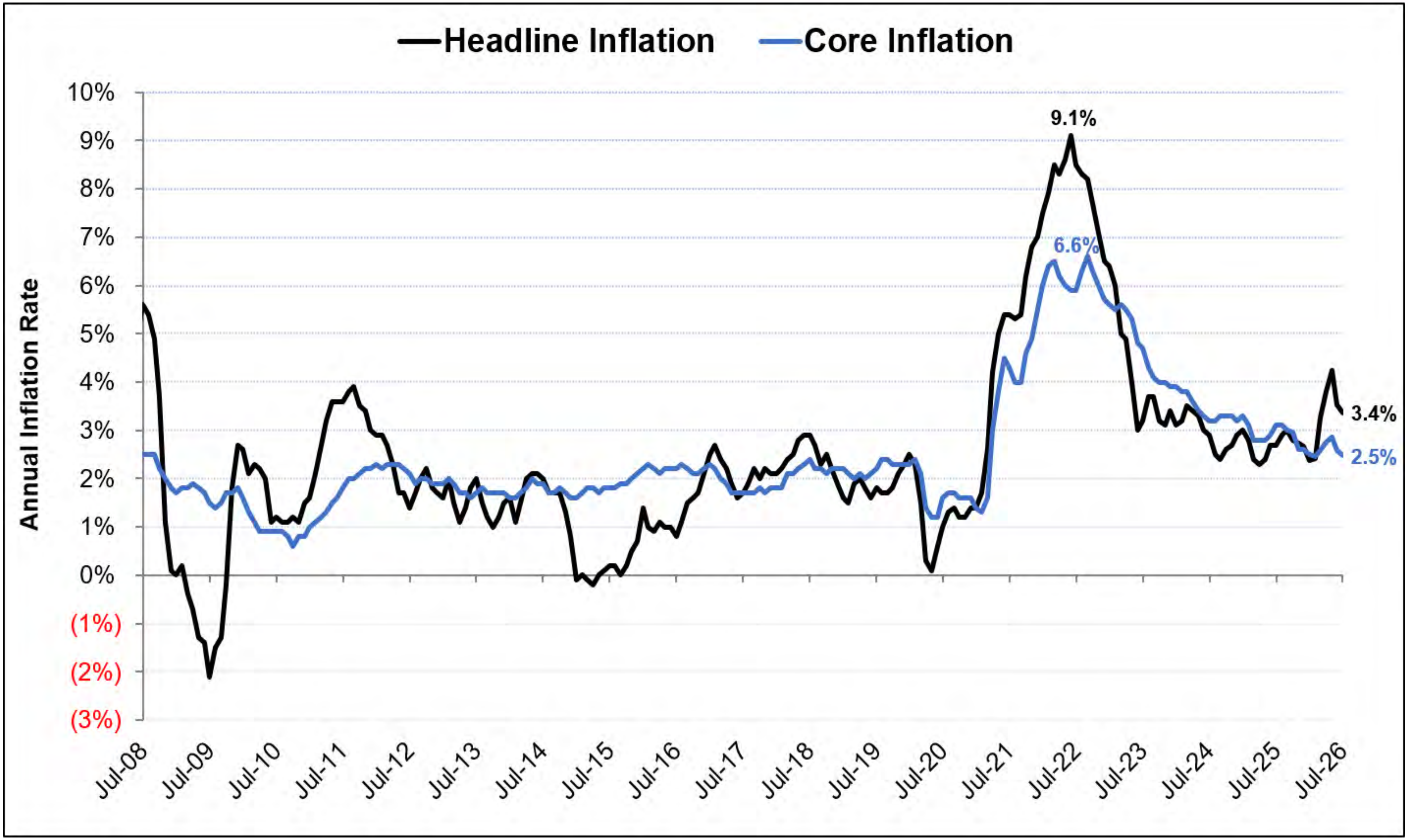
Federal Debt in USD and Percentage of GDP



Source: Federal Reserve Bank of St. Louis, U.S. Office of Management and Budget

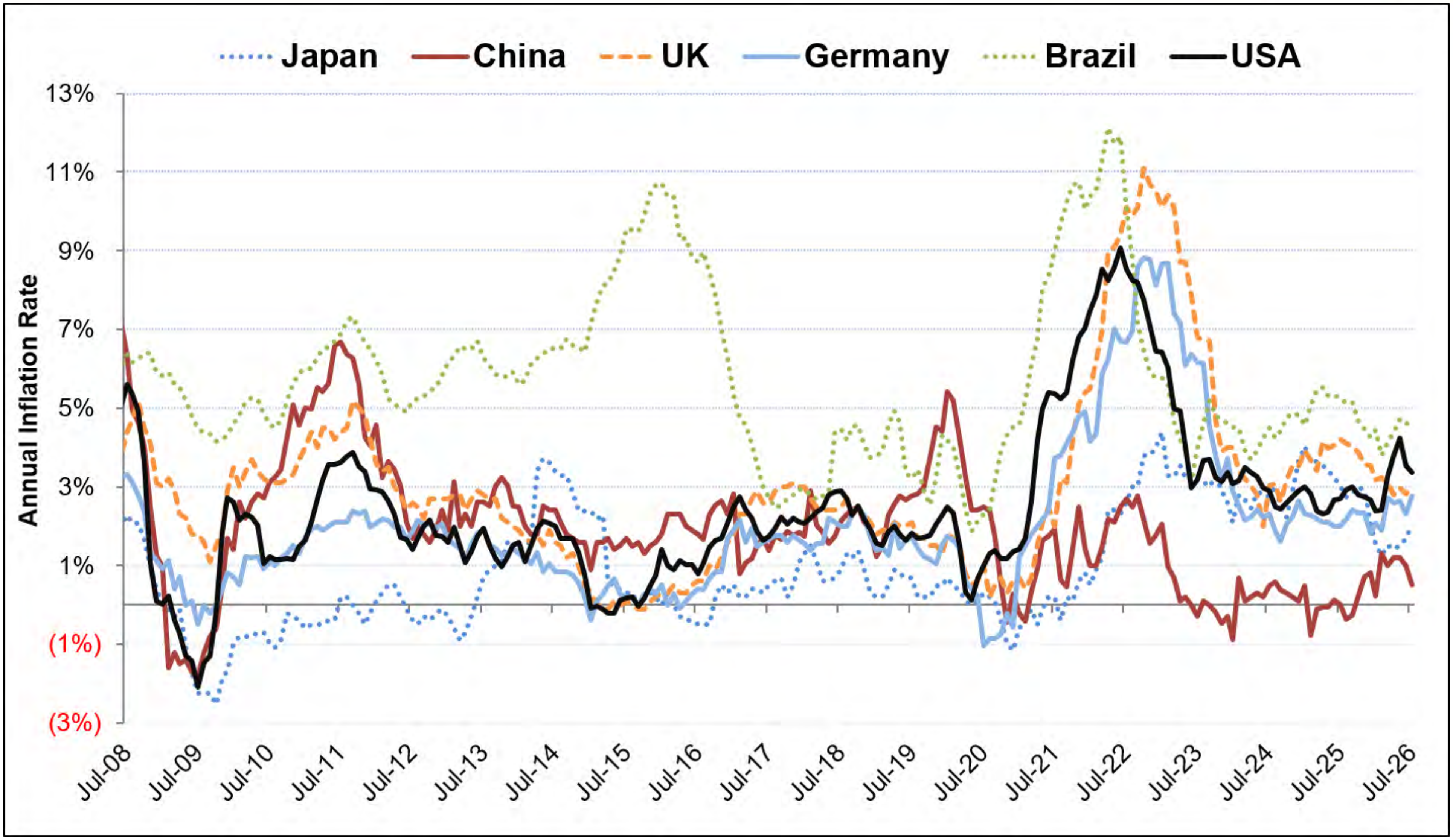
ECONOMY

US Inflation



ECONOMY

Global Headline Inflation

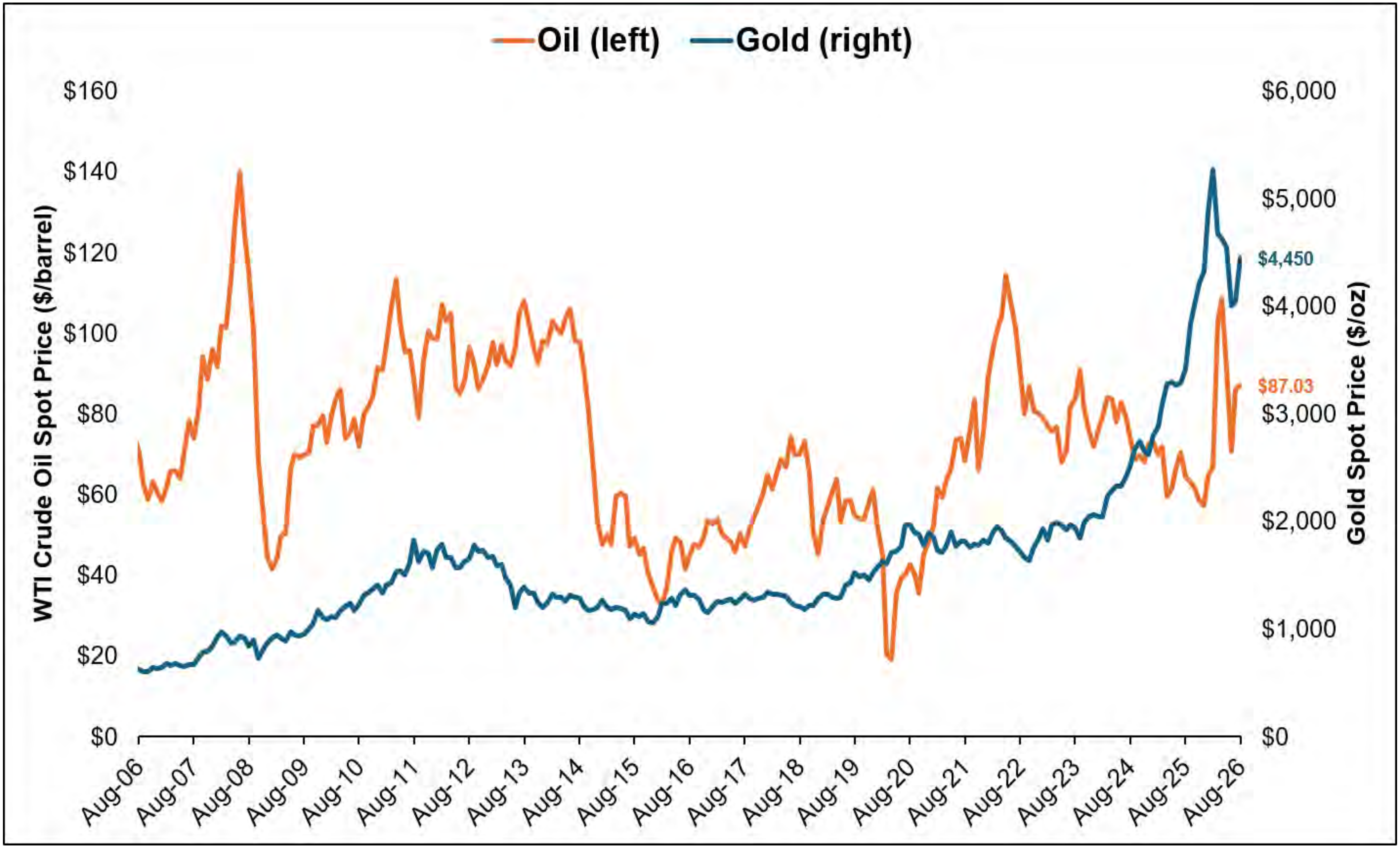


	Japan	China	UK	Germany	Brazil	USA
Jul-26	2.0	0.5	3.0	2.8	4.4	3.4

Source: www.inflation.eu

ECONOMY

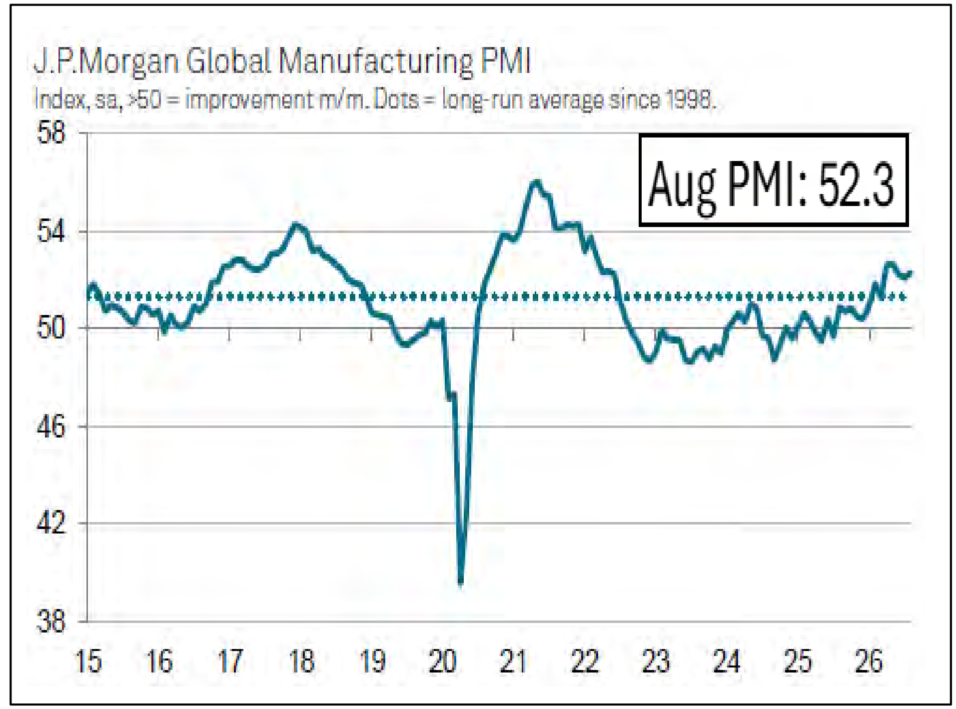
Oil vs. Gold Price



Source: U.S. Bureau of Labor Statistics via FRED, macrotrends.net

ECONOMY

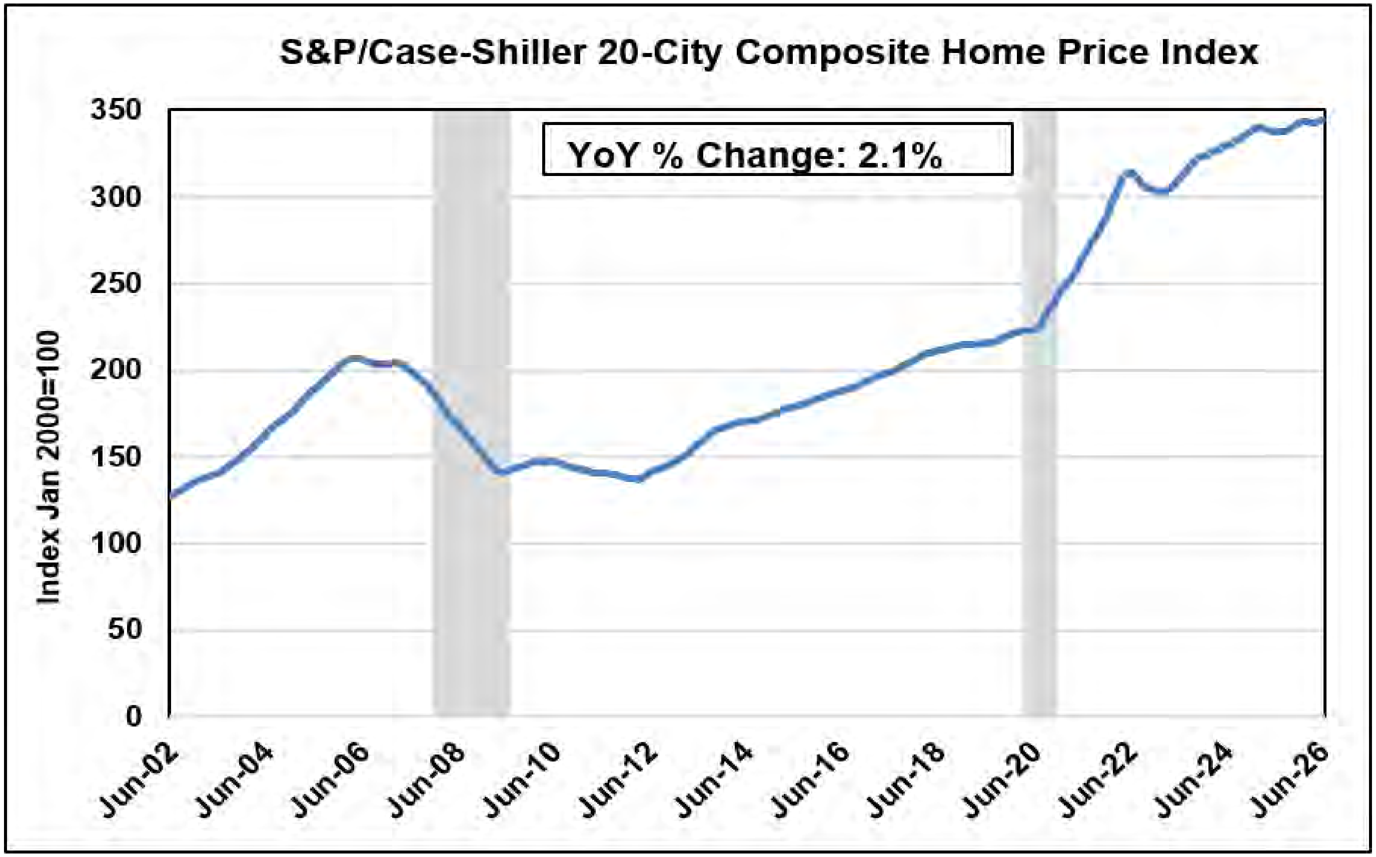
US & Global Manufacturing Activities



Source: Manufacturing ISM Report On Business & JPMorgan Global Manufacturing PMI™
Notes: Acronym – ISM – Institute of Supply Management; PMI – Purchasing Managers Index

ECONOMY

US Housing Market

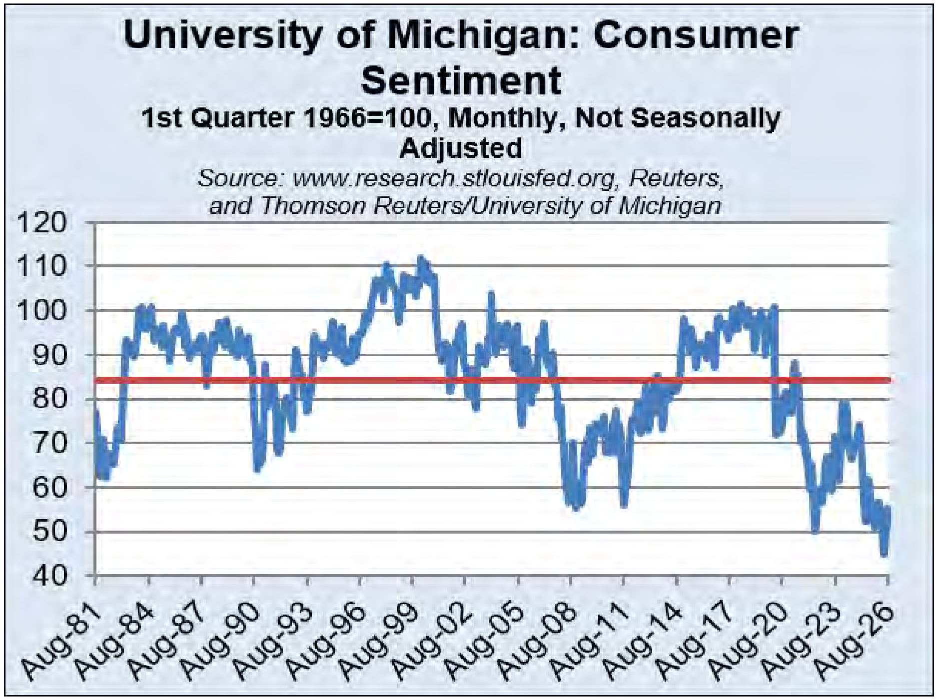


Date	S&P Case-Shiller 20-City Home Price Index January 2000 = 100, Seasonally Adjusted
Jul-21	269.29
Jul-22	312.08
Jul-23	312.39
Jul-24	330.71
Jul-25	337.36
Jun-26	344.13

Source: S&P Dow Jones Indices LLC via FRED

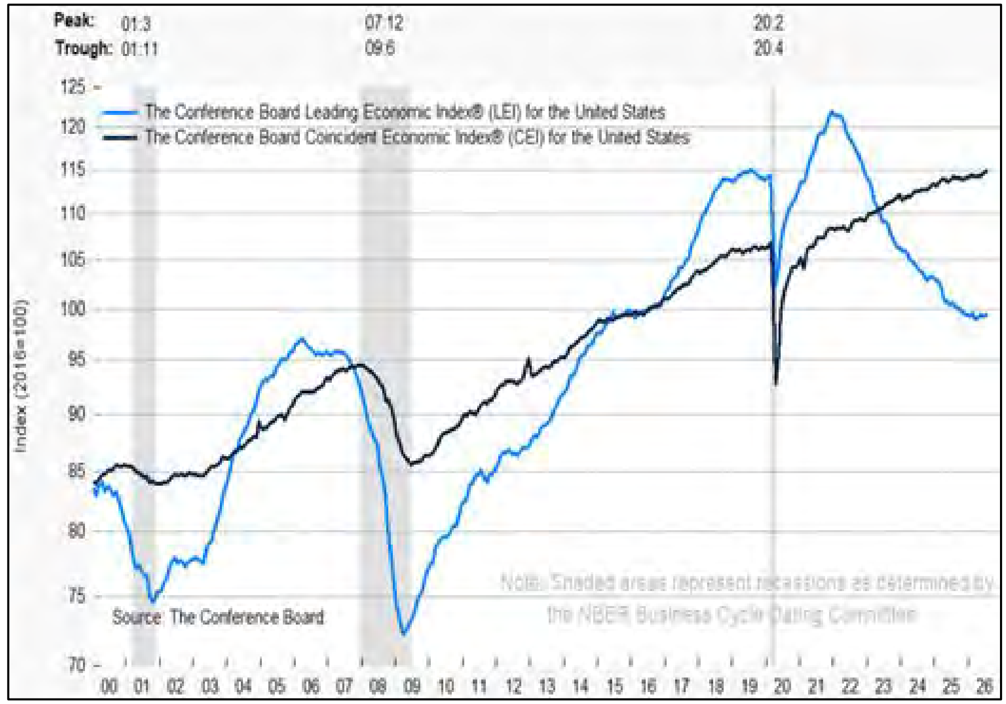
ECONOMY

Consumer Sentiment



Index of Consumer Sentiment				
Aug-26	**Jul-26**	**Aug-25**	**M-M Change**	**Y-Y Change**
51.7	55.2	58.2	-6.3%	-11.2%

The Leading Economic Index (LEI)



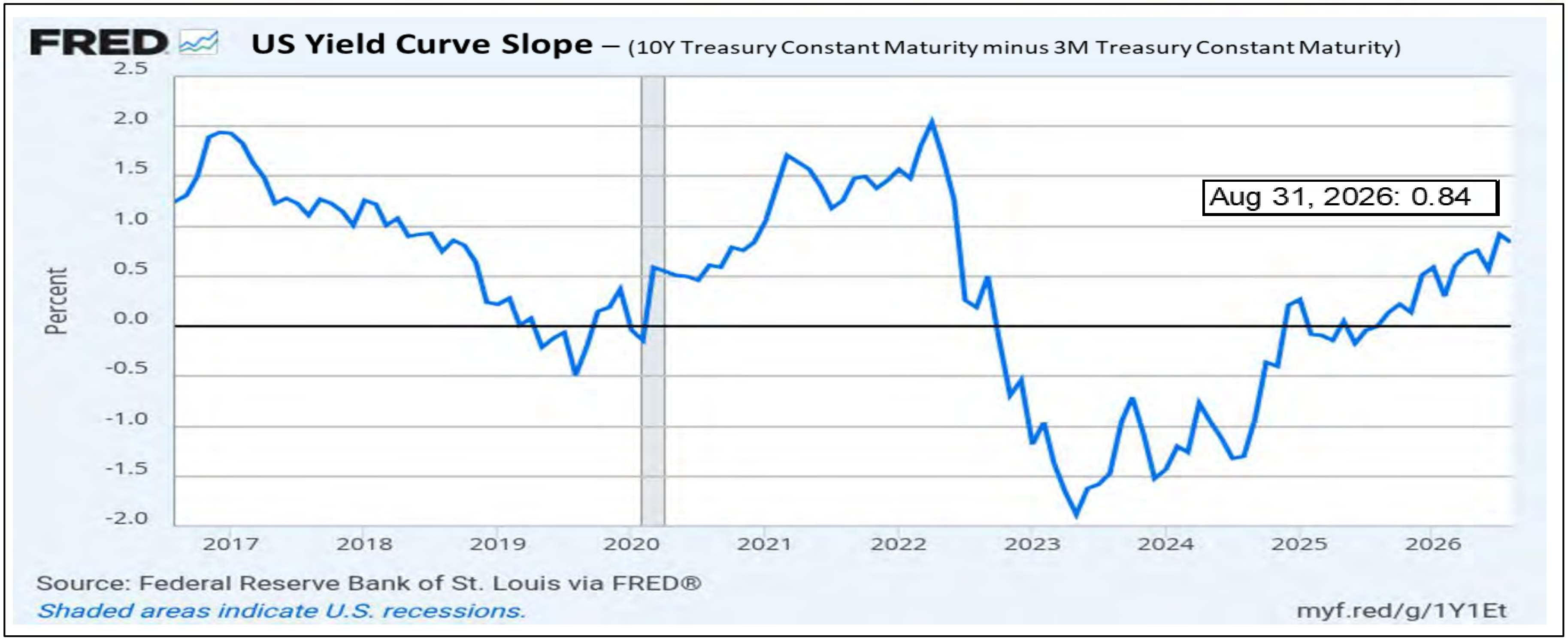
Index	Jun-26	Jul-26	1-Month Change	6-Month Change
LEI	99.4 r	99.5 p	0.1	0.2

p Preliminary; r Revised; Indexes equal 100 in 2016

Sources: Thomson Reuters / University of Michigan

Sources: The Conference Board and advisorperspectives.com

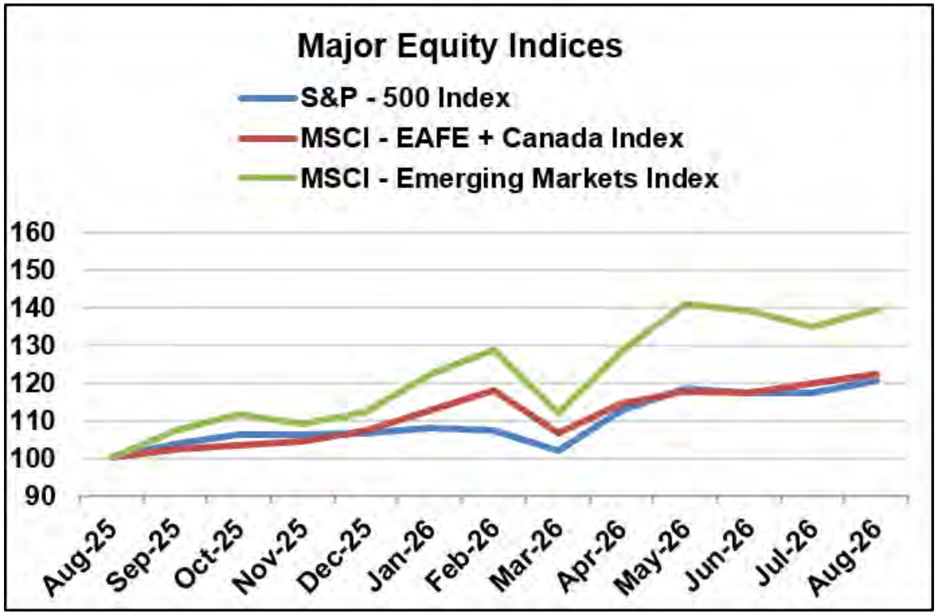
ECONOMY

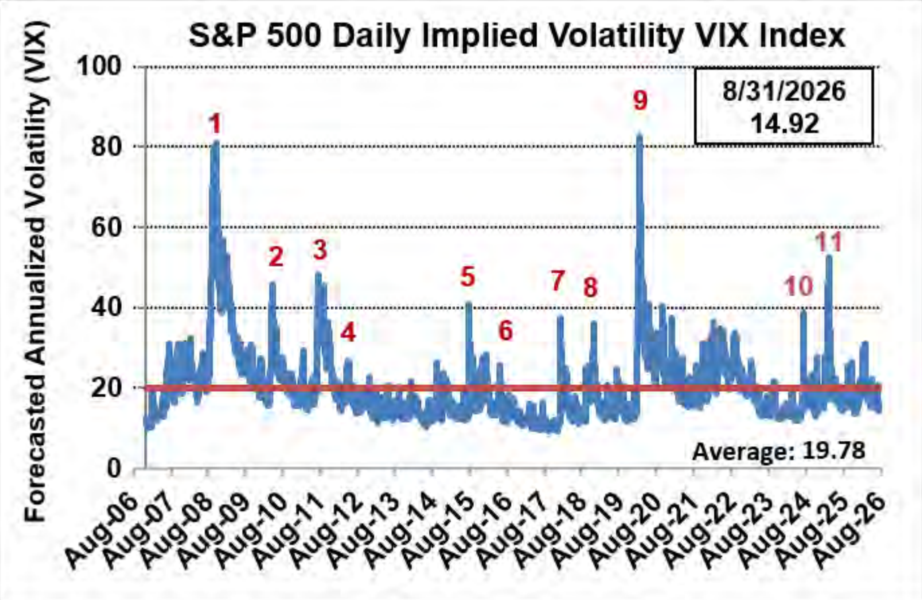

FRED
US Yield Curve Slope — (10Y Treasury Constant Maturity minus 3M Treasury Constant Maturity)
Percent
2.5
2.0
1.5
1.0
0.5
0.0
-0.5
-1.0
-1.5
-2.0
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
Aug 31, 2026: 0.84
Source: Federal Reserve Bank of St. Louis via FRED®
Shaded areas indicate U.S. recessions.
myf.red/g/1Y1Et


US Growth Surprise
Source: Bloomberg
Citi Economic Surprise Index- US
300
200
100
0
-100
-200
Aug-16
Aug-17
Aug-18
Aug-19
Aug-20
Aug-21
Aug-22
Aug-23
Aug-24
Aug-25
Aug-26


Global Growth Surprise
Source: Bloomberg
Citi Economic Surprise Index- Global
150
100
50
0
-50
-100
Aug-16
Aug-17
Aug-18
Aug-19
Aug-20
Aug-21
Aug-22
Aug-23
Aug-24
Aug-25
Aug-26

MARKETS Equity



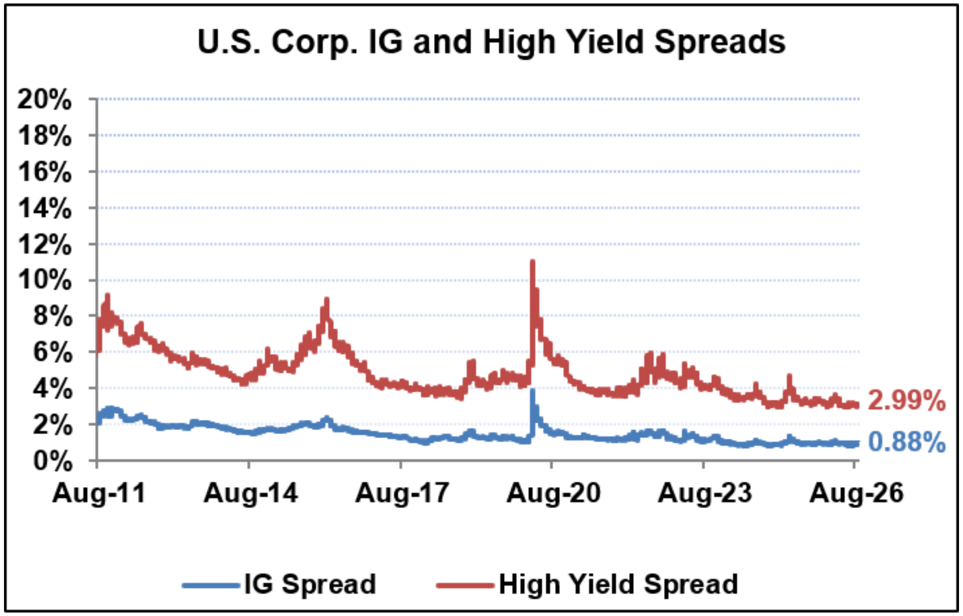


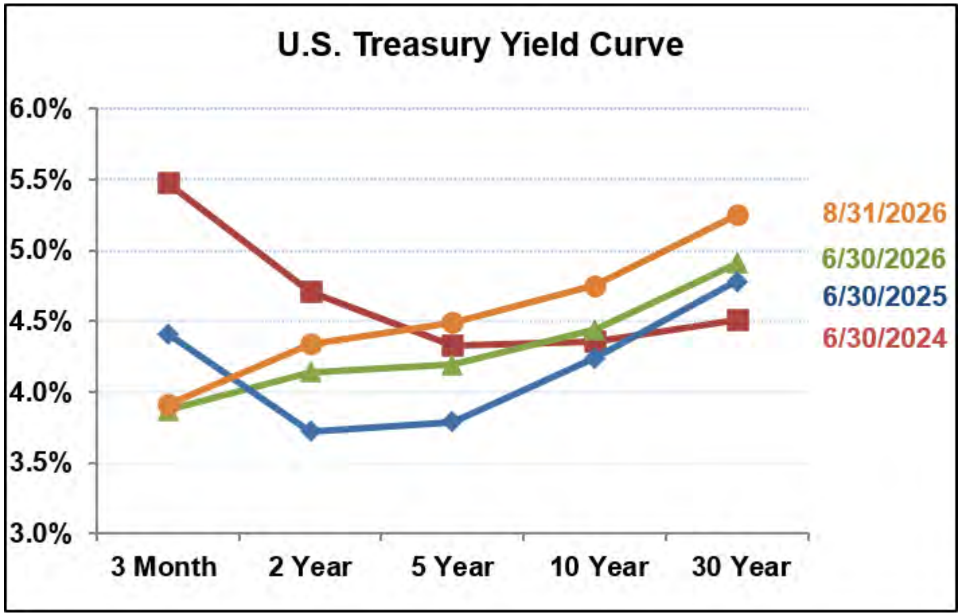
	Return as of 8/31/2026	
	1 Year	FYTD
S&P 500 Index	20.4	2.7
MSCI - EAFE + Canada Index	22.4	4.3
MSCI - Emerging Markets Index	39.3	0.2

1	2008 (Nov.)	Financial Crisis S&P 500: - 48.8%
2	2010 (May)	Flash crash; Europe/ Greece debt S&P 500: -16%
3	2011 (Aug.)	US downgrade, Europe periphery S&P 500: -19.4%
4	2012 (June)	Eurozone double dip S&P 500: -9.9%
5	2015 (Aug.)	Global slowdown, China, Fed S&P 500: -12.4%
6	2016 (Feb.)	Oil crash, US recession fear, China S&P 500: -10.5%
7	2018 (Feb.)	Inflation, trade, tech S&P 500 : -10.2%
8	2018 (Dec.)	Interest rate hike, trade tension, global slowdown S&P 500: -10.5%
9	2020 (Mar.)	Coronavirus, S&P 500 : -23.7%
10	2024 (Aug.)	Crowded FX (Japanese Yen) trade, recession fear S&P 500: -6.0%
11	2025 (Apr.)	Tariff tantrum, S&P 500: -11.5%

Sources: Nasdaq eVestment, Chicago Board Options Exchange via FRED

MARKETS Fixed Income

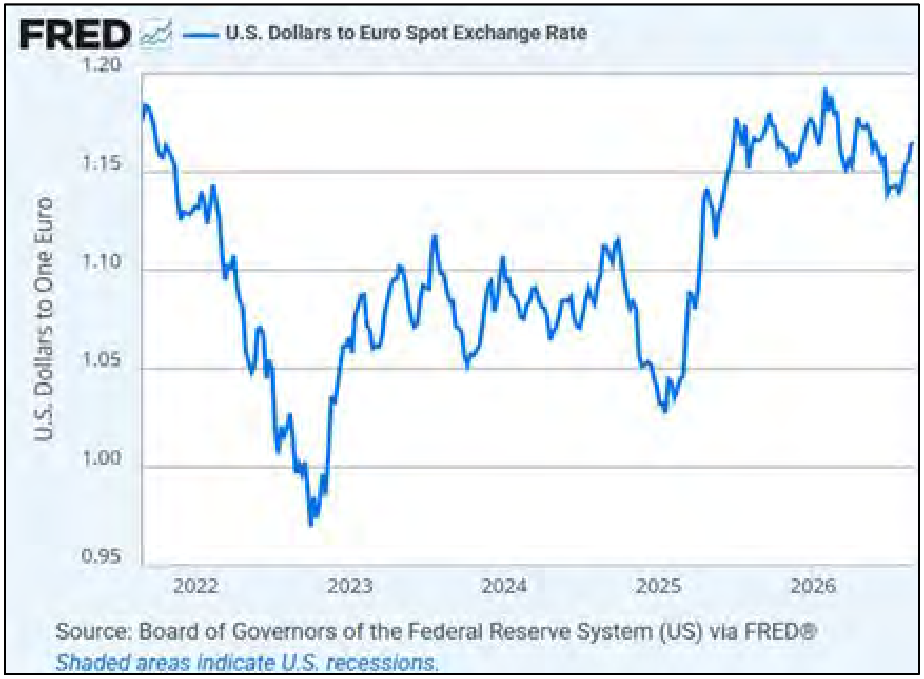




Sources: Wilshire, Department of the Treasury

MARKETS

Foreign Exchange

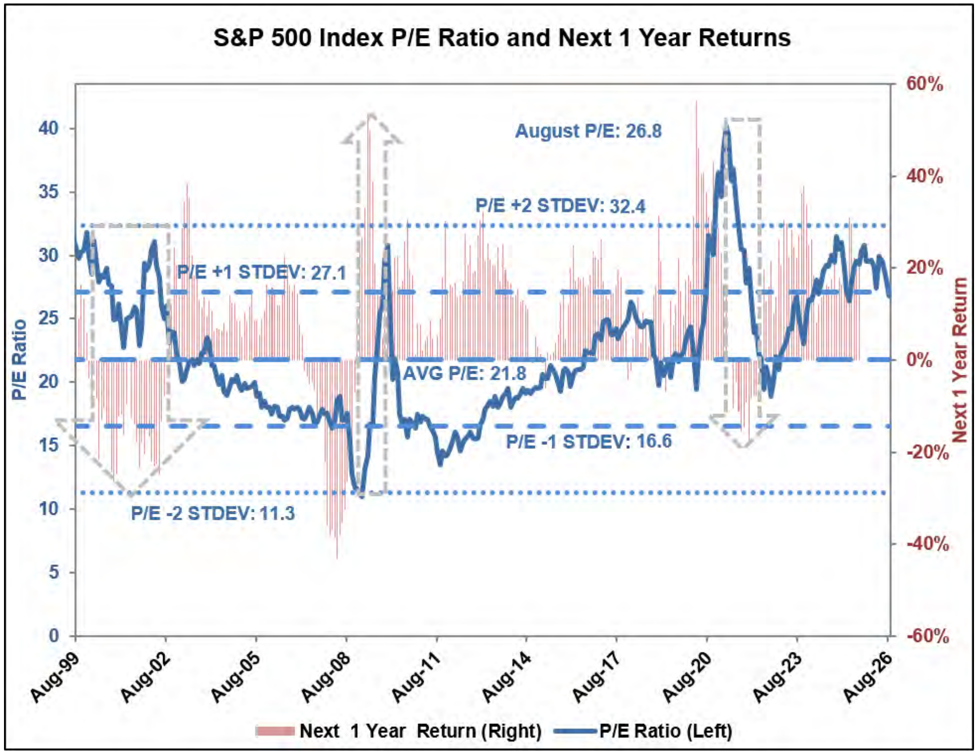


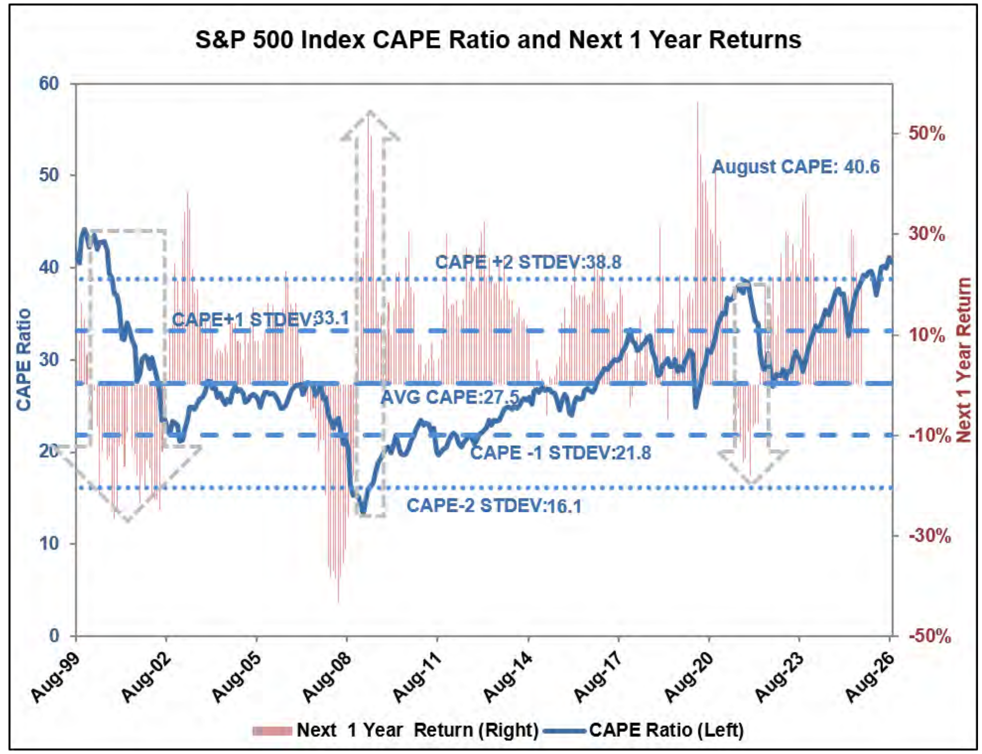
Date	U.S. / Euro Foreign Exchange Rate U.S. Dollars to One Euro
June-23	1.05
June-24	1.09
June-25	1.07
June-26	1.18
August 28, 2026	1.16

Date	Nominal Broad U.S. Dollar Index January 2006=100
June-23	121.1
June-24	119.9
June-25	124.5
June-26	119.8
August 28, 2026	118.7

Sources: Federal Reserve Board of Governors via FRED

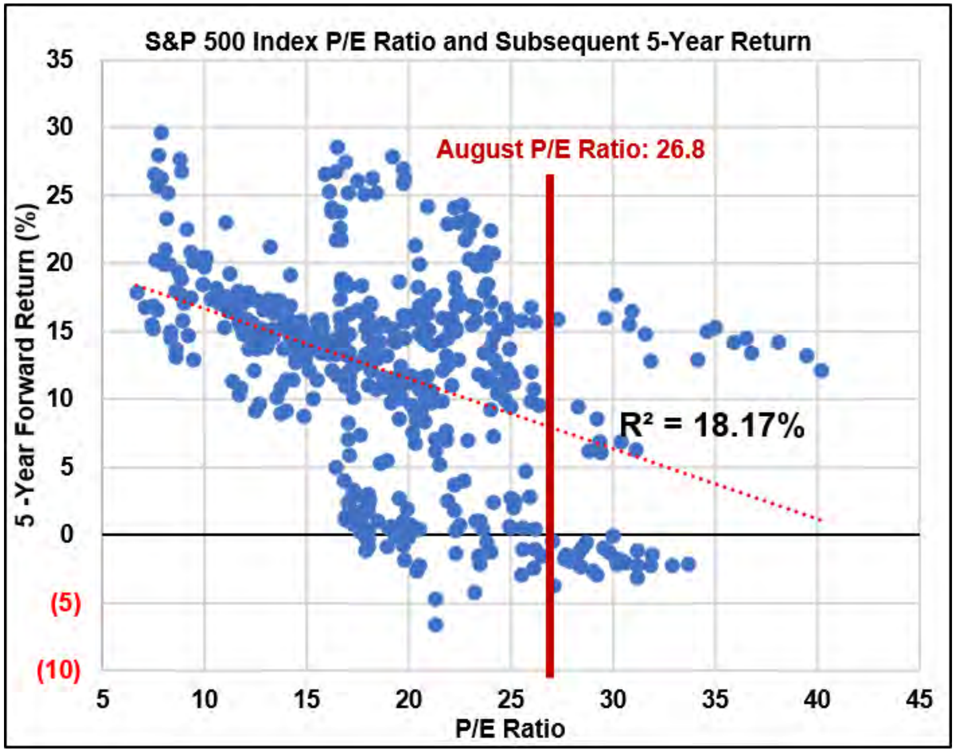
VALUATION US Equity

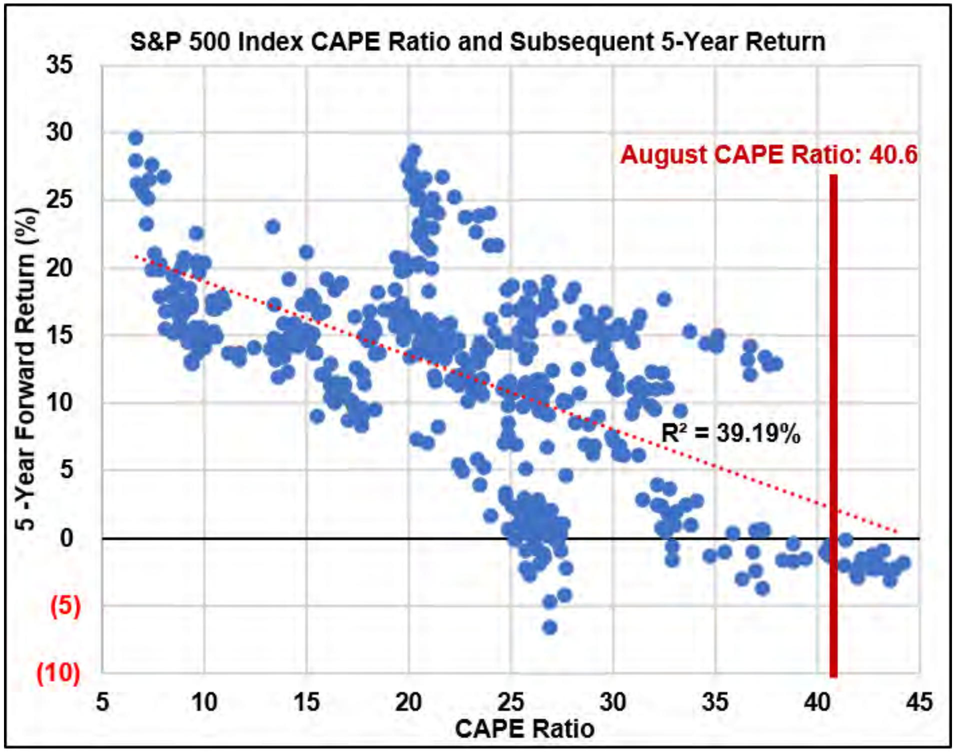




Source: Wilshire, Robert J. Shiller (Yale University)

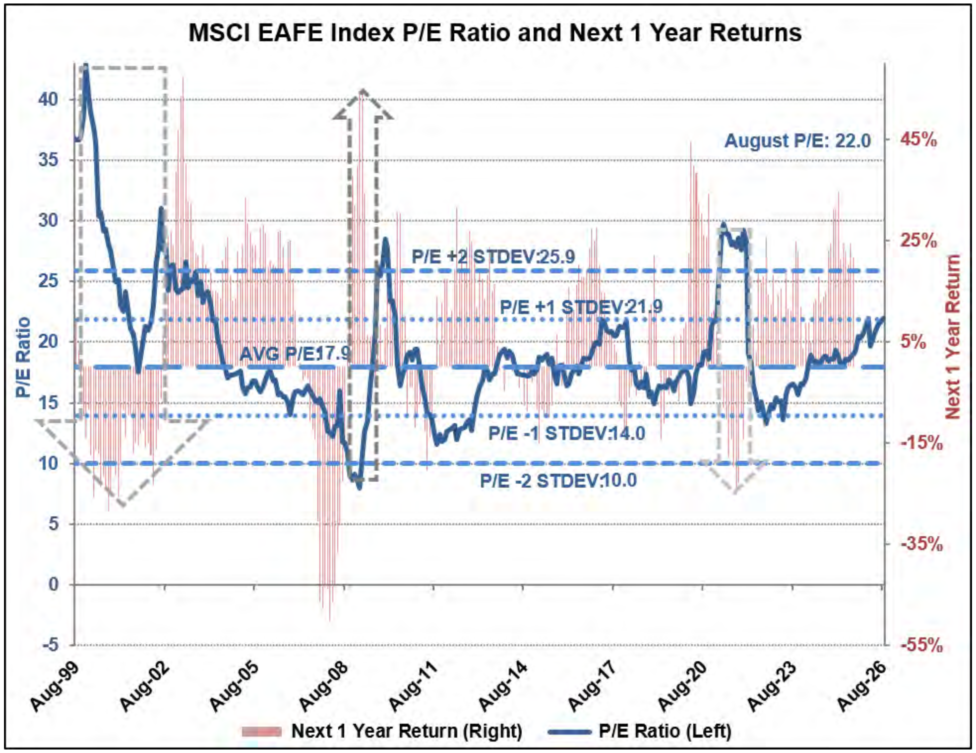
VALUATION # US Equity

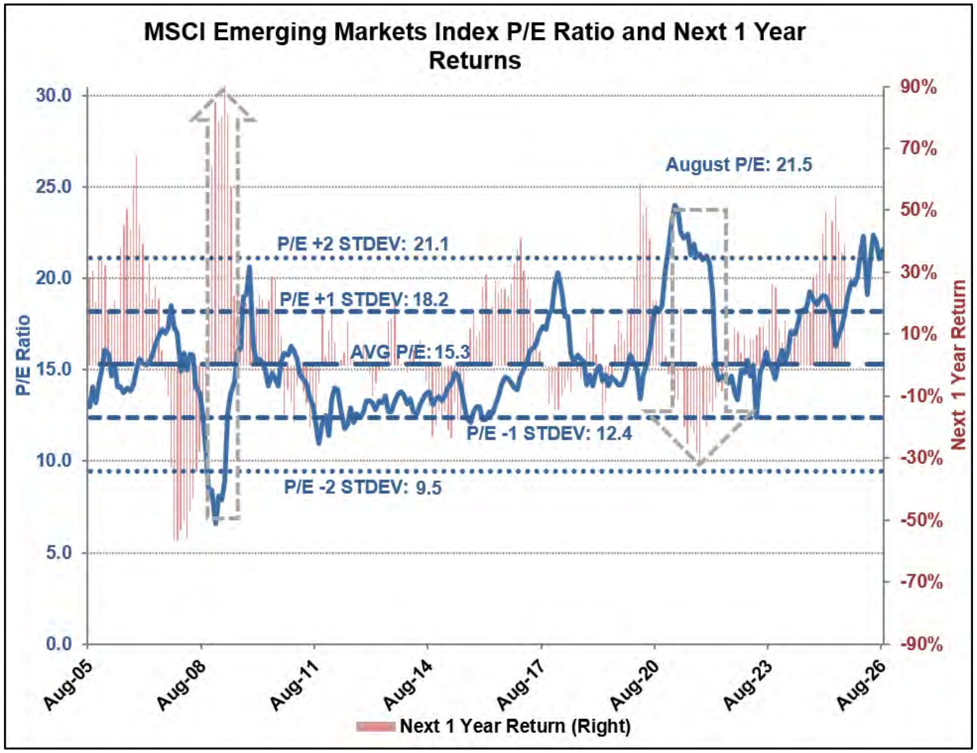




Source: Wilshire, Robert J. Shiller (Yale University)

VALUATION Non US Developed Market Equity

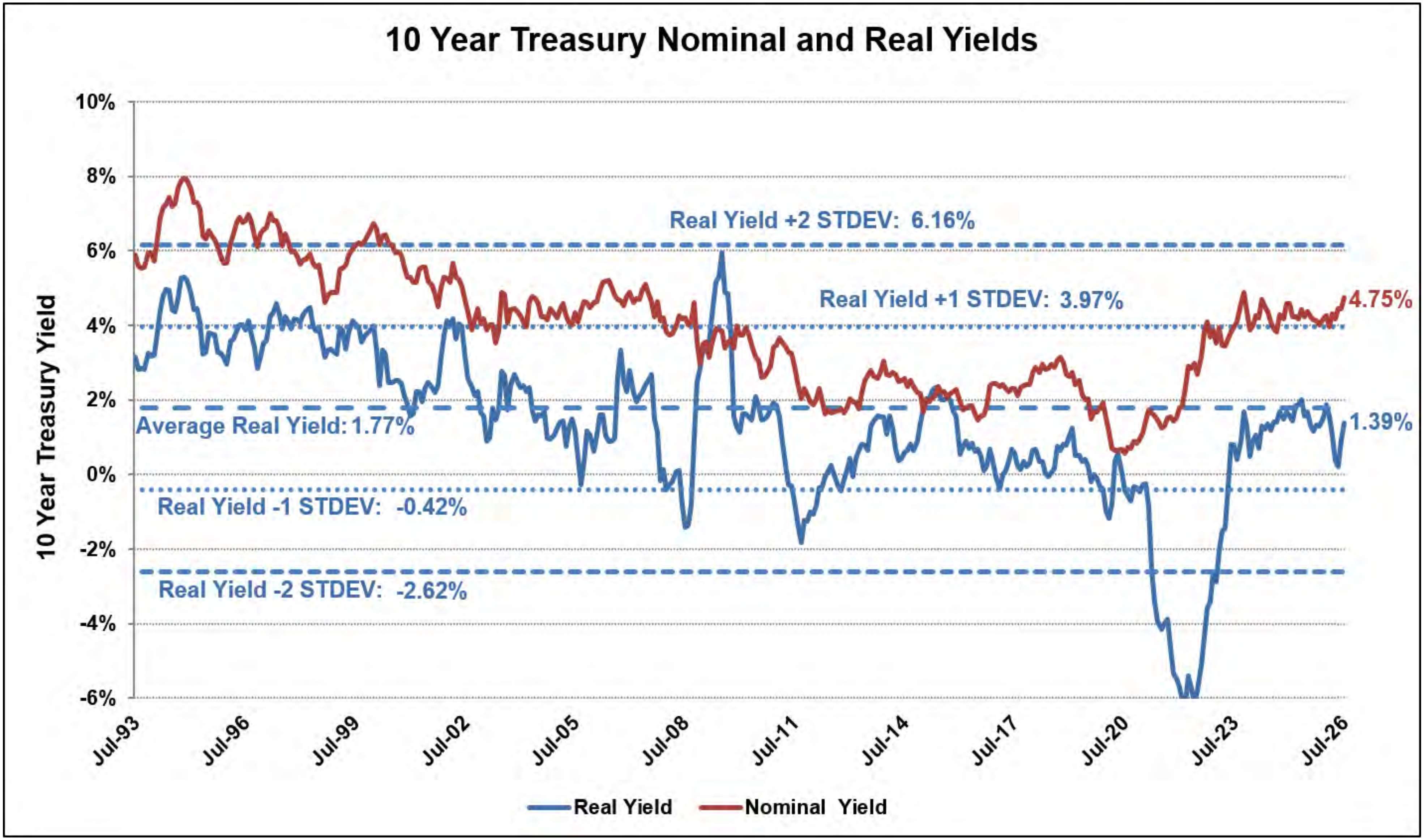




Source: Wilshire

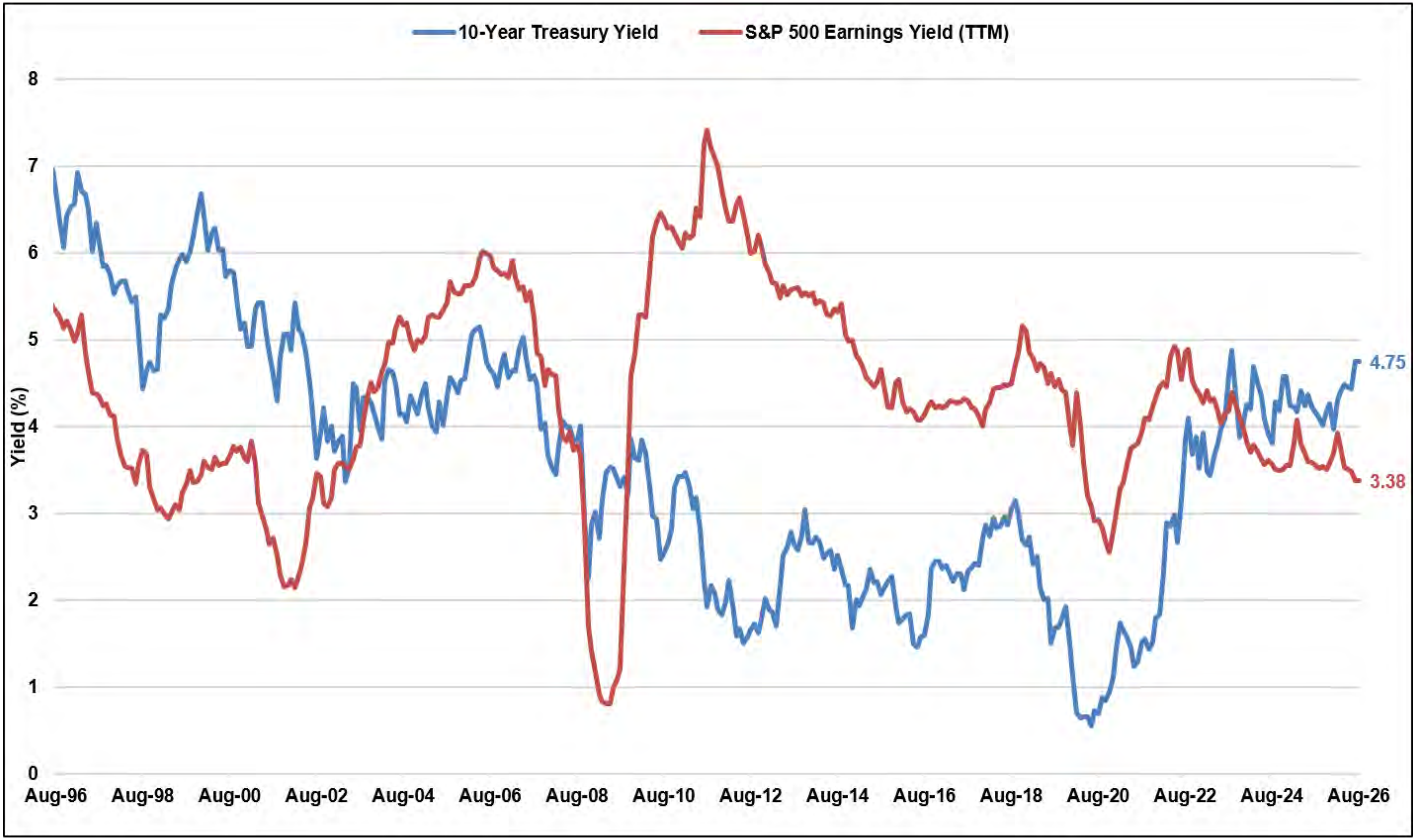
VALUATION

US Treasury Bonds



Sources: Department of the Treasury, Bureau of Labor Statistics

VALUATION 10-Year Treasury Yield vs S&P 500 Earnings Yield



Sources: Board of Governors of the Federal Reserve System via FRED, Standard & Poor's

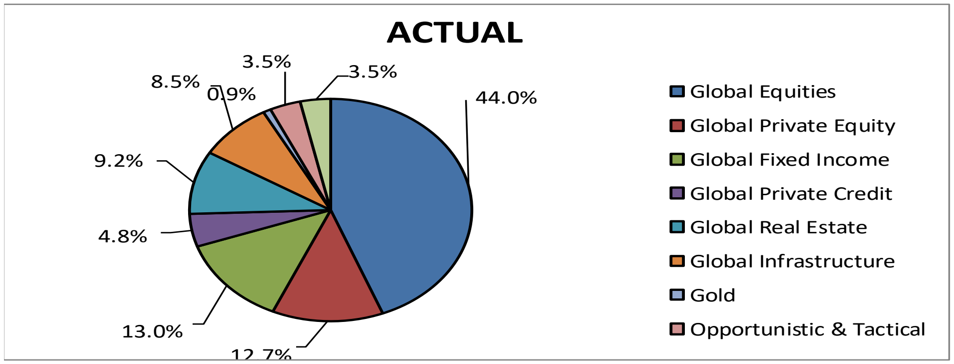
SERS' Investment Portfolios Review

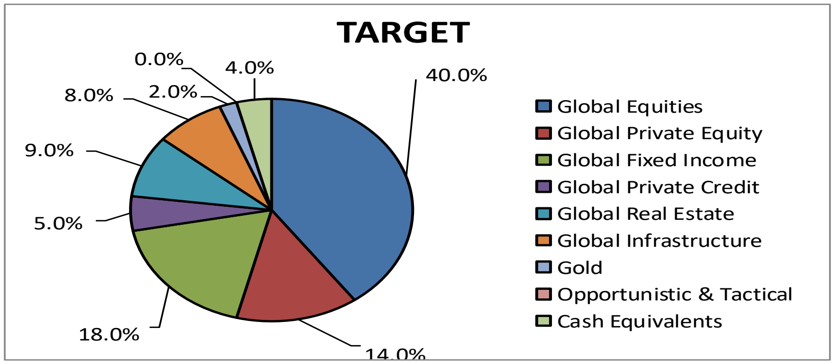
Investment Report | Month Ending: 07/31/2026

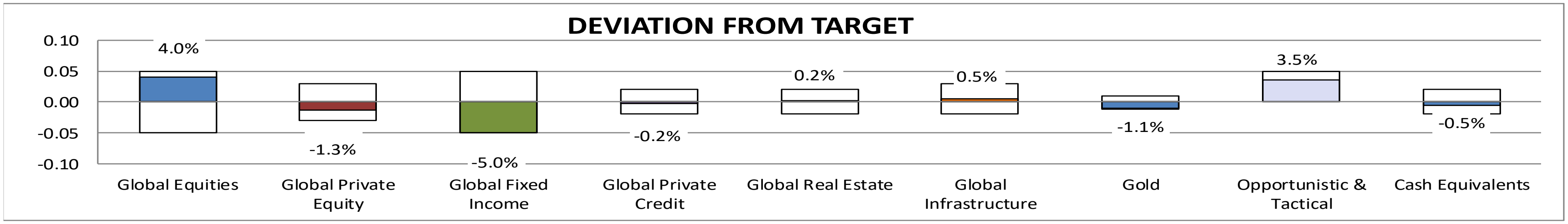
Total Fund Asset Allocation

Asset Class	Market Value $	Actual	Target	Range
Global Equities	**10,371,685,279**	**44.0%**	**40.0%**	35% - 45%
Global Private Equity	**3,001,866,315**	**12.7%**	**14.0%**	*11% - 17%*
Global Fixed Income	**3,056,836,566**	**13.0%**	**18.0%**	*13% - 23%*
Global Private Credit	**1,125,395,812**	**4.8%**	**5.0%**	*3% -7%*
Global Real Estate	**2,162,446,796**	**9.2%**	**9.0%**	*4% - 10%*
Global Infrastructure	**2,000,561,487**	**8.5%**	**8.0%**	*6% - 14%*
Gold	**209,050,949**	**0.9%**	**2.0%**	*0% - 4%*
Opportunistic & Tactical	**832,368,513**	**3.5%**	**0.0%**	*0% - 5%*
Cash Equivalents	**819,431,048**	**3.5%**	**4.0%**	*1% - 5%*
Short-Term	1,579,413	*0.0%*	2.0%	
Russell EA Overlay	3	*0.0%*	*0.0%*	
Direct Rebalance Overlay	5,419,498	*0.0%*	*0.0%*	
Transition / Operational Account	555,797	*0.0%*	*0.0%*	
Currency Overlay	25,553,444	*0.1%*	*0.0%*	
SERS Cash	786,322,893	*3.3%*	*0.0%*	
Total Fund	**23,579,642,764**	**100.0%**	**100.0%**	

Source: Clearwater Analytics



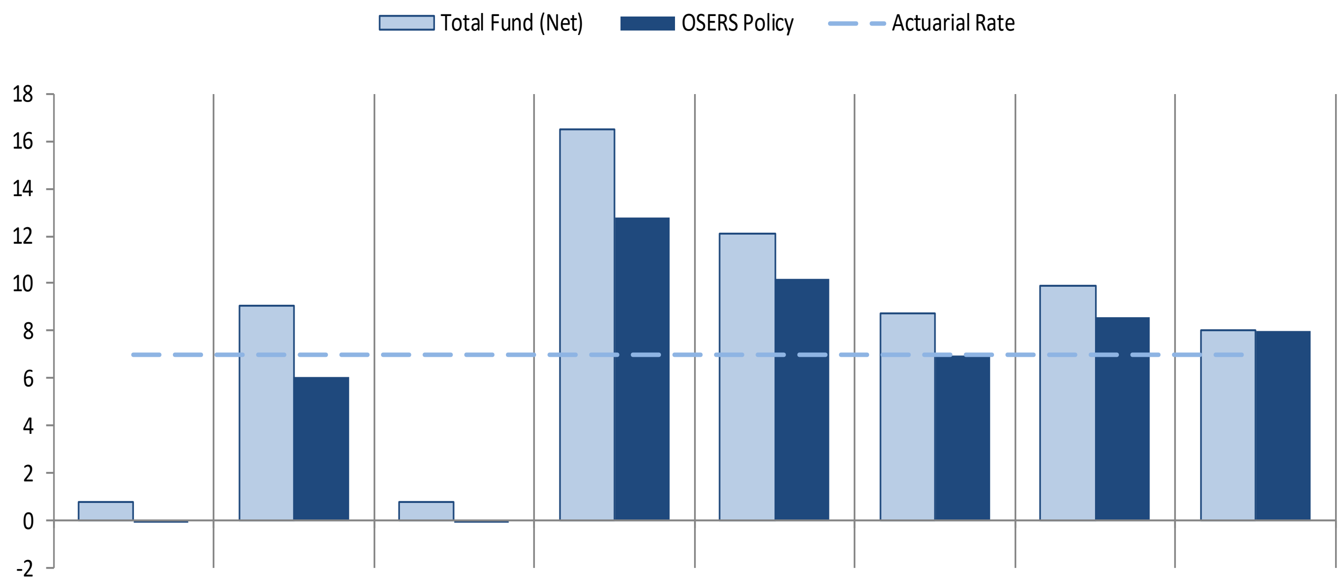




Total Fund Performance

Current Benchmark:

40% MSCI ACWI (Net Dividends)
14% Burgiss All Private Equity
benchmark (1q lag) (BAPE)
18% Bloomberg US Universal Bond
9% Expanded NCREIF Property Index
(one quarter in arrears)
8% Quarterly (4 qtrs.) smoothed CPI
+1.20% per quarter
2% IAUM Gold ETF
5% Qtrly Smoothed Morningstar LSTA
US Leveraged Loan (one quarter in arrears)
4% FTSE 30 Day T-Bill



Actuarial Rate
(7.0% effective 07/01/2021, adopted 04/15/2021)

	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD*
Total Fund (Gross)	0.87	9.71	0.87	17.27	12.89	9.50	10.61	8.79
Total Fund (Net)	0.80	9.06	0.80	16.51	12.12	8.74	9.89	8.24
OSERS Policy	(0.10)	6.03	(0.10)	12.77	10.19	6.97	8.57	8.02
Value Added (Net of Fee)	0.90	3.03	0.90	3.74	1.93	1.77	1.32	0.21
Estimated Cumulative Net Value Added ($MM)**	**$211.0**	**$650.7**	**$211.0**	**$756.2**	**$1,221.4**	**$1,972.0**	**$3,021.3**	

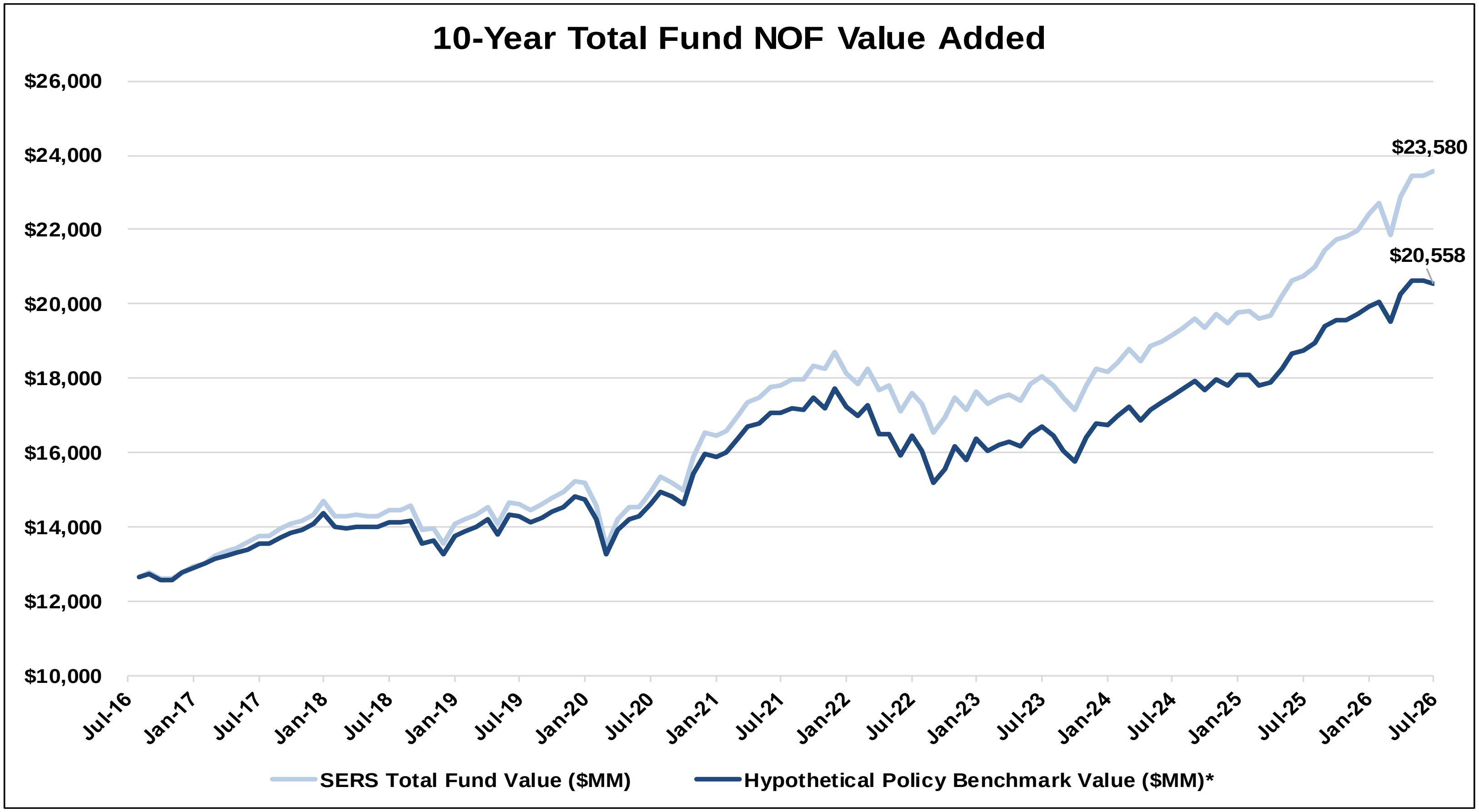
Source: Clearwater Analytics

**ITD is Inception date 10/1/1994 (31 years and 10 months)*

***For each period, calculated as the difference between the actual change in fund assets and the hypothetical change in fund assets under a benchmark-returns scenario.*

***Assumes portfolio in benchmark-returns scenario is rebalanced monthly to target weights after deducting calculated net cash flow, with no allowance for fees.*

Total Fund Performance



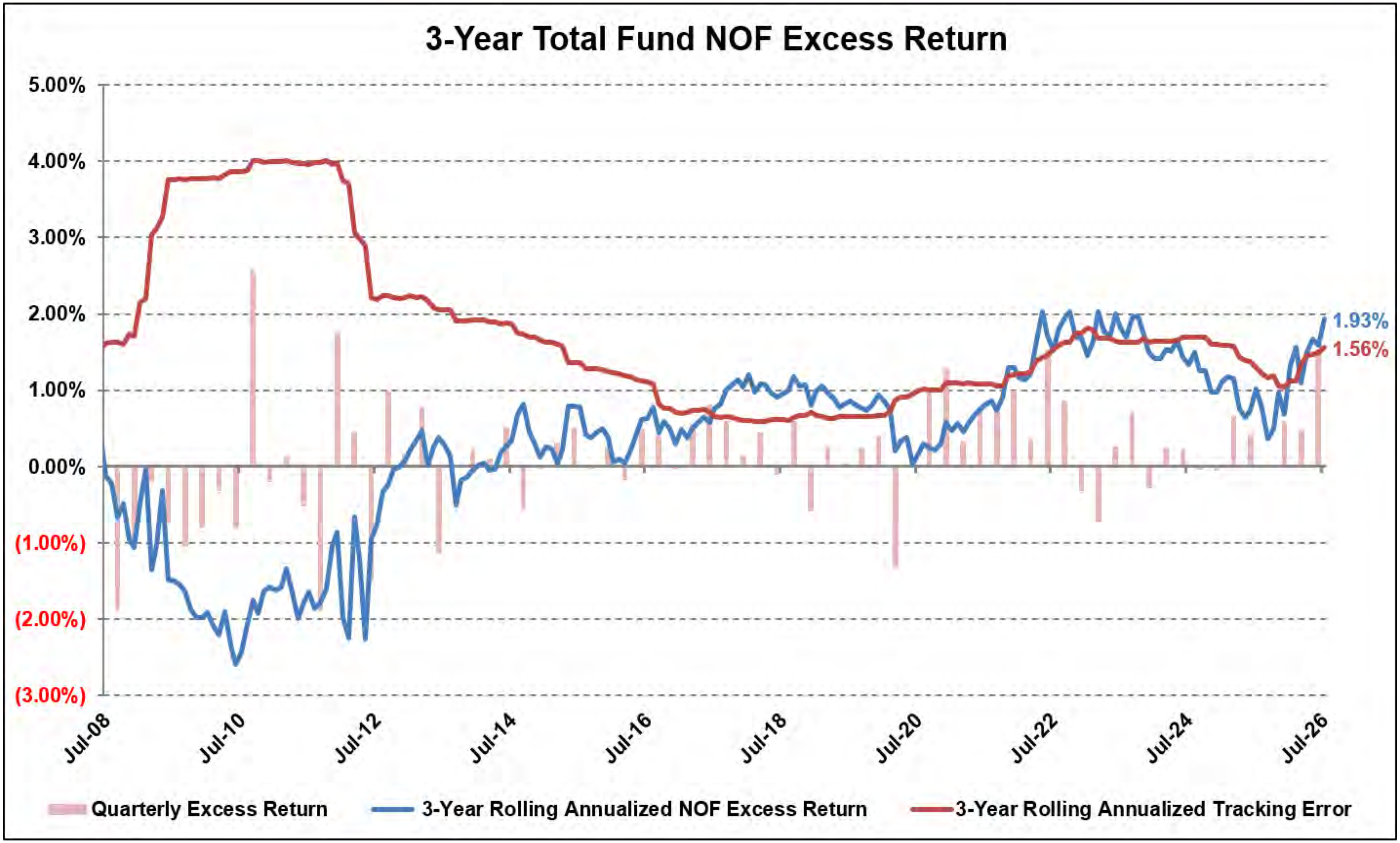
Fiscal Year Net Excess Return (%)									
FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
1.50	0.86	0.06	(0.64)	2.66	3.01	0.23	0.95	1.02	2.84

Source: Clearwater Analytics

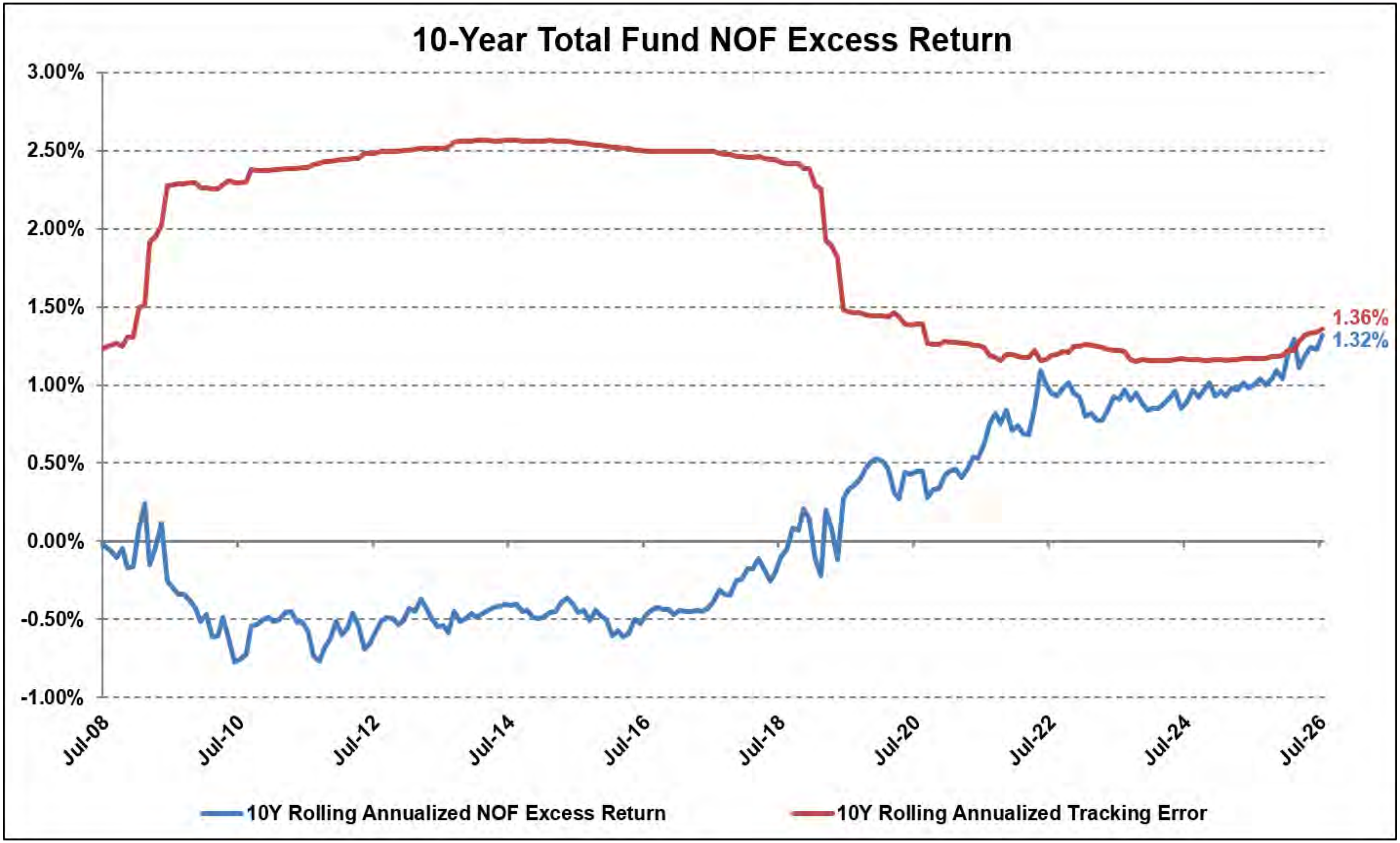
**Calculated as the hypothetical change in fund assets under a policy benchmark-returns scenario.*

**Assumes portfolio in benchmark-returns scenario is rebalanced monthly to target weights after deducting calculated net cash flow, with no allowance for fees.*

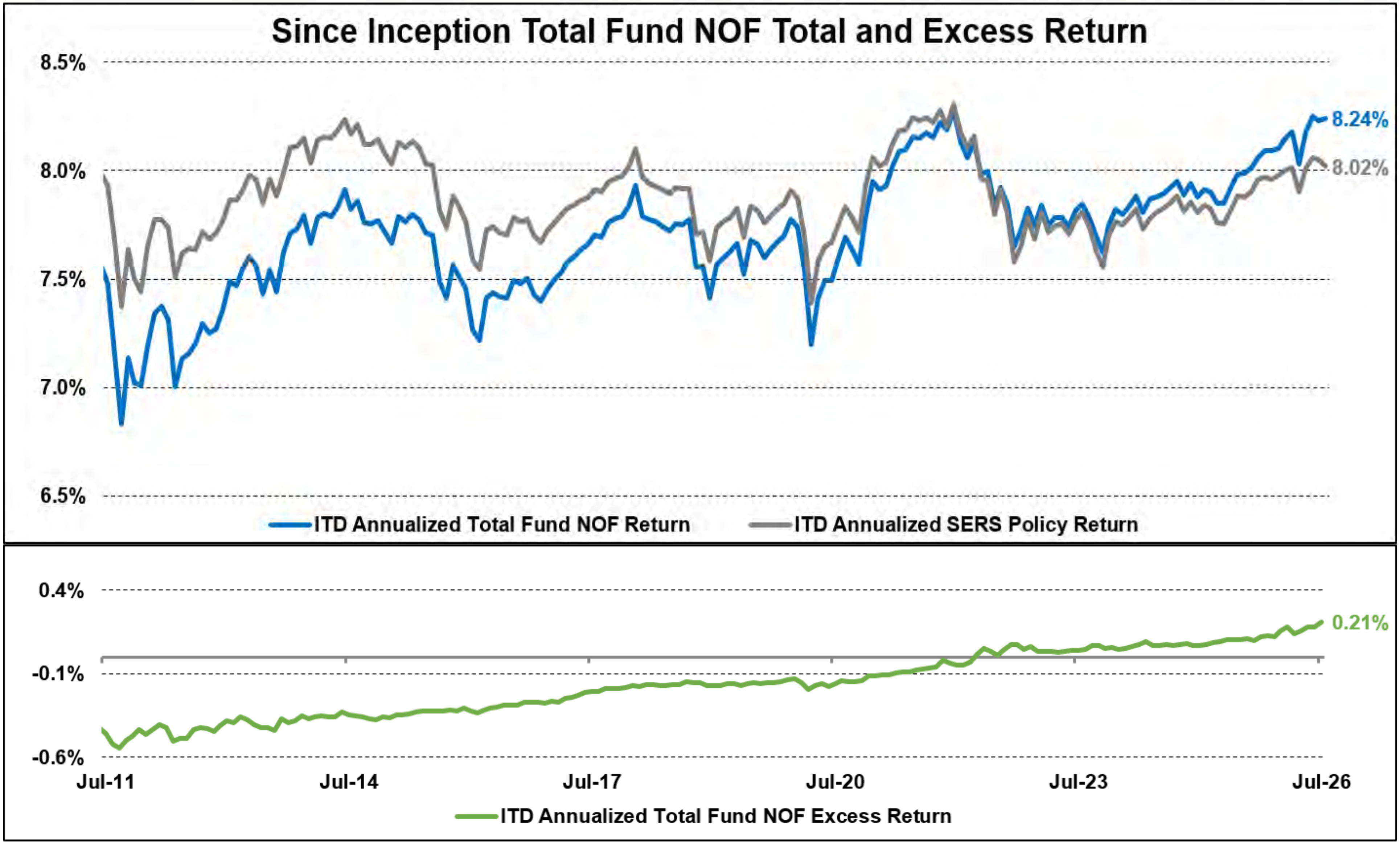
Total Fund Performance



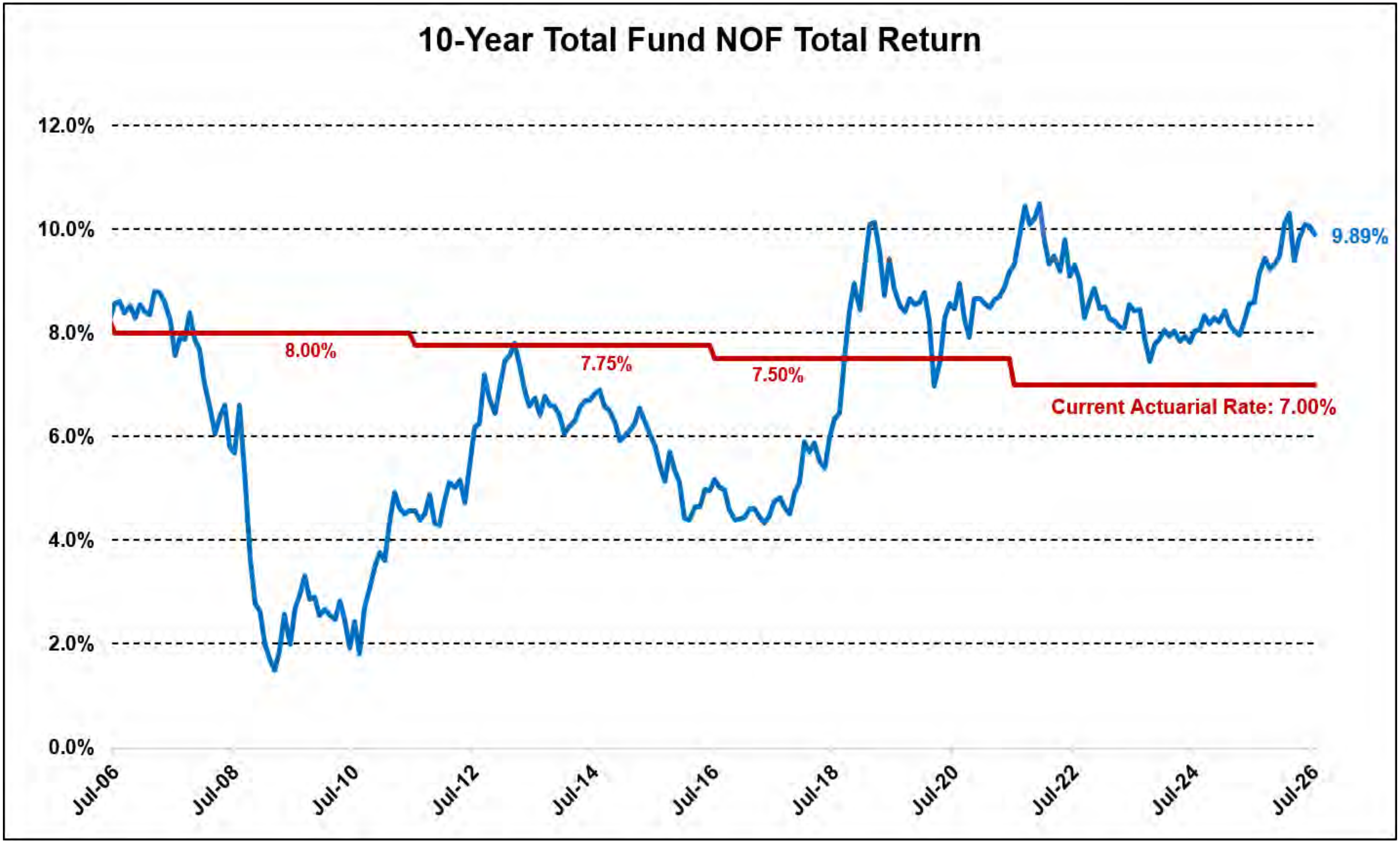
Total Fund Performance



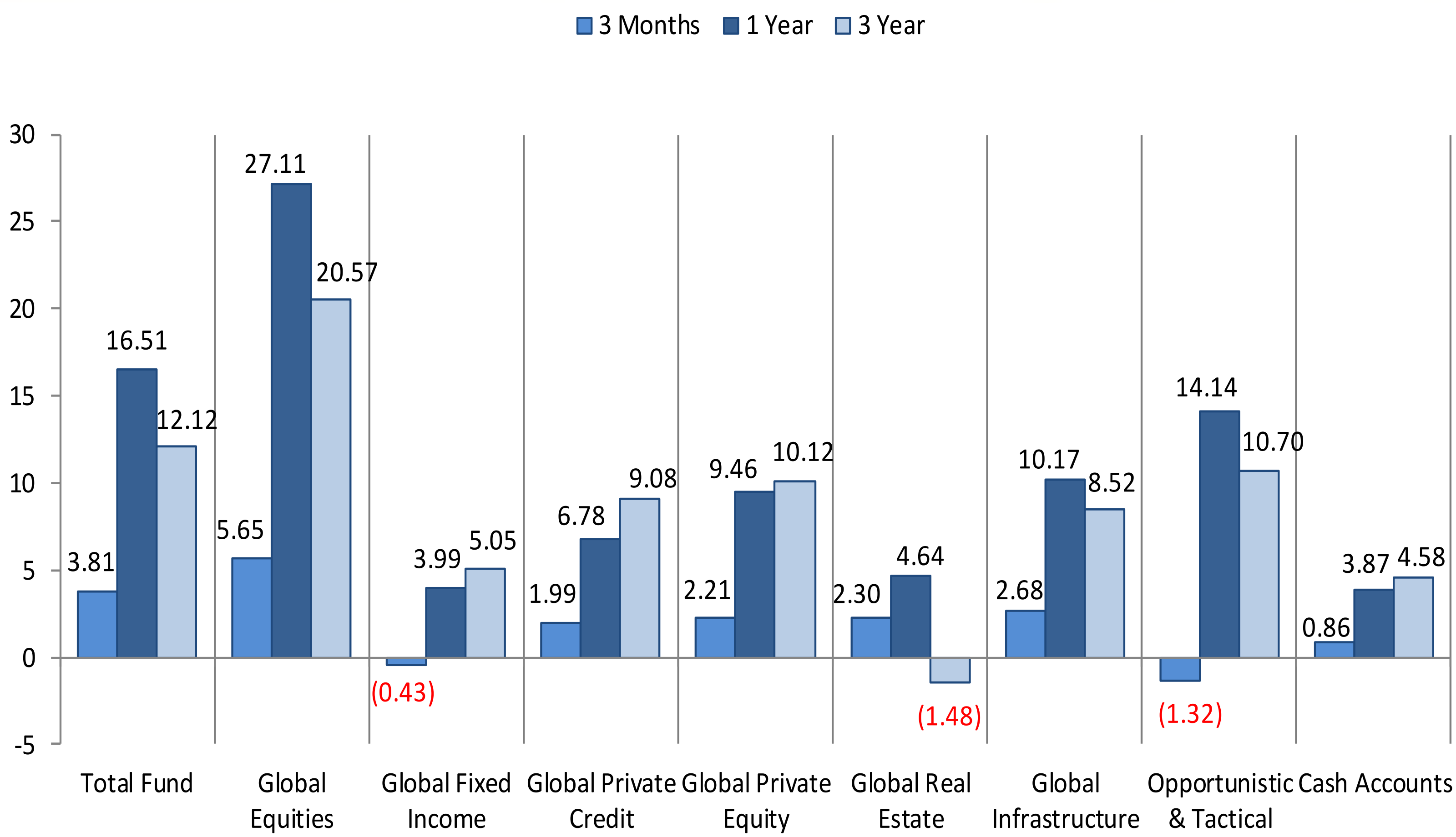
Total Fund Performance



Total Fund Performance



Total Fund and Asset Class Performance (Net)



Global Private Equity, Global Real Estate, and Global Infrastructure results are as of 06/30/2026

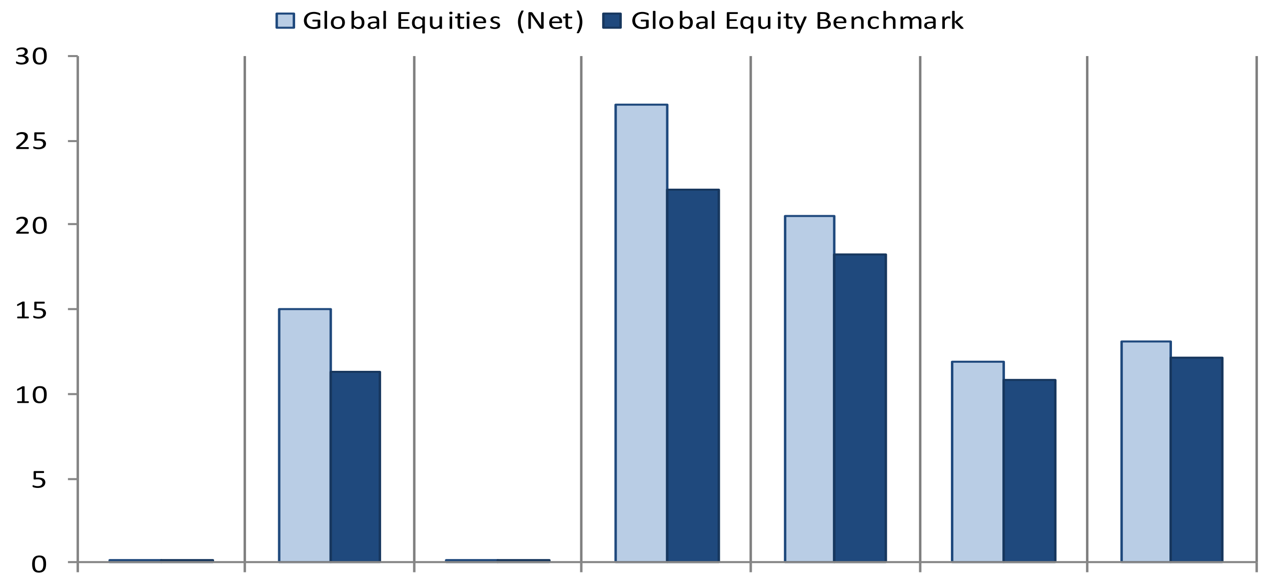
Gold performance inception date is 07/01/2026

Source: Clearwater Analytics

Global Equities Performance

Current Benchmark:

MSCI ACWI (Net Dividends)



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Global Equities (Gross)	0.08	15.50	0.08	27.68	20.98	12.22	13.41
Global Equities (Net)	0.01	15.07	0.01	27.11	20.57	11.86	13.05
Global Equity Benchmark	0.08	11.33	0.08	22.11	18.29	10.79	12.18
Value Added (Net of Fee)	(0.07)	3.74	(0.07)	5.00	2.28	1.07	0.87
Regional US Equity	(0.33)	10.94	(0.33)	20.42	18.76	11.54	14.15
Russell 3000 Index	(0.48)	10.35	(0.48)	19.60	18.75	11.82	14.55
Value Added (Net of Fee)	0.15	0.60	0.15	0.82	0.01	(0.28)	(0.40)
Regional Non-US Equity	0.22	15.75	0.22	29.83	18.19	9.53	10.54
Custom Non-US Equity BM	0.34	14.08	0.34	28.46	17.37	9.20	9.40
Value Added (Net of Fee)	(0.12)	1.67	(0.12)	1.37	0.82	0.33	1.14

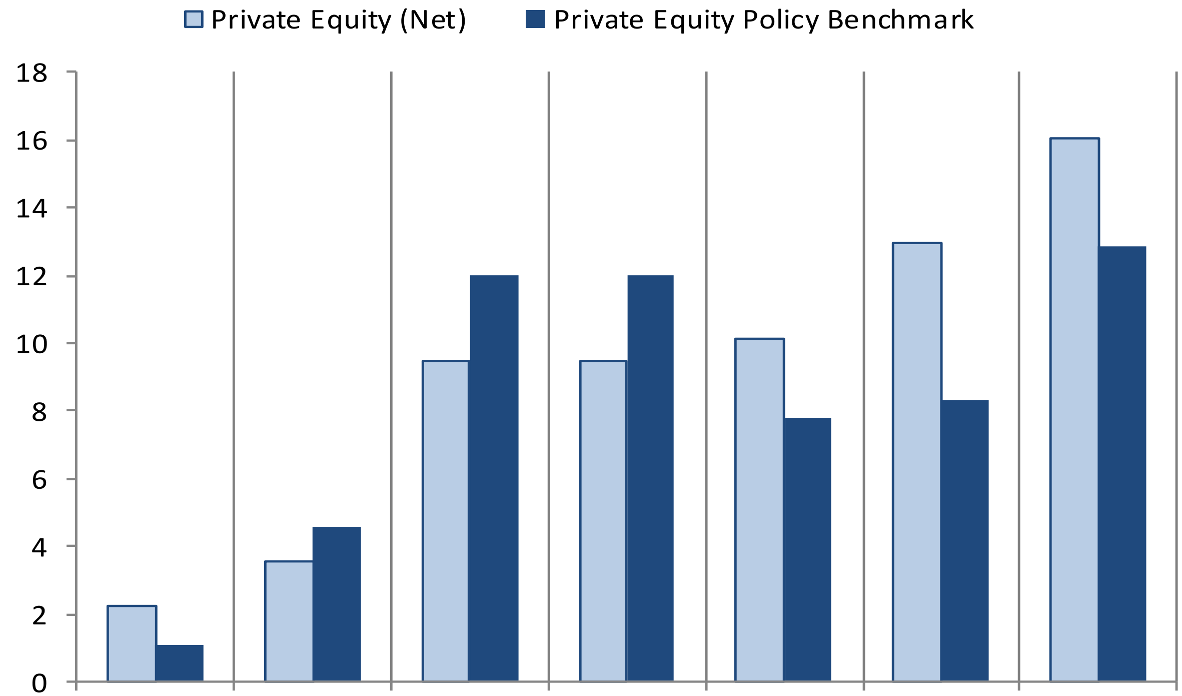
Source: Clearwater Analytics

Global Private Equity Performance

Results as of: 06/30/2026

Current Benchmark:

Burgiss All Private Equity Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Private Equity (Gross)	3.18	4.55	10.67	10.67	11.94	14.78	17.79
Private Equity (Net)	2.21	3.57	9.46	9.46	10.12	12.96	16.06
Private Equity Policy Benchmark	1.06	4.57	11.99	11.99	7.82	8.32	12.89
Value Added (Net of Fee)	1.15	(1.00)	(2.53)	(2.53)	2.30	4.64	3.17

Source: Clearwater Analytics

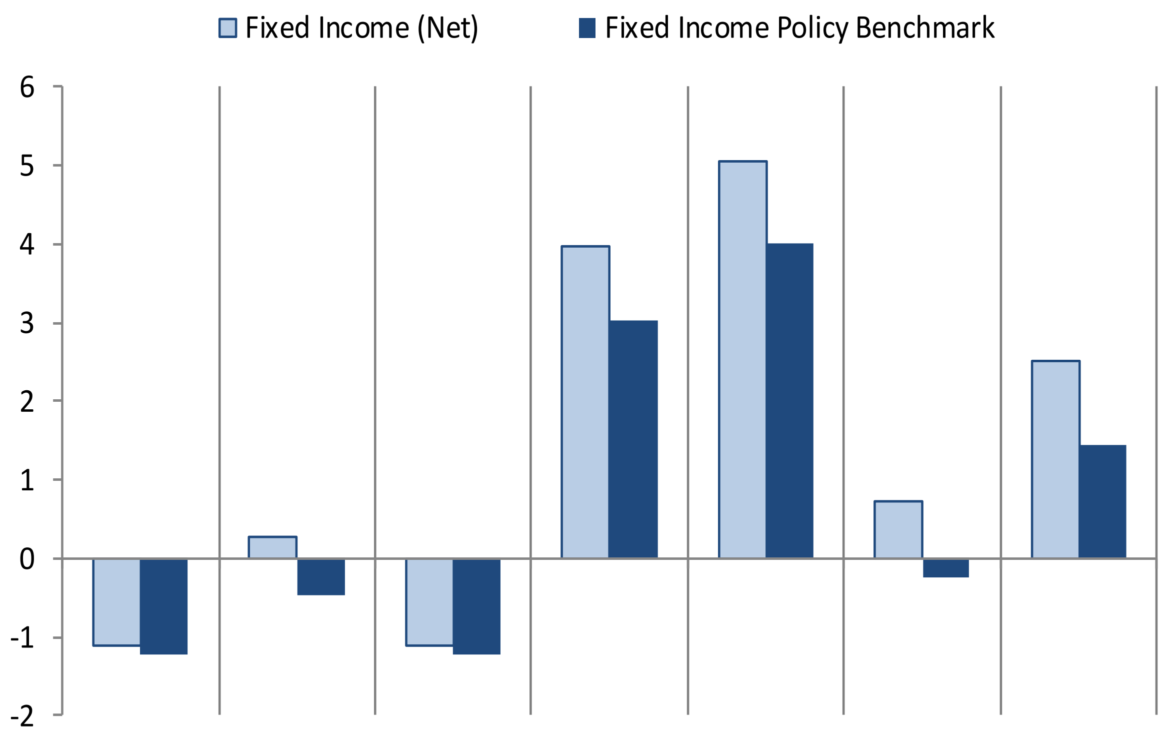
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Private Equity performance is reported one quarter in arrears.

Global Fixed Income Performance

Current Benchmark:

Bloomberg US Universal Bond Index



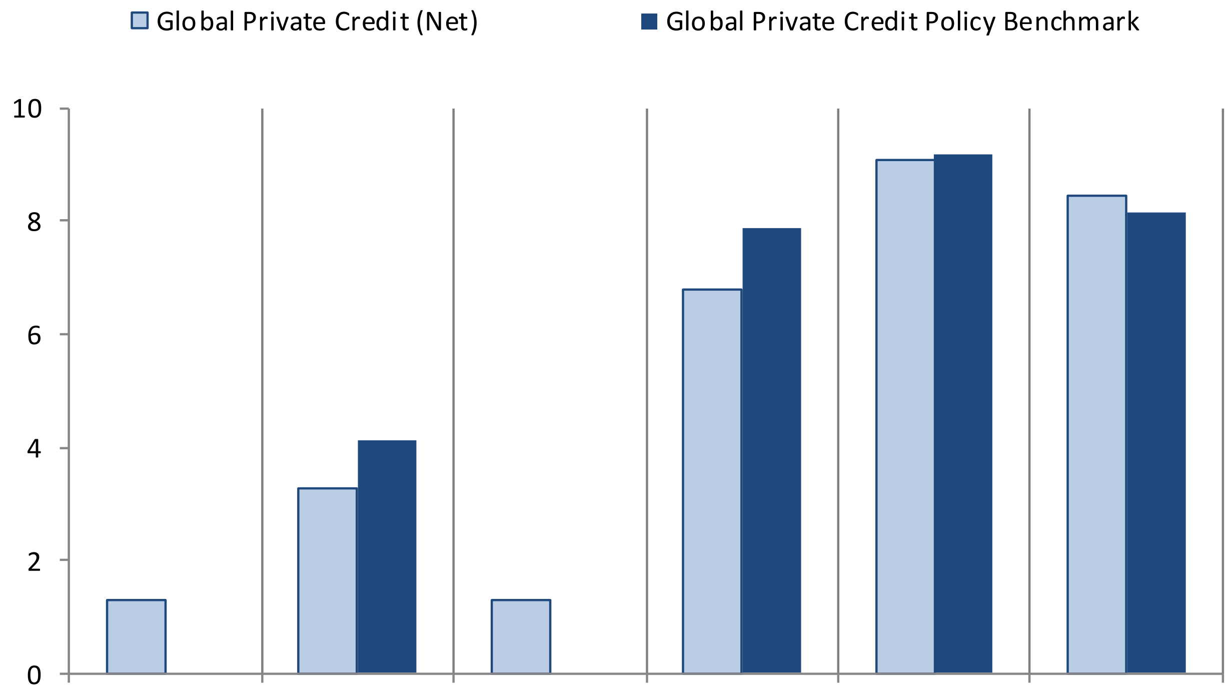
	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Fixed Income (Gross)	(1.08)	0.48	(1.08)	4.29	5.34	0.99	2.77
Fixed Income (Net)	(1.11)	0.26	(1.11)	3.99	5.05	0.71	2.51
Fixed Income Policy Benchmark	(1.22)	(0.46)	(1.22)	3.02	4.01	(0.23)	1.43
Value Added (Net of Fee)	0.12	0.72	0.12	0.96	1.04	0.95	1.08

Source: Clearwater Analytics

Global Private Credit Performance

Current Benchmark:

Quarterly Smoothed Morningstar LSTA US Leveraged Loan (one quarter in arrears)



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year
Global Private Credit (Gross)	1.49	5.04	1.49	8.63	10.73	10.01
Global Private Credit (Net)	1.31	3.28	1.31	6.78	9.08	8.46
Global Private Credit Policy Benchmark	0.00	4.14	0.00	7.89	9.16	8.16
Value Added (Net of Fee)	1.31	(0.86)	1.31	(1.11)	(0.08)	0.30

Source: Clearwater Analytics

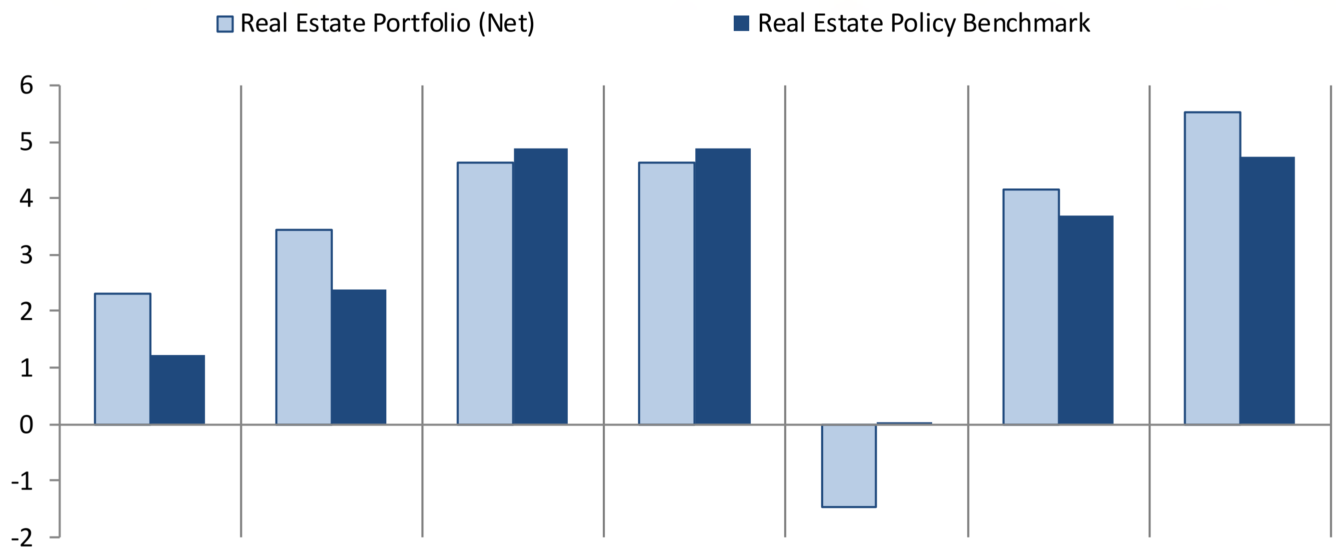
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Real Estate Performance

Results as of: 06/30/2026

Current Benchmark:

NCREIF Property Index (1q lag)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Real Estate Portfolio (Gross)	3.16	4.32	5.53	5.53	(0.63)	5.10	6.49
Real Estate Portfolio (Net)	2.30	3.45	4.64	4.64	(1.48)	4.15	5.52
Real Estate Policy Benchmark	1.23	2.37	4.89	4.89	0.01	3.70	4.75
Real Estate Value Added (NOF)	1.07	1.08	(0.25)	(0.25)	(1.49)	0.46	0.78
Real Estate Core (Net)	1.95	3.15	4.78	4.78	(1.37)	4.84	6.02
Real Estate Policy Benchmark	1.23	2.37	4.89	4.89	0.01	3.70	4.75
Real Estate Core Value Added (NOF)	0.72	0.78	(0.11)	(0.11)	(1.38)	1.14	1.27
Real Estate Non-Core (Net)	2.89	3.28	1.62	1.62	(3.63)	0.95	3.56
Real Estate Policy Benchmark	1.23	2.37	4.89	4.89	0.01	3.70	4.75
Real Estate Non-Core Value Added (NOF)	1.66	0.90	(3.27)	(3.27)	(3.64)	(2.75)	(1.18)

Source: Clearwater Analytics
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.
Global Real Estate performance is reported one quarter in arrears.

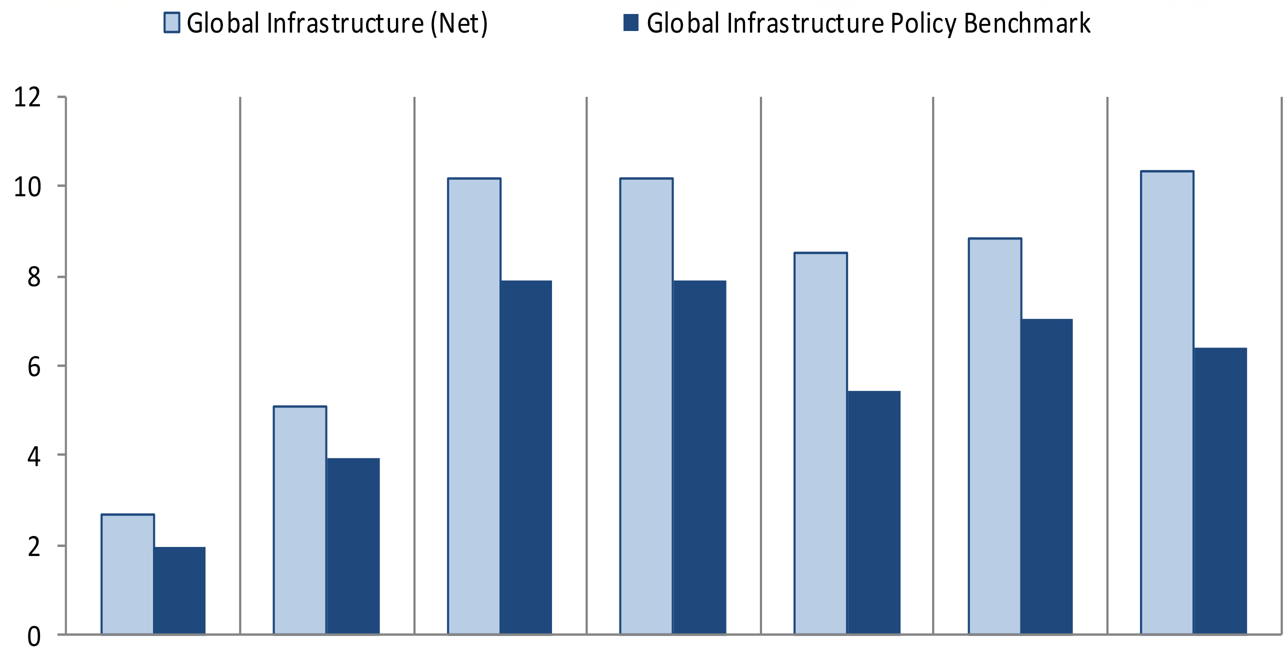
Global Infrastructure Performance

Results as of: 06/30/2026

Current Benchmark:

Quarterly (4 qtrs.) smoothed CPI

+1.20% per quarter



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Global Infrastructure (Gross)	3.52	5.96	11.10	11.10	9.55	9.78	11.38
Global Infrastructure (Net)	2.68	5.10	10.17	10.17	8.52	8.82	10.34
Global Infrastructure Policy Benchmark	1.98	3.94	7.89	7.89	5.41	7.02	6.41
Global Infrastructure Value Added (NOF)	0.70	1.16	2.29	2.29	3.12	1.80	3.92

Source: Clearwater Analytics

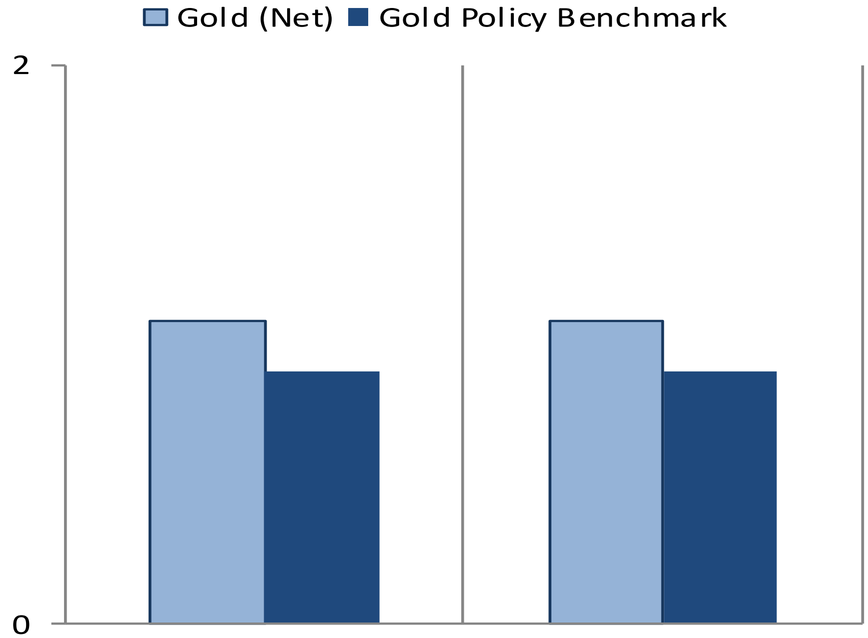
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Infrastructure performance is reported one quarter in arrears.

Gold Performance

Current Benchmark:

IAUM Gold ETF



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Gold (Gross)	1.08	N/A	1.08	N/A	N/A	N/A	N/A
Gold (Net)	1.08	N/A	1.08	N/A	N/A	N/A	N/A
Gold Policy Benchmark	0.90	N/A	0.90	N/A	N/A	N/A	N/A
Gold Policy Value Added (NOF)	0.18	N/A	0.18	N/A	N/A	N/A	N/A

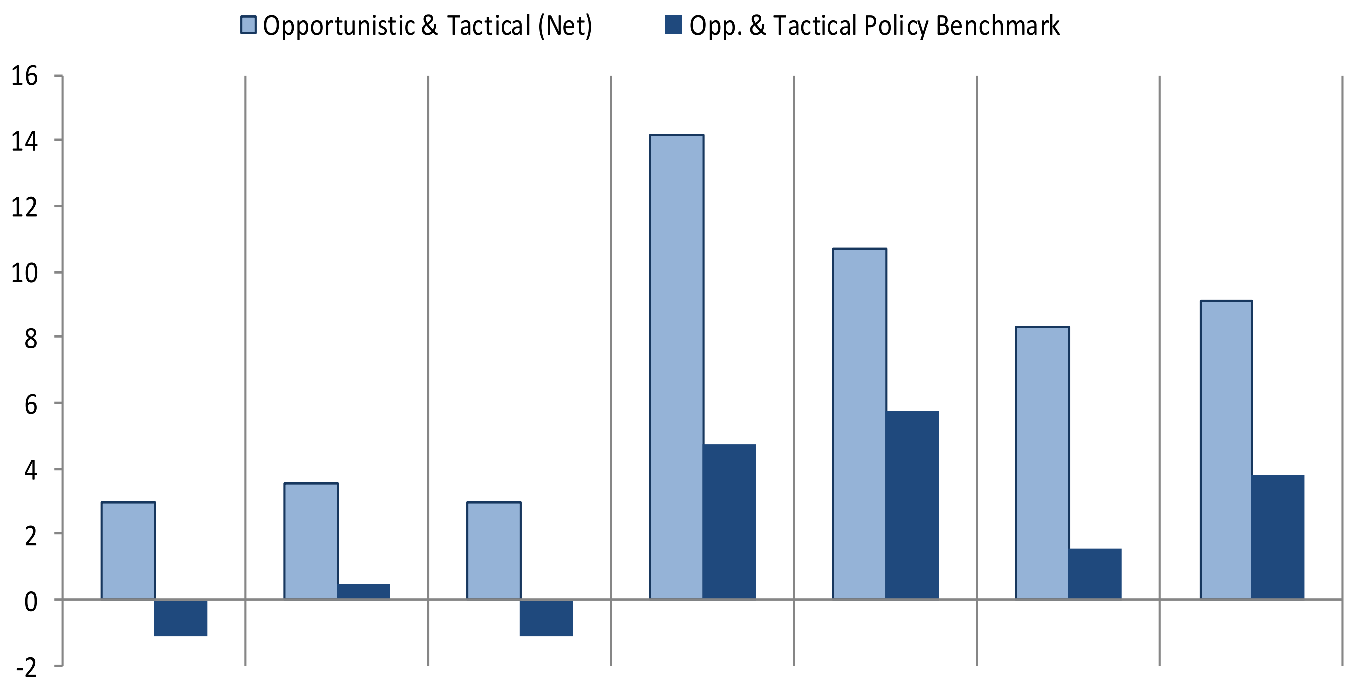
Gold performance inception date is 07/01/2026

Source: Clearwater Analytics

Opportunistic & Tactical Performance

Current Benchmark:

Bloomberg Aggregate Bond Index + 2%



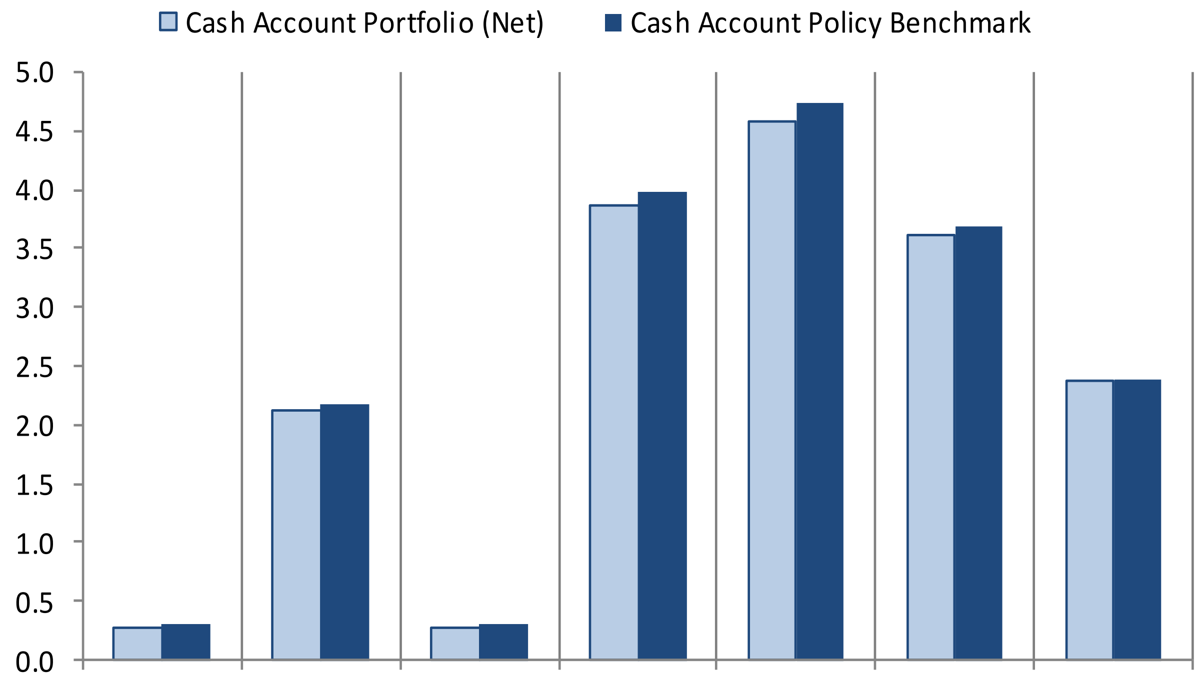
	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Opportunistic & Tactical (Gross)	3.13	4.36	3.13	15.03	11.77	9.43	10.41
Opportunistic & Tactical (Net)	2.97	3.56	2.97	14.14	10.70	8.33	9.11
Opp. & Tactical Policy Benchmark	(1.09)	0.48	(1.09)	4.71	5.72	1.60	3.83
Opp. & Tactical Policy Value Added (NOF)	4.06	3.08	4.06	9.43	4.98	6.73	5.28

Source: Clearwater Analytics

Cash Account Performance

Current Benchmark:

FTSE 30 Day Treasury Bill Index



	1 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Cash Account Portfolio (Gross)	0.28	2.13	0.28	3.87	4.58	3.60	2.38
Cash Account Portfolio (Net)	0.28	2.13	0.28	3.87	4.58	3.60	2.38
Cash Account Policy Benchmark	0.32	2.17	0.32	3.97	4.74	3.69	2.38
Value Added (Net of Fee)	(0.03)	(0.04)	(0.03)	(0.10)	(0.16)	(0.09)	0.00

Source: Clearwater Analytics

Overlay Performance

	3 mo	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Overlay Cumulative Net Value Added ($MM)	$8.6	$5.7	($5.5)	($5.0)	($91.3)	($25.1)	($8.8)
Overlay Cumulative Net Value Added (%)	0.03	0.06	(0.02)	(0.03)	(0.20)	(0.04)	(0.02)

Source: Clearwater Analytics

CYTD includes a prior period adjustment

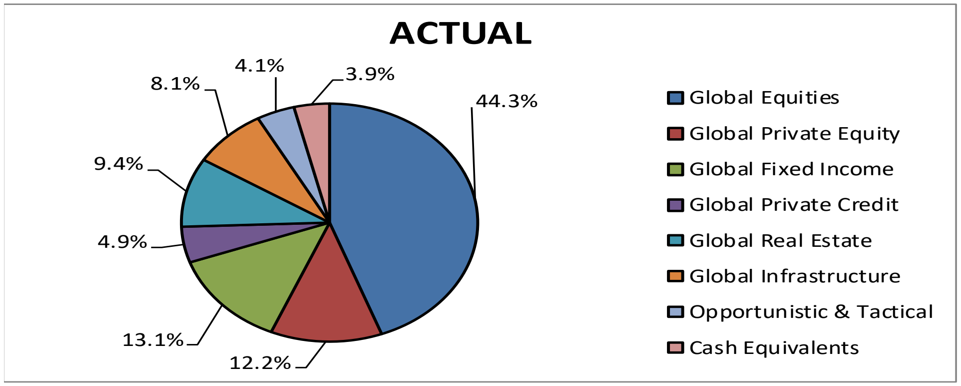
SERS' Investment Portfolios Review

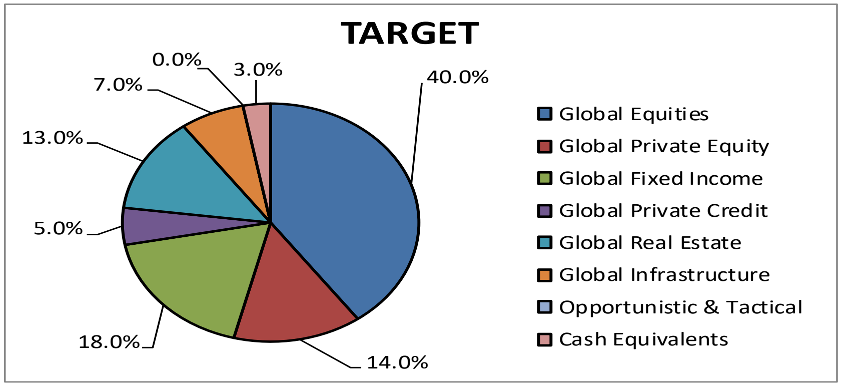
Investment Report | Month Ending: 06/30/2026

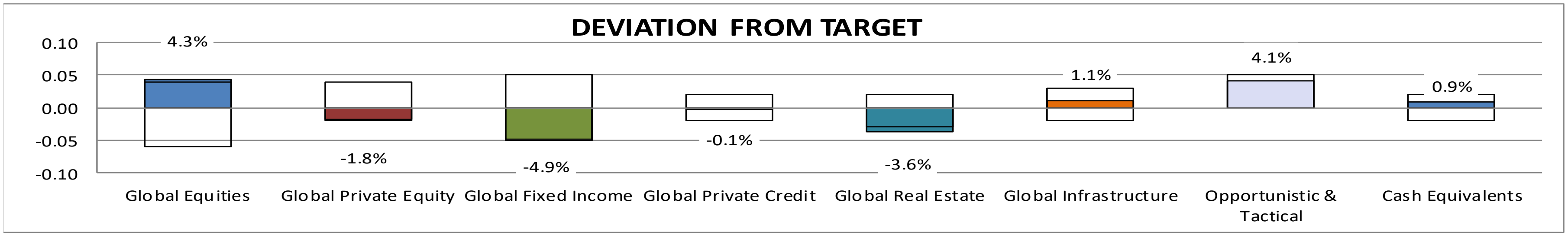
Total Fund Asset Allocation

Asset Class	Market Value $	Actual	Target	Range
Global Equities	**10,383,540,667**	**44.3%**	**40.0%**	35% - 45%
Global Private Equity	**2,853,408,470**	**12.2%**	**14.0%**	*11% - 17%*
Global Fixed Income	**3,077,439,171**	**13.1%**	**18.0%**	*13% - 23%*
Global Private Credit	**1,142,621,401**	**4.9%**	**5.0%**	*3% -7%*
Global Real Estate	**2,202,936,583**	**9.4%**	**13.0%**	*10% - 15%*
Global Infrastructure	**1,907,955,074**	**8.1%**	**7.0%**	*5% - 10%*
Opportunistic & Tactical	**972,456,260**	**4.1%**	**0.0%**	*0% - 5%*
Cash Equivalents	**908,138,202**	**3.9%**	**3.0%**	*1% - 5%*
Short-Term	365,305	*0.0%*	2.0%	
Russell EA Overlay	3	*0.0%*	*0.0%*	
Direct Rebalance Overlay	5,457,767	*0.0%*	*0.0%*	
Transition / Operational Account	756,563	*0.0%*	*0.0%*	
Currency Overlay	31,181,050	*0.1%*	*0.0%*	
SERS Cash	870,377,515	*3.7%*	*0.0%*	
Total Fund	**23,448,495,828**	**100.0%**	**100.0%**	

Source: Clearwater Analytics







Total Fund Change in Net Assets

CHANGE IN NET ASSETS

	vs. One Year Ago, since 07/01/2025	*vs. Three Years Ago, since* 07/01/2023
Beginning Market Value	20,632,695,224	17,834,826,917
Gain/Loss	3,500,007,840	7,548,912,726
Expenses	(144,207,455)	(405,244,034)
Net Transfer	(539,999,900)	(1,529,999,900)
End of Period Market Value	**23,448,495,828**	**23,448,495,828**

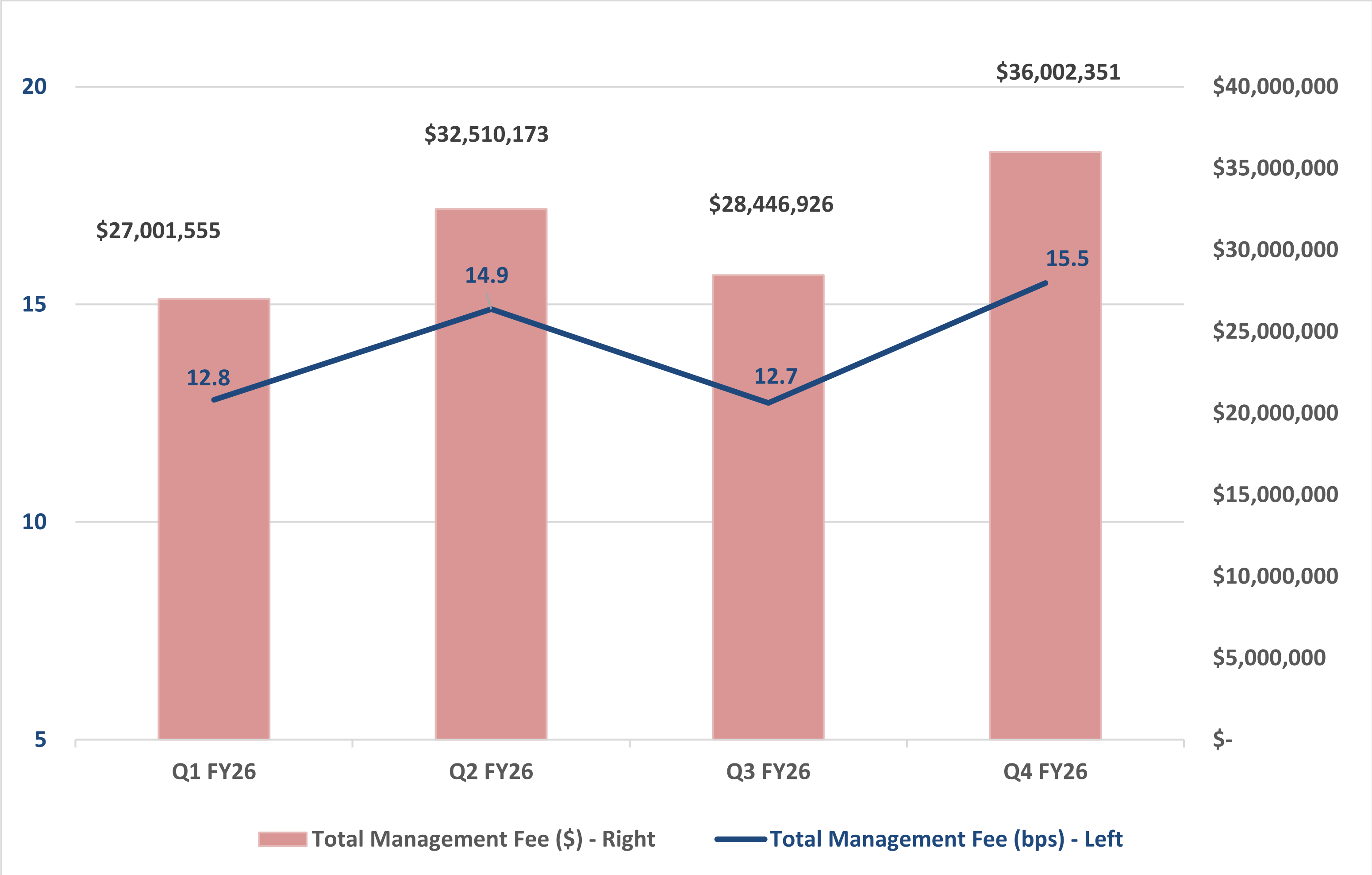
***Sources of Net Transfer**

Dividends/Interest	*228,923,197*
Net Distributions	*311,076,703*
Cash on Hand	*Not Required*

FY 2026 Quarterly Income Distributions by Asset Class

	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Total
Equity Dividends	33,909,089	22,894,254	24,371,094	29,130,985	110,305,422
Fixed Income Interest Income	22,015,615	21,315,862	23,317,486	21,035,674	87,684,637
Short-Term Interest Income	9,072,211	8,749,236	6,889,594	6,222,097	30,933,138
Private Equity Income	3,421,273	6,192,270	5,746,509	4,454,165	19,814,217
Real Estate Income	17,828,218	19,450,760	19,512,186	23,046,719	79,837,882
Infrastructure Income	8,195,691	13,935,568	12,300,173	14,146,439	48,577,871
Private Credit Income	17,181,393	20,653,879	24,130,095	17,597,279	79,562,646
Opportunistic	2,638,313	1,032,729	1,095,754	1,130,918	5,897,714
Total Fund Income	**114,261,803**	**114,224,558**	**117,362,890**	**116,764,277**	**462,613,528**
Pension/Healthcare Transfers	(109,999,900)	(135,000,000)	(145,000,000)	(150,000,000)	(539,999,900)
Cash Required from Capital	**4,261,903**	**(20,775,442)**	**(27,637,110)**	**(33,235,723)**	**(77,386,372)**

Total Fund Management Fees by Quarter

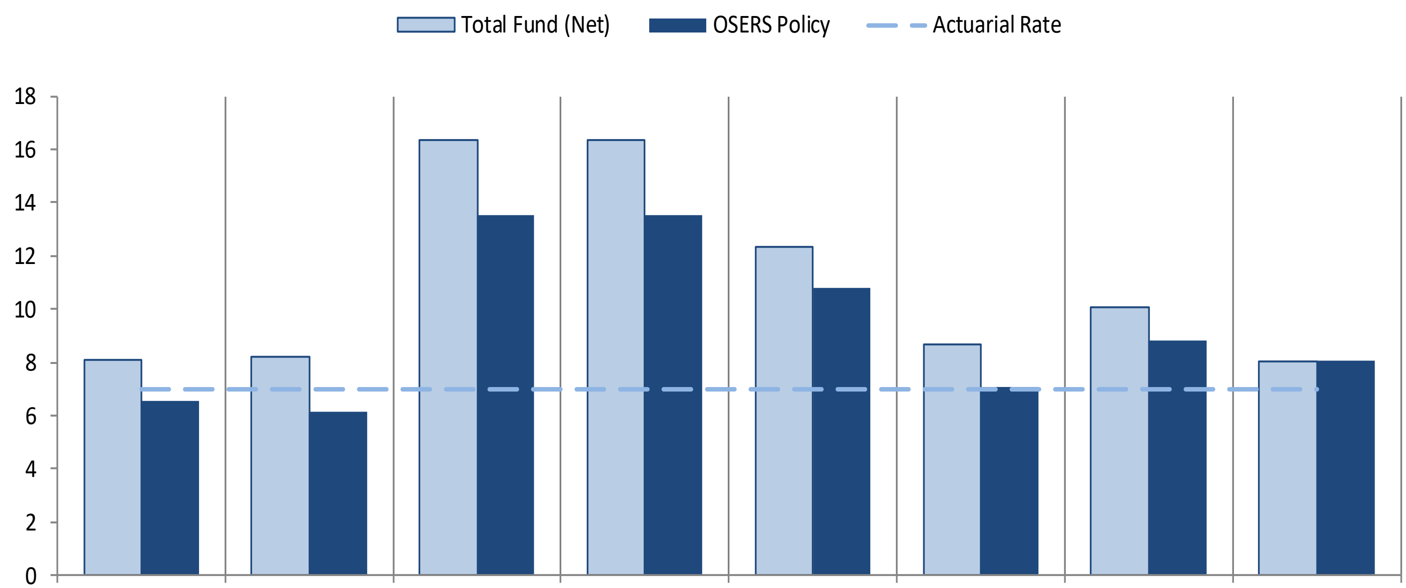


Alternative fee correcting adjustments were made for FY2026, changing the prior quarter reporting

Total Fund and Asset Class Performance (Net)

Current Benchmark:

40% MSCI ACWI (Net Dividends)
14.00% Burgiss All Private Equity benchmark (1q lag) (BAPE)
18.00% Bloomberg US Universal Bond
13.00% Expanded NCREIF Property Index (one quarter in arrears)
7.00% Quarterly (4 qtrs.) smoothed CPI +1.20% per quarter
5.00% 90 day SOFR rate + 4.5% (one quarter in arrears)
3.00% FTSE 30 Day T-Bill



Actuarial Rate

(7.0% effective 07/01/2021, adopted 04/15/2021)

	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD*
Total Fund (Gross)	8.60	8.76	17.06	17.06	13.12	9.42	10.77	8.79
Total Fund (Net)	8.10	8.20	16.37	16.37	12.36	8.68	10.05	8.23
OSERS Policy	6.57	6.15	13.52	13.52	10.78	7.05	8.83	8.05
Value Added (Net of Fee)	1.54	2.05	2.84	2.84	1.59	1.63	1.23	0.18

Estimated Cumulative Net Value Added ($MM)**	**$335.5**	**$440.1**	**$571.6**	**$571.6**	**$1,001.1**	**$1,819.9**	**$2,815.1**

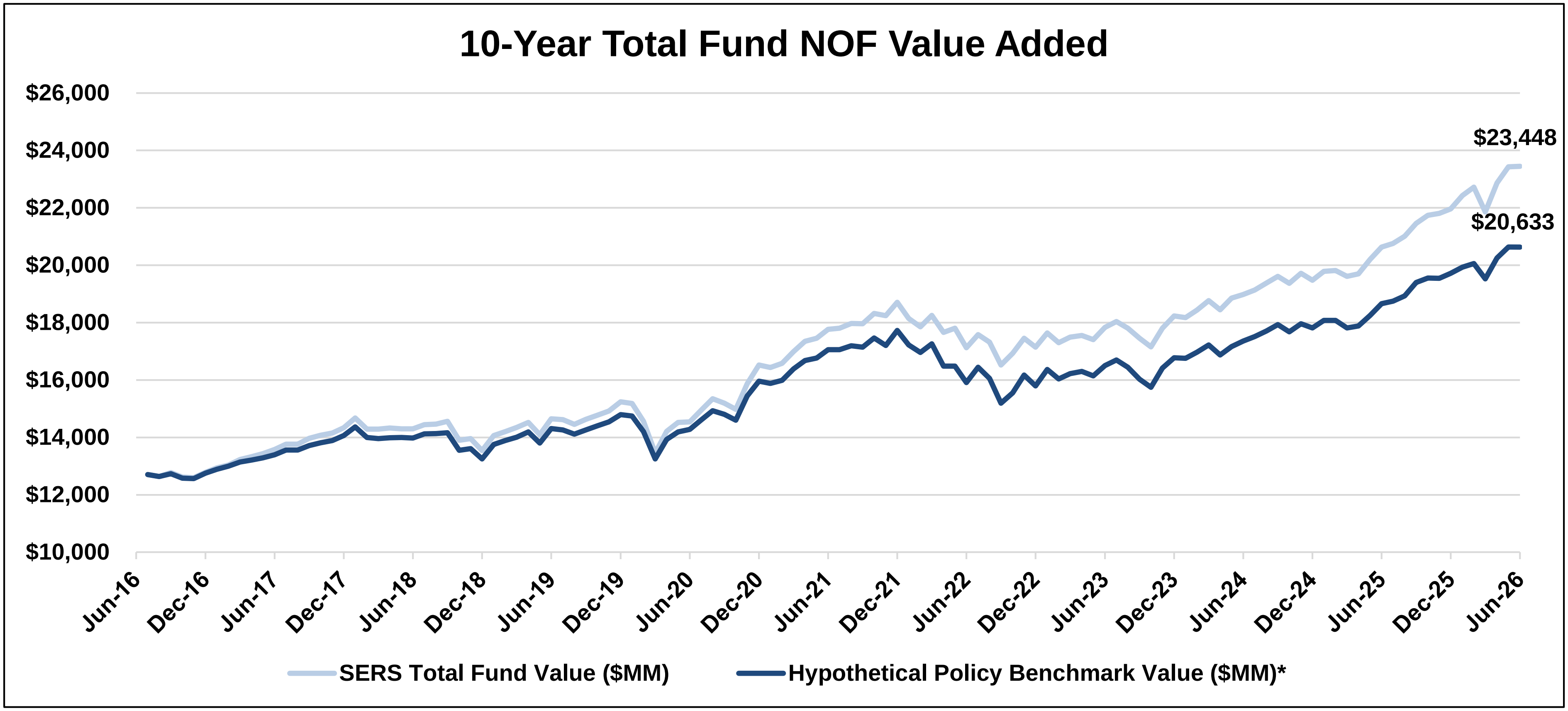
Source: Clearwater Analytics

**ITD is Inception date 10/1/1994 (31 years and 9 months)*

***For each period, calculated as the difference between the actual change in fund assets and the hypothetical change in fund assets under a benchmark-returns scenario.*

***Assumes portfolio in benchmark-returns scenario is rebalanced monthly to target weights after deducting calculated net cash flow, with no allowance for fees.*

Total Fund Performance



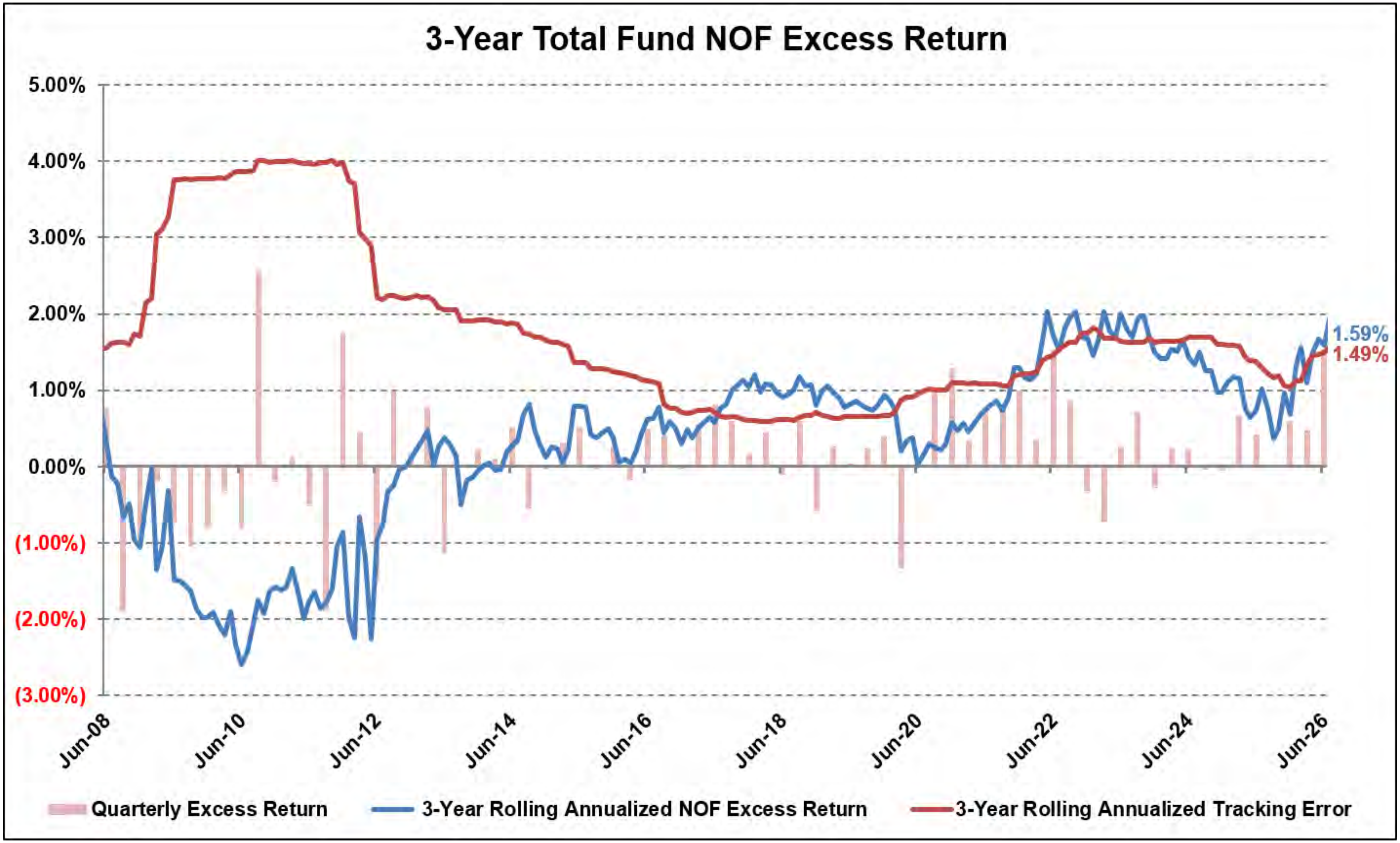
Fiscal Year Net Excess Return (%)									
FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
1.50	0.86	0.06	(0.64)	2.66	3.01	0.23	0.95	1.02	2.84

Source: Clearwater Analytics

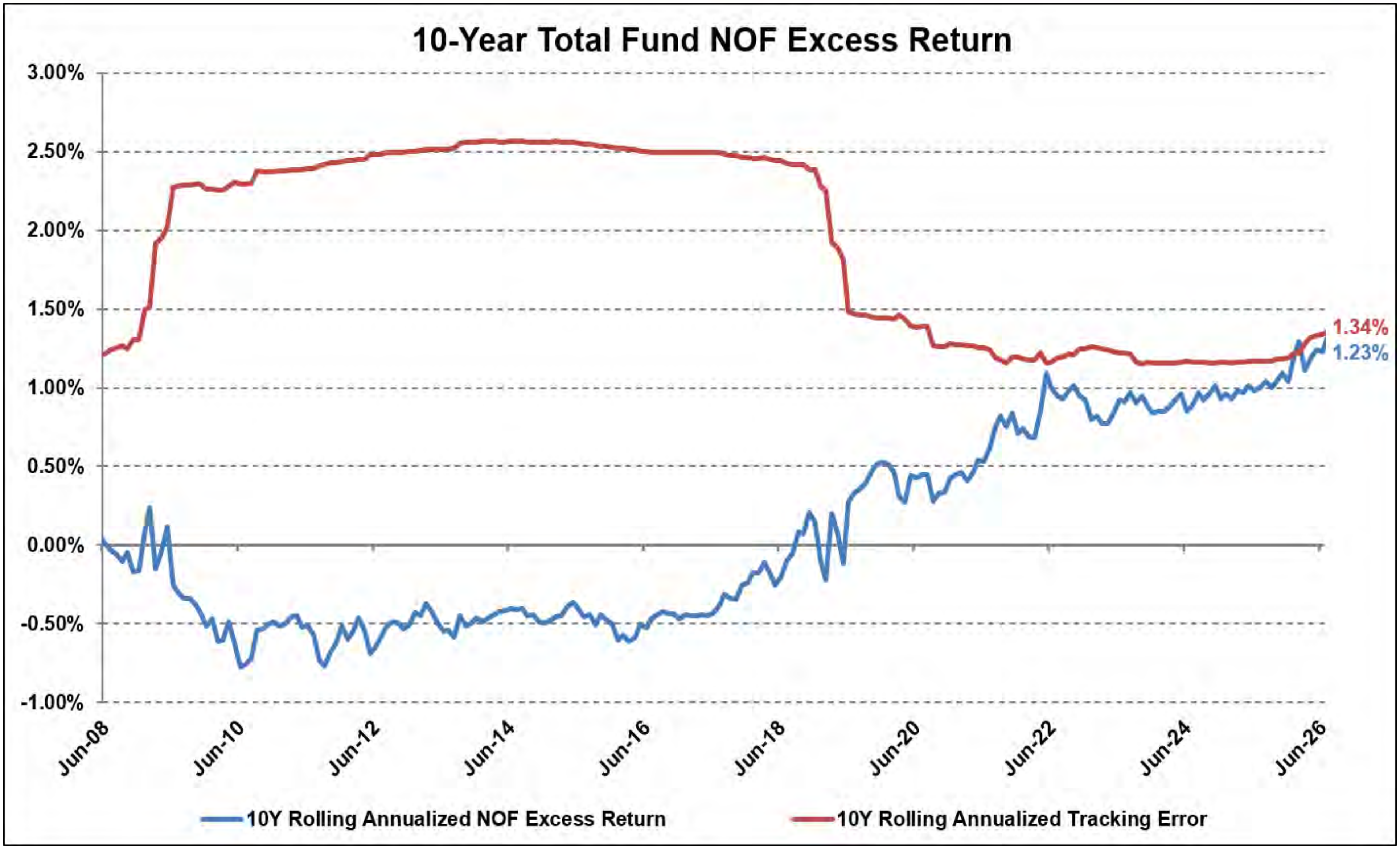
**Calculated as the hypothetical change in fund assets under a policy benchmark-returns scenario.*

**Assumes portfolio in benchmark-returns scenario is rebalanced monthly to target weights after deducting calculated net cash flow, with no allowance for fees.*

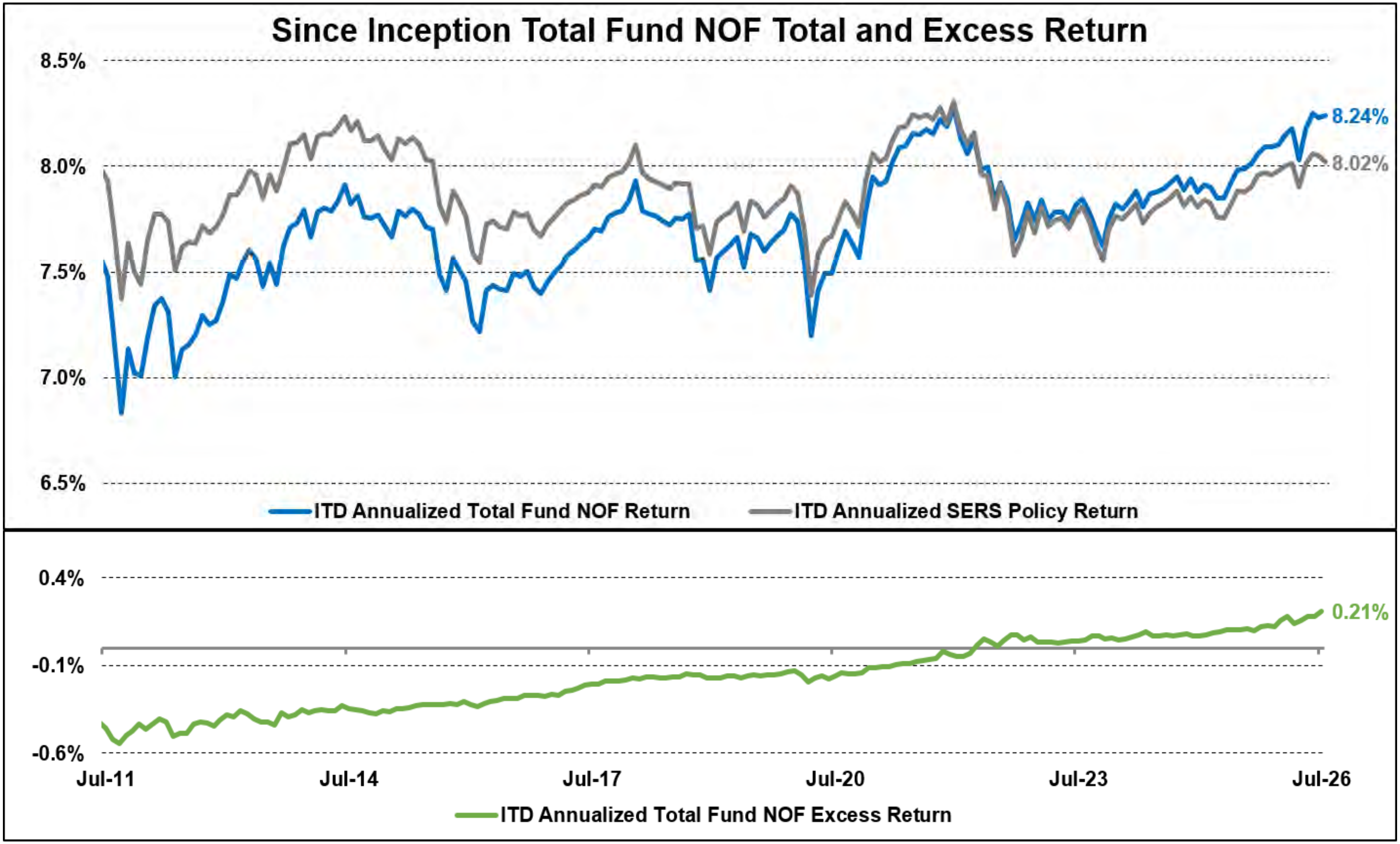
Total Fund Performance



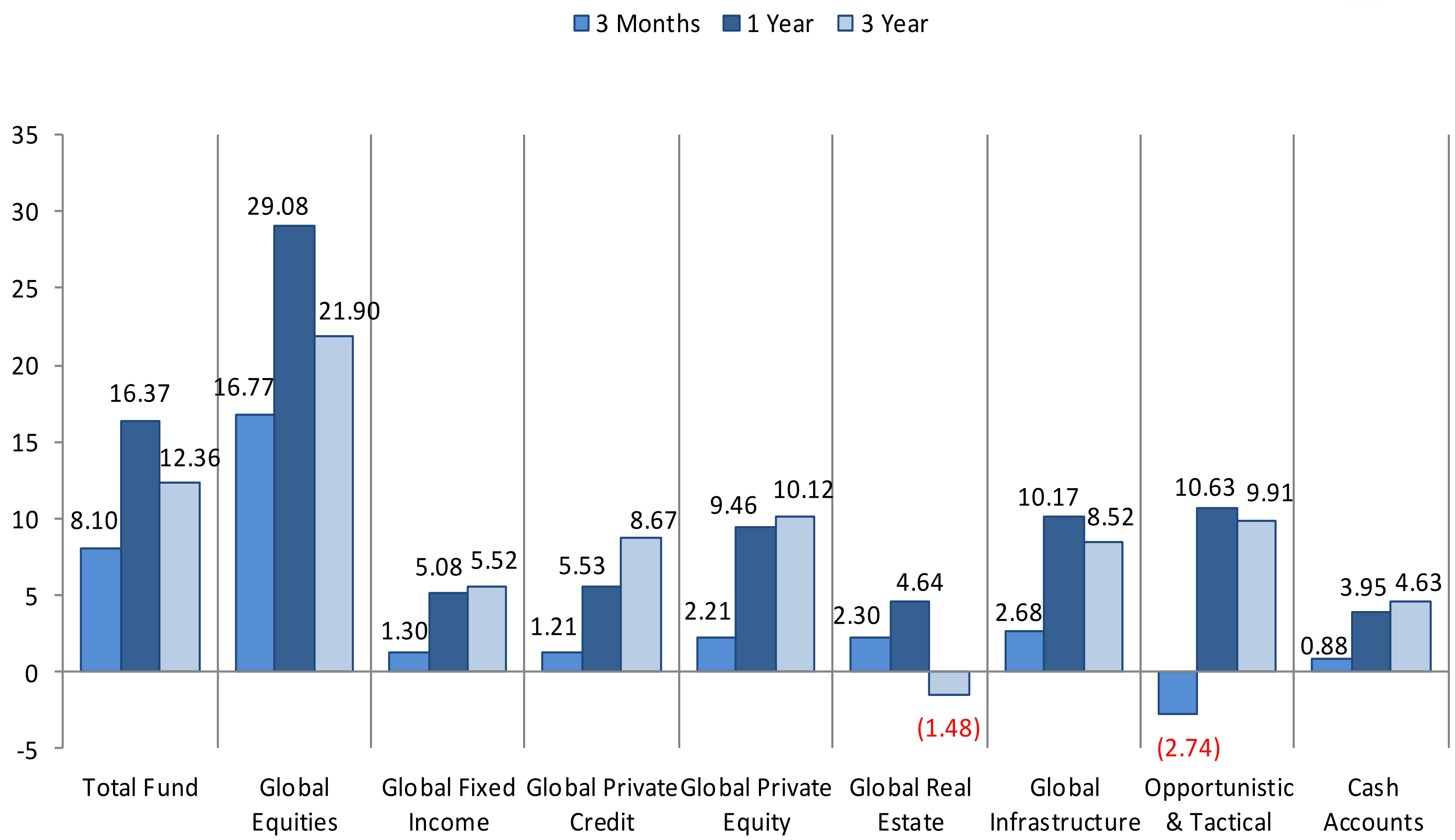
Total Fund Performance



Total Fund Performance



Total Fund and Asset Class Performance (Net)

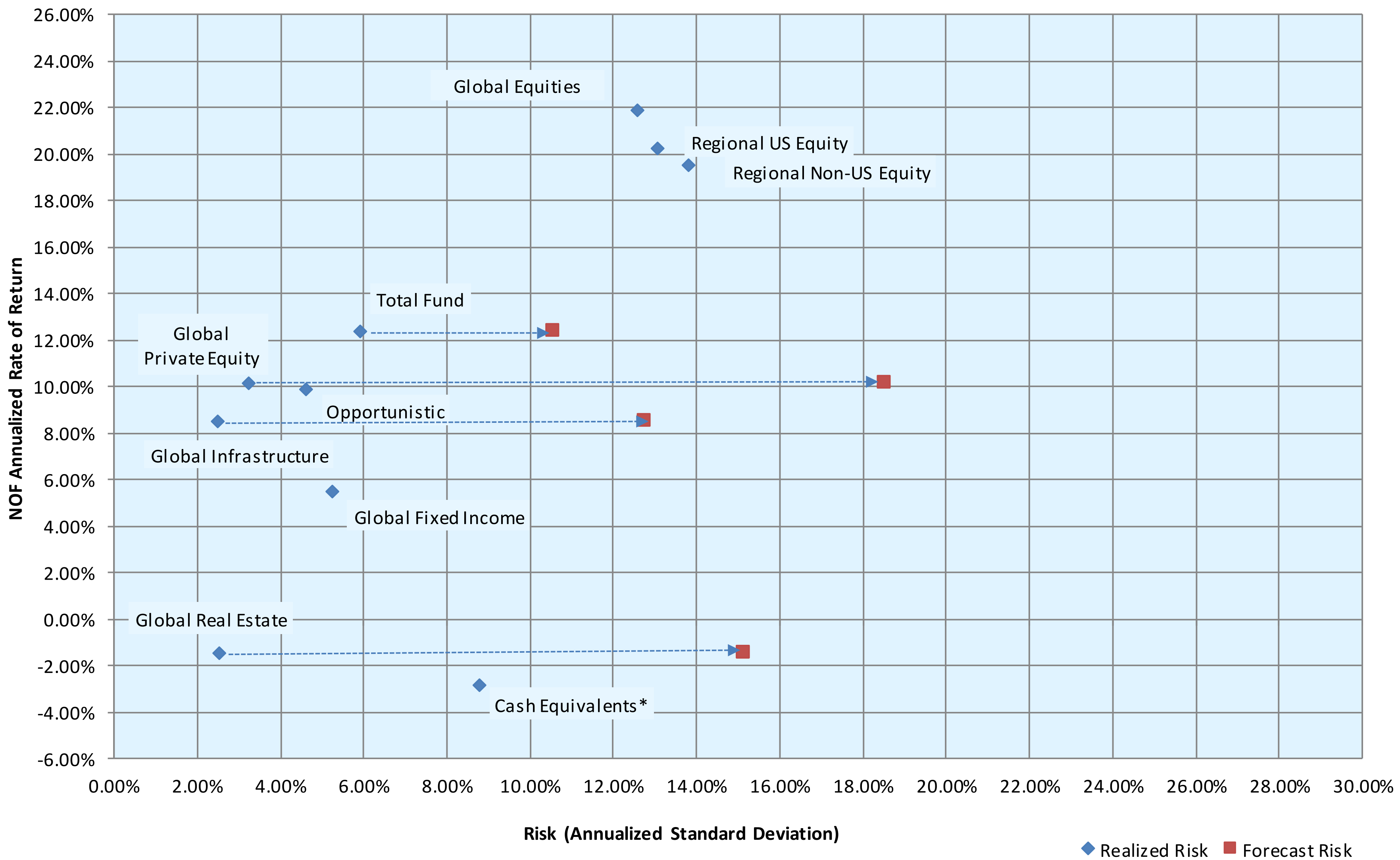


Source: Clearwater Analytics

5 Year Risk and Return

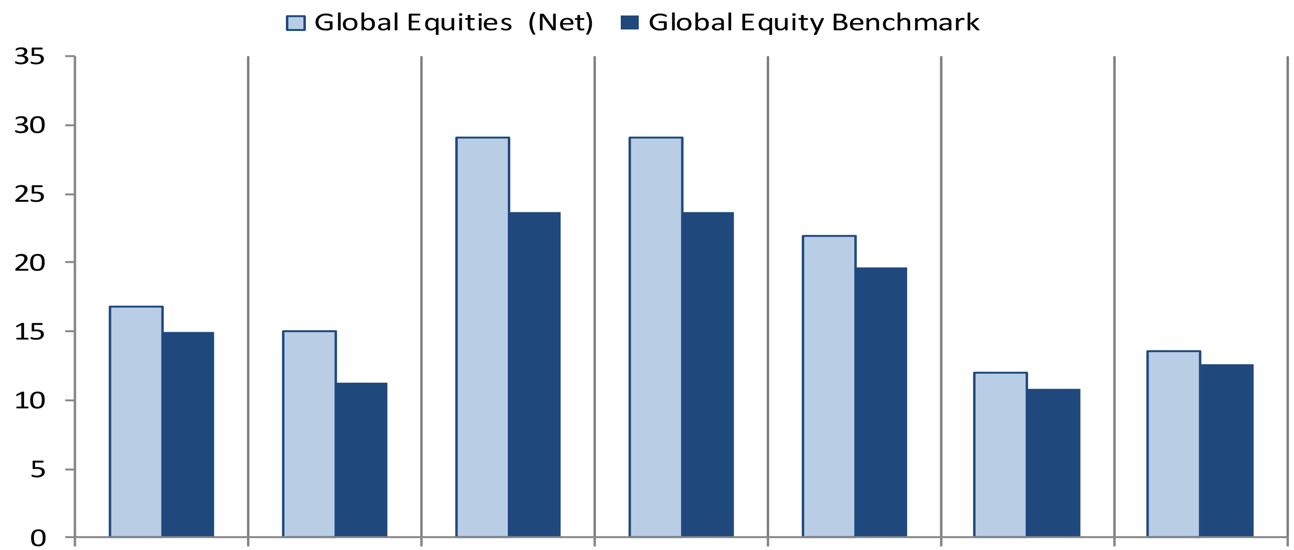
**Cash Equivalents include Short-Term, Enhanced Allocation Overlay and Currency Overlay*

3 Year Risk and Return



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

Global Equities Performance



Current Benchmark:

MSCI ACWI (Net Dividends)

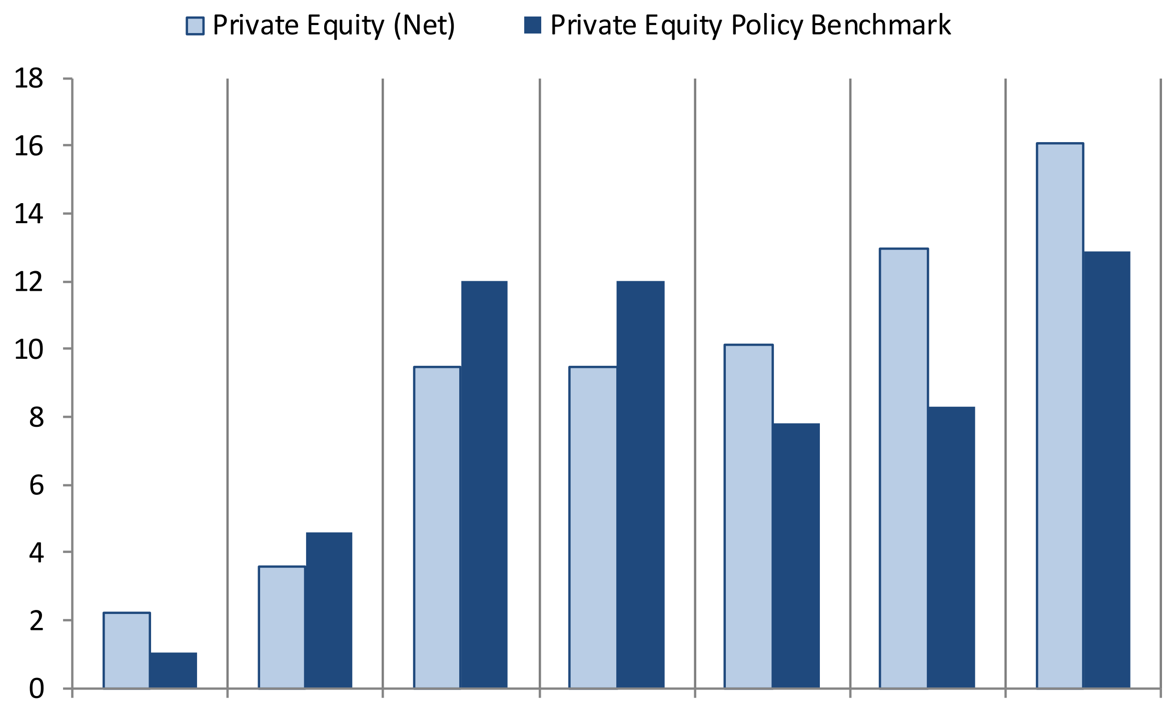
	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Global Equities (Gross)	16.98	15.41	29.59	29.59	22.30	12.34	13.90
Global Equities (Net)	16.77	15.06	29.08	29.08	21.90	11.99	13.54
Global Equity Benchmark	14.93	11.25	23.67	23.67	19.68	10.80	12.66
Value Added (Net of Fee)	1.84	3.81	5.41	5.41	2.22	1.19	0.88
Regional US Equity	15.41	11.31	23.45	23.45	20.23	12.03	14.62
Russell 3000 Index	15.44	10.88	22.82	22.82	20.34	12.30	15.05
Value Added (Net of Fee)	(0.03)	0.43	0.63	0.63	(0.11)	(0.27)	(0.43)
Regional Non-US Equity	15.05	15.49	29.54	29.54	19.50	9.28	11.07
Custom Non-US Equity BM	14.49	13.68	27.66	27.66	18.80	8.73	9.89
Value Added (Net of Fee)	0.56	1.81	1.88	1.88	0.70	0.55	1.18

Source: Clearwater Analytics

Global Private Equity Performance

Current Benchmark:

Burgiss All Private Equity Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Private Equity (Gross)	3.18	4.55	10.67	10.67	11.94	14.78	17.79
Private Equity (Net)	2.21	3.57	9.46	9.46	10.12	12.96	16.06
Private Equity Policy Benchmark	1.06	4.57	11.99	11.99	7.82	8.32	12.89
Value Added (Net of Fee)	1.15	(1.00)	(2.53)	(2.53)	2.30	4.64	3.17

Source: Clearwater Analytics

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

Global Private Equity performance is reported one quarter in arrears.

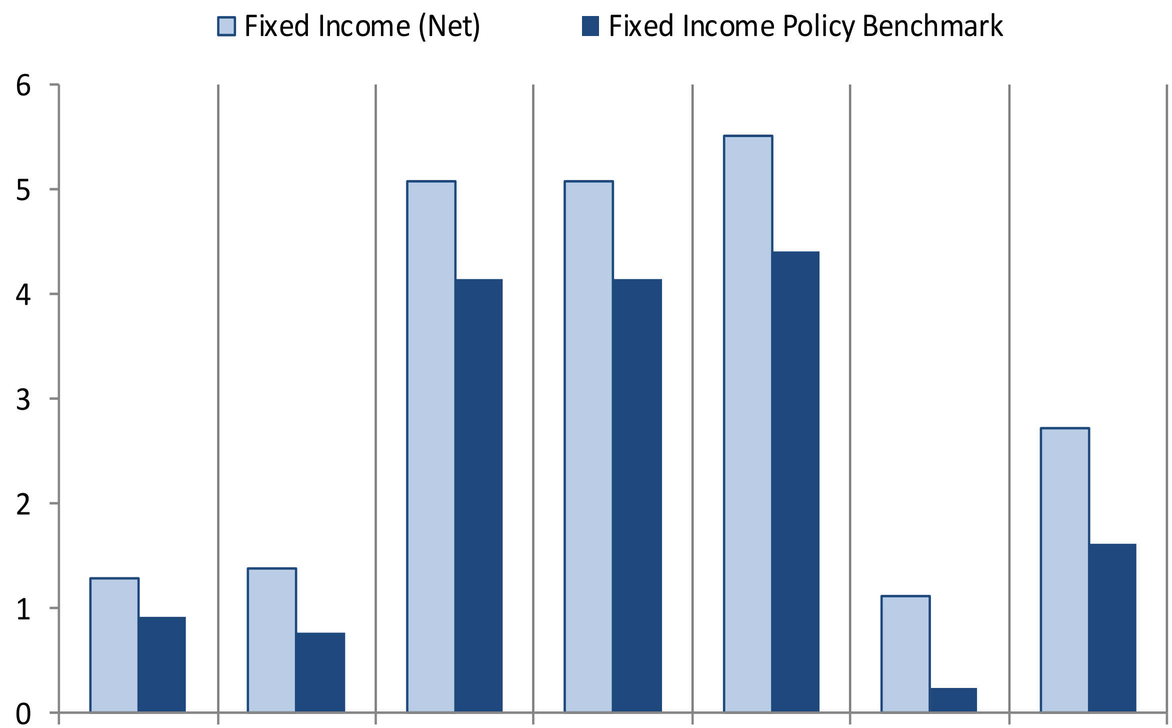
Public vs Private Equity Performance (Net)

	3 Year	5 Year	10 Year
Regional US Equity	20.23	12.03	14.62
Global Equity	21.90	11.99	13.54
Private Equity	10.12	12.96	16.06

Global Fixed Income Performance

Current Benchmark:

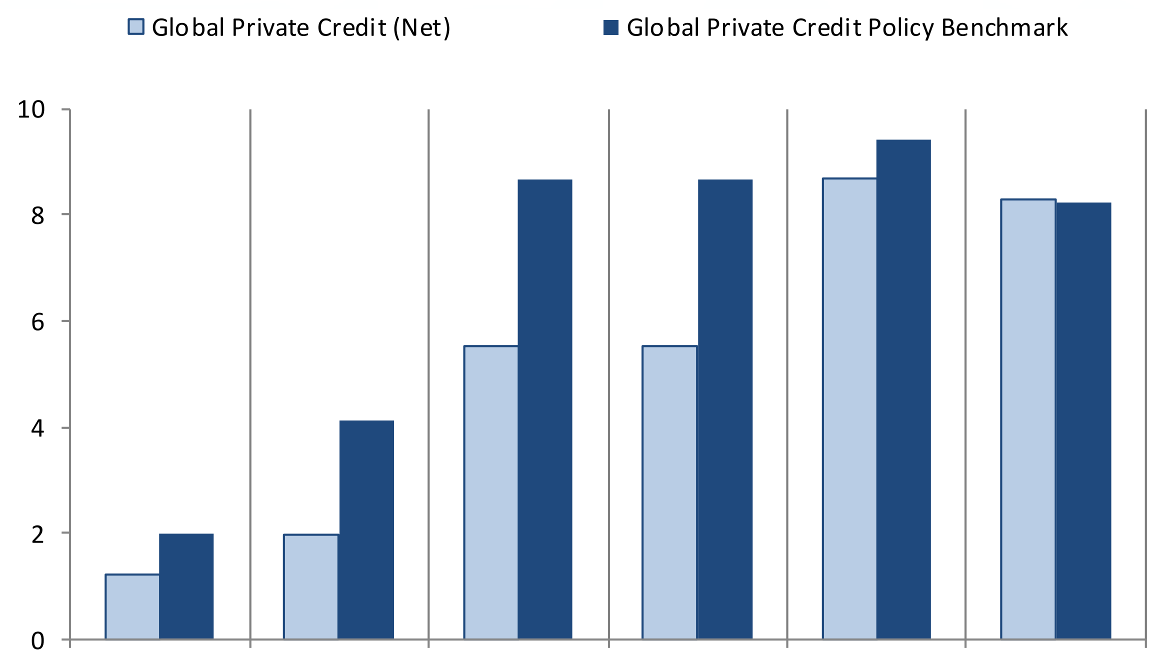
Bloomberg US Universal Bond Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Fixed Income (Gross)	1.45	1.58	5.36	5.36	5.80	1.39	2.98
Fixed Income (Net)	1.30	1.38	5.08	5.08	5.52	1.12	2.73
Fixed Income Policy Benchmark	0.92	0.77	4.15	4.15	4.42	0.23	1.62
Value Added (Net of Fee)	0.38	0.61	0.93	0.93	1.10	0.88	1.11

Source: Clearwater Analytics

Global Private Credit Performance



Current Benchmark:

90 day SOFR rate + 4.5%

(one quarter in arrears)

	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year
Global Private Credit (Gross)	2.74	3.50	7.17	7.17	10.25	9.79
Global Private Credit (Net)	1.21	1.95	5.53	5.53	8.67	8.28
Global Private Credit Policy Benchmark	2.00	4.14	8.65	8.65	9.44	8.24
Value Added (Net of Fee)	(0.80)	(2.19)	(3.12)	(3.12)	(0.76)	0.04

Source: Clearwater Analytics

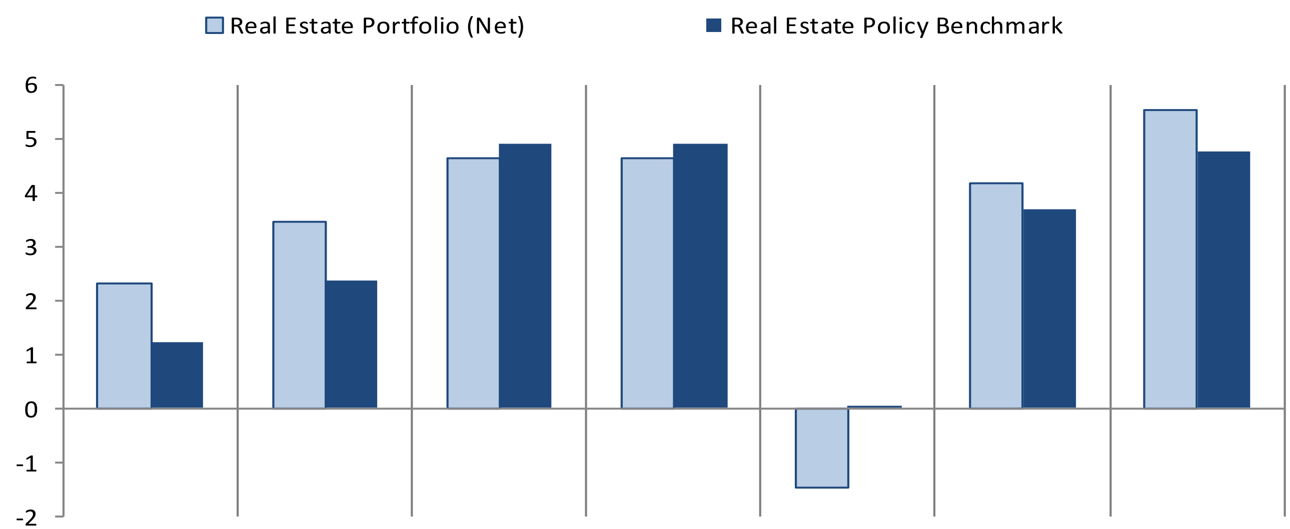
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Real Estate Performance

Global Real Estate Performance

Current Benchmark:

NCREIF Property Index (1q lag)



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Real Estate Portfolio (Gross)	3.16	4.32	5.53	5.53	(0.63)	5.10	6.49
Real Estate Portfolio (Net)	2.30	3.45	4.64	4.64	(1.48)	4.15	5.52
Real Estate Policy Benchmark	1.23	2.37	4.89	4.89	0.01	3.70	4.75
Real Estate Value Added (NOF)	1.07	1.08	(0.25)	(0.25)	(1.49)	0.46	0.78
Real Estate Core (Net)	1.95	3.15	4.78	4.78	(1.37)	4.84	6.02
Real Estate Policy Benchmark	1.23	2.37	4.89	4.89	0.01	3.70	4.75
Real Estate Core Value Added (NOF)	0.72	0.78	(0.11)	(0.11)	(1.38)	1.14	1.27
Real Estate Non-Core (Net)	2.89	3.28	1.62	1.62	(3.63)	0.95	3.56
Real Estate Policy Benchmark	1.23	2.37	4.89	4.89	0.01	3.70	4.75
Real Estate Non-Core Value Added (NOF)	1.66	0.90	(3.27)	(3.27)	(3.64)	(2.75)	(1.18)

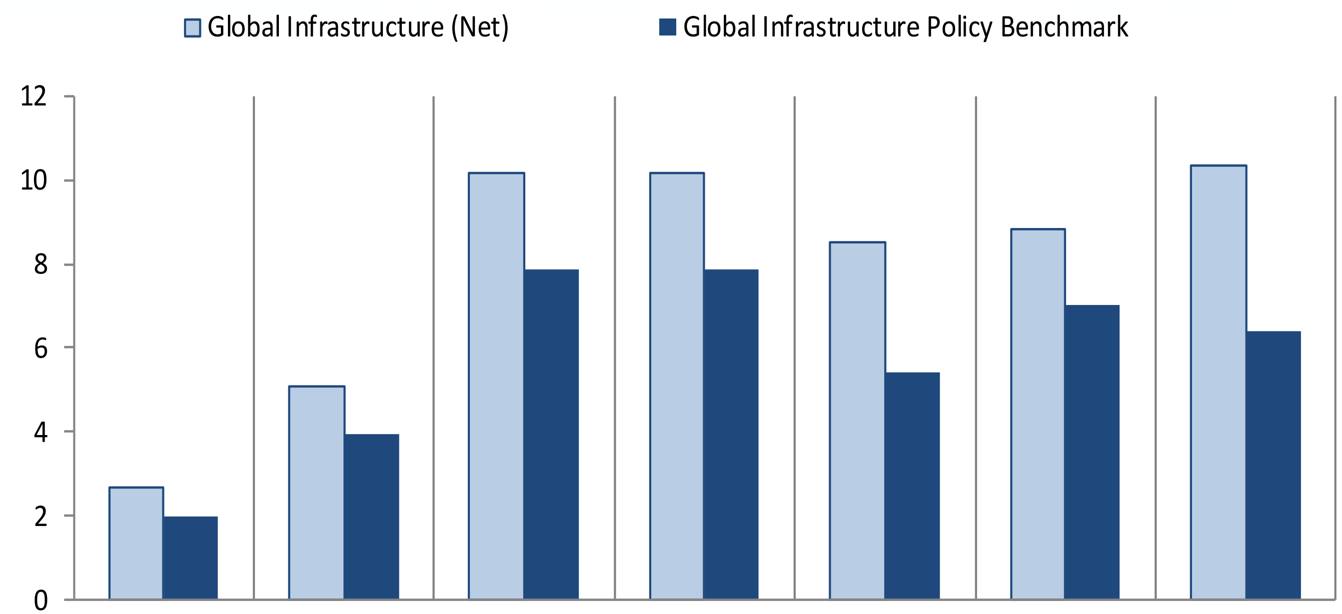
Source: Clearwater Analytics
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.
Global Real Estate performance is reported one quarter in arrears.

Global Infrastructure Performance

Current Benchmark:

Quarterly (4 qtrs.) smoothed CPI

+1.20% per quarter



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Global Infrastructure (Gross)	3.52	5.96	11.10	11.10	9.55	9.78	11.38
Global Infrastructure (Net)	2.68	5.10	10.17	10.17	8.52	8.82	10.34
Global Infrastructure Policy Benchmark	1.98	3.94	7.89	7.89	5.41	7.02	6.41
Global Infrastructure Value Added (NOF)	0.70	1.16	2.29	2.29	3.12	1.80	3.92

Source: Clearwater Analytics

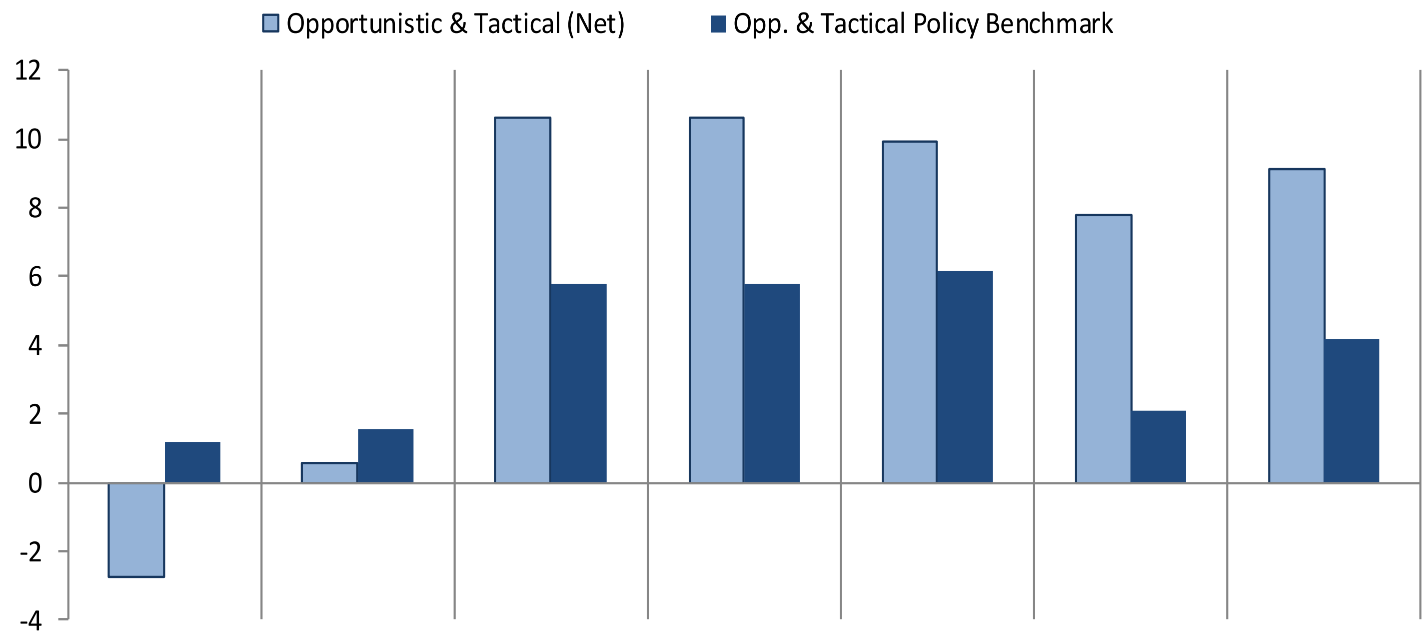
The difference between Gross and Net is management fee only. Performance based fees are captured in the Gross return.

Global Infrastructure performance is reported one quarter in arrears.

Opportunistic & Tactical Performance

Current Benchmark:

Bloomberg Aggregate Bond Index + 2%



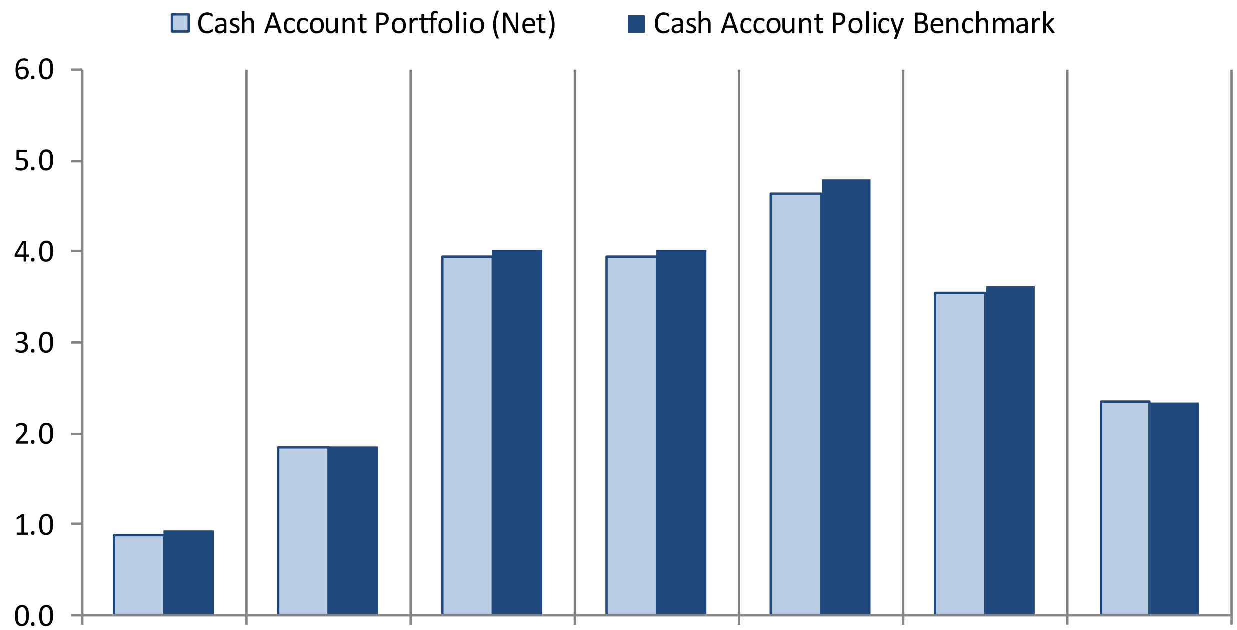
	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Opportunistic & Tactical (Gross)	(2.15)	1.19	11.31	11.31	10.91	8.85	10.40
Opportunistic & Tactical (Net)	(2.74)	0.57	10.63	10.63	9.91	7.79	9.11
Opp. & Tactical Policy Benchmark	1.17	1.58	5.79	5.79	6.15	2.08	4.17
Opp. & Tactical Policy Value Added (NOF)	(3.91)	(1.01)	4.84	4.84	3.76	5.71	4.93

Source: Clearwater Analytics

Cash Account Performance

Current Benchmark:

FTSE 30 Day Treasury Bill Index



	Qtr	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Cash Account Portfolio (Gross)	0.88	1.84	3.95	3.95	4.63	3.55	2.35
Cash Account Portfolio (Net)	0.88	1.84	3.95	3.95	4.63	3.55	2.35
Cash Account Policy Benchmark	0.93	1.85	4.02	4.02	4.79	3.63	2.34
Value Added (Net of Fee)	(0.05)	(0.01)	(0.07)	(0.07)	(0.16)	(0.08)	0.01

Source: Clearwater Analytics

Overlay Performance

	3 mo*	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Overlay Cumulative Net Value Added ($MM)	($9.0)	$11.2	$16.3	$16.3	($99.7)	($14.2)	($3.3)
Overlay Cumulative Net Value Added (%)	0.03	0.09	0.09	0.09	(0.22)	(0.03)	(0.02)

Source: Clearwater Analytics

** 3mo monetary movement is not in alignmnt with % value add due to a prior period adjustment*

Proposed Investment Agenda – Next Meeting

- Annual Portfolio Review – Private Equity
- Investment report and economic update for the period ended August 31, 2026.

INV1-024	Investment Committee				
Effective Date:	01/20/2012	**Revision Date:**	09/17/2026~~08/26/2025~~	**Audience:**	Investments
Owner:	Investments	**Certifier:**	Farouki Majeed, Ray Higgins~~Richard Stensrud~~	**Co-Owner (s):**	None
Document Links:	Purpose, Policy, Procedure, Definitions, Related Documents, Policy History				

Purpose

The purpose of this policy is to define structure, rules, and procedures for the Investment Committee and Opportunistic Team in accordance with the Statement of Investment Policy (INV1-001) and the Opportunistic and Tactical Investment Policy (INV1-004).

Policy

INVESTMENT COMMITTEE:

1. **Structure:** The Investment Committee ("Committee") is comprised of the Chief Investment Officer (CIO), who serves as Chairperson ("Chair"); Senior Investment Officers (SIO), Investment Officers (10), all who are licensed Ohio State Retirement System Investment Officers ("SRSIOs"); with the requisite experience as determined by the CIO, and one Investment Operations staff member to serve as Secretary. All members except the Secretary are voting members. The Executive Director is a non-voting member of the Committee. The Executive Director, Risk Management Department, General Counsel, and Chief Financial Officer, or their respective designees, as well as Associate Investment Officers and Analysts, are required to attend all meetings.
2. **Rules:** The Chair presides over Committee meetings. A majority of voting members of the Committee, one of whom must be the Chair, constitute a quorum. A quorum is required for voting. Voting members who are unable to attend Committee meetings may call-in to participate in the meeting, but are not permitted to vote and do not count toward a quorum. Meetings are convened by the Chair when a vote or important discussion is to take place. In scheduling meetings, the Chair will make every effort to provide notice to Committee members at least one week in advance. An affirmative vote by the Committee requires a majority vote of the voting members present in-person at the Committee meeting and an affirmative vote by the Chair. The CIO has the authority to break a tie in favor of the vote. The Secretary records

and maintains minutes of Committee meetings and records all votes.

3. **Sponsors:** Each investment must have at least two Sponsors designated by the CIO responsible for leading due diligence efforts and preparing and presenting recommendations. Sponsors shall be SRSIOs; however, the CIO will not act as a Sponsor unless the situation warrants the CIO's involvement, which will be documented in the recommendation to the Committee.

OPPORTUNISTIC INVESTMENTS:

1. **Structure:** The Opportunistic team is responsible for identifying appropriate investment opportunities. The CIO will determine whether the opportunity is in accordance with the Opportunistic and Tactical Investment Policy (IV1 -004). Opportunistic investments must be approved by the CIO and the Committee.
2. Opportunistic investments are subject to the same rules and procedures contained in this document.

CO-INVESTMENTS:

1. In order to allow time flexibility for the approval of co-investment opportunities, the CIO has authority under the Statement of Investment Policy (INV1-001), as approved by the Board, to either unilaterally approve co-investment or to present a co-investment to the Committee for approval.
2. If the CIO approves a co-investment without Committee consideration, the Sponsors shall present all of the applicable documentation required under paragraph 2 of the Investment Approval Procedure to the Committee at the next scheduled meeting.
3. When the CIO chooses to have a co-investment presented to the Committee, the co-investment is subject to the same rules and procedures contained in this document.

Procedure Investment Approval

Investment Approval

1. **Investment Thesis:**
    a. Once a potential investment is identified for possible approval, the Sponsors of the investment will prepare a written Investment Thesis ("Thesis") and subject to CIO approval distribute copies to the Executive Director, Risk Management Department, General Counsel, Chief Financial Officer, and Committee members for initial review and comment. The Executive Director may direct comments in writing to the CIO. Initial comments should be sent to the Sponsors within one week of receipt of the Thesis.
    b. The Sponsors will keep Committee members informed about any changes to the Thesis, progress with due diligence, and expected timeframes for completion of relevant actions.

2. **Investment Recommendation and Supporting Documents:**

   a. When the Sponsors ~~are ready to seek Committee approval~~ have completed the due-diligence for the investment, they will prepare and distribute, subject to CIO approval, a detailed investment recommendation tto Committee members, the Executive Director, Risk Management Department, General Counsel, and Chief Financial Officer. ~~a detailed written investment recommendation justifying the investment.~~

   b. Supporting documents shall also be distributed to the Committee including:

      i. An opinion letter from the Investment Consultant as to the proposed investment's compliance to policies.

      ii. An investment checklist identifying the status of supporting documents.

      iii. An operational due diligence report on private investments. Investments in publicly traded securities as well as co-investments made to approved funds are exempt from this requirement.

      iv. The Sponsors will make every effort to provide the investment recommendation and supporting documents one week in advance, but in no event will the investment recommendation and supporting documents be distributed less than 24 hours in advance of the scheduled Committee meeting, unless a shorter time period is agreed to by the Chair.

3. **Approvals:**

   a. The Chair will schedule a Committee meeting when appropriate.

   b. When the Chair convenes the Committee, he/she will direct the Sponsors to present the investment to the Committee and allow sufficient time for discussion among Committee members.

   c. If the Committee is satisfied with the Sponsors' presentation and all questions or issues have been addressed, the Chair will call for a vote. The Secretary will keep the minutes and record the vote of each Committee member

   d. If the Committee approves the investment under the "Rules" section of the policy, no further Committee action is required. If the investment is not approved by the Committee, the Chair may direct the Sponsors to perform additional due diligence or provide additional information and reconvene the Committee for another vote at a later date.

   e. The CIO shall have veto authority on any investment approved by the Committee should there be material new information or changes in the investment criteria.

   f. The CIO shall have authority to approve termination of a manager or refer such recommendations to the Committee depending on the circumstances or urgency.

   g. Within five business days after the meeting the Secretary will distribute the minutes to the Sponsors for comment. Once the minutes have been finalized by the Secretary, the Secretary will sign the minutes, submit them to the Chair for signature, and distribute to the Committee.

h. Any significant change to the specific approval of an investment shall be brought back to the Committee for approval. However, if there is any later change to the legal structure of an approved investment any time after an investment has been approved and legal documents have been executed, including situations where a manager is converting a fund to a new limited partnership, new legal documents can be executed without additional committee approval.

i. Following a Request for Proposal (RFP) search for public market investment managers, more than one manager may be recommended and approved by the Committee. Once the RFP search is completed and final recommendations are submitted to the Committee, the RFP is considered closed.

j. Investment recommendations for private investments should include an operational due diligence report prepared by the Investment Accounting Department or other designated party. If such report is not presented at the time of the Committee approval, then it must be submitted to the Committee prior to executing legal documents.

k. If legal documents are to be executed more than 120 days after the Committee approval date, the Sponsors shall submit a summary memo updating any new information to the Committee confirming the good standing of the Committee decision prior to execution of the legal documents. After legal documents are executed, the CIO will decide when to appropriately fund the mandate.

4. **Document Execution:**

a. The CIO is authorized to execute necessary documents (such as NDAs), after review by the legal department, during the due diligence process prior to IC approval.

b. Once an investment is approved by the Committee, and prior to initial funding, all legal documents will be sent in no particular order to:

i. SERS' Risk Management Department, who will affirm that the investment meets the requirements of the Statement of Investment Policy (INV1-001), and

ii. SERS' Legal Department, who must approve all legal documents related to the investment.

c. Prior to funding an investment approved by the IC, a Request for Review and Signature form must be signed by (1) a Sponsor representing the investment, (2) the CIO or Assistant Director of Investments (representing him/herself and the Committee), (3) a representative of the Risk Management Department, (4) an attorney in SERS' Legal Department, and (5) the Executive Director (ED) or Deputy Executive Director (~~O~~DED) in the absence of the ED. If either the ED or ~~O~~DED chooses not to sign the signature form due to a perceived violation of SERS policy or applicable law not concerning the merits of the investment, the ED or ~~O~~DED shall convene a dialogue with the CIO concerning opposition to the investment. ~~During the course of conversation,~~ ~~t~~The CIO may provide reasons for the ED or D~~O~~ED to reconsider the decision. Without the signature of the ED or D~~O~~ED there is no authority to execute the investment contract. In such instances the ED or D~~O~~ED shall provide a memo to the Board and CIO outlining the reasons for the veto.

d. Either the CIO or ED may execute any documents necessary to complete the investment. Once the signature form has been signed by all parties listed in paragraph (b) above, executed documents may be submitted to the investment manager. ~~Once the signature form has been signed by all parties listed in paragraph (b) above, either the CIO or ED may execute any documents necessary to complete the investment.~~

5. **Additional Commitments**

   a. The CIO has authority to approve an additional commitment to an approved private market investment and will provide an informational memo to the Committee.

   b. In the case of investments in private market open-end funds and publicly traded equity, ~~and~~ fixed income and other strategies, the CIO has authority to add to or detract from existing allocations without Committee approval.

6. **Board Reporting:**

   a. The Sponsors' investment recommendation and the Committee meeting minutes will be distributed to the Board on a monthly basis. Ongoing reporting, monitoring, and performance measurement will be consistent with reporting for all other investments of the Total Fund.

   b. Updates on Committee activities and manager hirings/ terminations will be provided to the Board on a monthly basis.

   c. The Investment Committee Policy shall be reviewed with the Board by the CIO on an annual basis for informational purposes.

Definitions

Co-Investment - A direct investment in a single asset of a private market fund, made alongside the Fund's investment in the asset; typically involves more attractive terms and shorter time frames than those of the Fund.

Investment Thesis- An initial investment memo outlining the proposed investment, its merits and risks, and the rationale for including it in a portfolio.

Sponsors - Investment Staff members who jointly recommend an investment. These individuals shall be licensed as State Retirement System Investment Officers.

State Retirement System Investment Officers - Individual SERS investment staff members who are licensed by the Division of Securities in the Ohio Department of Commerce in accordance with Ohio Revised Code Section 1707.01.

Related Documents and Information

Statutes:	N/A
Rules:	N/A
Document Links:	Purpose, Policy, Procedure, Definitions, Related Documents, Policy History
Forms:	Request for Review and Signature (Form INV-7004)

Policy History

Version 1 – January 20, 2012 – Created – Approved by Robert Cowman and Lisa Morris
Version 2 – February 11, 2013 – Edited – Approved by Farouki Majeed and Lisa Morris
Version 3 – April 3, 2013 – Edited – Approved by Farouki Majeed and Lisa Morris
Version 4 – August 6, 2013 – Edited – Approved by Farouki Majeed and Lisa Morris
Version 5 – February 22, 2016 – Edited – Approved by Farouki Majeed and Lisa Morris
Version 6 – April 21, 2016 – Edited - Approved by Farouki Majeed and Lisa Morris
Version 7 – September 27, 2016 – Edited - Approved by Farouki Majeed and Lisa Morris
Version 8 – February 28, 2017 – Edited, Approved by Farouki Majeed and Helen Ninos
Version 9 – March 19, 2018 - Edited, Approved by Farouki Majeed and Richard Stensrud
Version 10 – June 9, 2020 - Edited, Approved by Farouki Majeed and Richard Stensrud
Version 11 – May 18, 2021 – Edited, Approved by Farouki Majeed and Richard Stensrud
Version 12 – September 15, 2023 – Edited, Approved by Farouki Majeed and Richard Stensrud
Version 13 – August 26, 2025 – Edited, Approved by Farouki Majeed and Ray Higgins

Memo

School Employees Retirement System of Ohio
Serving the People Who Serve Our Schools®

To:	SERS Retirement Board
From:	H. Ray Higgins, Jr.
CC:	Karen Roggenkamp, Joe Marotta
Date:	September 4, 2026
Re:	COLA Parameters

Every fall the SERS Board determines what the Cost of Living Adjustment (COLA) will be for the next calendar year for the pension benefits SERS provides to retirees. Given the importance of the COLA both to SERS' retirees and the long-term sustainability of the pension fund, as prudent fiduciaries the Board takes into account a number of variables in determining the COLA for the upcoming year. This memorandum will outline those variables for the purpose of assisting the Board in making future COLA determinations and providing transparency for stakeholders into the basis for the Board's decision.

Discussion:

As described below, under the governing law the SERS Board has some discretion with respect to setting the COLA. The discussion in this memorandum is intended to support that discretion by noting the factors that the Board will consider in making its decision.

Under the COLA statute, the Consumer Price Index (CPI) for the previous year is a starting point consideration in the COLA determination, but it does not control what the COLA will be. Instead, the statute provides that the Board can authorize a COLA that is below the CPI if SERS' actuary attests that doing so is advisable to protect the fiscal integrity of the pension fund. Impairment to the fiscal integrity of the pension fund can mean negative impact on any or all the pension fund's funded status, amortization period, and cash flow.

Under the statute the Board can also authorize a COLA that is above the CPI if the actuary attests that doing so will not materially impair the fiscal integrity of the pension fund. As noted above, impairment to the fiscal integrity of the fund can include negative impact on the pension fund's funded status, amortization period or cash flow.

The COLA statute also establishes a 2.5% ceiling on the COLA that can be provided. This is subject to the same discretion and impact considerations noted above.

In sum, therefore, consideration of any potential COLA will include assessment of its impact on:

- The funded ratio of the plan;
- The amortization period for retiring any unfunded liability; and
- The cash flow of the plan (i.e., the income derived from contributions and investment returns compared to the outgoing payment of benefits).

Investment experience is a critical consideration in assessing the health and resiliency of a pension fund as it has a substantial impact on the funded ratio, the amortization period, and the cash flow.

- Investment experience is considered in absolute terms – i.e., what the return was – and also relative to the investment return assumption used for actuarial purposes – currently 7%.
- Investment experience is also considered retrospectively – i.e., what it has been previously – and prospectively – i.e., what it might be in the future.
- And investment experience is considered in both shorter time periods – e.g., one year – and longer time periods – e.g., the four-year smoothing period used for actuarial purposes.

Investment experience above the investment return assumption results in an actuarial gain which will have a positive impact on funded status and the amortization period. Investment experience below the investment return assumption will result in an actuarial loss which has a negative impact on the funded status and the amortization period.

Taken together, assessment of the impact of investment experience on the COLA determination will include the following considerations:

- Is the investment return for the year just ended above the investment return assumption?
- Is the investment return for the four-year smoothing period above the investment return assumption?
- Will the investment experience that will be smoothed in over the following three years push upward or downward on the funded ratio?
- Is the investment experience for the ten-year period above the investment return assumption?
- Is the investment experience for the year just ended above 0%?
- Is the forward-looking investment experience projected to be above or below the investment return assumption?

Another consideration is the actuarial assumption used in determining future expected COLAs. Currently the actuary assumes that future COLAs will be 2.5%, which was increased from 2.0% after the June 30, 2025 Five-Year Experience Study (Study). Accordingly, a COLA greater than 2.5% will result in an actuarial loss, and a COLA less than 2.5% will result in an actuarial gain. Per ORC section 3309.374(B), the annual COLA is not to exceed two and one-half per cent. As previously noted, an actuarial gain will have a positive impact on funded status and the amortization period, and an actuarial loss will have a negative impact on funded status and the amortization period.

Finally, the Board may consider:

- Whether the pension fund must be and remain at or above a given funded ratio in order to provide a COLA.
- Whether the amortization period(s) for the pension fund must be and remain at or below a given time period to provide a COLA. The Board adopted layered amortization after the June 30, 2025 Study. Beginning with the June 20, 2026 valuation, there will be multiple amortization layers ranging from 19-20 years.
- Whether the level of negative cash flow of the pension fund must be and remain at or below a given level.

Conclusion:

In making the COLA determination, the Board assesses the factors and considerations noted above collectively. The weight or importance of any single factor or consideration will be determined by the Board based on the Board's assessment of the prevailing circumstances, long term sustainability of the pension fund and fairness to SERS' retirees.

Memo

School Employees Retirement System of Ohio
Serving the People Who Serve Our Schools®

To:	Retirement Board
From:	H. Ray Higgins, Jr.
CC:	Karen Roggenkamp, Joe Marotta
Date:	September 4, 2026
Re:	2027 COLA and Allocation of Employer Contributions Discussion

This memorandum and the enclosed spreadsheets provide information for your consideration with respect to a possible decision at the September Board Meeting regarding the retiree cost-of-living adjustment (COLA) for 2027.

As you know, under the COLA statute the SERS Board has discretion with respect to setting the COLA. The Consumer Price Index - W (CPI-W) for the previous year is a consideration, but it does not control or determine what the COLA will be. Instead, the Board has the ability to provide a COLA that is below the CPI-W if the actuary attests that doing so is advisable to protect the fiscal integrity of the pension fund, and the Board has the ability to provide a COLA that is above the CPI-W if the actuary attests that doing so will not materially impair the fiscal integrity of the pension fund. The statute places a 2.5% cap on the potential COLA the actuarial assumption for the COLA is now 2.5%, which was increased from 2.0% after the June 30, 2025, Five-Year Experience Study (Study).

The June-to-June 2026 change in CPI-W was 3.5%.

Given the importance of fiscal impact on your COLA decision, SERS' actuary, CavMac, has provided information on the projected impact on SERS' funded ratio using the assumed COLA assumption of 2.5% combined with different possible investment returns. In addition, the impact of an annual 2.5% COLA on projected negative cashflow is presented.

The first spreadsheet (tab 1) shows the projected longer-term impact of an annual 2.5% COLA on different investment returns on the funded ratio. The spreadsheet contains two tables. The first table assumes a portion of the employer contribution will be allocated to healthcare in accordance with the Board funding policy as the pension funding ratio increases. The second table assumes all employer contributions will continue to be allocated to pension for all years.

Under the Board funding policy, once the funded ratio of Basic Benefits exceeds 90%, the Board can allocate any amount that is not necessary to fund Basic Benefits to Healthcare. CavMac assumes the Board would only allocate up to a maximum of 4% to healthcare, leaving the remaining 10% employer contribution to fund Basic Benefits. By 2036, the projected funded ratio of Benefits exceeds 100% as a result.

The second spreadsheet (tab 2) shows the projected longer-term impact of an annual 2.5% COLA on projected negative cashflow. As a mature pension system, SERS investment portfolio subsidizes benefit payments by approximately $50 million per month.

Both spreadsheets incorporate the 16.37% net investment return for FY 2026. Please note that the estimated funded ratio as of June 30, 2026, is 80.37%, which represents an increase from the 79.00% funded ratio as of June 30, 2025. One fourth of strong 2026 fiscal year returns plus the smoothing of deferred investment gains offset the additional unfunded actuarial accrued liabilities added when new actuarial assumptions were adopted at the April 2026 Board meeting.

The first spreadsheet shows the following with respect to funded ratio:

- 2025 funding ratio was based the June 30, 2025, valuation prior to the June 30, 2025, study

- 2026 funding ratio reflects the impact of the 2026 fiscal year 16.37% investment return in all columns, resulting in the same funded ratio

- Under the “funding policy” table, where a portion of the employer contribution may be allocated to Healthcare, SERS is projected to reach 100% funded status in 2036 assuming the long-term investment return of 7.0% is achieved each year

- Under the “14% employer contribution” table, where 100% of the employer contribution is allocated to basic benefits for all years, SERS is projected to reach 100% funded status in 2033 assuming the long-term investment return of 7.0% is achieved each year

Various assumption and funding policy decisions coupled with investment results directly impact the SERS projected negative cashflow trend. The second spreadsheet shows the following with respect to negative cash flows:

- SERS negative cash flow % increases (trends more negative) for all investment return results, until 2035 at which time SERS is projected to show marginal improvements. This approximates the period where SERS is projected to reach a 100% funded status under the “funding policy” table

- The negative cash flow % is projected to trend down to -3.57%, assuming the 7.0% long term assumed investment rate is achieved, before beginning a gradual improvement trend in 2035.

- The actuary generally considers a negative cash flow percentage greater than -4.0% as warranting attention.

There is another factor that could impact the Board's determination of the COLA for 2027: at the September Board Meeting the Board will also be called up to determine if you wish to allocate up to 0.50% of the employer pension contribution to the Healthcare Fund. Factors the Board may want to consider in that regard include:

- Unlike the Pension Fund, the Healthcare Fund does not smooth investment returns over a four-year period. Rather, the return for each year is immediately recognized. Accordingly, the 16.37% return for the past year will be fully integrated into the Healthcare Fund valuation as of June 30, 2026.

- The funded ratio of the Healthcare Fund is projected to increase with an estimated 2026 funding ratio of 67.00% compared to 54.53% in 2025.

- The solvency period for the HealthCare Fund is projected to increase to 42 years (2068).

- The HealthCare Fund remains strong relative to historic levels.

- Any funding that moves from the Pension Fund to the Healthcare Fund will impact the long-term sustainability of the Pension Fund, including the ability to provide COLAs in the future.

Finally, please note that STRS provided a one-time COLA of 1.6% for fiscal year 2027. Most OPERS retirees will receive a 3.0% COLA in 2027.

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

Ohio School Employees' Retirement System
COLA Scenario Impact on Projected Funded Ratio

Funding Policy Contribution Rate

	2026/2027 Return		
June 30,	0.00%	3.50%	7.00%
2025	79.00%	79.00%	79.00%
2026	80.37%	80.37%	80.37%
2027	83.48%	84.22%	84.96%
2028	85.74%	87.38%	89.03%
2029	87.36%	89.89%	92.41%
2030	87.36%	90.75%	93.56%
2031	88.80%	91.79%	94.74%
2032	90.29%	92.86%	95.96%
2033	91.26%	93.96%	97.22%
2034	92.27%	95.10%	98.53%
2035	93.32%	96.30%	99.90%
2036	94.42%	97.55%	101.33%
2037	95.57%	98.86%	102.83%
2038	96.77%	100.23%	104.41%
2039	98.03%	101.66%	106.06%
2040	99.35%	103.18%	107.80%
2041	100.75%	104.77%	109.62%
2042	102.22%	106.44%	111.54%
2043	103.77%	108.20%	113.55%
2044	105.39%	110.04%	115.66%
2045	107.10%	111.97%	117.87%
2046	108.89%	113.99%	120.17%
2047	110.75%	116.10%	122.57%
2048	112.71%	118.31%	125.07%
2049	114.74%	120.60%	127.67%
2050	116.86%	122.98%	130.38%
2051	119.07%	125.47%	133.19%
2052	121.37%	128.04%	136.10%
2053	123.76%	130.72%	139.12%
2054	126.24%	133.49%	142.25%
2055	128.81%	136.37%	145.49%

14% Employer Contribution Rate all Years

	2026/2027 Return		
June 30,	0.00%	3.50%	7.00%
2025	79.00%	79.00%	79.00%
2026	80.37%	80.37%	80.37%
2027	83.62%	84.36%	85.10%
2028	86.02%	87.66%	89.31%
2029	87.78%	90.31%	92.84%
2030	87.94%	91.33%	94.73%
2031	89.54%	93.11%	96.67%
2032	91.20%	94.94%	98.68%
2033	92.92%	96.84%	100.77%
2034	94.70%	98.83%	102.96%
2035	96.57%	100.91%	105.25%
2036	98.53%	103.09%	107.65%
2037	100.58%	105.38%	110.17%
2038	102.73%	107.78%	112.82%
2039	105.00%	110.30%	115.61%
2040	107.38%	112.96%	118.54%
2041	109.89%	115.75%	121.61%
2042	112.53%	118.68%	124.84%
2043	115.30%	121.76%	128.22%
2044	118.21%	124.99%	131.76%
2045	121.25%	128.36%	135.47%
2046	124.44%	131.89%	139.34%
2047	127.77%	135.57%	143.37%
2048	131.24%	139.40%	147.56%
2049	134.85%	143.38%	151.92%
2050	138.61%	147.53%	156.45%
2051	142.52%	151.84%	161.16%
2052	146.58%	156.31%	166.03%
2053	150.80%	160.94%	171.08%
2054	155.16%	165.74%	176.31%
2055	159.69%	170.70%	181.71%

- Reflects 16.37% Rate of Return on Market Value of Assets for Year Ended June 30, 2026
- Reflects 7.0% Assumed Rate of Return on Market Value of Assets for Years Ended June 30, 2028 and later
- 14%, Employer Contribution for Plan Year Ended 2026
- 2.50% COLAs for all Years

Ohio School Employees' Retirement System
COLA Scenario Impact on Projected Negative Cashflow

Funding Policy Contribution Rate

	2026/2027 Return		
June 30,	0.00%	3.50%	7.00%
2025	-2.35%	-2.35%	-2.35%
2026	-2.25%	-2.25%	-2.25%
2027	-2.72%	-2.63%	-2.54%
2028	-2.85%	-2.75%	-2.65%
2029	-2.94%	-2.84%	-2.74%
2030	-3.03%	-2.92%	-3.43%
2031	-3.11%	-3.62%	-3.50%
2032	-3.16%	-3.67%	-3.55%
2033	-3.81%	-3.70%	-3.57%
2034	-3.81%	-3.70%	-3.57%
2035	-3.80%	-3.68%	-3.55%
2036	-3.79%	-3.66%	-3.53%
2037	-3.75%	-3.63%	-3.49%
2038	-3.71%	-3.59%	-3.44%
2039	-3.67%	-3.53%	-3.39%
2040	-3.59%	-3.46%	-3.31%
2041	-3.50%	-3.37%	-3.22%
2042	-3.40%	-3.27%	-3.12%
2043	-3.30%	-3.16%	-3.01%
2044	-3.19%	-3.06%	-2.91%
2045	-3.08%	-2.95%	-2.80%
2046	-2.97%	-2.84%	-2.69%
2047	-2.86%	-2.73%	-2.58%
2048	-2.75%	-2.62%	-2.47%
2049	-2.63%	-2.50%	-2.36%
2050	-2.53%	-2.40%	-2.26%
2051	-2.42%	-2.29%	-2.16%
2052	-2.31%	-2.19%	-2.06%
2053	-2.21%	-2.09%	-1.96%
2054	-2.11%	-2.00%	-1.87%
2055	-2.02%	-1.91%	-1.79%

14% Employer Contribution Rate all Years

	2026/2027 Return		
June 30,	0.00%	3.50%	7.00%
2025	-2.35%	-2.35%	-2.35%
2026	-2.25%	-2.25%	-2.25%
2027	-2.56%	-2.47%	-2.39%
2028	-2.68%	-2.59%	-2.50%
2029	-2.78%	-2.68%	-2.58%
2030	-2.87%	-2.76%	-2.66%
2031	-2.94%	-2.83%	-2.73%
2032	-2.99%	-2.87%	-2.76%
2033	-3.01%	-2.89%	-2.78%
2034	-3.01%	-2.88%	-2.76%
2035	-2.98%	-2.85%	-2.73%
2036	-2.95%	-2.82%	-2.70%
2037	-2.90%	-2.77%	-2.65%
2038	-2.84%	-2.71%	-2.59%
2039	-2.78%	-2.65%	-2.53%
2040	-2.70%	-2.56%	-2.44%
2041	-2.59%	-2.46%	-2.34%
2042	-2.48%	-2.35%	-2.24%
2043	-2.37%	-2.25%	-2.13%
2044	-2.26%	-2.14%	-2.03%
2045	-2.15%	-2.03%	-1.93%
2046	-2.04%	-1.93%	-1.82%
2047	-1.93%	-1.82%	-1.72%
2048	-1.82%	-1.72%	-1.62%
2049	-1.71%	-1.61%	-1.52%
2050	-1.62%	-1.52%	-1.43%
2051	-1.52%	-1.43%	-1.34%
2052	-1.43%	-1.34%	-1.26%
2053	-1.34%	-1.25%	-1.18%
2054	-1.25%	-1.17%	-1.10%
2055	-1.18%	-1.10%	-1.03%

- Reflects 16.37% Rate of Return on Market Value of Assets for Year Ended June 30, 2026
- Reflects 7.0% Assumed Rate of Return on Market Value of Assets for Years Ended June 30, 2028 and later
- 14%, Employer Contribution for Plan Year Ended 2026
- 2.50% COLAs for all Years

Memorandum

To: Board of Trustees, School Employees Retirement System of Ohio (SERS)

From: Todd Green

Date: 09/01/2026

Re: Board Consideration of 2027 Annual Cost of Living Adjustments (COLA) Rate

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Under Ohio Revised Code 3309.374, the retirement board may annually increase each allowance, pension, or benefit payable under this chapter by the percentage increase, if any, in the consumer price index, not to exceed 2.50%, as determined by the United States Bureau of Labor Statistics (U.S. city average for urban wage earners and clerical workers (CPI-W)) for the twelve-month period ending on the 30th day of June of the immediately preceding calendar year. For the twelve-month period ended June 30, 2026, CPI-W increased 3.52%. Please note, the assumed COLA for valuation purposes is 2.50%. In our opinion, a COLA in the 2027 calendar year of 2.50% for eligible retirees and beneficiaries has been anticipated and does not result in a material impairment of the actuarial soundness, nor the fiscal integrity, of the System.

We look forward to addressing any questions the Board may have.

SERS COLA

It was moved by __________ and seconded by __________ that following review by SERS' actuary, CavMac, eligible SERS allowances, pensions and benefits shall receive a 2.5% cost-of-living adjustment in calendar year 2027, which is the percentage increase as set forth in R.C. 3309.374(B).

Upon roll call, the vote was as follows:

ROLL CALL:	**YEA**	**NAY**	**ABSTAIN**
Aimee Russell	_______	_______	_______
Jeanine Alexander	_______	_______	_______
Jeffrey DeLeone	_______	_______	_______
Matthew King	_______	_______	_______
Catherine Moss	_______	_______	_______
Rebekah Roe	_______	_______	_______
James Rossler	_______	_______	_______
Frank Weglarz	_______	_______	_______
Daniel Wilson	_______	_______	_______

Memo

School Employees Retirement System of Ohio
Serving the People Who Serve Our Schools®

To:	SERS Retirement Board
From:	H. Ray Higgins, Jr.
CC:	Karen Roggernkamp, Deputy Executive Director Michael Steiner, Director Healthcare Services
Date:	September 4, 2026
Re:	CavMac Healthcare Risk Report

Following the Board's annual review of the actuarial-related risks to the long-term sustainability of the pension fund, SERS requested CavMac provide a similar assessment of the healthcare fund. This report is included in your materials, and Alisa Bennett will present the results during the September board meeting.

Purpose

The report provides a comprehensive risk analysis for the Retiree Healthcare Fund, focusing on actuarial risks related to benefit obligations and contribution rates. It expands upon the latest actuarial valuation as of June 30, 2025, and incorporates recommended assumption changes from the 2025 Experience Study.

Key Findings

- **Funding & Solvency**
    - The Healthcare Fund is not actuarially funded but relies on a 1.50% surcharge and a portion of the statutory employer contribution when approved, according to the Board funding policy. The portion of employer contribution allocated to healthcare is voted upon each September and has remained at 0.0% since 2020.
    - Cash flow has been positive for eight years but is projected to turn negative and worsen over the next 20 years if healthcare costs grow as expected and no additional employer contributions are allocated.
    - Under current assumptions, the Healthcare Fund is expected to remain solvent until 2065. Adverse scenarios (higher healthcare costs, lower investment returns, population decline) could shorten the solvency period.

Elements of this content were produced with the assistance of artificial intelligence and in accordance with SERS policy and governance. The content has been reviewed and verified by a human.

- **Risks Identified**
    - **Investment Return Volatility:** If returns fall below the assumed rate (7%), liabilities increase and solvency is reduced.
    - **Healthcare Cost Trends:** Rising costs, especially from specialty drugs and Medicare changes, pose additional risk. If healthcare cost trends rise by 1% or 2%, insolvency could occur in 2059 or 2054, respectively.
    - **Demographic Shifts:** Population decline, mortality improvements, and changes in retirement patterns affect solvency and contribution rates.
    - **Contribution Policy:** Current policy prioritizes basic benefits, often diverting employer contributions away from healthcare, which is a negative risk factor for the Healthcare Fund.
- **Sensitivity Analyses**
    - Scenarios modeled include higher healthcare costs, reduced participation in cost-saving plans, lower investment returns, and population decline. Each scenario demonstrates increased risk and earlier insolvency for the Healthcare Fund.

Conclusions & Recommendations from CavMac

- SERS faces risks from negative cash flow, rising healthcare costs, demographic shifts, and investment volatility.
- The fund is projected to remain solvent until 2065 under baseline assumptions, but adverse scenarios could shorten this timeline.
- Understanding these risks enables SERS to take reasoned actions if negative experiences emerge. No specific Board action is required, but continued monitoring is warranted.

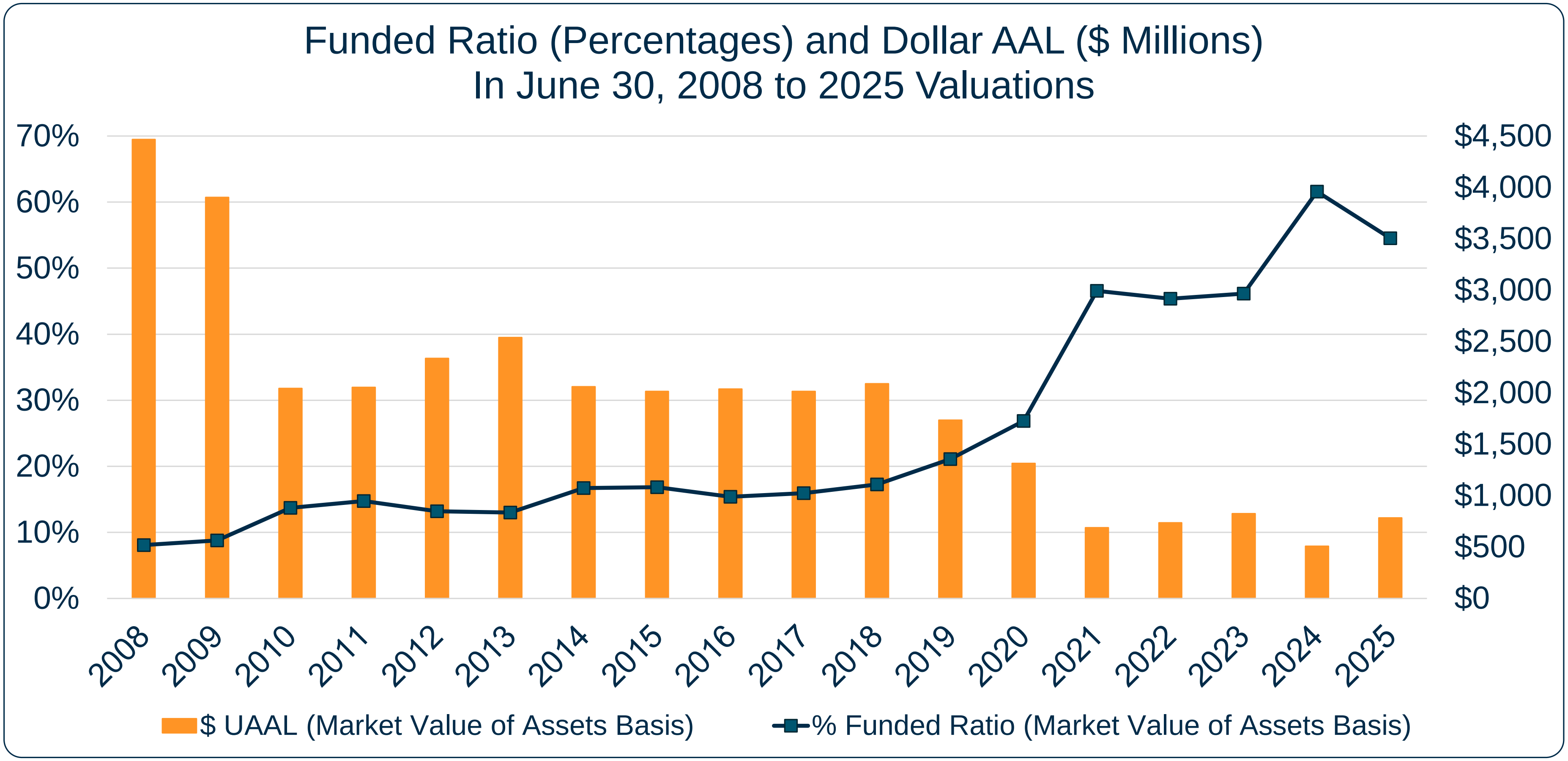
I hope this information is helpful. Please let me know if you have any questions.

School Employees Retirement System of Ohio
Healthcare Risk Assessment as of June 30, 2025

CavMac
Actuarial Consulting Services

Alisa Bennett, FSA, EA, FCA, MAAA

Experience Look-Back



Qualitative Assessment

CavMac
Actuarial Consulting Services

1

Funding Policy

- 1.50% Surcharge
- Potential Additional

2

Membership

- Size of active membership
- Growth in total covered payroll

3

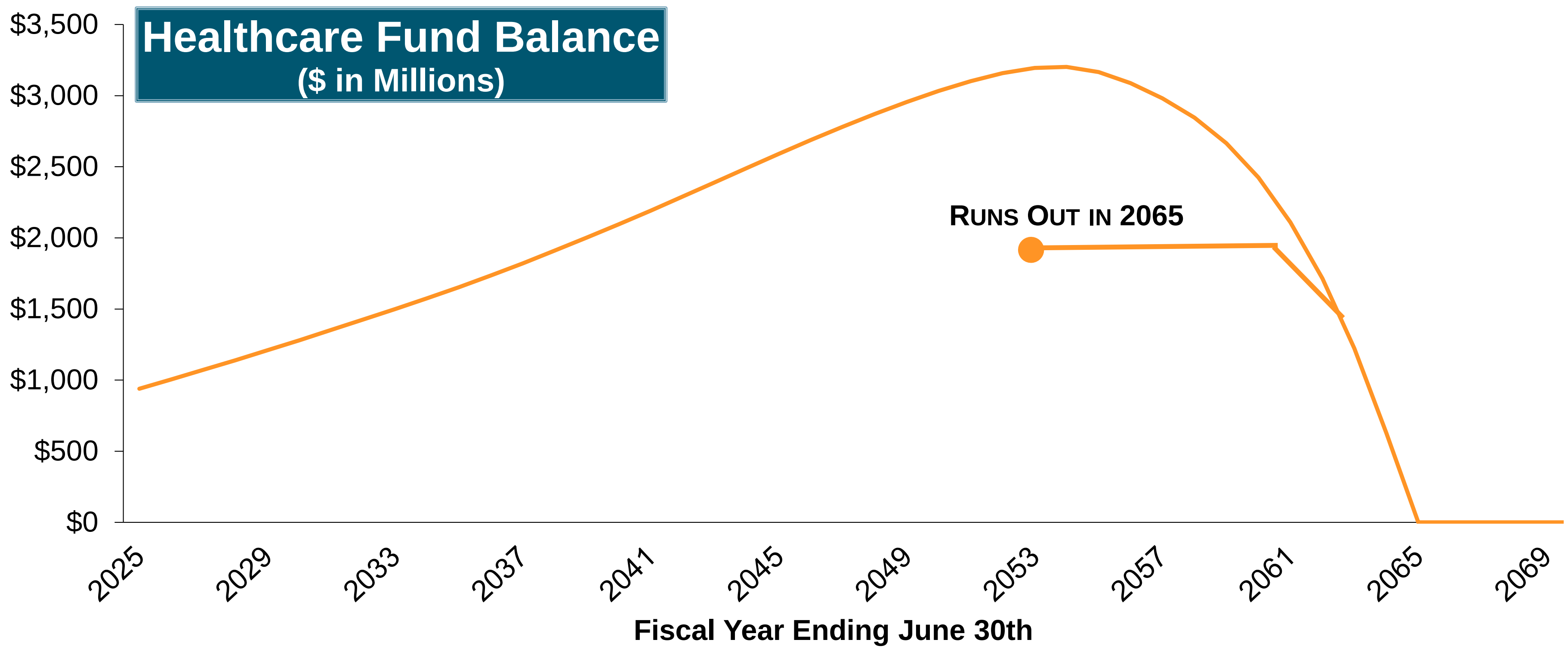
Other Additional

- Healthcare Trend Assumption
- Healthcare Cost Sensitivity

Qualitative Assessment

CavMac
Actuarial Consulting Services

June 30, 2025 Valuation Projections
Modeled with Experience Study Assumptions



Qualitative Assessment

CavMac Actuarial Consulting Services

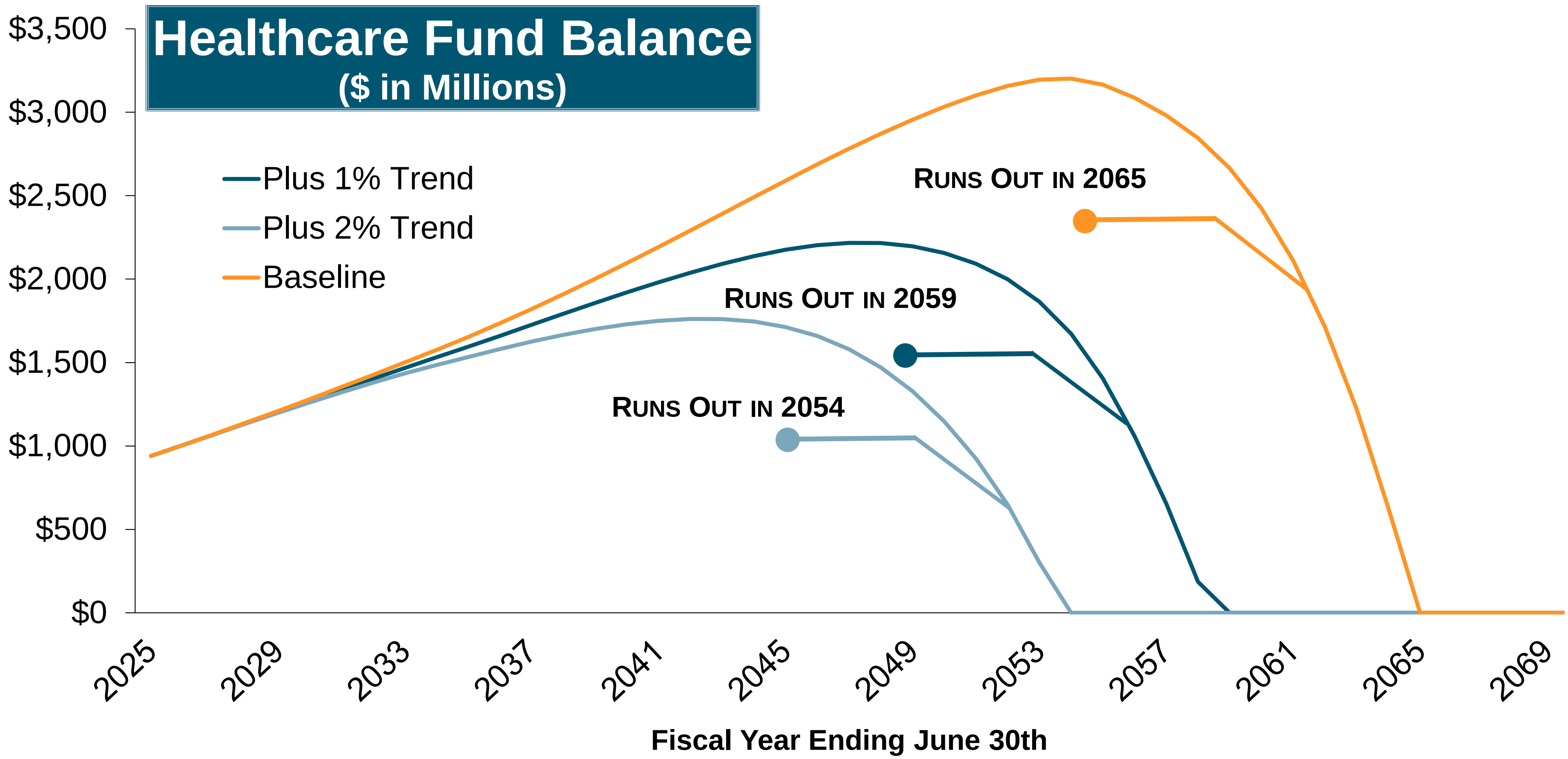
HEALTHCARE TREND

- Due to considerations like specialty drugs, emerging treatments, GLP-1s and changes to healthcare law and Medicare reimbursements, there exists a possibility for healthcare cost to increase more than expected.

Year	Current Assumption	1% Higher	2% Higher
2025	6.75%	7.75%	8.75%
2026	6.50%	7.50%	8.50%
2027	6.25%	7.25%	8.25%
2028	6.00%	7.00%	8.00%
2029	5.75%	6.75%	7.75%
2030	5.50%	6.50%	7.50%
2031	5.25%	6.25%	7.25%
2032	5.00%	6.00%	7.00%
2033	4.75%	5.75%	6.75%
2034	4.50%	5.50%	6.50%

Qualitative Assessment

CavMac Actuarial Consulting Services



Qualitative Assessment

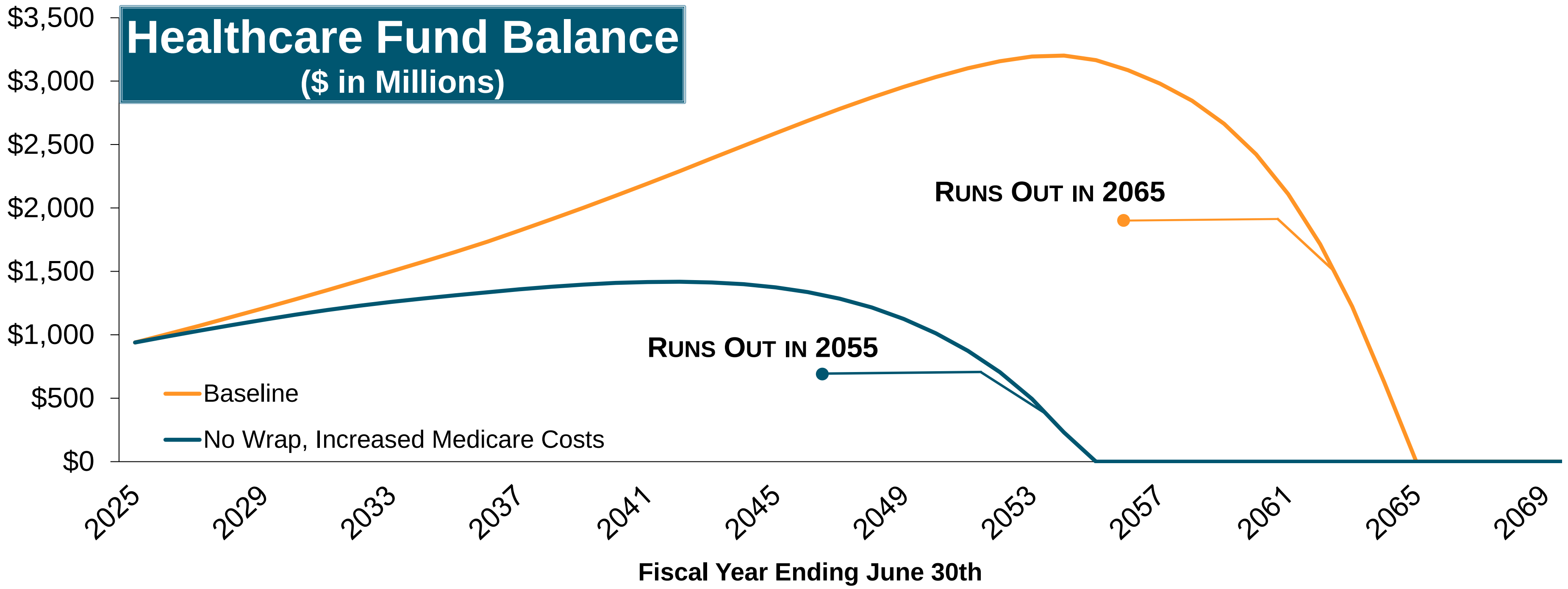
CavMac
Actuarial Consulting Services

HEALTHCARE COST SENSITIVITY

- The Marketplace subsidies put in place by the American Rescue Plan Act (ARPA) of 2021 expired at the end of 2025.
- The subsidies still exist at the level put in place prior to 2021, but the HRA Wraparound plan may become less attractive to certain groups of pre-65 retirees who benefited from the higher ARPA subsidies.
- To illustrate the sensitivity, we have modeled the results if 0% of the pre-Medicare members elect (or can elect) to participate in the HRA Wraparound plan. We also illustrate the impact of Medicare costs should they return to the higher cost level of $217.52 seen in 2014.

Qualitative Assessment

Healthcare Cost Sensitivity: The exhibit below models the results (**BLUE**) if there is 0% participation in the HRA Wraparound plan and if Medicare costs return to 2014 cost level of $217.52.



Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent ten years earlier under the alternative healthcare cost scenario.

Quantitative Assessment

CavMac
Actuarial Consulting Services

1	2	3
DEMOGRAPHIC	**ECONOMIC**	**OTHER ADDITIONAL**
• Mortality	• Investment return	• Contribution
• Active Population Growth/Decline	• Inflation	• Healthcare cost
• Changes in retirement patterns		• External (regulatory and political environment)

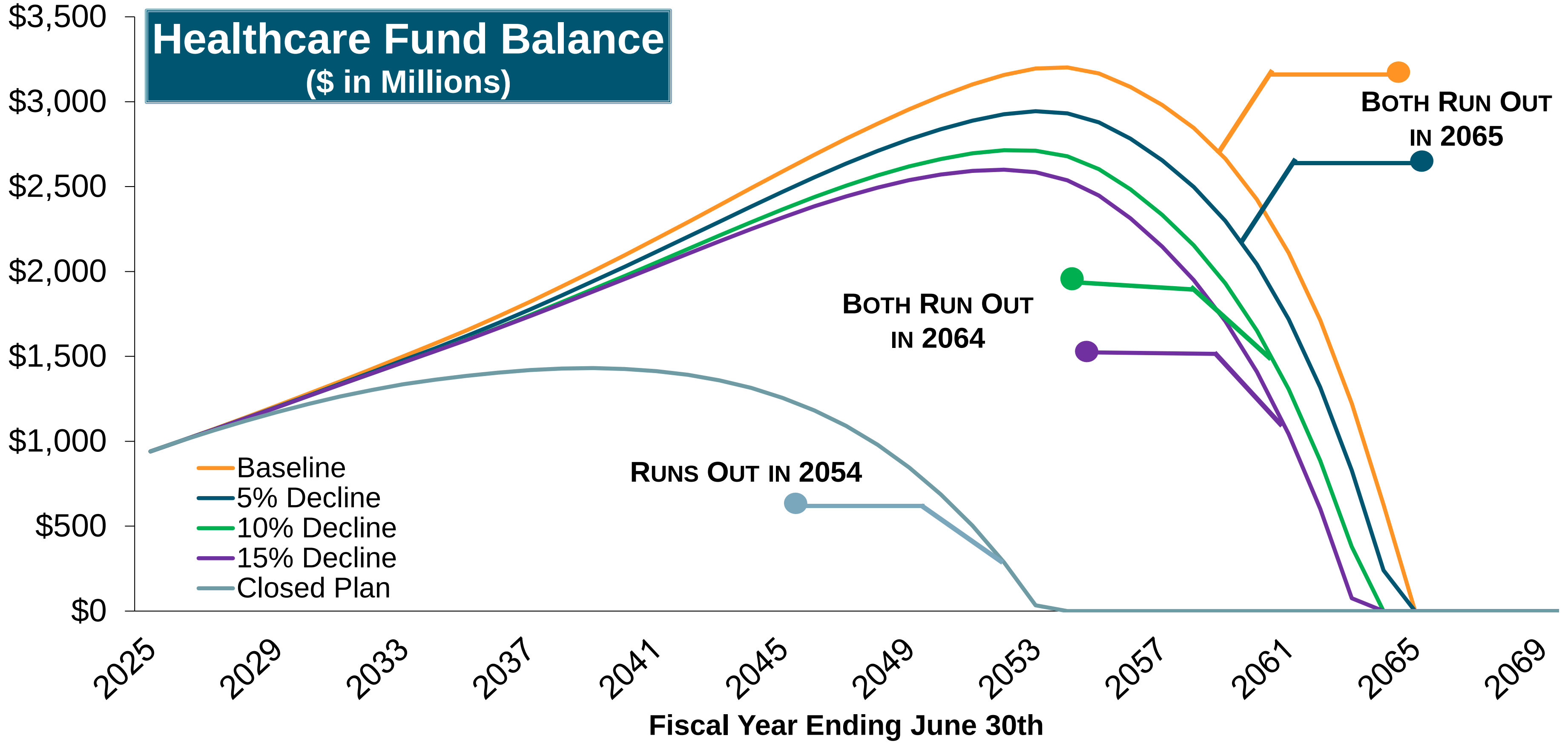
Quantitative Assessment: Demographic

CavMac
Actuarial Consulting Services

ACTIVE POPULATION: GROWTH OR DECLINE

- Reduction in active workforce
- Valuation results are based on current members with projections assuming active population headcount remains stable
- Healthcare Fund contributions are based on a 1.50% surcharge from payroll
- Risk is the possibility of reduction in cash inflow and strain on Healthcare fund assets

Quantitative Assessment: Demographic



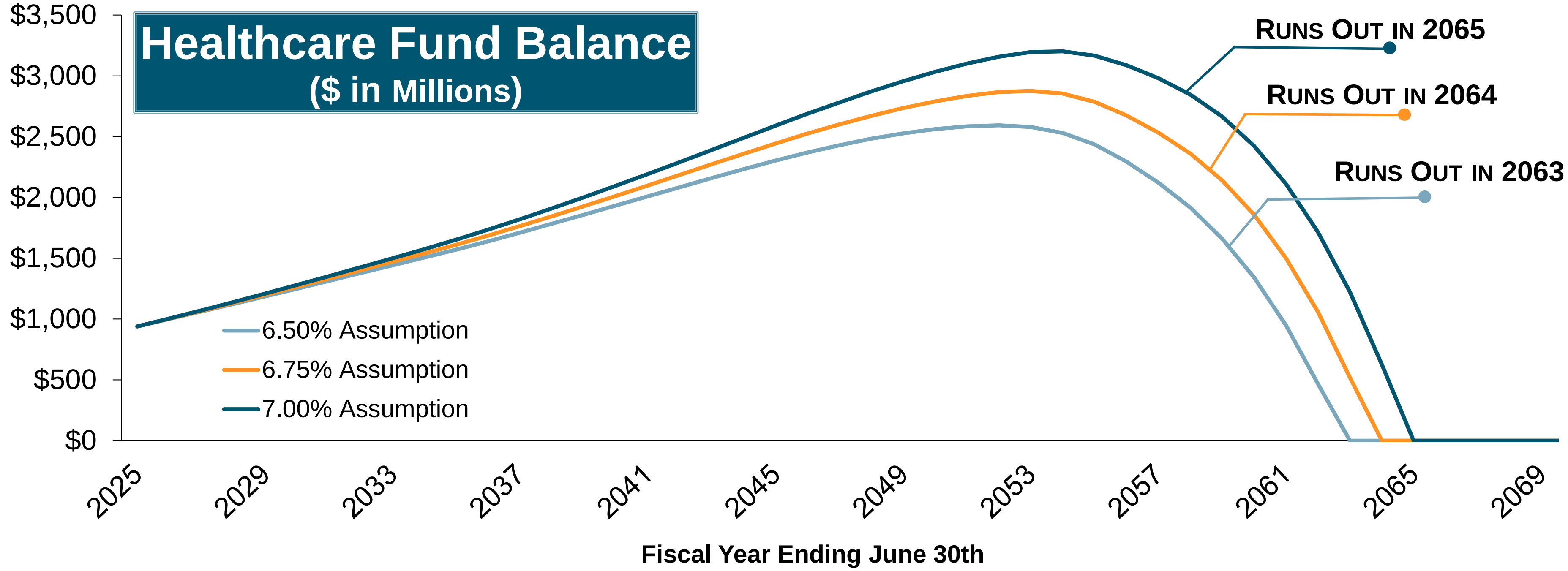
Quantitative Assessment: Economic

ECONOMIC RISKS: INVESTMENT RETURN

- Sensitivity analysis or simulation which is designed to illustrate the range of potential results when actual experience is different than expected, based on assumptions
- Vary the rate of return incrementally over a specified period
- Compare results under better/worse than expected scenarios, e.g., current investment return assumption plus scenarios of +1% and -1% returns

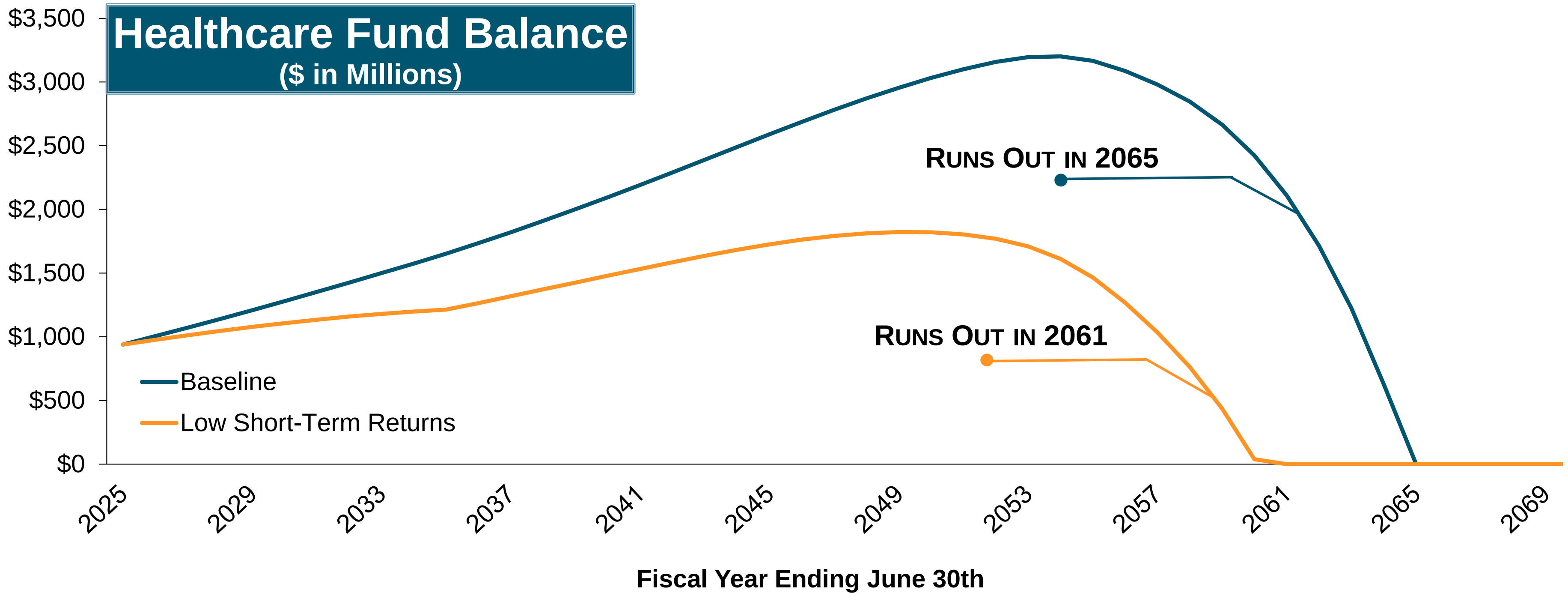
Quantitative Assessment: Economic

Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent one year earlier for the 6.75% return scenario and two years sooner under the 6.50% return scenario.



Quantitative Assessment: Economic

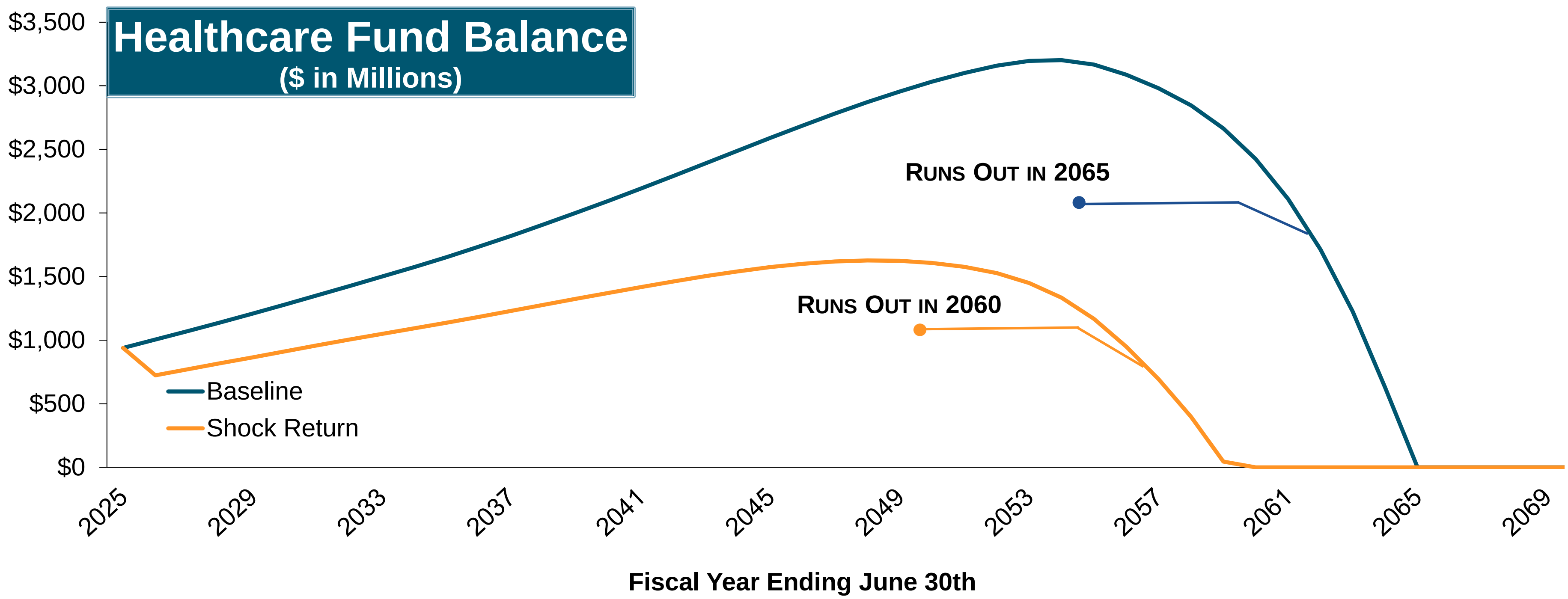
Stress Testing Prolonged Low Returns: The exhibit below models ten years of 4.0% returns with 7.0% returns thereafter (**ORANGE**) against the baseline (**BLUE**) with assumed 7.0% returns in all years.



Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent four years earlier under the prolonged low return scenario.

Quantitative Assessment: Economic

Stress Testing Shock Return: The exhibit below models a single shock return of (22.9)% with 7.0% returns thereafter (**ORANGE**) against the baseline (**BLUE**) with assumed 7.0% returns in all years.



Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent five years earlier under the shock return scenario.

Summary Comments

- Retiree healthcare plans face additional risks due to high-cost health claims and treatments, specialty drug costs and rebate structures, and changes to Medicare plan designs and reimbursements
- The goal of this report and presentation is to help SERS understand the major risks facing SERS funding, thereby allowing a reasoned approach to determining how to move into the future if negative experience emerges.


THANK
YOU

SCHOOL EMPLOYEES

RETIREMENT SYSTEM OF OHIO

Healthcare

Risk Analysis Report

Prepared as of June 30, 2025

CavMac
Actuarial Consulting Services

August 7, 2026

Board of Trustees
School Employees Retirement System of Ohio
300 East Broad Street, Suite 100
Columbus, OH 43215-3746

Re: Healthcare Risk Analysis Report

Dear Members of the Board:

At your request, we conducted a study of the actuarially related risks faced by the School Employees Retirement System of Ohio (SERS). This report is intended to support and expand upon the latest actuarial valuation, including the assumption changes recommended in the Experience Study for the five year period ending June 30, 2025, for the Retiree Healthcare Fund.

The exhibits and graphs in this report are based on the June 30, 2025 actuarial valuation of the SERS Retiree Healthcare Plan, recalculated using the recommended assumption changes. Although the underlying valuation results may evolve over time, the analysis and its implications for SERS and its stakeholders are expected to remain substantially consistent for the next several years.

The primary objective of this report is to provide the analysis of risk, as detailed under Actuarial Standard of Practice Number 51, *Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions* and Actuarial Standard of Practice Number 6, *Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Plan Costs or Contributions*. There are other risks that SERS faces, including issues such as cyber security, a catastrophe to the physical location, embezzlement, and many others. These are outside the scope of our analysis, which focuses only on those risks relating to the variance in the measurement of the benefit obligations as well as the contribution rates. There is no specific action by the SERS Board either required or expected in response to this report, although it is possible that a deeper understanding of the risks faced by SERS may prompt some additional discussion or study.

In preparing our report, we utilized the data, methods, assumptions, and benefit provisions described in the June 30, 2025 actuarial valuation of SERS, updated by the assumption changes recommended in the Experience Study for the Five-Year Period Ending June 30, 2025. These reports should be consulted for a complete description of how our work was performed. Some of the results in this report are based upon modifying one or more of the valuation assumptions as noted in the discussion of the analysis being performed.

The risk to the Basic Benefits Fund is outside the scope of this report.

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results.

The consultants who worked on this assignment are qualified actuaries with significant public plan experience. In addition, the signing actuaries are independent of the System and the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate. The valuation, on which this analysis was based, was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board. Furthermore, the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system and on actuarial assumptions that are internally consistent and reasonable based on the actual experience of the System. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

We respectfully submit the following report and look forward to discussing it with you.

Alisa Bennett, FSA, FCA, EA, MAAA
President

Jessica Fain, EA, ACA, MAAA
Senior Actuary

AB/JF:jp

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SECTION 1 – OVERVIEW

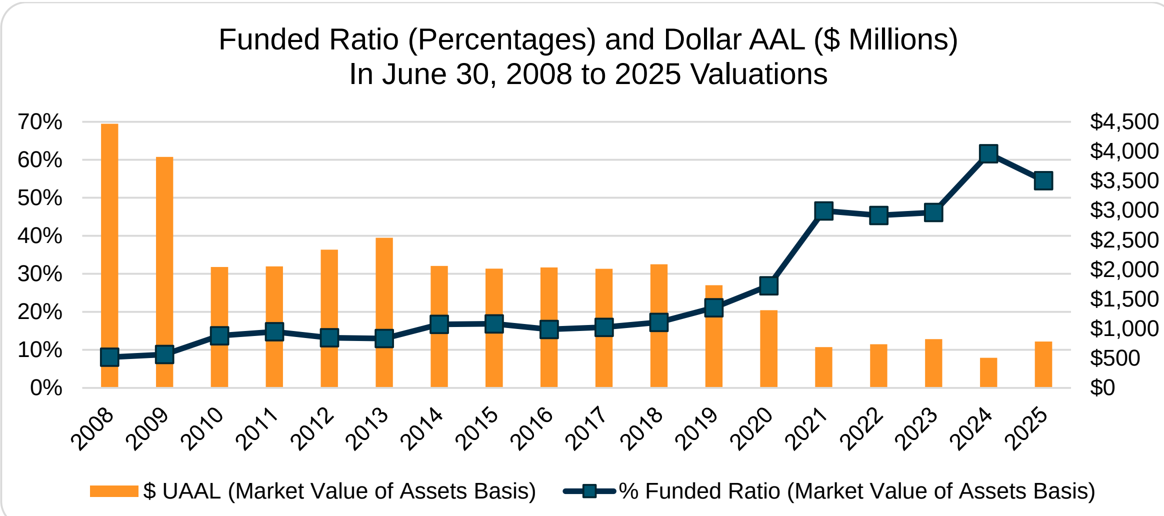
Actuarial Standard of Practice Numbers 6 (ASOP 6) and 51 (ASOP 51)

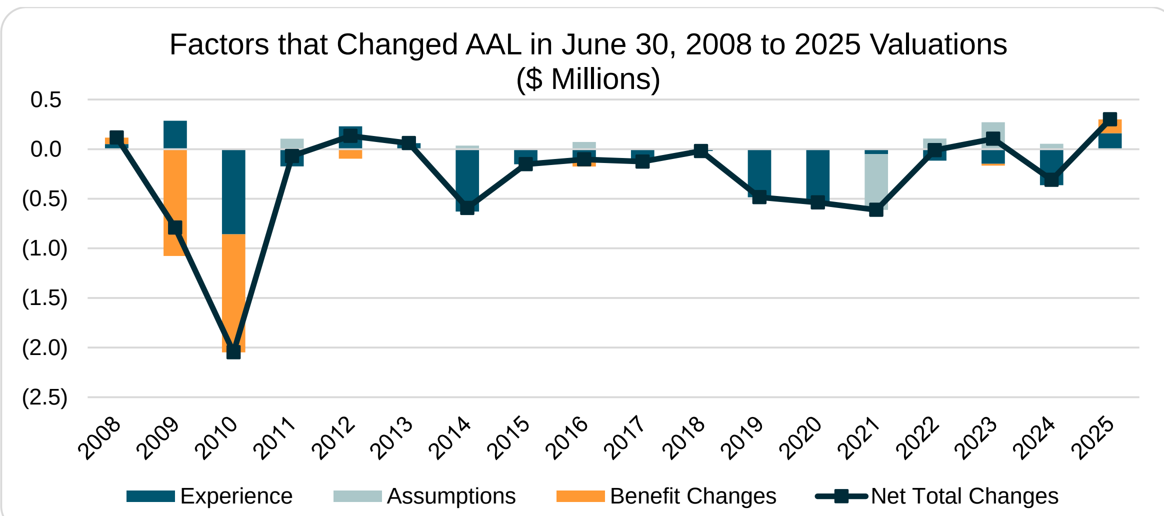
Actuarial Standards of Practice (ASOPs) are issued by the Actuarial Standards Board and are binding for credentialed actuaries practicing in the United States. These standards generally identify what the actuary should consider, document and disclose when performing an actuarial assignment. ASOP 51, *Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contribution*s, applies to funding pension valuations, actuarial projections, and actuarial cost studies of proposed plan changes. ASOP 51 does not apply to OPEB plans, but we have historically been including risk sections in our Retiree Healthcare Valuation reports. However, ASOP 6, *Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Plan Costs or Contributions*, is being updated and is currently in the exposure draft period. The updated ASOP 6 has a section for risk disclosure, similar to ASOP 51 for pension plans, which is expected to be retained for the final ASOP. Therefore, a risk section is expected to be required for OPEB plans under the ASOPs in the near future.

A typical retiree healthcare plan faces many different risks. The greatest risk is the inability to make benefit payments when due. If system assets are depleted, benefits may not be paid which could create legal and litigation risk. The term “risk” is most commonly associated with an outcome with undesirable results. However, in the actuarial world risk is defined as uncertainty. The actuarial valuation process uses many actuarial assumptions to project how future contributions and investment returns will meet the cash flow needs for future benefit payments. Of course, we know that actual experience will not unfold exactly as anticipated by the assumptions and that uncertainty, whether favorable or unfavorable, creates risk. Retiree healthcare plans face additional risks due to high cost health claims and treatments, specialty drug costs and rebate structures, and changes to Medicare plan designs and reimbursements. The ASOPs define risk as the potential of actual future measurements deviating from expected future measurements due to actual experience that is different than the actuarial assumptions.

Factors that have Historically Impacted Funded Status and Employer Contribution Rates

The funding ratios and the actuarial accrued liabilities (AAL) for the past 18 valuations from June 30, 2008 to June 30, 2025 were measured on a market value of assets basis, and the factors that caused changes in the AAL are shown in the charts on the following pages. The large increase in funded ratio in 2021 was primarily due to the increase in the discount rate from 5.25% in 2020 to 7.00% in 2021. The large decrease in AAL in 2010 was due to the introduction of the $35 retiree premium surcharge.





SECTION 1 – OVERVIEW

Identifying Risks

The first step in a project such as this is to identify the significant risks that affect how SERS liabilities are measured and contributions determined. Some risks, such as investment return for a funded post-employment plan, are obvious, but there are others that are not as clear. There is no definition of "significant" to clearly define which risks should be considered, nor is it possible to tell in advance whether certain risks are significant or not.

The identification of risks is also specific to the post-employment plan being studied. Different plans expect different risks. Thus, this analysis for SERS is uniquely prepared for the SERS Retiree Healthcare Plan and the risks it faces.

Finally, we conclude this report with some numerical assessment of some significant demographic, healthcare cost and economic risks.

Assessing Risks

In this report, we consider a variety of risks faced by SERS. A common theme for most post-employment plans is that risks change as a plan matures. Because this is a fundamental issue, the ASOPs give special attention to requiring the disclosure of appropriate measures of how a plan is maturing. Since the Retiree Healthcare Plan is not funded actuarially, the greater risk to the plan is cash flow and healthcare costs. Therefore, Section 2 of this report considers these measures and we provide a number of illustrations to help demonstrate these trends.

There are some risks that are inherently difficult to quantify, as well as some risks that are addressed by the way in which a system is designed to react. In our section on qualitative measures, we discuss some of these risks. We also discuss how the SERS contribution rate policy, payroll growth assumption and healthcare costs affect the Retiree Healthcare Fund.

Finally, we conclude this report with some numerical assessment of some significant demographic and economic risks. The point of this analysis is to provide some perspective on the magnitude of the risks faced by SERS.

Conclusions

Risk is not necessarily a negative concept. As humans, we regularly take risks such as driving in an automobile because we believe that the gain to be received outweighs the possible negative consequences. We do, however, take steps to mitigate the risk by looking both ways at an intersection before proceeding, wearing seatbelts, etc. We do these things because we have some understanding of the sources of risk. The goal of this report is to help SERS understand the major risks facing SERS funding, thereby allowing a reasoned approach to determining how to move into the future if negative experience emerges.

SECTION 2 – CASH FLOW AND HISTORICAL HEALTHCARE COSTS

Historical Cash Flows

Plans with negative cash flows will experience increased sensitivity to investment return volatility. Cash flows, for this purpose, are measured as contributions less benefit payments and expenses. If the System has negative cash flows and experiences returns below the assumed rate, there are fewer assets to be reinvested to earn the higher returns that typically follow.

Negative net cash flow in benefit plans can range from a benign outcome to a serious warning sign depending on two key factors: the plan's funding status and the sponsor's capacity to make current and future contributions. Funding status is measured via the system's liabilities, which are disclosed in the annual actuarial valuations, while sponsor capacity reflects fiscal strength and budgetary projection. For the Retiree Healthcare Plan, the plan is not funded actuarially, but through the 1.50% surcharge plus a portion of the 14% statutory rate. For purposes of this report, we assume that the Retiree Healthcare Plan will receive 0% of the 14% statutory rate for all years.

The guidance for negative cash flow can be categorizes plans into three broad risk zones:

Green – Well-Funded with High Contribution Capacity: Negative net cash flow here is typically not a concern. Well-funded plans that meet benefit obligations and maintain disciplined contributions can sustain operations even if investment performance causes temporary cash flow deficits. The sponsor's ability to continue strong future contributions mitigates long-term risk.

Yellow – Underfunded with Medium Contribution Capacity: Plans in this range (approximately 60–80% funded) are at a tipping point. Negative net cash flow begins to signal a material risk because benefit payouts outpace growth available to close funding gaps. If the sponsor can increase contributions, the plan may improve; if not, it drifts toward greater risk.

Blue – Mature, Less Than 60% Funded with Limited Contribution Capacity: This represents the most concerning scenario. When a plan is significantly underfunded and the sponsor cannot make up the shortfall, liabilities may grow faster than assets, threatening solvency over time. Immediate corrective action—such as increasing contributions or reevaluating plan benefits—is critical. Failure to act can lead to insolvency and may negatively impact the sponsor's credit rating.

Across all situations, the capacity of the plan sponsor to make up shortfalls is the pivotal determinant of whether negative net cash flow is a warning sign or a manageable outcome. In our opinion, SERS is in the yellow.

Although the cash flow has been positive over the past 8 years, it is projected to go negative next year and continue to be more and more negative over the next 20 years if healthcare costs grow as expected and the healthcare fund receives no portion of the 14% employer contribution. Since the Healthcare Fund is expected to be solvent for the next 20 years even while only receiving the 1.50% surcharge, and since the Basic Benefits Plan is expected to reach 100% funded in less than 20 years, it is reasonable to expect that the Healthcare Fund may begin to receive some of the 14% employer contribution before it becomes insolvent. Therefore, we do not think the Fund is in the blue at this time.

Source: Negative Cash Flow: Red Flag or Read Hearing? | PNC Insights

SECTION 2 – CASH FLOW AND HISTORICAL HEALTHCARE COSTS

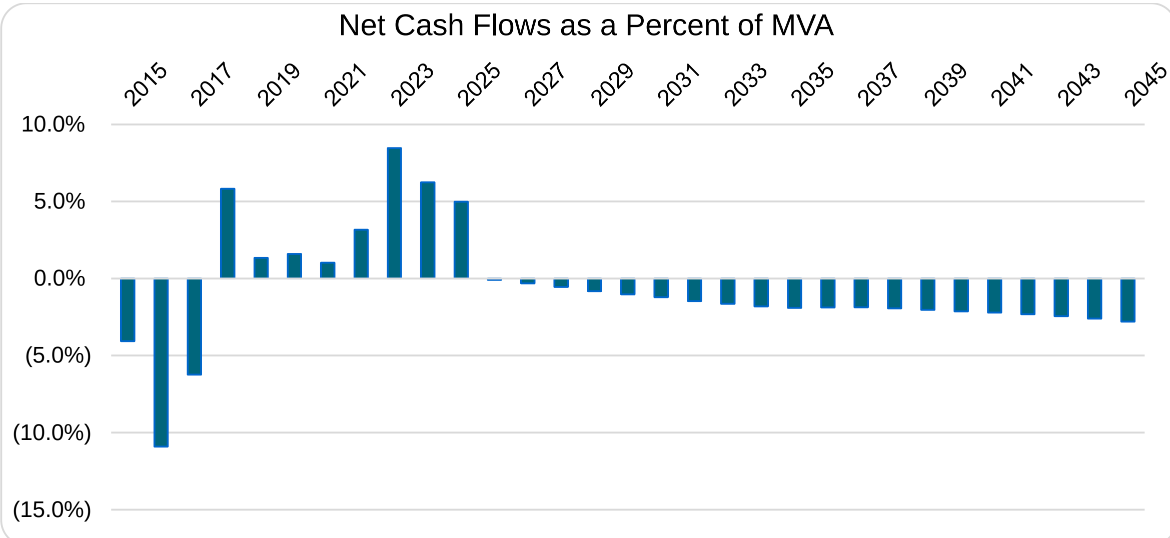
The historical net cash flows are shown below as well as the projected 20-year net cash flows assuming no portion of the employer contribution is allocated to healthcare over the entire projection period, besides the 1.50% Surcharge.

Fiscal Year End	Market Value of Assets (MVA)	Contributions*	Benefit Payments and Expenses	Net Cash Flow	Net Cash Flow as a Percent of MVA
6/30/2015	$408,363,598	$103,622,195	$120,259,635	(16,637,440)	(4.07%)
6/30/2016	370,204,515	77,348,691	117,752,074	(40,403,383)	(10.91%)
6/30/2017	382,109,560	65,013,891	88,839,593	(23,825,702)	(6.24%)
6/30/2018	435,629,637	100,056,736	74,704,311	25,352,425	5.82%
6/30/2019	463,810,679	81,944,848	75,773,433	6,171,415	1.33%
6/30/2020	482,611,478	80,536,164	72,874,424	7,661,740	1.59%
6/30/2021	600,330,188	73,592,929	67,454,419	6,138,510	1.02%
6/30/2022	611,574,409	88,282,970	68,942,246	19,340,724	3.16%
6/30/2023	706,785,561	131,299,012	71,533,348	59,765,664	8.46%
6/30/2024	816,468,867	118,425,501	67,486,309	50,939,192	6.24%
6/30/2025	939,812,471	104,720,979	57,921,872	46,799,107	4.98%
6/30/2026	1,004,635,524	70,593,551	71,524,778	(931,227)	(0.09%)
6/30/2027	1,071,420,526	71,828,938	75,248,730	(3,419,792)	(0.32%)
6/30/2028	1,139,884,652	73,085,944	79,400,254	(6,314,310)	(0.55%)
6/30/2029	1,209,300,797	74,364,948	84,389,857	(10,024,909)	(0.83%)
6/30/2030	1,280,349,400	75,666,335	88,808,802	(13,142,467)	(1.03%)
6/30/2031	1,352,896,620	76,990,496	93,490,243	(16,499,747)	(1.22%)
6/30/2032	1,425,956,508	78,337,829	99,248,820	(20,910,990)	(1.47%)
6/30/2033	1,500,079,400	79,708,741	104,533,924	(24,825,183)	(1.65%)
6/30/2034	1,575,626,087	81,103,644	109,566,321	(28,462,677)	(1.81%)
6/30/2035	1,653,300,943	82,522,958	114,038,872	(31,515,913)	(1.91%)
6/30/2036	1,735,203,585	83,967,110	116,651,578	(32,684,468)	(1.88%)
6/30/2037	1,821,455,260	85,436,534	119,458,347	(34,021,813)	(1.87%)
6/30/2038	1,910,653,876	86,931,674	123,939,647	(37,007,973)	(1.94%)
6/30/2039	2,002,177,419	88,452,978	129,247,402	(40,794,423)	(2.04%)
6/30/2040	2,095,946,381	90,000,905	134,815,840	(44,814,935)	(2.14%)
6/30/2041	2,192,496,430	91,575,921	140,045,677	(48,469,756)	(2.21%)
6/30/2042	2,290,862,775	93,178,500	146,423,336	(53,244,836)	(2.32%)
6/30/2043	2,390,649,572	94,809,123	153,334,338	(58,525,215)	(2.45%)
6/30/2044	2,490,952,770	96,468,283	161,243,425	(64,775,142)	(2.60%)
6/30/2045	2,590,171,245	98,156,478	170,763,453	(72,606,975)	(2.80%)

* For fiscal years ending 2025 and prior, the contributions shown include rebates and federal reimbursements actually received and attributable to either the current or prior plan years, that are in addition to those anticipated in the valuation. For fiscal years ending 2026 and after, the contributions are equal to the surcharge amount which is equal to 1.50% of anticipated payroll.

SECTION 2 – CASH FLOW AND HISTORICAL HEALTHCARE COSTS

The chart below shows the historical and projected net cash flows as a percent of the market value of assets. The projected net cash flows are based on the assumption that no portion of the employer contribution is allocated to healthcare over the entire projection period, besides the 1.50% Surcharge.



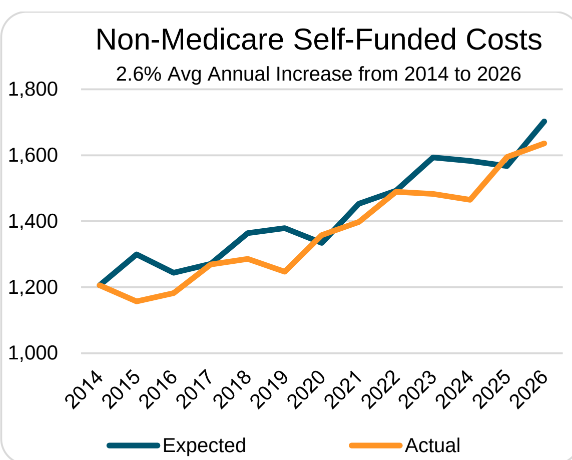
SECTION 2 – CASH FLOW AND HISTORICAL HEALTHCARE COSTS

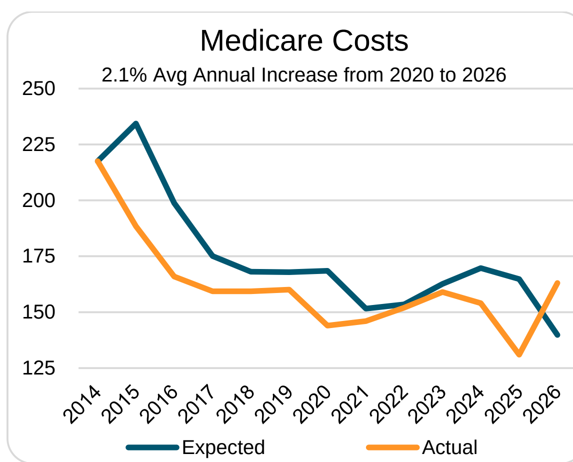
Healthcare Costs

Retiree Healthcare Plans are subject to an additional layer of volatility due to the risk of high cost claims and treatments, specialty drug costs and rebate structures, and changes to Medicare plan designs and reimbursements. The historical medical plan costs for Retiree Only coverage are shown below. As can be seen, the plan has experienced volatility; however, on average, cost increases have been lower than expected. Historical healthcare trend experience is not necessarily indicative of future experience and may even suggest the opposite due to factors such as pent-up demand or the exhaustion of plan design change levers, including increased deductibles, copays, coinsurance, and out-of-pocket maximums. In addition, the SERS plan has no control over Federal mandates concerning Medicare plan design and reimbursement changes.

The historical medical plan costs for Retiree Only coverage are shown below:

Year	Non-Medicare Self-Funded Costs		Medicare Costs	
	Rate	Change	Rate	Change
6/30/2014	$1,206.00		$217.52	
6/30/2015	1,157.00	(4.1%)	188.40	(13.4%)
6/30/2016	1,182.00	2.2%	165.93	(11.9%)
6/30/2017	1,269.00	7.4%	159.33	(4.0%)
6/30/2018	1,286.00	1.3%	159.33	0.0%
6/30/2019	1,247.00	(3.0%)	160.10	0.5%
6/30/2020	1,358.00	8.9%	144.00	(10.1%)
6/30/2021	1,398.00	2.9%	146.00	1.4%
6/30/2022	1,489.00	6.5%	152.00	4.1%
6/30/2023	1,483.00	(0.4%)	159.00	4.6%
6/30/2024	1,465.00	(1.2%)	154.00	(3.1%)
6/30/2025	1,595.00	8.9%	131.00	(14.9%)
6/30/2026	1,636.00	2.6%	163.00	24.4%
	Avg Annual Change Since 2014		Avg Annual Change Since 2020	
	2.6%		**2.1%**	





SECTION 3 – QUALITATIVE ANALYSIS

The ASOPs provide that the assessment of risk does not necessarily have to be quantitative but may be qualitative. This report will provide quantitative analysis for SERS in a later section, but first we will discuss the overall assessment of risk for SERS from a qualitative perspective.

(1) Contribution Rate Funding Policy

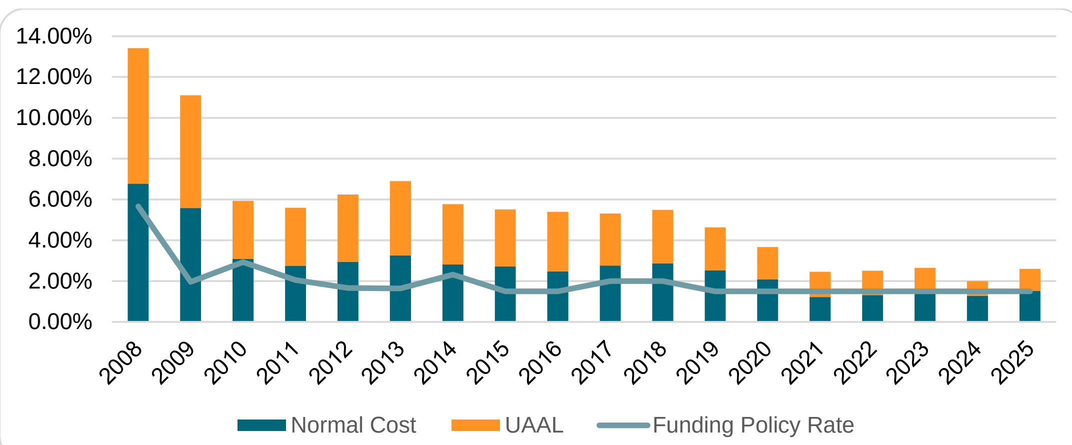
The statute sets a contribution cap of 24% of payroll: 14% from employers and 10% from employees to the basic benefits plan. Employer contributions in excess of those required to support the basic benefits may be allocated to retiree healthcare funding.

Effective June 30, 2015, changes were made to funding policy to meet the competing goals of providing healthcare and improving SERS' long term funding as quickly as possible.

The funding policy establishes a minimum level of funding for basic benefits, however, the Board retains the discretion to allocate additional funding. If the funded ratio is less than 70%, the entire 14% employers' contribution shall be allocated to SERS' basic benefits. If the funded ratio is 70% but less than 80%, at least 13.50% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Healthcare Fund. If the funded ratio is 80% but less than 90%, at least 13.25% of the employers' contribution shall be allocated to SERS' basic benefits, with the remainder (if any) allocated to the Healthcare Fund. If the funded ratio is 90% or greater, the Healthcare Fund may receive any portion of the employers' contribution that is not needed to fund SERS' basic benefits. The Healthcare Fund will receive a 1.50% Surcharge Contribution in addition to the employers' contribution.

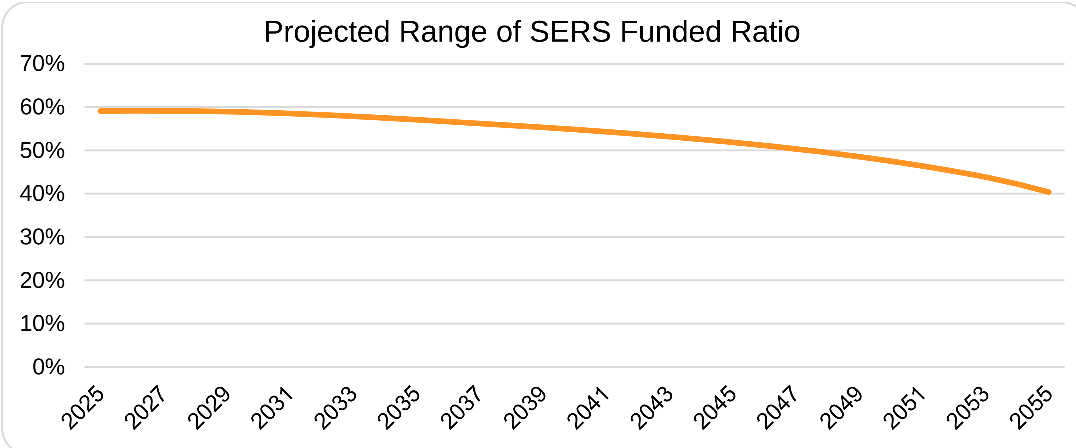
SERS Contribution Rate Funding Policy should be considered as a negative factor in risk assessment of the Healthcare Fund because while it accelerates funding of the Basic Benefits, it decelerates that of the Healthcare Fund. Since July 1, 2015, the Board has allocated the entire 14% of payroll employer contribution to Basic Benefits except for the periods beginning July 1, 2017 and July 1, 2018 when the Board allocated 13.50% of compensation to Basic Benefits. This is a negative factor in that it diverted funds from Healthcare Fund to the Basic Benefits Fund by an estimated $1,110 million.

A historical summary of the actual contribution rate, split between the normal cost and the remaining amount available to fund the UAL, and the Funding Policy Rate is shown in the following graph:

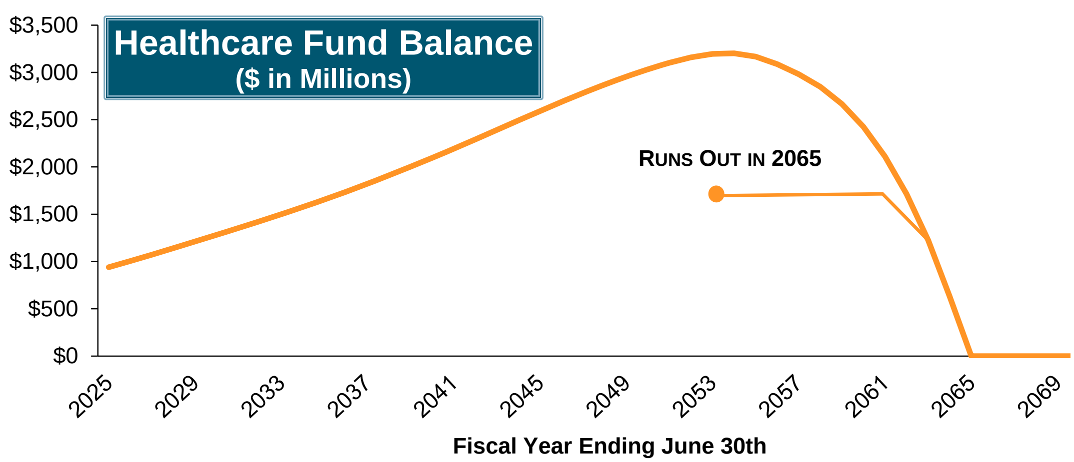


SECTION 3 – QUALITATIVE ANALYSIS

The chart below shows the projected funded ratio of SERS if no portion of the employer contribution is allocated to healthcare over the entire projection period, besides the 1.50% Surcharge.



The chart below shows the projected solvency of the Healthcare Fund if no portion of the employer contribution is allocated to healthcare over the entire projection period, besides the 1.50% Surcharge. Over the projection period, assuming all actuarial assumptions are met, the Fund insolvency is anticipated to occur in 2065.



(2) Payroll Growth Assumption and Active Membership

When the actuarial valuation is performed each year, it determines the funded ratio, unfunded actuarial accrued liability and the contribution rates needed to fully fund the System based on SERS funding policy. The contributions needed (normal cost plus UAAL amortization) are expressed as a percent of payroll, which is consistent with how contributions are collected. Because the amortization payment on the unfunded actuarial accrued liability is determined using the level percent of payroll methodology, an assumption must be used to develop the payment stream for the amortization of the UAAL.

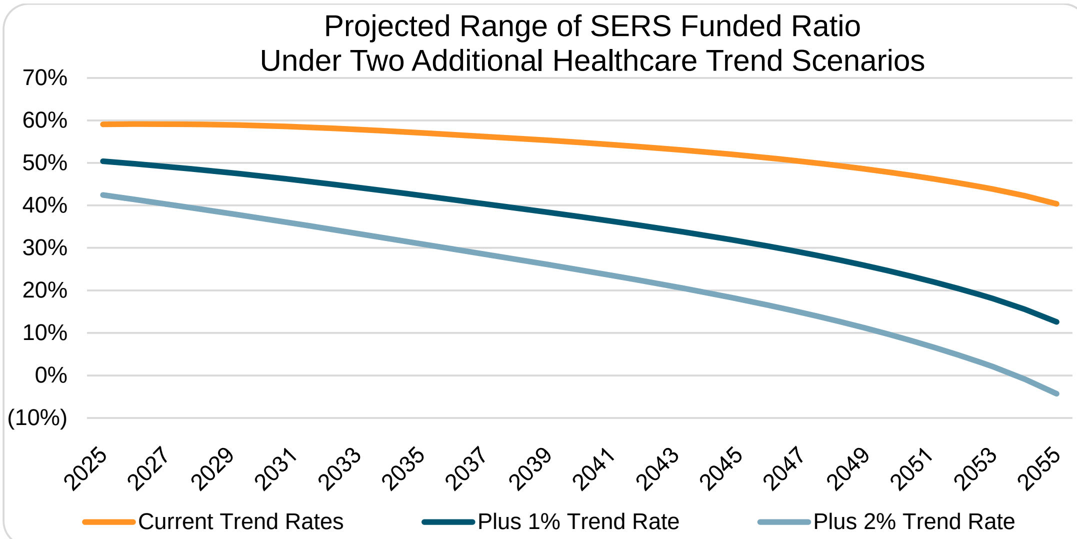
The funding of the System could be impacted if there was a material shift in the SERS active membership. When the payroll of SERS does not grow at the assumed rate, it requires an increase in the amortization rate to maintain the amortization schedule. While the dollar amount of the UAAL amortization payment might be the same, the amortization payment as a percent of payroll would increase to result in the same payment amount. Given the statutory limit on the employers and member contributions rates, sustained declines in payroll over a long time could prevent maintaining the amortization schedule. In addition, experience losses due to other sources, such as investment returns, would exacerbate the System decline in funding progress. Since the Healthcare Fund is not currently funded actuarially, but only receives the 1.50% surcharge, active payroll growing at less than the assumed rate leads to lower employer contributions and less solvency.

(3) Healthcare Trend Assumption

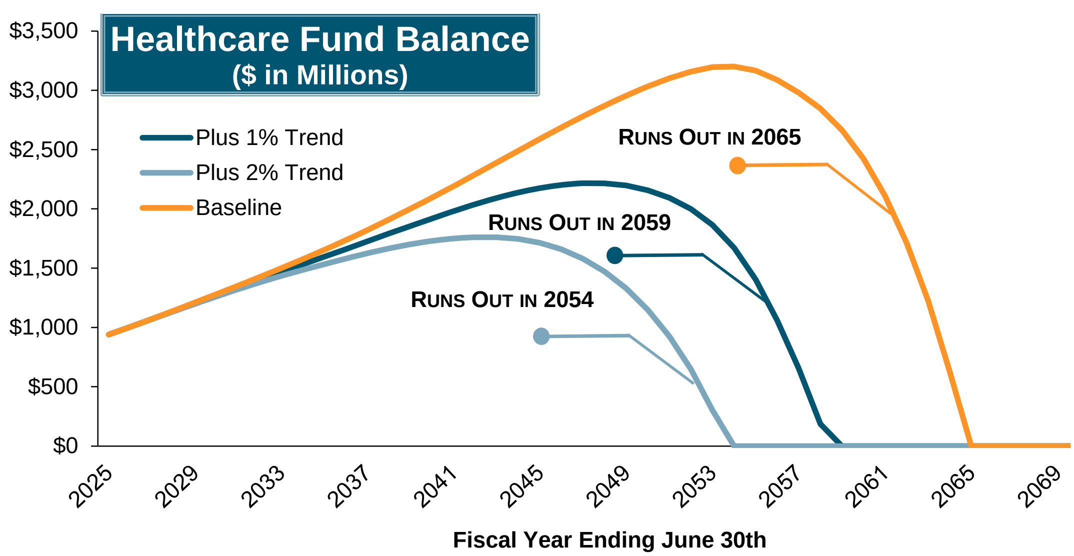
Due to considerations like specialty drugs, emerging treatments, GLP-1s and changes to healthcare law and Medicare reimbursements, there exists a possibility for healthcare cost to increase more than expected. The current assumed future healthcare cost increases are provided below, as well as two alternative scenarios if rates were 1% and 2% higher than the current assumption.

Year	Current Assumption	1% Higher	2% Higher
2025	6.75%	7.75%	8.75%
2026	6.50%	7.50%	8.50%
2027	6.25%	7.25%	8.25%
2028	6.00%	7.00%	8.00%
2029	5.75%	6.75%	7.75%
2030	5.50%	6.50%	7.50%
2031	5.25%	6.25%	7.25%
2032	5.00%	6.00%	7.00%
2033	4.75%	5.75%	6.75%
2034	4.50%	5.50%	6.50%

The chart that follows shows the range in the projected funded ratio of SERS if the trends on healthcare and premium contribution rates were changed to 1% and 2% higher than the current assumption.



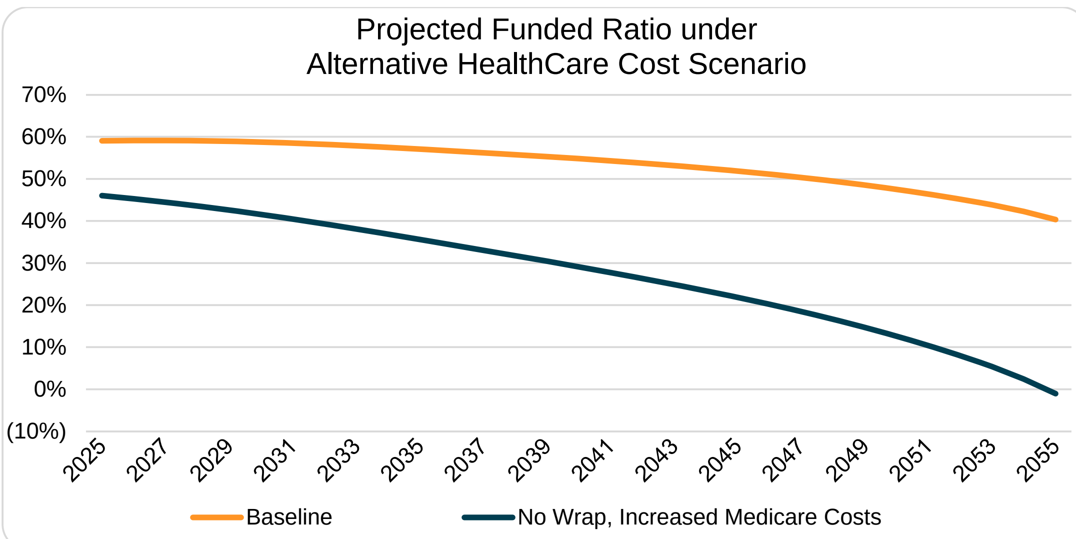
The chart below shows the projected solvency of the Healthcare Fund if the trends on healthcare and premium contribution rates were changed to 1% and 2% higher than the current assumption. Over the projection period, assuming all actuarial assumptions are met, the Fund insolvency is anticipated to occur in 2065, 2059, and 2054 for the various scenarios.



(4) Healthcare Cost Sensitivity Analysis

The Marketplace subsidies put in place by the American Rescue Plan Act (ARPA) of 2021 expired at the end of 2025. The subsidies still exist at the level put in place prior to 2021, but the HRA Wraparound plan may become less attractive to certain groups of pre-65 retirees who benefited from the higher ARPA subsidies. In all scenarios considered thus far, the baseline results are those based on the assumption that 20% of non-Medicare members will elect to participate in the HRA Wraparound plan in retirement. Additionally, baseline results are based on the Medicare vendor costs effective January 1, 2026.

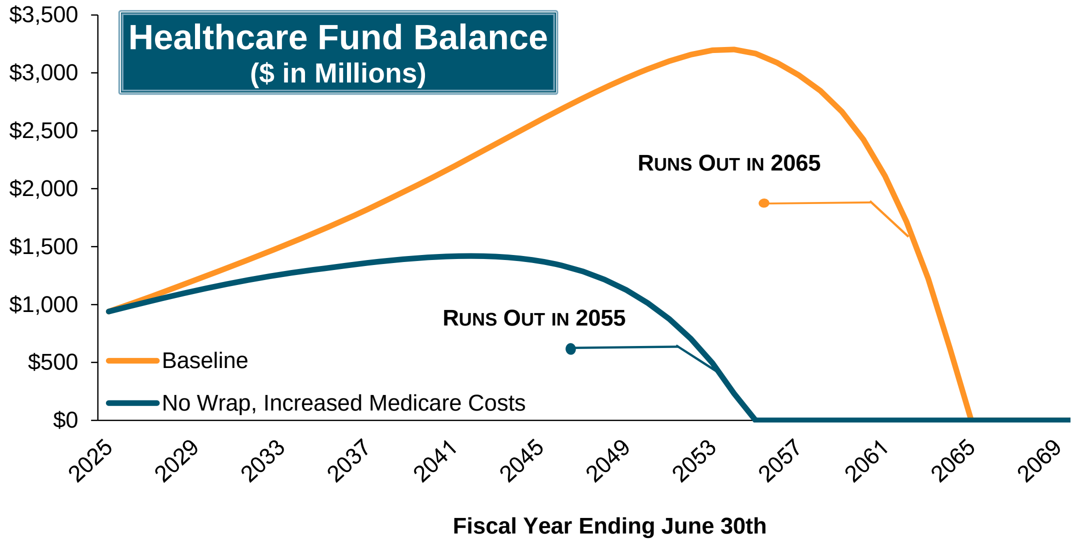
To illustrate the sensitivity of the valuation results to different healthcare coverage elections and costs, we have modeled the results if 0% of the pre-Medicare members elect (or can elect) to participate in the HRA Wraparound plan. We also illustrate the impact of Medicare costs should they return to the higher cost level of $217.52 seen in 2014.



As would be expected, the scenario with higher healthcare costs results in a lower funded ratio over the projection period.

SECTION 3 – QUALITATIVE ANALYSIS

The chart below shows the projected solvency of the Healthcare Fund under these same scenarios. Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent ten years earlier under the alternative healthcare cost scenario.



There are a number of risks inherent in the funding of a healthcare plan. These include:

- demographic risks such as mortality, aging population including impact of baby boomers, and retirement ages;
- economic risks, such as investment return and inflation;
- contribution risk, i.e., the potential for contribution rates to be too high for the plan sponsor/employer to pay;
- healthcare cost risk, i.e., the potential for claims and premium rates to be higher than anticipated or changes in federal subsidies and reimbursements; and
- external risks such as the regulatory and political environment.

The various risk factors for a given system can have a significant impact – favorable or unfavorable – on the actuarial projection of liabilities and contribution rates. Under the ASOPs, the actuary is required to include plan-specific commentary regarding the risks that are identified. However, such comments can be qualitative rather than quantitative. In this section of the report, we include quantitative analysis to assist with a better understanding of some of the key risks for SERS.

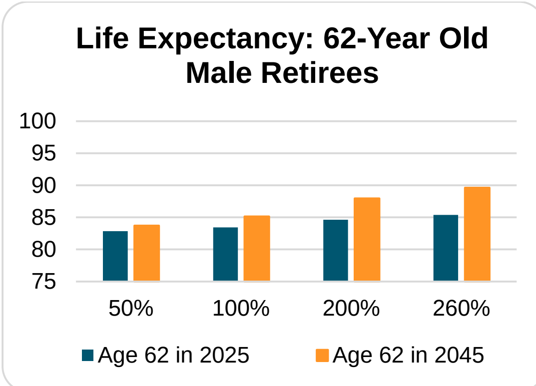
Demographic Risks

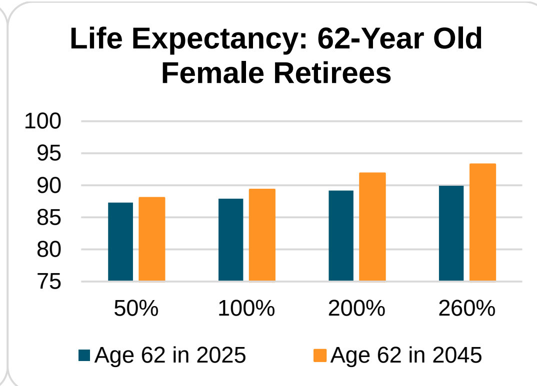
Demographic risks are those arising from the actual behavior of members differing from that expected based on the actuarial assumptions. These changes may arise when a significant portion of members is influenced to take some particular action due to employer or governmental actions, when there are improvements in medicine that affect broad groups of retirees, when societal trends encourage new behavior, or they may simply be random. Examples include early retirement windows, new drugs to treat common diseases, or trends across society to work longer before retiring. Many of these risks are minor in nature since they unfold gradually and generally have a small impact on a retirement system. Some, however, are comparatively more significant and warrant additional discussion.

(1) Mortality Risk

A key demographic risk for all retirement systems, including SERS, is improvement in mortality (longevity) greater or less than anticipated. While the actuarial assumptions used in the valuation reflect small, continuous improvements in mortality experience each year, and these assumptions are evaluated and refined in every experience study, the risk arises because there is a possibility of some sudden shift, perhaps from a significant medical breakthrough that could quickly impact life expectancy and increase liabilities. Likewise, there is some possibility of a significant public health crisis that could result in a significant number of additional deaths in a short time period, which would also be significant, although more easily absorbed.

The mortality projection scale used for the valuation is somewhat more complex than this, but it suffices for illustration to think of the current mortality improvement assumption as being about 1% per year. To consider longevity risk, we considered the impact of faster improvements in life expectancies of 2.0 and 2.6 times as much improvement, along with only half as much improvement. As the following charts illustrate, a greater improvement factor greatly increases the life expectancy over time.





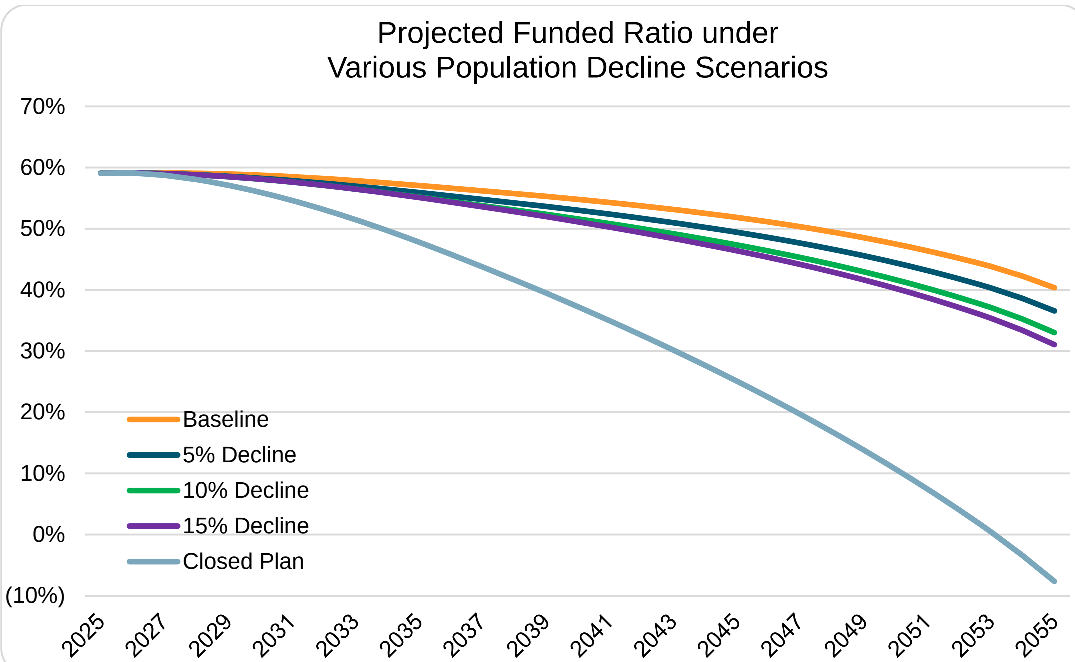
In performing valuations, we do not directly use life expectancy values, but rather apply the mortality rates at each age directly. For 2025, if the mortality improvement scale were cut in half (to a 0.5% per year improvement), the liabilities would decrease by about 1% at age 62, while if the mortality improvement scale were doubled (resulting in approximately a 2% per year improvement), liabilities at age 62 would increase approximately 2%. Over the next 20 years, the impact of either change would roughly double. Note that these changes in mortality improvement are noticeable departures from historical norms, but they are plausible.

The table below illustrates the impact on the June 30, 2025 valuation if the mortality assumption was updated to reflect a reduced expectation of mortality improvement and an increased expectation of future mortality improvement. The reduction in mortality improvement was reflected by applying one half of the current mortality projection scale and the increase in expected mortality improvement was reflected by doubling the current projection scale.

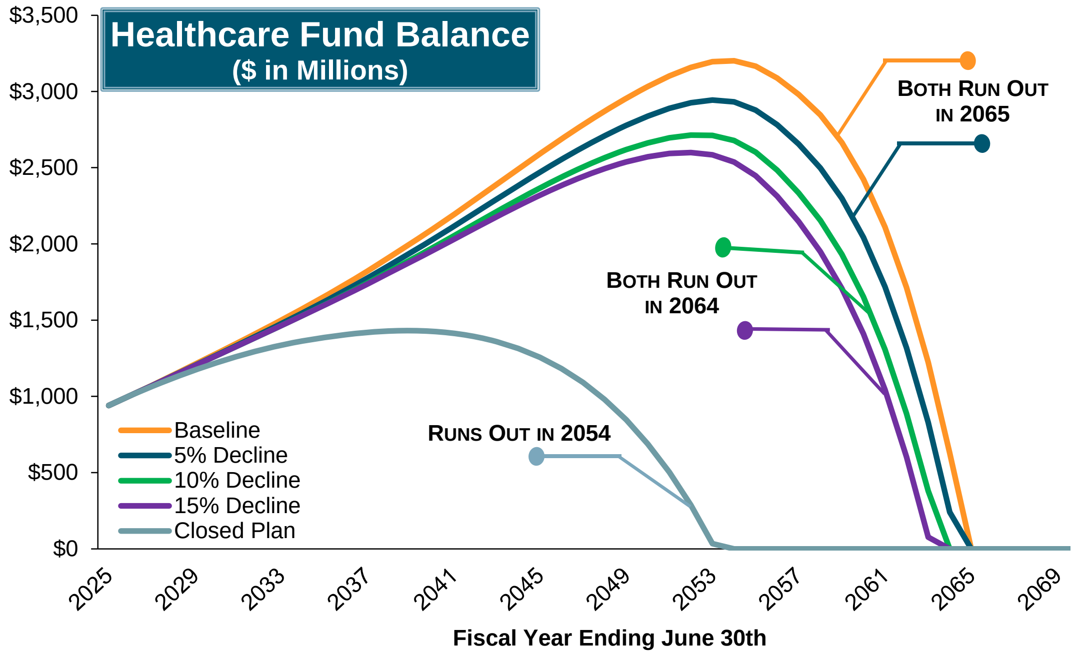
	Current Mortality Assumption	Reduced Expected Mortality Improvement	Increased Expected Mortality Improvement
Employer Normal Contribution Rate	1.40%	1.36%	1.47%
UAL Amortization Rate	0.90%	0.86%	0.98%
Total Employer Rate	2.30%	2.22%	2.45%
Amortization Period	30 Years	30 Years	30 Years
Funded Ratio	59.07%	60.19%	56.98%

(2) Active Population Growth or Decline Risks

The chart below illustrates the projected funded ratio based on four population reduction scenarios. The first assumes an immediate 5% reduction in the population followed by no further reduction in active membership. The second assumes an immediate 5% reduction in the population followed by additional 1% reductions in the active population until the total reduction in the active workforce is 10%. The third scenario assumes an immediate 5% reduction in the population followed by additional 1% reductions in the active population until the total reduction in the active workforce is 15%. The final scenario represents a worst-case in which the System is closed to new entrants. Since the Healthcare Fund is assumed to only receive the 1.50% surcharge, any reduction in the workforce reduces the income stream to SERS, thereby reducing the solvency of the Fund. Please note, these population scenarios are not combined with investment returns that are less than the assumed rate of return of 7.00%. A population decline scenario combined with prolonged low returns or a shock return would produce significantly different results then those shown in the chart below.



The chart below shows the projected solvency of the Healthcare Fund under the various population decline scenarios. Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent one year earlier for the 10% and 15% decline scenarios and 11 years sooner if the plan were closed.



(3) Other Demographic Risks

Changes to retirement and termination rates are likely to occur through time as the nature of the workforce and societal expectations shift. For instance, over the past decade or so, we have observed a general shift in retirement patterns in which retirements are occurring later. This may be a function of prior plan changes to eligibility, economic considerations, expectations of longer life in retirement, a proportionate decrease in physically-demanding jobs, or changes in family composition. Such changes do affect the funding of the plan, but generally these changes are minor and gradual and are reflected in modified assumptions resulting from regular experience studies.

More significant changes in demographic assumptions are likely to be influenced by something significant such as a legislative change. Obviously, some changes in SERS provisions or state employment rules could quickly change behavior patterns, but these would probably be anticipated as part of the legislation. Externally, a significant change in Social Security or Medicare provisions could change retirement patterns if the changes were implemented rapidly. These changes are not ones that can be easily quantified because the timing of such events, the impact of the event on behavior, and the magnitude of the behavior change cannot be anticipated.

As an extreme example, the table below illustrates the impact on the June 30, 2025 valuation if current retirement patterns changed abruptly in that 100% of active members retired upon obtaining first eligibility for an unreduced retirement.

	Current Valuation Assumptions	Accelerated Retirement Pattern
Employer Normal Contribution Rate	1.40%	1.50%
UAL Amortization Rate	0.90%	1.00%
Total Employer Rate	2.30%	2.50%
Amortization Period	30 Years	30 Years
Funded Ratio	59.07%	56.36%

Investment Return Risk

Investment risk volatility is the greatest risk facing SERS, as well as most public retirement systems today. In 2025 the average yield on the 10-year treasury was 4.29%. Compared to the current assumed rate of return of 7.00%, the risk premium is 2.71%. When investment returns are below the expected return (investment return assumption), the unfunded actuarial accrued liability increases, which prolongs the time period necessary for SERS to achieve full funding and accelerates the time until insolvency. Likewise, returns above the expected return, which are easier to absorb, decrease the unfunded actuarial accrued liability and reduce the period necessary for SERS to achieve full funding. Because of the inherent volatility of most retirement system investment portfolios, there is, therefore, volatility in the plan's funded status and contribution requirements.

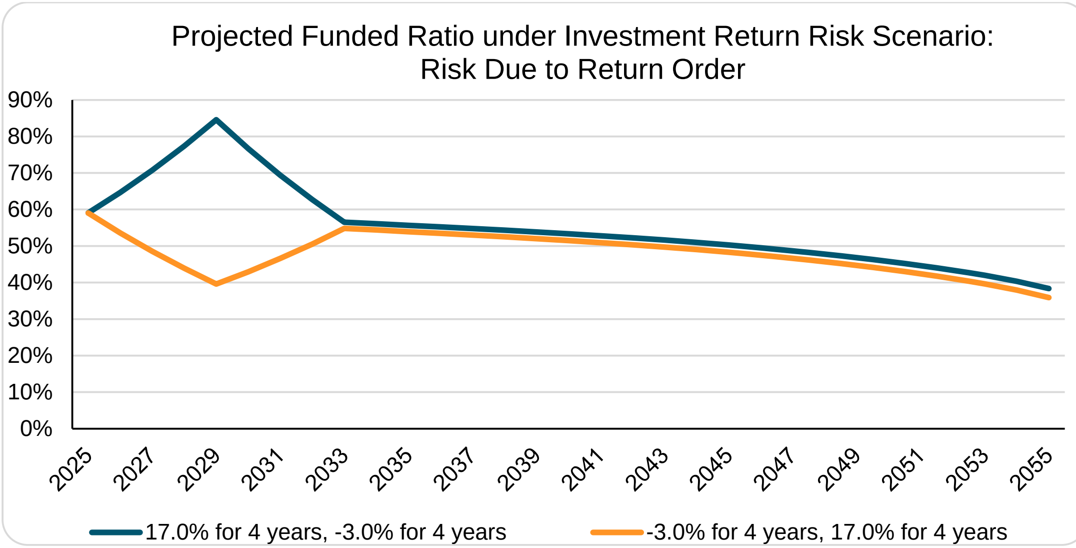
To understand the impact of investment volatility, we present a sequence of projections, based on the model prepared for SERS as part of the pension valuation each year. These "deterministic" projections use one or more selected scenarios to help illustrate certain key concepts.

(1) Risk Due to Return Order

The long-term funding outcome is impacted not only on the returns but also the order in which they occur. In other words, a "good" return followed by a "bad" return can lead to a different result than the same "bad" return followed by the same "good" return. While this may not be intuitive at first, the concept makes sense once it is realized that there are net cash flows out of the system.

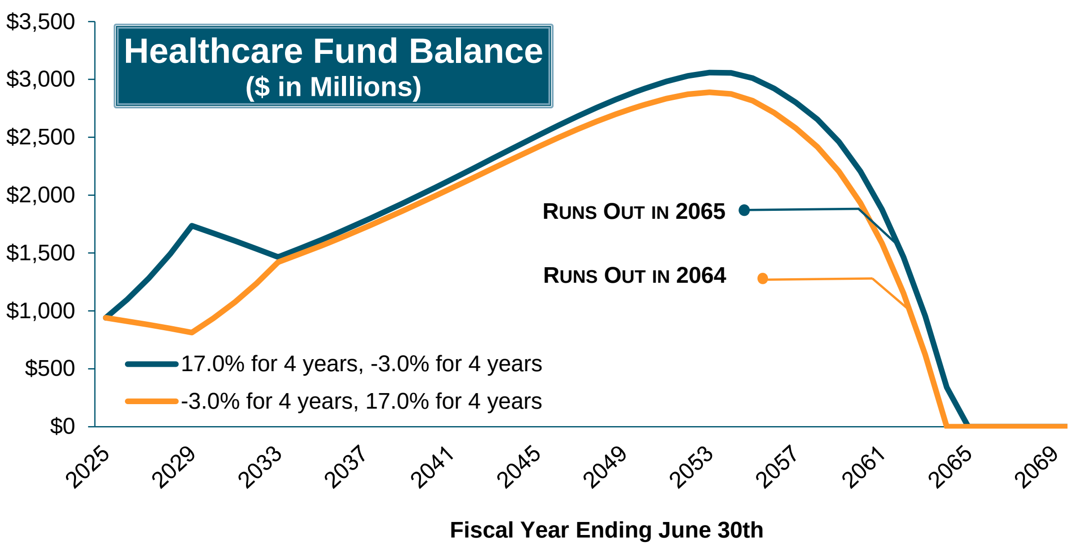
To illustrate this concept, consider the funded ratio for SERS under two different scenarios. In each case, there are four years of returns that are 17.0% (10.0% above the assumed 7.0% return). There are also four years of -3.0% returns (10.0% below the assumed return). In one case, we assume the four good years come before the four bad years, while in the other case, we assume that the four bad years are followed by the four good years.

The following graph shows the results:



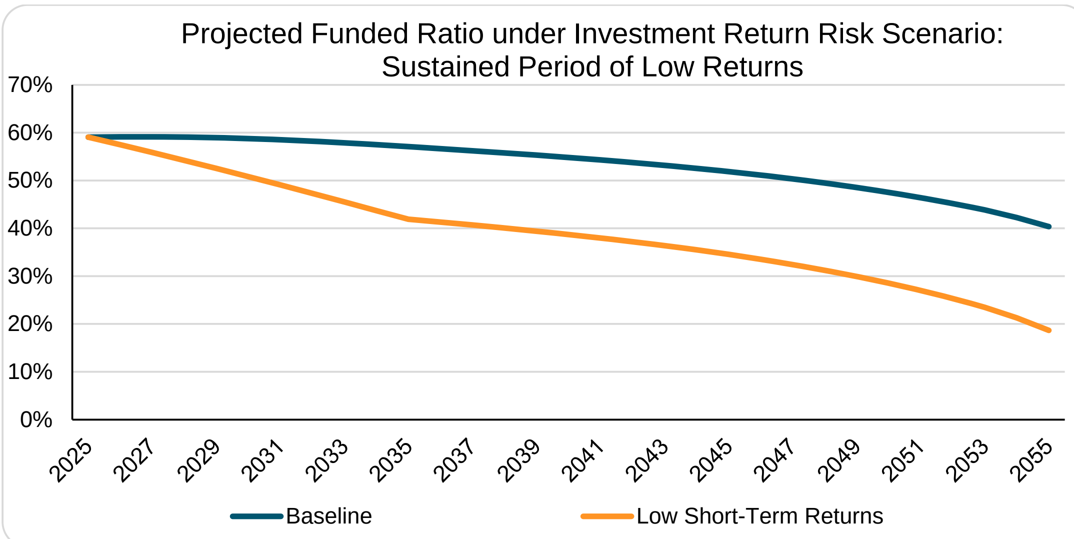
At the end of the projection, the high return followed by low return scenario has a funded ratio of 38%, while the low return followed by a high return is 36% funded. The order of the returns leads to a $0.2 billion dollar difference in market value ($3.0 billion vs. $2.8 billion). While the scenarios displayed here are artificial, they do illustrate that the return order matters.

The chart below shows the projected solvency of the Healthcare Fund under these same scenarios. Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent one year earlier under the low return followed by a high return scenario.



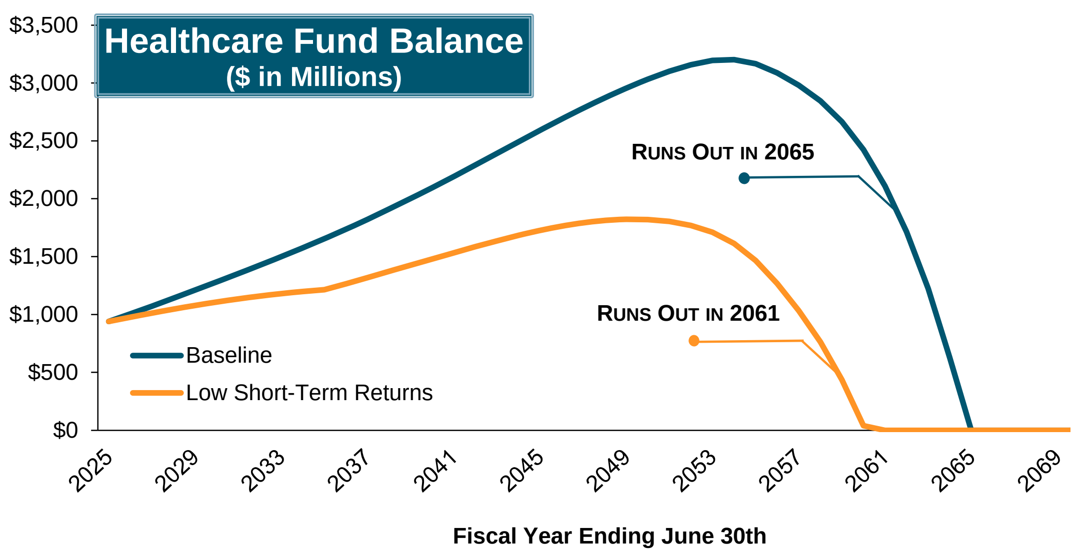
(2) Risk of Low Returns for Sustained Period

It is important to determine the potential impact of low returns over a sustained period on SERS funding. We want to examine the scenario, that returns will be 4.00% for the next 10 years, and 7.00% thereafter. The following graphs shows the impact of prolonged low returns on the funded ratio SERS.



In this scenario, the low returns for the next 10 years cause the funded ratio to decline to 42% in 2035 versus 57% in the baseline scenario. Ultimately, the funded ratio continues to decline even after returns return to the assumed rate of 7.00%.

The chart below shows the projected solvency of the Healthcare Fund under these same scenarios. Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent four years earlier under the prolonged low return scenario.



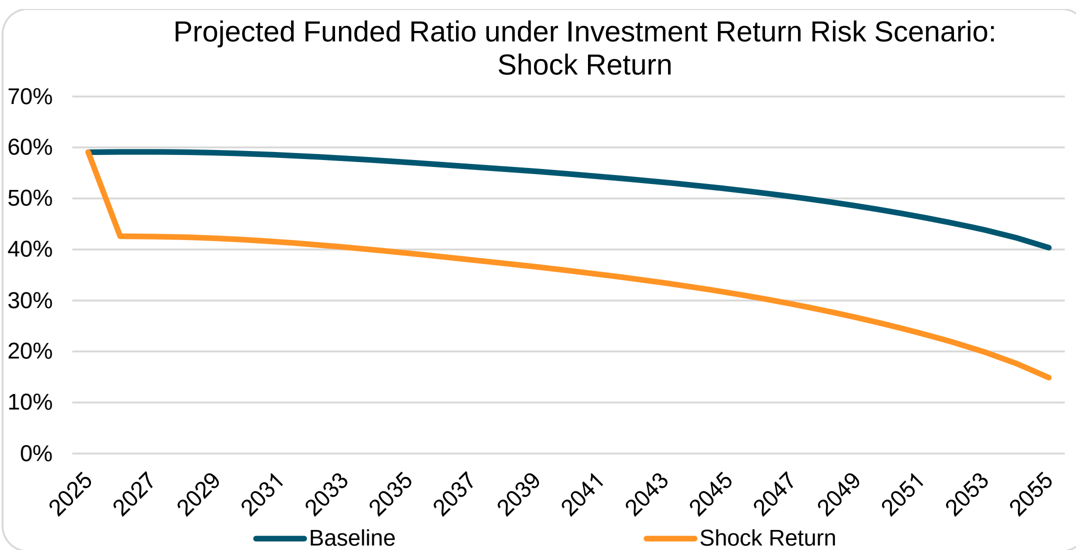
(3) Risk of Shock in a Single Year

From late 2007 through early 2009, the financial markets crashed both in the U.S. and abroad resulting in the most impactful loss due to investment return ever experienced by SERS. The return on the market value of assets for FY 2009 was -14.8% for the Healthcare Plan and -22.9% for the Basic Benefits Plan. Like many other systems around the country, SERS and the State of Ohio responded with changes in the benefit structure. Coupled with the financial market recovery, significant progress has been made in improving the situation.

There continues to exist a risk from another shock of this magnitude in a single year. The impact of such an event would be different depending on when it occurs. As the System matures and assets grow in comparison to payroll (increasing the asset volatility ratio), severe investment declines will have a greater impact on the actuarial contribution rate.

To study the impact of a similar shock, we modeled a repeat of the lowest return in one of the Ohio plans in 2009 with its -22.9% return in FY 2025, but 7.0% returns in every other year.

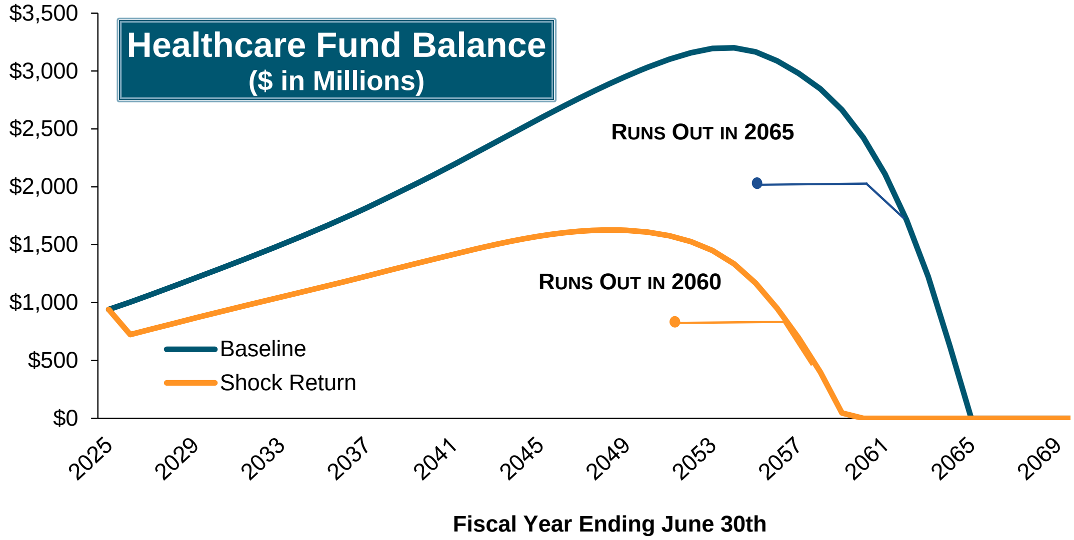
First, the probability of such a return in a single year is around 0.5% to 0.6% - meaning an event that occurs maybe every 150 to 200 years. Second, market crashes have been historically followed by significant rebounds in the following few years that have recovered significant portions of the losses. Third, SERS and its stakeholders have a history of proactively addressing significant problems by making changes in the benefit provisions and/or funding policies. This is not to minimize the risk of a shock. Rather, it is a reminder that the risk can be addressed in multiple ways.



In this scenario, the funded ratio drops significantly in the initial year. Note that this graph is based on the market value of assets, so there is no smoothing mechanism to delay the recognition of the return over several years. The funded ratio immediately declines as the loss is recognized and continues to decline at a slower rate throughout the rest of the projection period.

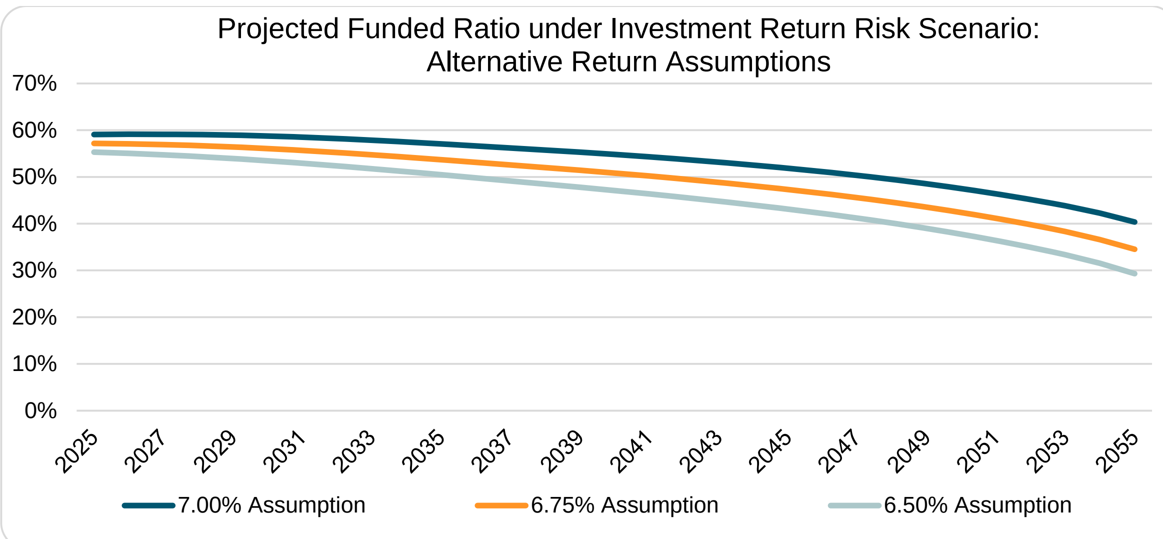
SECTION 5 – QUANTITATIVE ANALYSIS – ECONOMIC ASSUMPTIONS

The chart below shows the projected solvency of the Healthcare Fund under these same scenarios. Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent five years earlier under the shock return scenario.



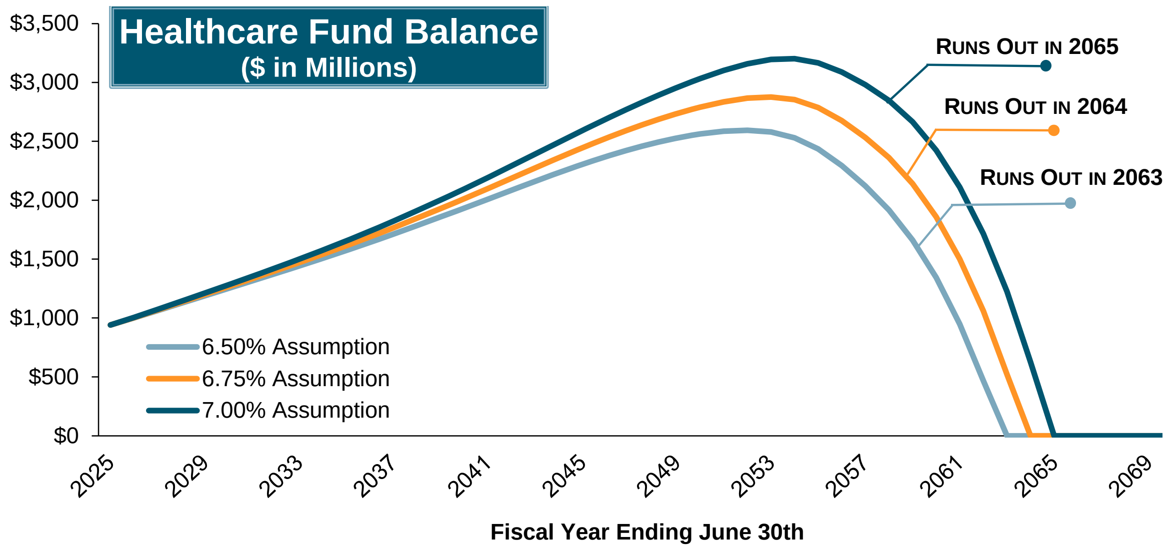
Sensitivity Analysis

The valuation results are sensitive to the set of economic assumptions used to estimate the System's liabilities. In all scenarios considered thus far, the baseline results are those based on the assumption that all of the current actuarial assumptions (those used in the June 30, 2025 experience study) will be met in the future. To illustrate the sensitivity of the valuation results to different investment return assumptions, we have modeled the results if the investment return assumption is changed from 7.00% to 6.75% or 6.50%, with no other change in the set of economic assumptions. These illustrations further reflect that the assumed rate of return is actually earned in all years and use the current Contribution Rate Funding Policy.



As would be expected, the 7.0% assumption has the highest funded ratio, largely because the liabilities are the lowest and the assets grow at the highest rate. As should be expected, the 6.5% assumption results in the lowest funded ratio due to the increased measure of liabilities and the lowest annual returns.

The chart below shows the projected solvency of the Healthcare Fund under these same scenarios. Over the projection period, assuming all actuarial assumptions are met, the Fund is projected to become insolvent one year earlier for the 6.75% return scenario and two years sooner under the 6.50% return scenario.



ALLOCATION OF EMPLOYER CONTRIBUTIONS – HEALTH CARE FUND

__________ moved and __________ seconded that after discussion with SERS' actuary, CavMac, regarding the preliminary results of the annual basic benefits valuation (to be prepared as of June 30, 2026) at the September 2026 Board meeting, the Board elects to allocate ___% (___ percent) of the 14% employer contribution to the Health Care Fund for fiscal year 2027 in accordance with the funding policy approved by the Board on June 18, 2015.

Upon roll call, the vote was as follows:

ROLL CALL:	**YEA**	**NAY**	**ABSTAIN**
Aimee Russell	________	________	________
Jeanine Alexander	________	________	________
Jeffrey DeLeone	________	________	________
Matthew King	________	________	________
Catherine Moss	________	________	________
Rebekah Roe	________	________	________
James Rossler	________	________	________
Frank Weglarz	________	________	________
Daniel Wilson	________	________	________

Memo

School Employees Retirement System of Ohio
Serving the People Who Serve Our Schools®

To:	Retirement Board
From:	Chris Collins
Department:	Government Relations
CC:	Ray Higgins, Karen Roggenkamp
Date:	September 4, 2026
Re:	Federal Legislative Report

<u>Overview</u>

Senate-approved Continuing Resolution clears House, avoiding shutdown threat

The House easily cleared a stopgap spending bill on September 1st that would keep federal agencies funded through December 11th, avoiding the risk of a partial government shutdown this fall.

On a vote of 370-48, the House sent to President Donald Trump's desk a short-term funding patch despite objections from hard-line conservatives over various policy concerns. The Senate passed the measure on a 90-6 vote early last month and Trump was expected to sign it in short order.

The House vote marked the earliest completion in recent memory of a continuing resolution (CR) that is typically passed at the end of September or later, as Congress scrambles to head off a shutdown when the new fiscal year begins without full-year appropriations in place. Current funding is set to expire on September 30th.

Lawmakers often seek to hold up the must-pass CR to exert leverage to win concessions from leadership on their own policy priorities. But this year's swift passage signaled a determination by both parties to avoid a politically perilous shutdown in the run-up to the November midterm elections.

Republicans voted 193-19 for the bill, while Democrats backed it 176-29.

GOP leadership brought up the bipartisan bill under a process called “suspension of the rules”, which fast-tracks the House’s approval of legislation that has at least two-thirds support of the chamber.

Members of the House Freedom Caucus have criticized the bill over language delaying implementation of a ban on certain THC-infused hemp products. There’s also frustration over language that would hold up a proposed rule by the White House budget office giving political appointees more power over the federal grant approval process.

The House passed a more bare-bones funding extension last month along party lines. Changes made by the Senate were essential to drawing support from Democrats in both chambers.

House Democrats who opposed the House GOP’s initial short-term funding patch, supported language added by the Senate that they say will prevent the transfer of further funding to the Border Patrol without new restrictions on federal immigration agents. The issue was a key factor behind Democrats’ overwhelming opposition to the House’s earlier plan in July.

The Democrats also pointed to language included in the revised CR halting an OMB rule that would let political appointees make decisions about grants. Democrats fear the administration will use the proposed regulation on grants to steer money away from Democratic-led states. Both issues are sure to face renewed battles come December, when final appropriations bills or another CR must be passed.

The legislation approved Tuesday includes some spending anomalies that were part of the original House bill, such as language to provide funding flexibility for the Special Supplemental Nutrition Program for Women, Infants, and Children, known as WIC, disaster relief and wildland fire funds. But the Senate added other anomalies, including for 2028 Olympic preparations and housing assistance.

War with Iran continues

Fighting has escalated since the American military hit Iranian rocket launchers on an island in the Strait of Hormuz at the end of August, saying Iran was planning to use them to lay mines. Iran retaliated by firing missiles at American bases in Jordan that were intercepted.

The latest violence came after a monthlong lull in fighting. The six-month war has led to a spike in oil prices, agitated the global economy and posed increasing political problems for U.S. President Donald Trump’s Republican Party ahead of November midterm elections.

American military resources are stretched and political pressure in Washington is mounting, while Iran’s economy has been battered by sanctions and an American naval blockade.

U.S. Secretary of State Marco Rubio said Iran will “continue to feel the squeeze” from the United States until it drops any nuclear weapons ambitions and ends support for armed groups in the Middle East. Iran has always insisted its nuclear program is peaceful.

During prior month's lull in fighting, the U.S. ramped up economic pressure on Iran as Washington sought to fully open the Strait of Hormuz.

About a fifth of the world's traded oil was shipped through the key waterway before Israel and the U.S. attacked Iran on February 28th and Iran largely shut it down in response. Despite many pronouncements from Washington that the strait is open, only a handful of ships are making the passage each day and Iran has regularly attacked vessels.

The latest flare-up in violence came as the standoff seemed to be shifting slightly more in the U.S.' favor, with the price of oil around $80 a barrel and Iranian leaders talking about growing economic hardships.

Since the fighting resumed, the price of Brent crude oil, the international standard, has climbed to around $95, up more than 30% from the start of the war.

A ceasefire deal reached in June quickly fell apart amid exchanges of strikes that same month. Mediator Pakistan has been working to restart talks.

U.S. and Canada trade breakdown escalates into dueling tariffs

U.S. and Canada trade talks broke down late on August 21st after days of negotiations, with both sides blaming last-minute demands by the other. One of the principal sticking points was Canada's request that proposed tariff relief for cars and light-duty trucks also cover Canadian-made medium- and heavy-duty trucks, which the U.S. reportedly resisted. Effective August 22nd, the U.S. imposed 50% tariffs on approximately $20 billion of Canadian exports, including certain alcoholic beverages, dairy products, and motor vehicles.

Canada subsequently announced dollar-for-dollar, rate-for-rate retaliation on approximately $20 billion of U.S. goods. Beginning September 8th, Canada will impose tariffs of 15%, 25%, or 50% on more than 700 products, including steel, dairy products, appliances, agricultural equipment, pulp and paper, and electronics.

The U.S. provided a limited positive signal by withdrawing its positions on French-language discoverability and labeling requirements and confirming that Canadian measures promoting French and Canadian culture would not face future U.S. trade actions. Canadian Trade Minister Dominic LeBlanc said additional U.S. clarifications could create an opening for a mutually beneficial agreement, while Vice President JD Vance has maintained that negotiations remain ongoing.

However, President Trump's decision to rename Lake Ontario "Lake America" risks further inflaming Canadian opposition. The U.S. clarification on French-language policies represents a small crack in the wall, but the principal disputes (auto tariffs, provincial alcohol restrictions, dairy access, and Canada's trade relations with non-market economies) remain unresolved.

<u>Social Security</u>

Bi-partisan legislation introduced in effort to address Social Security solvency

A bipartisan group of senators introduced a bill in July designed to shore up Social Security's finances in the coming decades and prevent future benefit cuts for the 70 million Americans who rely on the program.

The bill’s introduction comes after June’s annual Social Security trustees' report projected that the program's retirement trust fund could become insolvent by 2032, earlier than initially forecast. If that occurs, it would trigger a 22% across-the-board benefit cut, unless Congress acts before then, the report found.

The legislation, called the PROMISE Act, would not itself raise taxes, reduce benefits or change eligibility. Instead, it would direct the bipartisan, seven-member Social Security Advisory Board to draft a bill, informed by public input, to keep the program's trust funds solvent for at least the next 50 years.

Any proposal developed by the advisory board would still need to be introduced as legislation and go through the regular legislative process before becoming law.

The measure is one of several pathways legislators could take to save Social Security, which is facing a looming funding shortfall as spending for the program outpaces income. Individual members of Congress have introduced specific legislation in the past to address the insolvency issue, but none have gained enough traction to pass.

Several policy groups, including the Bipartisan Policy Center and the Progressive Policy Institute, welcomed the legislation, saying it could help advance a bipartisan solution to Social Security's long-term funding challenges. However, groups like AARP oppose this particular approach they say would create a process that limits the type of amendments and sets arbitrary procedural deadlines to short-circuit the debate. SERS is closely monitoring the ongoing discussion, particularly if the idea of mandatory Social Security participation for non-covered public employees, like those in Ohio, would become part of the Social Security solvency solution.

<u>Healthcare</u>

Healthcare tops the Democrats’ agenda if they win control of the House in 2026

Minority Leader Hakeem Jeffries (D-NY) held a press conference at the start of September where he outlined four items that he said would enjoy “uniform Democratic support” and advance the party’s goal of “making life more affordable” were the Democrats to win a majority of the House seats in the upcoming November election.

Jeffries’ agenda for a possible majority reflects an emerging consensus among many Democrats across the party spectrum, who said healthcare should top the party’s legislative to-do list in 2027. The lowest-hanging fruits are restoring Trump’s Medicaid cuts and reviving the expired ACA tax credits.

The other two priorities would be reversing President Trump’s tariff decisions and ending the War in Iran.

None of the House Democrats’ priorities are achievable however without support from a divided Senate and further negotiation with a hostile Trump administration. Still, the press conference provided some insight into how big a priority healthcare affordability is for the Democratic caucus.

While there’s agreement on restoring the Medicaid and ACA funds that were undone by Trump and the Republican-controlled Congress, there are divisions inside the Democratic Party about what its own healthcare agenda should be.

Some moderates want the caucus to be focused in the new year on simply “reversing the damage” to healthcare from the Big Beautiful Bill. Others on the left want to take a much broader, more ambitious approach, including items such as paid family and medical leave, universal pre-kindergarten, childcare subsidies and increased ACA subsidies.

Among leadership there is recognition that any House proposals will still need 60 votes in the Senate to pass, and then they need the president to sign it. However, there is also an understanding that one of the biggest barriers to making life more affordable for Americans is the increasing cost of healthcare.

FEDERAL LEGISLATION BOARD REPORT
119th United States Congress
(Prepared by Chris Collins as of September 4, 2026)

H.R.1

SPONSOR: Rep. Arrington, Jodey C. [R-TX-19]
LAST ACTIONS: 07/04/2025 Became Public Law No: 119-21.CAPTION: One Big Beautiful Bill Act

COMMENT: This bill reduces taxes, reduces or increases spending for various federal programs, increases the statutory debt limit, and otherwise addresses agencies and programs throughout the federal government. It is known as a reconciliation bill and includes legislation submitted by 11 House committees pursuant to provisions in the FY2025 congressional budget resolution (H Con. Res. 14) that directed the committees to submit legislation to the House Budget Committee that will increase or decrease the deficit and increase the statutory debt limit by specified amounts. (Reconciliation bills are considered by Congress using expedited legislative procedures that prevent a filibuster and restrict amendments in the Senate.)

H.Con.Res.14

SPONSOR: Rep. Arrington, Jodey C. [R-TX-19]
LAST ACTIONS: House - 05/20/2025 Star Print ordered on the reported concurrent resolution. (All Actions)
CAPTION: Establishing the congressional budget for the United States Government.

COMMENT: This concurrent resolution establishes the congressional budget for the federal government for FY2025, sets forth budgetary levels for FY2026-FY2034, and provides reconciliation instructions for legislation that increases or decreases the deficit and increases the statutory debt limit by specified amounts.

S.526

SPONSOR: Sen. Grassley, Chuck [R-IA]
LAST ACTIONS: Senate - 02/11/2025 Read twice and referred to the Committee on Commerce, Science, and Transportation.
CAPTION: Pharmacy Benefit Manager (PBM) Transparency Act:

COMMENT: A bill to prevent unfair and deceptive acts or practices and the dissemination of false information related to pharmacy benefit management services for prescription drugs, and for other purposes.

H.R.950

SPONSOR: Rep. Landsman, Greg [D-OH-1]
LAST ACTIONS: House - 02/04/2025 Referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
CAPTION: Saving Seniors Money on Prescriptions Act

COMMENT: To amend title XVIII of the Social Security Act to establish pharmacy benefit manager reporting requirements with respect to prescription drug plans and MA-PD plans under Medicare part D.

H.R.6703

SPONSOR: Rep. Miller-Meeks, Mariannette [R-IA-1] Introduced
LAST ACTIONS: House - 12/18/2025 Received in Senate. 12/17/2025 Passed by the House on a vote of 216 – 211.
CAPTION: Lower Health Care Premiums for All Americans Act

COMMENT: This bill would establish new rules for association health plans, modify requirements for individual and group health coverage, require contracts between plan sponsors and PBMs to meet certain standards, and appropriate funding for reductions in cost sharing.

S. 4979

SPONSOR: Sen. Durbin, Richard J. [D-IL]
LAST ACTIONS: Senate - 07/14/2026 Read twice and referred to the Committee on Finance.
CAPTION: PROMISE Act of 2026

COMMENT: Protecting Retirement Opportunities and Maintaining Income Security for Everyone Act of 2026. A bill to establish a process to assure the long-term fiscal stability of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund of the Social Security Program.

STATE LEGISLATION BOARD REPORT
(Prepared by Chris Collins as of September 4, 2026)

136th General Assembly

HB18 DIGITAL ASSET INVESTMENT, CRYPTOCURRENCY RESERVE (Demetriou, S) - To address investments in exchange-traded products by the state retirement systems, to create a Ohio Strategic Reserve Fund, to permit the Treasurer of State to invest interest earnings from certain state funds in digital assets, and to name this act the Ohio Strategic Reserve Act.

Current Status: 10/14/2025 House Technology and Innovation, (Fifth Hearing)

HB96 OPERATING BUDGET (Stewart, B) - To make operating appropriations for the biennium beginning July 1, 2025, and ending June 30, 2027, to levy taxes, and to provide authorization and conditions for the operation of state programs.

Current Status: 10/01/2025 Consideration of Governor's Veto; Senate Overrides Veto on Item 66, Vote 21-11

HB116 DIGITAL ASSET MINING, TAXATION, REGULATION (Demetriou, S) - To address mining, taxation, and regulation of digital assets and digital asset investments by the state retirement systems.

Current Status: 06/25/2025 Referred to Financial Institutions, Insurance and Technology Committee

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HB413 CREATE LOCAL GOVERNMENT EXPENDITURE DATABASE (Young, Peterson) - To create the Ohio Local Government Expenditure Database and require political subdivision participation, to require the state retirement systems to participate in the Ohio State Government Expenditure Database, and to make an appropriation.

Current Status: 06/02/2026 Referred to Finance Committee

HB473 PROHIBIT PUBLIC EMPLOYER CONTRIBUTION PAYMENTS (Thomas, D) - To prohibit a public employer from paying employee contributions to a state retirement system.

Current Status: 02/25/2026 House Public Insurance and Pensions, (Third Hearing)

HB609 PUBLIC TESTIMONY REQUIREMENT (Thomas, Craig) - To require a public body to allow for public commentary and testimony before taking formal action on any item.

Current Status: 03/17/2026 House General Government, (Second Hearing)

HB674 SCHOOL TRANSPORTATION AUTHORIZATION-NETWORK COMPANY (Miller, K) - To authorize a public or private school to transport students using a transportation network company.

Current Status: 03/24/2026 House Education, (Fourth Hearing)

SB69 INTENTION TO REFORM-STATE PUBLIC RETIREMENT SYSTEMS (Romanchuk, M) - To declare the General Assembly's intent to enact legislation to reform the law governing the state's public retirement systems.

Current Status: 02/12/2025 Referred to Financial Institutions, Insurance and Technology Committee

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HB833 REGARDING RETIREMENT SYSTEM INVESTMENTS (Lampton, B) - Regarding investment options for state retirement system defined contribution plans.

Current Status: 06/03/2026 House Public Insurance and Pensions, (First Hearing)

School Employees Retirement System of Ohio
System Year-to-Date Budget Analysis
Through June 30, 2026

	FYTD25 Actual	FYTD26 Actual	FYTD26 Budget	FYTD26 Actual to Budget %	FYTD26 Budget to Actual Under/(Over)	Notes
PERSONNEL SERVICES	$ 27,837,687	$ 29,619,884	$ 28,514,219	103.9%	$ (1,105,665)	
Salaries & Wages	19,893,984	21,315,626	21,172,870	100.7%	(142,756)	Note 1
PERS Retirement Contributions	2,660,143	2,787,090	2,791,267	99.9%	4,177	
Benefits	5,283,560	5,517,168	4,550,082	121.3%	(967,086)	Note 1
PROFESSIONAL SERVICES	6,640,730	6,378,379	7,044,466	90.5%	666,087	
Actuarial Advisors	379,114	402,035	357,700	112.4%	(44,335)	Note 3
Audit Services	207,382	172,534	220,000	78.4%	47,466	Note 4
Banking Fees	1,200,967	1,157,356	1,343,000	86.2%	185,644	Note 5
Investment Related	2,659,679	2,666,689	2,694,215	99.0%	27,526	
Medical	45,000	46,500	46,125	100.8%	(375)	
Technical	2,148,588	1,933,265	2,383,426	81.1%	450,161	Note 6
COMMUNICATIONS EXPENSE	863,722	752,921	821,240	91.7%	68,319	
Postage	640,580	575,521	578,110	99.6%	2,589	
Telecommunications Services	70,811	68,469	90,040	76.0%	21,571	Note 7
Member/Employer Education	23,674	9,340	12,590	74.2%	3,250	
Printing & Publications	128,657	99,591	140,500	70.9%	40,909	Note 8
OTHER OPERATING EXPENSE	3,946,205	4,121,092	4,853,745	84.9%	732,653	
Computer Support Services	2,574,117	2,753,649	3,195,613	86.2%	441,964	Note 9
Office Equipment & Supplies	142,754	156,611	149,013	105.1%	(7,598)	
Training	147,838	128,542	266,409	48.2%	137,867	Note 10
Transportation & Travel	171,680	194,470	231,120	84.1%	36,650	Note 11
Memberships Subscriptions	214,581	200,461	265,157	75.6%	64,696	Note 12
Property & Mgmt. Liability Insurance	512,467	483,838	518,428	93.3%	34,590	
Maintenance	28,468	30,020	36,325	82.6%	6,305	
Staff Support	87,011	97,575	113,180	86.2%	15,605	Note 13
School District Reimbursement	6,177	11,117	9,500	117.0%	(1,617)	Note 14
Mandatory Costs- ORSC	61,112	64,809	69,000	93.9%	4,191	
TOTAL DEPARTMENT EXPENSES	39,288,344	40,872,276	41,233,670	99.1%	361,394	
ADMINISTRATIVE CAPITAL	-	7,457	13,000	57.4%	5,543	
Computer Hardware > $5,000	-	7,457	13,000	57.4%	5,543	Note 15
Computer Software > $25,000	-	-	-	0.0%	-	
TOTAL SERS ADMIN EXPENSES	39,288,344	40,879,733	41,246,670	99.1%	366,937	
NET BUILDING EXPENSE	1,937,126	2,161,157	2,419,594	89.3%	258,437	Note 16
TOTAL ADMINISTRATIVE EXPENSES	$ 41,225,470	$ 43,040,890	$ 43,666,264	98.6%	$ 625,374	

See notes on following page

FYTD = Fiscal Year To Date

Notes to System – Budget Analysis

Year to Date Through June 30, 2026

Note 1: **Salaries & Wages** are over budget due to incentive compensation for FY2025 performance results (paid in FY2026) exceeding original estimates. With market uncertainty, annual incentive compensation is difficult to estimate.

Note 2: **Benefits** is over due to multiple high claimants in group health plus higher prescription claims than anticipated. This has been offset slightly by stop loss reimbursements and Express Scripts rebates.

Note 3: **Actuarial Services** is over budget for the year due to the FY25 10-year actuarial audit crossing fiscal years. We anticipated that the audit would be completed in FY25, but it was not completed until the second quarter of FY26.

Note 4: **Audit Services** is under budget due to the audit committee deciding to defer the outsourced IT audit that was budgeted for the fourth quarter.

Note 5: **Banking Fees** are under due to less than budgeted custodial fees. The monthly fees are based on a combination of investment values and transaction volume and ended the year less than was budgeted.

Note 6: **Technical** is under due to project timing and savings. Special counsel expenses were less than budgeted for the year. Security validation and testing were planned for August but completed in May and came in under budget. Consulting for annual information security projects was budgeted for July but was deferred for the year. Consulting for Perceptive Content was planned for October but has been deferred. Security consulting was throughout the year and ended the year under budget. Agile training was budgeted for September but was not needed this fiscal year. Consulting fees set aside for board initiatives have not been needed this fiscal year. Infrastructure consulting for the fiscal year was less than planned.

Note 7: **Telecommunications Services** is under due to savings. The monthly zoom overage bills have been less than budgeted resulting in savings. Additionally, telephone equipment was budgeted, but it was not needed this fiscal year.

Note 8: **Printing & Publications** are under budget due to savings. The cost of some materials, like check envelopes and future matters mailers, came in under budget.

Note 9: **Computer Support Services** are under due to timing and realized savings. Security scanning software, hardware maintenance, software maintenance, and the Microsoft renewal, true-up, and CoPilot were all under budget for the year. Data loss prevention software and dynamic scan and maintenance were budgeted for renewal but features from other current technologies were leveraged rather than renewing. Dark web monitoring was deferred. Bank account validation and fraud prevention was budgeted in operating but moved to TRM to align with other projects.

Note 10: **Training** is budgeted throughout the year. For the fiscal year, less training, in-house training, and tuition have been used than budgeted. Staff have leveraged free webinars when available.

Note 11: **Transportation & Travel** is like Training as Travel is budgeted throughout the year. Less travel dollars were used than budgeted, as staff found training on-line or locally.

Note 12: **Memberships Subscriptions** are under budget for the fiscal year. There were dollars allocated for research subscriptions that were not purchased after determining the subscription was no longer needed.

Note 13: **Staff Support** includes kitchen and cleaning supplies, first-aid items, employee programs, and recruitment costs. Expenses for these items were under budget as fewer supplies were needed.

Note 14: **School District Reimbursement** is slightly over budget for the year. There were several special board meetings that were not included in the budget causing the variance.

Note 15: **Computer Hardware > $5,000** is under budget for the year. The cost of the new digital scanner was less than anticipated.

Note 16: **Net Building Expense** is under due to savings. Discovery SID contributions are usually due in July; however, the organization is being turned over to Downtown Columbus Inc. so only contributions through the end of the calendar year were paid in September resulting in savings for the fiscal year. Security expenses were under budget for the fiscal year. This is largely due to special duty understaffing. The biannual window cleaning frequency was changed to annually due to pricing increases resulting in savings for the year. Wellness center equipment was budgeted for October, but no equipment required replacement. The chilling tower replacement was completed under budget. Finally, remodeling projects were completed under budget and there were savings in lease commission fees due to signing a renewal rather than a new lease.

OSERS Broad Street, LLC
Year-to-Date Budget Analysis
Through June 30, 2026

	FY2025 Actuals	FYTD 2026 Budget	FYTD 2026 Actuals	FYTD 2026 Budget to Actual Under/(Over)	Notes
OPERATING INCOME					
Suite Income	$ 460,757	$ 463,683	$ 487,381	(23,698)	Note 1
Parking Income	280,225	275,175	274,181	994	
Miscellaneous Income	1,848	-	1,800	(1,800)	
	742,830	738,858	763,362	(24,504)	
OPERATING EXPENSES					
Property Management & Labor	305,000	305,000	305,000	-	
Administrative Services	7,389	8,350	7,412	938	
Building Maintenance	1,111,696	1,247,542	1,174,492	73,050	Note 2
Utilities	382,368	414,060	456,741	(42,681)	Note 3
Building & Equipment Insurance	73,057	78,000	71,920	6,080	
Real Estate Taxes	285,075	287,500	280,073	7,427	
	2,164,585	2,340,452	2,295,638	44,814	
NON-OPERATING EXPENSES					
Lease Commission Fees	173,951	108,000	97,647	10,353	Note 4
Special Counsel Fees	8,338	5,000	3,275	1,725	
Building Remodeling	638,083	885,000	752,803	132,197	Note 5
	820,372	998,000	853,725	144,275	
CAPITAL					
Leasehold Improvements	-	125,000	80,155	44,845	Note 6
	-	125,000	80,155	44,845	
TOTAL	**$ 2,242,127**	**$ 2,724,594**	**$ 2,466,156**	**258,438**	

FY - Fiscal Year
FYTD - Fiscal Year To Date

Notes to OSERS Broad Street, LLC Year-to-Date Budget Analysis Through June 30, 2026

Note 1: **Suite Income** is over due to receiving income from a new tenant while they temporarily occupied space prior to the completion of renovations on their permanent space. New tenants will full rent in FY2027.

Note 2: **Building Operations & Maintenance** are under budget for various reasons. The security costs were under due to less than anticipated staffing. Special duty officers are budgeted for full staffing, but they were not staffed at 100%. The biannual window cleaning was reduced to once. Wellness center equipment was budgeted for October, but none of the equipment required replacement.

Note 3: **Utilities** are over budget for the fiscal year. Both gas and electric were over budget due to rising energy costs throughout FY2026.

Note 4: **Lease Commission Fees** are under for the fiscal year. There were some savings from signing a renewal rather than a new lease for an existing tenant in FY2026.

Note 5: **Building Remodeling** is under for the fiscal year. The remodeling projects came in under budget.

Note 6: **Leasehold Improvements** are under due to realized savings. The chilling tower replacement was completed in January, and the project was completed under budget.

Finance Headline News – Sept 2026

- Budget Administration
  - FY27 SERS administrative expenses are tracking under budget for the first quarter
- The following detailed reports are attached for further analysis:
  - FY26 Budget Administrative expense reports
    - Final Budget Analysis for SERS and OSERS Broad Street through June 2026
  - FY27 Budget Administrative expense reports
    - Administrative expense summary for July and August 2026
    - Administrative expense detail for July and August 2026
    - Parameters report for July and August 2026
  - Financial highlights
    - As of June and July 2026 (preliminary)

School Employees Retirement System of Ohio
SERS Summary Admin Expenses
Jul 2026

Financial Row	Amount
Summary Admin Expenses	
Expense	
53100.0 - Staff Salaries Expense	
53100 - Salaries & Wages	$1,362,869.90
53110 - Salaries & Wages - Overtime	$1,138.43
53111 - Staff Vacation Leave Expense	$173,530.65
53112 - Staff Sick Leave Expense	$3,997.20
53130 - Staff Other Employee Cost	$2,500.00
Total - 53100.0 - Staff Salaries Expense	**$1,544,036.18**
53200.0 - Staff Retirement Contribution Expense	
53200 - Staff Employer Contributions - PERS	$227,621.63
53205 - Staff Employer Paid Member Contributions	$696.64
Total - 53200.0 - Staff Retirement Contribution Expense	**$228,318.27**
53300.0 - Staff Benefit Expenses	
53300 - Staff Group Life	$7,956.85
53310 - Staff Long Term Disability	$3,831.19
53315 - Staff Short Term Disability	$3,391.94
53320 - Staff Group Health Claims	$247,398.11
53321 - Staff Group Health - Admin Fees	$7,863.71
53322 - Staff Prescription Claims	$138,008.54
53324 - Staff Group Health - Stop Loss Admin	$36,615.04
53326 - Staff Vision Claims	$2,519.69
53327 - Staff Vision Admin Fees	$123.84
53330 - Staff Group Health - Employee Cost	($43,995.32)
53331 - Staff Group Health - Wellness Incentive	$4,270.00
53332 - Staff Group Health - Tobacco Premiums	($600.00)
53335 - Federal HC Admin. Fees (Staff Related)	$1,704.96
53340 - Staff Medicare Premium - Employer	$23,688.38
53350 - Staff Workers Compensation	$5,751.50
53380 - Staff Deferred Compensation Match	$4,920.00
Total - 53300.0 - Staff Benefit Expenses	**$443,448.43**
54100 - Actuarial Services	$12,000.00
54300.0 - Banking Fee Expenses	
54310 - Custodial Fees	$90,000.00
Total - 54300.0 - Banking Fee Expenses	**$90,000.00**
54400.0 - Investment Related Expenses	
54410 - Master Recordkeeper Fees	$312,397.00
54430 - Performance/Analytics Fee	$91,098.75
Total - 54400.0 - Investment Related Expenses	**$403,495.75**
54520 - Medical Consultant	$4,000.00
54600.0 - Technical Expenses	
54620 - Technical	$62,780.00
54630 - Other Professional Services	$118,634.00
Total - 54600.0 - Technical Expenses	**$181,414.00**
55100 - Postage	$204,429.40
55200 - Telecommunications Services	$4,940.09
55400.0 - Printing & Publication Expenses	
55400 - Printing Paper	$543.13
Total - 55400.0 - Printing & Publication Expenses	**$543.13**

56000.0 - Computer Support Service Expenses	
56020 - Hardware Maintenance	$22,750.00
56030 - Software Maintenance	$225,763.49
56035 - Software Subscriptions	$314,356.71
Total - 56000.0 - Computer Support Service Expenses	**$562,870.20**
56100.0 - Office Equipment & Supply Expenses	
56110 - Equipment Repairs & Maintenance	$5,632.36
56120 - Equipment Rental	$12,869.61
56130 - Office Supplies & Expenses	$123.62
56160 - Records Storage	$125.00
Total - 56100.0 - Office Equipment & Supply Expenses	**$18,750.59**
56200.0 - Staff Training Expenses	
56210 - Seminars & Conferences	$2,264.00
Total - 56200.0 - Staff Training Expenses	**$2,264.00**
56300.0 - Transportation & Travel Expenses	
56310 - Travel & Transportation	$1,196.50
56311 - Mileage	$1,514.54
Total - 56300.0 - Transportation & Travel Expenses	**$2,711.04**
56400.0 - Membership & Subscription Expenses	
56410 - Subscriptions	$10,107.55
56420 - Memberships	$5,504.32
Total - 56400.0 - Membership & Subscription Expenses	**$15,611.87**
56500.0 - Property & Fiduciary Insurance Expense	
56510 - Management Liability Insurance	$116,920.75
Total - 56500.0 - Property & Fiduciary Insurance Expense	**$116,920.75**
56600.0 - Maintenance Expenses	
56630 - Interior Landscaping	$1,396.37
56640 - Vehicle Expense	$2,413.75
Total - 56600.0 - Maintenance Expenses	**$3,810.12**
56650.0 - Staff Support Expenses	
56620 - Staff Support	$3,851.16
56621 - Recruiting Expenses	$241.83
Total - 56650.0 - Staff Support Expenses	**$4,092.99**
56700.0 - School District Board Member Reimbursement Expense	
56710 - Board Member - School Reimb.	$309.58
Total - 56700.0 - School District Board Member Reimbursement Expense	**$309.58**
56800.0 - Mandatory Costs	
56820 - Ohio Retirement Study Council	$15,196.26
Total - 56800.0 - Mandatory Costs	**$15,196.26**
56900 - Reimbursement of Leased Svcs from OSERS Broad St	($25,416.67)
Total - Expense	**$3,833,745.98**
Total Admin Expenses	**$3,833,745.98**

School Employees Retirement System of Ohio
SERS Detail Admin Expenses
Jul 2026

Financial Row	Vendor Bill Name	Amount
Summary Admin Expenses		
Expense		
53100.0 - Staff Salaries Expense		
53100 - Salaries & Wages		
	0133 ADP, LLC	$1,362,869.90
Total - 53100 - Salaries & Wages		**$1,362,869.90**
53110 - Salaries & Wages - Overtime		
	0133 ADP, LLC	$1,138.43
Total - 53110 - Salaries & Wages - Overtime		**$1,138.43**
53111 - Staff Vacation Leave Expense		
	0133 ADP, LLC	$173,530.65
Total - 53111 - Staff Vacation Leave Expense		**$173,530.65**
53112 - Staff Sick Leave Expense		
	0133 ADP, LLC	$3,997.20
Total - 53112 - Staff Sick Leave Expense		**$3,997.20**
53130 - Staff Other Employee Cost		
	0133 ADP, LLC	$2,500.00
Total - 53130 - Staff Other Employee Cost		**$2,500.00**
Total - 53100.0 - Staff Salaries Expense		**$1,544,036.18**
53200.0 - Staff Retirement Contribution Expense		
53200 - Staff Employer Contributions - PERS		
	0133 ADP, LLC	$227,621.63
Total - 53200 - Staff Employer Contributions - PERS		**$227,621.63**
53205 - Staff Employer Paid Member Contributions		
	0133 ADP, LLC	$696.64
Total - 53205 - Staff Employer Paid Member Contributions		**$696.64**
Total - 53200.0 - Staff Retirement Contribution Expense		**$228,318.27**
53300.0 - Staff Benefit Expenses		
53300 - Staff Group Life		
	0267 American United Life Insurance Company	$7,956.85
Total - 53300 - Staff Group Life		**$7,956.85**
53310 - Staff Long Term Disability		
	0267 American United Life Insurance Company	$3,831.19
Total - 53310 - Staff Long Term Disability		**$3,831.19**
53315 - Staff Short Term Disability		
	0267 American United Life Insurance Company	$3,391.94
Total - 53315 - Staff Short Term Disability		**$3,391.94**
53320 - Staff Group Health Claims		
	3555 Aetna Daily Wires - ESERS	$247,398.11
Total - 53320 - Staff Group Health Claims		**$247,398.11**
53321 - Staff Group Health - Admin Fees		
	3552 Aetna Admin - ESERS	$7,863.71
Total - 53321 - Staff Group Health - Admin Fees		**$7,863.71**
53322 - Staff Prescription Claims		
	2811 Express Scripts - ESERS	$138,008.54
Total - 53322 - Staff Prescription Claims		**$138,008.54**
53324 - Staff Group Health - Stop Loss Admin		
	3552 Aetna Admin - ESERS	$36,615.04
Total - 53324 - Staff Group Health - Stop Loss Admin		**$36,615.04**
53326 - Staff Vision Claims		
	0266 VSP - (OH)	$2,519.69
Total - 53326 - Staff Vision Claims		**$2,519.69**
53327 - Staff Vision Admin Fees		
	0266 VSP - (OH)	$123.84
Total - 53327 - Staff Vision Admin Fees		**$123.84**
53330 - Staff Group Health - Employee Cost		
	Employee Premiums	($43,995.32)
Total - 53330 - Staff Group Health - Employee Cost		**($43,995.32)**
53331 - Staff Group Health - Wellness Incentive		
	0133 ADP, LLC	$4,270.00
Total - 53331 - Staff Group Health - Wellness Incentive		**$4,270.00**

53332 - Staff Group Health - Tobacco Premiums		
	0133 ADP, LLC	($600.00)
Total - 53332 - Staff Group Health - Tobacco Premiums		**($600.00)**
53335 - Federal HC Admin. Fees (Staff Related)		
	PCORI Federal Tax	$1,704.96
Total - 53335 - Federal HC Admin. Fees (Staff Related)		**$1,704.96**
53340 - Staff Medicare Premium - Employer		
	0133 ADP, LLC	$23,688.38
Total - 53340 - Staff Medicare Premium - Employer		**$23,688.38**
53350 - Staff Workers Compensation		
	1123 Ohio Bureau Of Workers Compensation	$5,751.50
Total - 53350 - Staff Workers Compensation		**$5,751.50**
53380 - Staff Deferred Compensation Match		
	0133 ADP, LLC	$4,920.00
Total - 53380 - Staff Deferred Compensation Match		**$4,920.00**
Total - 53300.0 - Staff Benefit Expenses		**$443,448.43**
54100 - Actuarial Services		
	3241 CavMac	$12,000.00
Total - 54100 - Actuarial Services		**$12,000.00**
54300.0 - Banking Fee Expenses		
54310 - Custodial Fees		
	0273 BNY Mellon Asset Servicing	$60,000.00
	5482 Fifth Third - Investments	$30,000.00
Total - 54310 - Custodial Fees		**$90,000.00**
Total - 54300.0 - Banking Fee Expenses		**$90,000.00**
54400.0 - Investment Related Expenses		
54410 - Master Recordkeeper Fees		
	5942 The Burgiss Group LLC	$230,397.00
	5897 Clearwater Analytics, LLC	$82,000.00
Total - 54410 - Master Recordkeeper Fees		**$312,397.00**
54430 - Performance/Analytics Fee		
	6024 Ice Data Services, Inc.	$1,800.00
	5959 S&P Global Market Intelligence LLC	$18,100.00
	4896 Barra LLC	$59,611.25
	5914 Nasdaq Evestment	$11,587.50
Total - 54430 - Performance/Analytics Fee		**$91,098.75**
Total - 54400.0 - Investment Related Expenses		**$403,495.75**
54520 - Medical Consultant		
	1021 Glen G Borchers, M.D.	$4,000.00
Total - 54520 - Medical Consultant		**$4,000.00**
54600.0 - Technical Expenses		
54620 - Technical		
	4518 Sagitec Solutions, LLC	$62,780.00
Total - 54620 - Technical		**$62,780.00**
54630 - Other Professional Services		
	5877 Nossaman LLP	$3,300.00
	5031 Vorys Advisors LLC	$4,275.00
	4055 Sedgwick	$1,428.00
	0315 Gartner, Inc	$109,631.00
Total - 54630 - Other Professional Services		**$118,634.00**
Total - 54600.0 - Technical Expenses		**$181,414.00**
55100 - Postage		
	0251 United States Postal Service	$200,000.00
	5300 Notifii LLC	$534.00
	0060 Pitney Bowes Inc.	$2,853.35
	0254 Unishippers Association	$210.80
	4906 Quadient	$831.25
Total - 55100 - Postage		**$204,429.40**
55200 - Telecommunications Services		
	5999 Bluebird MidWest, LLC	$1,329.05
	5543 Spectrum AWS	$1,230.00
	0277 XO Verizon	$1,843.40
	1605 AT&T - 7258	$40.10
	0087 Spectrum	$267.44
	0253 T-Mobile	$60.70
	4732 Verizon Wireless	$169.40
Total - 55200 - Telecommunications Services		**$4,940.09**
55400.0 - Printing & Publication Expenses		
55400 - Printing Paper		
	0112 Millcraft Paper Co.	$543.13
Total - 55400 - Printing Paper		**$543.13**
Total - 55400.0 - Printing & Publication Expenses		**$543.13**

56000.0 - Computer Support Service Expenses		
56020 - Hardware Maintenance		
	1025 Radiant Technology	$22,750.00
Total - 56020 - Hardware Maintenance		**$22,750.00**
56030 - Software Maintenance		
	2263 Dell Marketing LP	$309.00
	4518 Sagitec Solutions, LLC	$36,050.00
	5446 OARnet	$63,940.00
	4983 Hyland Software, Inc.	$125,464.49
Total - 56030 - Software Maintenance		**$225,763.49**
56035 - Software Subscriptions		
	5473 Wellable LLC	$478.40
	5501 Expedient	$12,481.50
	5523 Dynamo Software, Inc.	$126,905.40
	4895 CarahSoft Technology Corp	$168,630.00
	5214 Canto, Inc.	$5,196.00
	5938 Telesign	$607.03
	5409 Amazon Web Services	$58.38
Total - 56035 - Software Subscriptions		**$314,356.71**
Total - 56000.0 - Computer Support Service Expenses		**$562,870.20**
56100.0 - Office Equipment & Supply Expenses		
56110 - Equipment Repairs & Maintenance		
	5332 Canon Financial Services, Inc	$544.00
	4849 US Bank Equipment Finance	$2,333.78
	4906 Quadient	$2,754.58
Total - 56110 - Equipment Repairs & Maintenance		**$5,632.36**
56120 - Equipment Rental		
	4906 Quadient	$12,869.61
Total - 56120 - Equipment Rental		**$12,869.61**
56130 - Office Supplies & Expenses		
	0172 Staples Business Advantage	$123.62
Total - 56130 - Office Supplies & Expenses		**$123.62**
56160 - Records Storage		
	0007 Vital Records Holdings, LLC	$125.00
Total - 56160 - Records Storage		**$125.00**
Total - 56100.0 - Office Equipment & Supply Expenses		**$18,750.59**
56200.0 - Staff Training Expenses		
56210 - Seminars & Conferences		
	5372 Workday Inc.	$2,195.00
	5908 INR Seminars	$69.00
Total - 56210 - Seminars & Conferences		**$2,264.00**
Total - 56200.0 - Staff Training Expenses		**$2,264.00**
56300.0 - Transportation & Travel Expenses		
56310 - Travel & Transportation		
	4588 Farouki Majeed	$379.00
	6039 Ray Higgins	$46.44
	5418 Matt King	$131.00
	0009 Catherine Moss	$131.00
	0017 Daniel L Wilson	$158.10
	4824 Frank Weglarz	$131.00
	5512 Paul Cheng	$56.52
	0146 Judi Masri	$32.44
	5639 Aimee Russell	$131.00
Total - 56310 - Travel & Transportation		**$1,196.50**
56311 - Mileage		
	0009 Catherine Moss	$262.96
	0017 Daniel L Wilson	$452.96
	5946 Rebekah Roe	$38.46
	5418 Matt King	$182.40
	4824 Frank Weglarz	$247.76
	5512 Paul Cheng	$205.20
	5639 Aimee Russell	$124.80
Total - 56311 - Mileage		**$1,514.54**
Total - 56300.0 - Transportation & Travel Expenses		**$2,711.04**
56400.0 - Membership & Subscription Expenses		
56410 - Subscriptions		
	2012 Dow Jones & Company, Inc.	$6,596.55
	5873 Ned Davis Research	$3,511.00
Total - 56410 - Subscriptions		**$10,107.55**

56420 - Memberships		
	5635 Christopher Hyland	$474.00
	0397 Project Management Institute	$194.00
	5437 Adam Messerschmitt	$474.00
	5572 Mike Berger	$299.00
	5829 Brad Carr	$474.00
	6005 Sunea Leist	$196.32
	0306 Association of Certified Fraud Examiners	$219.00
	2632 Hai Yen Le	$474.00
	1155 Treasurer, State of Ohio	$500.00
	5632 MRA	$2,200.00
Total - 56420 - Memberships		**$5,504.32**
Total - 56400.0 - Membership & Subscription Expenses		**$15,611.87**
56500.0 - Property & Fiduciary Insurance Expense		
56510 - Management Liability Insurance		
	4618 ARC Excess & Surplus, LLC.	$116,920.75
Total - 56510 - Management Liability Insurance		**$116,920.75**
Total - 56500.0 - Property & Fiduciary Insurance Expense		**$116,920.75**
56600.0 - Maintenance Expenses		
56630 - Interior Landscaping		
	3039 Ambius Inc. (05)	$1,396.37
Total - 56630 - Interior Landscaping		**$1,396.37**
56640 - Vehicle Expense		
	5824 Alliant Insurance Services, Inc.	$2,413.75
Total - 56640 - Vehicle Expense		**$2,413.75**
Total - 56600.0 - Maintenance Expenses		**$3,810.12**
56650.0 - Staff Support Expenses		
56620 - Staff Support		
	5574 Aetna Behavioral Health, LLC	$282.60
	5199 Richard Stensrud	$67.73
	0133 ADP, LLC	$2,087.53
	1683 Premier ProduceOne	$366.00
	5043 Cintas Corporation	$588.63
	4967 Todd Williams	$76.73
	4750 Inspira Financial	$322.00
	5303 Culligan Bottled Water of Columbus	$59.94
Total - 56620 - Staff Support		**$3,851.16**
56621 - Recruiting Expenses		
	5430 ADP Screening & Selection Services	$241.83
Total - 56621 - Recruiting Expenses		**$241.83**
Total - 56650.0 - Staff Support Expenses		**$4,092.99**
56700.0 - School District Board Member Reimbursement Expense		
56710 - Board Member - School Reimb.		
	5968 Columbus City Schools	$309.58
Total - 56710 - Board Member - School Reimb.		**$309.58**
Total - 56700.0 - School District Board Member Reimbursement Expense		**$309.58**
56800.0 - Mandatory Costs		
56820 - Ohio Retirement Study Council		
	0040 Ohio Retirement Study Council	$15,196.26
Total - 56820 - Ohio Retirement Study Council		**$15,196.26**
Total - 56800.0 - Mandatory Costs		**$15,196.26**
56900 - Reimbursement of Leased Svcs from OSERS Broad St		
	Reimbursement of Leased Services	($25,416.67)
Total - 56900 - Reimbursement of Leased Svcs from OSERS Broad St		**($25,416.67)**
Total - Expense		**$3,833,745.98**
Total Admin Expenses		**$3,833,745.98**

School Employees Retirement System of Ohio
Broad St. Detail Admin Expenses
Jul 2026

Financial Row	Vendor Bill Name	Amount
Ordinary Income/Expense		
Income		
41010 - Suite Income - OSERS Broad St		
		$57,899.71
Total - 41010 - Suite Income - OSERS Broad St		**$57,899.71**
41205.0 - Parking Income		
41206 - Parking Income - OSERS Broad St		
		$3,375.00
Total - 41206 - Parking Income - OSERS Broad St		**$3,375.00**
41210 - Parking Income - Other - OSERS Broad St		
		$20,625.00
Total - 41210 - Parking Income - Other - OSERS Broad St		**$20,625.00**
Total - 41205.0 - Parking Income		**$24,000.00**
41600 - Miscellaneous Income - OSERS Broad St		
		$150.00
Total - 41600 - Miscellaneous Income - OSERS Broad St		**$150.00**
Total - Income		**$82,049.71**
Gross Profit		**$82,049.71**
Expense		
50110.0 - Property Management & Labor		
50110 - Admin. Service Contracts - OSERS Broad St		
	0041 SERS	$25,416.67
Total - 50110 - Admin. Service Contracts - OSERS Broad St		**$25,416.67**
Total - 50110.0 - Property Management & Labor		**$25,416.67**
50300.0 - Building Operations		
50305 - HVAC Repairs & Maintenance - OSERS Broad St		
	5698 Metro Group, Inc.	$559.84
Total - 50305 - HVAC Repairs & Maintenance - OSERS Broad St		**$559.84**
50317 - Janitorial Services - OSERS Broad St		
	3990 Acorn Distributors Inc.	$1,258.06
	5811 Harvard Maintenance, Inc	$18,479.86
Total - 50317 - Janitorial Services - OSERS Broad St		**$19,737.92**
50318 - Lighting - Bulbs, Fixtures - OSERS Broad St		
	5737 Consolidated Electrical Distributors, Inc.	$161.90
Total - 50318 - Lighting - Bulbs, Fixtures - OSERS Broad St		**$161.90**
50321 - Generator Repairs & Maintenance - OSERS Broad St		
	5699 Ohio CAT	$1,343.91
Total - 50321 - Generator Repairs & Maintenance - OSERS Broad St		**$1,343.91**
50325 - Security - OSERS Broad St		
	5751 Kyle Kincade	$2,307.50
	5856 Shayne McAndrew	$1,437.75
	5754 Stephen Galentine Jr.	$426.00
	5997 Nathan Campbell	$852.00
	6022 Nathan Hargus	$639.00
	5879 Joel George	$2,183.25
	5955 Ryan Beardsley	$1,455.50
	5883 Trenton Kincade	$639.00
	5677 Allied Universal Security Services	$36,663.67
Total - 50325 - Security - OSERS Broad St		**$46,603.67**
50327 - Elevator Repairs & Maintenance - OSERS Broad St		
	5690 Fujitec America, Inc.	$6,919.37
Total - 50327 - Elevator Repairs & Maintenance - OSERS Broad St		**$6,919.37**
50328 - Pest Control - OSERS Broad St		
	5689 Terminix International Company, LP	$167.10
Total - 50328 - Pest Control - OSERS Broad St		**$167.10**

50329 - Life Safety - OSERS Broad St		
	5693 T. P. Mechanical Contractors	$2,577.00
	5723 Securitas Technology	$180.33
	5682 Johnson Controls Fire Protection LP	$15,410.92
Total - 50329 - Life Safety - OSERS Broad St		**$18,168.25**
50330 - Trash & Refuse - OSERS Broad St		
	5770 Rumpke of Ohio Inc	$655.52
	5241 Royal Document Destruction	$298.45
Total - 50330 - Trash & Refuse - OSERS Broad St		**$953.97**
Total - 50300.0 - Building Operations		**$94,615.93**
50400.0 - Utilities		
50410 - Electricity - OSERS Broad St		
	5794 American Electric Power - 87617	$151.00
	5795 American Electric Power - 16108	$232.50
Total - 50410 - Electricity - OSERS Broad St		**$383.50**
50415 - Water & Sewer - OSERS Broad St		
	5681 Columbus City Treasurer	$2,671.18
Total - 50415 - Water & Sewer - OSERS Broad St		**$2,671.18**
Total - 50400.0 - Utilities		**$3,054.68**
50500 - Building & Equip. Insurance - OSERS Broad St		
	5824 Alliant Insurance Services, Inc.	$17,990.75
Total - 50500 - Building & Equip. Insurance - OSERS Broad St		**$17,990.75**
Total - Expense		**$141,078.03**
Net Budgeted Expense		**$59,028.32**
Net Building Occupancy		**$33,611.65**

FY2027 Administrative Budget
Board Expense to Budget Reporting
Year-to-Date Through July 31, 2026

Major Category/Sub-Major Category	Line Item	Vendor	FY2027 Budget Approved	Year to Date Expense	Additional Information
PROFESSIONAL SERVICES			**$ 7,394,313**	**$ 690,910**	
ACTUARIAL ADVISORS			**$ 367,000**	**$ 12,000**	
	Actuarial	Cavanaugh Macdonald	$ 367,000	$ 12,000	Actuarial Consultant
AUDITING			**$ 980,000**	**$ -**	
	Auditing	Plante Moran	$ 180,000	$ -	External Auditor
	Auditing	Fiduciary Audit	$ 750,000	$ -	Fiduciary Audit
BANKING FEES			**$ 1,225,000**	**$ 90,000**	
Custodial Fees	Custodial Banking		$ 1,080,000	$ 90,000	
		Fifth Third	$ 360,000	$ 30,000	Domestic Custodian
		BNYM	$ 720,000	$ 60,000	International Custodian
Custodial Banking	Administrative Banking	Huntington National Bank/ TOS	$ 145,000	$ -	Banking Services
INVESTMENT RELATED			**$ 2,422,445**	**$ 403,496**	
Master Recordkeeper Fees	Master Recordkeeper		$ 1,300,000	$ 312,397	
		Clearwater Analytics	$ 1,060,000	$ 82,000	
		MSCI (Burgiss)	$ 220,000	$ 230,397	
Investment Advisory Fees	Investment Consulting & Advisory Services		$ 450,000	$ -	
		Wilshire	$ 450,000	$ -	Investment Consulting
Performance/Analytics Fee	Performance Analytics Services		$ 396,445	$ 91,099	
		Barra-One Risk Mgmt Sys	$ 238,445	$ 59,611	Investment Risk Analytics
TECHNICAL			**$ 2,351,868**	**$ 181,414**	
Special Counsel	Special Counsel		$ 396,000	$ -	
Technical	Technical		$ 1,359,290	$ 62,780	
		Merative	$ 124,000	$ -	Data Warehouse
		Sagitec	$ 595,680	$ 62,780	SMART Development Resources
		Board Initiative	$ 100,000	$ -	Board Initiatives
Other Professional Services	Other Professional Services		$ 596,578	$ 118,634	
		Gartner	$ 109,631	$ 109,631	Management Consulting
OTHER OPERATING EXPENSE			**$ 5,050,831**	**$ 717,121**	
COMPUTER SUPPORT SERVICES			**$ 3,714,458**	**$ 562,870**	
Software Maintenance	Software Maintenance		$ 1,061,093	$ 225,763	
		Dell	$ 340,000	$ -	Microsoft Enterprise Agreement/ True Up
		Sagitec	$ 432,600	$ 36,050	SMART Silver Support
		Hyland	$ 122,640	$ 125,464	ImageNow
Software Subcriptions	Software Subscriptions		$ 2,367,499	$ 314,357	
		DRaaS	$ 150,000	$ 12,482	Expedient
		Dynamo	$ 178,912	$ 126,905	Dynamo Software, INC
		Carahsoft	$ 225,735	$ 168,630	ServiceNow System
		Zoom	$ 128,235	$ -	Telecommunication Services
		Performance Management Tool	$ 250,000	$ -	Investment Performance Mgmt Tool
		Blackline	$ 120,960	$ -	Account Reconciliation Tool
PROPERTY MANAGEMENT LIABILITY INSURANCE			**$ 485,221**	**$ 116,921**	
	Management Liability Insurance		$ 485,221	$ 116,921	
		Cyber Liability Insurance	$ 140,688	$ 33,901	ARC Excess & Surplus, LLC
		Crime Fiduciary D&O Insurance	$ 344,533	$ 83,020	ARC Excess & Surplus, LLC

PROJECT ITEMS					
Major Category/Sub-Major Category	**Line Item**	**Project**	**FY2027 Budget**	**YTD Expense**	**Additional Information**
PROFESSIONAL SERVICES					
TECHNICAL					

SERS

UNBUDGETED PROJECT ITEMS					
Major Category/Sub-Major Category	**Line Item**	**Project**	**FY2027 Budget**	**YTD Expense**	**Additional Information**
			$ -		
			$ -		
			$ -		

OSERS BROAD STREET, LLC

UNBUDGETED PROJECT ITEMS				
Major Category	**Line Item**	**Project**	**FY2027 Budget**	**YTD Expense**

School Employees Retirement System of Ohio
SERS Summary Admin Expenses
Aug 2026

Financial Row	Amount
Summary Admin Expenses	
Expense	
53100.0 - Staff Salaries Expense	
53100 - Salaries & Wages	$1,349,046.40
53110 - Salaries & Wages - Overtime	$8,440.47
53111 - Staff Vacation Leave Expense	$136,517.26
53112 - Staff Sick Leave Expense	$42,724.99
53130 - Staff Other Employee Cost	$5,000.00
Total - 53100.0 - Staff Salaries Expense	**$1,541,729.12**
53200.0 - Staff Retirement Contribution Expense	
53200 - Staff Employer Contributions - PERS	$215,379.18
Total - 53200.0 - Staff Retirement Contribution Expense	**$215,379.18**
53300.0 - Staff Benefit Expenses	
53300 - Staff Group Life	$7,998.12
53310 - Staff Long Term Disability	$3,859.30
53315 - Staff Short Term Disability	$3,390.51
53320 - Staff Group Health Claims	$363,068.57
53321 - Staff Group Health - Admin Fees	$7,774.31
53322 - Staff Prescription Claims	$69,460.86
53324 - Staff Group Health - Stop Loss Admin	$36,198.96
53326 - Staff Vision Claims	$3,400.00
53327 - Staff Vision Admin Fees	$122.40
53330 - Staff Group Health - Employee Cost	($44,264.82)
53331 - Staff Group Health - Wellness Incentive	$4,240.00
53332 - Staff Group Health - Tobacco Premiums	($640.00)
53340 - Staff Medicare Premium - Employer	$25,459.95
53380 - Staff Deferred Compensation Match	$4,920.00
Total - 53300.0 - Staff Benefit Expenses	**$484,988.16**
54100 - Actuarial Services	$22,304.00
54200 - Audit Services	$10,000.00
54300.0 - Banking Fee Expenses	
54310 - Custodial Fees	$136,700.07
54320 - Custodial Banking	$13,842.18
Total - 54300.0 - Banking Fee Expenses	**$150,542.25**
54400.0 - Investment Related Expenses	
54410 - Master Recordkeeper Fees	$81,736.32
54430 - Performance/Analytics Fee	$1,800.00
54440 - Inv Related Tech Consulting	$115,200.00
54460 - Bloomberg Terminal Rentals	$22,725.00
Total - 54400.0 - Investment Related Expenses	**$221,461.32**
54520 - Medical Consultant	$4,000.00
54600.0 - Technical Expenses	
54620 - Technical	$1,937.50
54630 - Other Professional Services	$8,889.92
Total - 54600.0 - Technical Expenses	**$10,827.42**
55100 - Postage	$5,598.58
55200 - Telecommunications Services	$4,785.04
55300 - Member/Employer Education	$10.00
55400.0 - Printing & Publication Expenses	
55400 - Printing Paper	$3,202.00
55420 - Communications & Publications	$6,230.00
Total - 55400.0 - Printing & Publication Expenses	**$9,432.00**

56000.0 - Computer Support Service Expenses	
56030 - Software Maintenance	$54,527.75
56035 - Software Subscriptions	$70,782.63
Total - 56000.0 - Computer Support Service Expenses	**$125,310.38**
56100.0 - Office Equipment & Supply Expenses	
56110 - Equipment Repairs & Maintenance	$11,163.42
56120 - Equipment Rental	$1,505.62
56130 - Office Supplies & Expenses	$248.26
56140 - Miscellaneous Office Supplies	$7.84
56160 - Records Storage	$125.00
Total - 56100.0 - Office Equipment & Supply Expenses	**$13,050.14**
56200.0 - Staff Training Expenses	
53370 - Staff Tuition	$807.00
56210 - Seminars & Conferences	$17,875.00
56220 - In House Training	$599.84
Total - 56200.0 - Staff Training Expenses	**$19,281.84**
56300.0 - Transportation & Travel Expenses	
56310 - Travel & Transportation	$6,792.92
56311 - Mileage	$537.47
Total - 56300.0 - Transportation & Travel Expenses	**$7,330.39**
56400.0 - Membership & Subscription Expenses	
56410 - Subscriptions	$15,045.37
56420 - Memberships	$18,025.04
Total - 56400.0 - Membership & Subscription Expenses	**$33,070.41**
56600.0 - Maintenance Expenses	
56630 - Interior Landscaping	$1,396.37
56640 - Vehicle Expense	$114.03
Total - 56600.0 - Maintenance Expenses	**$1,510.40**
56650.0 - Staff Support Expenses	
56620 - Staff Support	$4,500.88
56621 - Recruiting Expenses	$1,014.97
Total - 56650.0 - Staff Support Expenses	**$5,515.85**
56900 - Reimbursement of Leased Svcs from OSERS Broad St	($25,416.67)
Total - Expense	**$2,860,709.81**
Capital Admin Expenses	
57500.0 - Other Expenses	
57330 - Furniture & Equipuipment Capital Expense	$29,015.50
Total - 57500.0 - Other Expenses	**$29,015.50**
Total - Capital Admin Expenses	**$29,015.50**
Total Admin Expenses	**$2,889,725.31**

School Employees Retirement System of Ohio
SERS Detail Admin Expenses
Aug 2026

Financial Row	Vendor Bill Name	Amount
Summary Admin Expenses		
Expense		
53100.0 - Staff Salaries Expense		
53100 - Salaries & Wages		
	0133 ADP, LLC	$1,349,046.40
Total - 53100 - Salaries & Wages		**$1,349,046.40**
53110 - Salaries & Wages - Overtime		
	0133 ADP, LLC	$8,440.47
Total - 53110 - Salaries & Wages - Overtime		**$8,440.47**
53111 - Staff Vacation Leave Expense		
	0133 ADP, LLC	$136,517.26
Total - 53111 - Staff Vacation Leave Expense		**$136,517.26**
53112 - Staff Sick Leave Expense		
	0133 ADP, LLC	$42,724.99
Total - 53112 - Staff Sick Leave Expense		**$42,724.99**
53130 - Staff Other Employee Cost		
	0133 ADP, LLC	$5,000.00
Total - 53130 - Staff Other Employee Cost		**$5,000.00**
Total - 53100.0 - Staff Salaries Expense		**$1,541,729.12**
53200.0 - Staff Retirement Contribution Expense		
53200 - Staff Employer Contributions - PERS		
	0133 ADP, LLC	$215,379.18
Total - 53200 - Staff Employer Contributions - PERS		**$215,379.18**
Total - 53200.0 - Staff Retirement Contribution Expense		**$215,379.18**
53300.0 - Staff Benefit Expenses		
53300 - Staff Group Life		
	0267 American United Life Insurance Company	$7,998.12
Total - 53300 - Staff Group Life		**$7,998.12**
53310 - Staff Long Term Disability		
	0267 American United Life Insurance Company	$3,859.30
Total - 53310 - Staff Long Term Disability		**$3,859.30**
53315 - Staff Short Term Disability		
	0267 American United Life Insurance Company	$3,390.51
Total - 53315 - Staff Short Term Disability		**$3,390.51**
53320 - Staff Group Health Claims		
	3555 Aetna Daily Wires - ESERS	$363,068.57
Total - 53320 - Staff Group Health Claims		**$363,068.57**
53321 - Staff Group Health - Admin Fees		
	3552 Aetna Admin - ESERS	$7,774.31
Total - 53321 - Staff Group Health - Admin Fees		**$7,774.31**
53322 - Staff Prescription Claims		
	2811 Express Scripts - ESERS	$69,460.86
Total - 53322 - Staff Prescription Claims		**$69,460.86**
53324 - Staff Group Health - Stop Loss Admin		
	3552 Aetna Admin - ESERS	$36,198.96
Total - 53324 - Staff Group Health - Stop Loss Admin		**$36,198.96**
53326 - Staff Vision Claims		
	0266 VSP - (OH)	$3,400.00
Total - 53326 - Staff Vision Claims		**$3,400.00**
53327 - Staff Vision Admin Fees		
	0266 VSP - (OH)	$122.40
Total - 53327 - Staff Vision Admin Fees		**$122.40**
53330 - Staff Group Health - Employee Cost		
	Employee Premiums	($44,264.82)
Total - 53330 - Staff Group Health - Employee Cost		**($44,264.82)**
53331 - Staff Group Health - Wellness Incentive		
	0133 ADP, LLC	$4,240.00
Total - 53331 - Staff Group Health - Wellness Incentive		**$4,240.00**
53332 - Staff Group Health - Tobacco Premiums		
	0133 ADP, LLC	($640.00)
Total - 53332 - Staff Group Health - Tobacco Premiums		**($640.00)**
53340 - Staff Medicare Premium - Employer		
	0133 ADP, LLC	$25,459.95
Total - 53340 - Staff Medicare Premium - Employer		**$25,459.95**
53380 - Staff Deferred Compensation Match		
	0133 ADP, LLC	$4,920.00
Total - 53380 - Staff Deferred Compensation Match		**$4,920.00**
Total - 53300.0 - Staff Benefit Expenses		**$484,988.16**

54100 - Actuarial Services		
	3241 CavMac	$22,304.00
Total - 54100 - Actuarial Services		**$22,304.00**
54200 - Audit Services		
	5222 Plante & Moran, PLLC	$10,000.00
Total - 54200 - Audit Services		**$10,000.00**
54300.0 - Banking Fee Expenses		
54310 - Custodial Fees		
	0273 BNY Mellon Asset Servicing	$106,700.07
	5482 Fifth Third - Investments	$30,000.00
Total - 54310 - Custodial Fees		**$136,700.07**
54320 - Custodial Banking		
	0386 Huntington National Bank	$13,842.18
Total - 54320 - Custodial Banking		**$13,842.18**
Total - 54300.0 - Banking Fee Expenses		**$150,542.25**
54400.0 - Investment Related Expenses		
54410 - Master Recordkeeper Fees		
	5897 Clearwater Analytics, LLC	$81,736.32
Total - 54410 - Master Recordkeeper Fees		**$81,736.32**
54430 - Performance/Analytics Fee		
	6024 Ice Data Services, Inc.	$1,800.00
Total - 54430 - Performance/Analytics Fee		**$1,800.00**
54440 - Inv Related Tech Consulting		
	5897 Clearwater Analytics, LLC	$115,200.00
Total - 54440 - Inv Related Tech Consulting		**$115,200.00**
54460 - Bloomberg Terminal Rentals		
	2700 Bloomberg Finance LP	$22,725.00
Total - 54460 - Bloomberg Terminal Rentals		**$22,725.00**
Total - 54400.0 - Investment Related Expenses		**$221,461.32**
54520 - Medical Consultant		
	1021 Glen G Borchers, M.D.	$4,000.00
Total - 54520 - Medical Consultant		**$4,000.00**
54600.0 - Technical Expenses		
54620 - Technical		
	5215 ComResource	$1,937.50
Total - 54620 - Technical		**$1,937.50**
54630 - Other Professional Services		
	5877 Nossaman LLP	$3,300.00
	5031 Vorys Advisors LLC	$4,275.00
	5060 Kimberly Wickert	$679.00
	5423 Contoural, Inc.	$614.00
	3503 Michelle Miller	$21.92
Total - 54630 - Other Professional Services		**$8,889.92**
Total - 54600.0 - Technical Expenses		**$10,827.42**
55100 - Postage		
	0254 Unishippers Association	$225.43
	0060 Pitney Bowes Inc.	$4,449.15
	4906 Quadient	$924.00
Total - 55100 - Postage		**$5,598.58**
55200 - Telecommunications Services		
	0277 XO Verizon	$1,843.40
	5543 Spectrum AWS	$1,230.00
	5665 Total Communication Solutions	$1,163.96
	1605 AT&T - 7258	$40.10
	0087 Spectrum	$267.44
	4732 Verizon Wireless	$179.44
	0253 T-Mobile	$60.70
Total - 55200 - Telecommunications Services		**$4,785.04**
55300 - Member/Employer Education		
	5570 Michelle Richards	$10.00
Total - 55300 - Member/Employer Education		**$10.00**
55400.0 - Printing & Publication Expenses		
55400 - Printing Paper		
	0407 Sterling Paper Company	$3,202.00
Total - 55400 - Printing Paper		**$3,202.00**
55420 - Communications & Publications		
	0127 Bindery and Specialties, Inc.	$6,230.00
Total - 55420 - Communications & Publications		**$6,230.00**
Total - 55400.0 - Printing & Publication Expenses		**$9,432.00**
56000.0 - Computer Support Service Expenses		
56030 - Software Maintenance		
	2263 Dell Marketing LP	$2,243.36
	4139 Shi International Corp.	$16,234.39
	4518 Sagitec Solutions, LLC	$36,050.00
Total - 56030 - Software Maintenance		**$54,527.75**

56035 - Software Subscriptions		
	5501 Expedient	$13,606.84
	5473 Wellable LLC	$488.80
	0133 ADP, LLC	$3,280.08
	5465 Mailgun Technologies, Inc	$3,130.38
	5648 Oracle America, Inc.	$12,202.49
	5849 GuidePoint Security, LLC	$15,640.12
	5938 Telesign	$624.07
	5958 SmartBear Software, Inc.	$21,809.85
Total - 56035 - Software Subscriptions		**$70,782.63**
Total - 56000.0 - Computer Support Service Expenses		**$125,310.38**
56100.0 - Office Equipment & Supply Expenses		
56110 - Equipment Repairs & Maintenance		
	5332 Canon Financial Services, Inc	$544.00
	4447 LD Products Inc.	$921.38
	0379 Key Blue Prints, Inc	$731.95
	4906 Quadient	$3,707.89
	4849 US Bank Equipment Finance	$4,484.48
	5340 Digital Print Solutions	$773.72
Total - 56110 - Equipment Repairs & Maintenance		**$11,163.42**
56120 - Equipment Rental		
	4906 Quadient	$1,505.62
Total - 56120 - Equipment Rental		**$1,505.62**
56130 - Office Supplies & Expenses		
	0172 Staples Business Advantage	$197.08
	0411 Amazon.com	$44.20
	0564 Kroger	$6.98
Total - 56130 - Office Supplies & Expenses		**$248.26**
56140 - Miscellaneous Office Supplies		
	0411 Amazon.com	$7.84
Total - 56140 - Miscellaneous Office Supplies		**$7.84**
56160 - Records Storage		
	0007 Vital Records Holdings, LLC	$125.00
Total - 56160 - Records Storage		**$125.00**
Total - 56100.0 - Office Equipment & Supply Expenses		**$13,050.14**
56200.0 - Staff Training Expenses		
53370 - Staff Tuition		
	5989 Wade Rooker	$807.00
Total - 53370 - Staff Tuition		**$807.00**
56210 - Seminars & Conferences		
	1535 Ohio State University	$10,000.00
	0473 Public Pension Financial Forum	$1,025.00
	0311 Government Finance Officers Association	$720.00
	4789 Ohio Conference for Payroll Professionals	$355.00
	2580 NASIO	$3,500.00
	0303 NASRA	$1,650.00
	5632 MRA	$625.00
Total - 56210 - Seminars & Conferences		**$17,875.00**
56220 - In House Training		
	0133 ADP, LLC	$599.84
Total - 56220 - In House Training		**$599.84**
Total - 56200.0 - Staff Training Expenses		**$19,281.84**
56300.0 - Transportation & Travel Expenses		
56310 - Travel & Transportation		
	0024 James Rossler	$156.80
	0009 Catherine Moss	$23.40
	4790 Jay Patel	$980.80
	0564 Kroger	$36.73
	2320 Phil Sisson	$502.79
	1217 Steve Price	$502.79
	5639 Aimee Russell	$62.08
	6039 Ray Higgins	$570.81
	4588 Farouki Majeed	$1,290.47
	5614 Chicken Salad Chick	$345.00
	5318 Michael Browning	$1,075.03
	5512 Paul Cheng	$1,202.94
	6044 Digital Realty Trust, LP	$43.28
Total - 56310 - Travel & Transportation		**$6,792.92**
56311 - Mileage		
	0024 James Rossler	$215.84
	4588 Farouki Majeed	$107.31
	5318 Michael Browning	$9.58
	5512 Paul Cheng	$17.78
	4494 Alisa Nass	$186.96
Total - 56311 - Mileage		**$537.47**
Total - 56300.0 - Transportation & Travel Expenses		**$7,330.39**

56400.0 - Membership & Subscription Expenses		
56410 - Subscriptions		
	0304 Wall Street Journal	$90.70
	1159 Economist	$439.68
	0305 Columbus Dispatch	$45.00
	4198 Financial Times	$719.00
	4547 Constant Contact	$1,224.00
	5511 Toledo Blade	$12.99
	0385 Thomson Reuters - West Publishing Corp	$215.00
	3896 Fundfire	$5,700.00
	3926 Hannah News Service	$6,599.00
Total - 56410 - Subscriptions		**$15,045.37**
56420 - Memberships		
	5306 Financial Services Information Sharing & Analysis Center	$13,900.00
	4449 American Marketing Association	$199.00
	5029 Capital Square Review and Advisory Board	$61.04
	0331 AICPA	$720.00
	2794 International Association of Business Communicators	$95.00
	2098 Institute of Internal Auditors	$290.00
	0685 International Facility Management Association	$740.00
	2054 Joint Legislative Ethics Committee	$25.00
	0690 International Foundation of Employee Benefit Plans	$1,995.00
Total - 56420 - Memberships		**$18,025.04**
Total - 56400.0 - Membership & Subscription Expenses		**$33,070.41**
56600.0 - Maintenance Expenses		
56630 - Interior Landscaping		
	3039 Ambius Inc. (05)	$1,396.37
Total - 56630 - Interior Landscaping		**$1,396.37**
56640 - Vehicle Expense		
	6043 ARCO	$51.03
	5069 Moo Moo Car Wash	$32.00
	5487 Turkey Hill	$31.00
Total - 56640 - Vehicle Expense		**$114.03**
Total - 56600.0 - Maintenance Expenses		**$1,510.40**
56650.0 - Staff Support Expenses		
56620 - Staff Support		
	0411 Amazon.com	$252.88
	5663 Exxon Mobile Gas	$13.96
	4891 Tim Horton's	$29.20
	4077 Meijer	$23.17
	0757 Giant Eagle	$73.63
	4246 Sam's Club	$210.90
	5956 Charmy's Market	$6.00
	5574 Aetna Behavioral Health, LLC	$282.60
	0133 ADP, LLC	$2,027.50
	1683 Premier ProduceOne	$504.85
	3990 Acorn Distributors Inc.	$295.92
	4750 Inspira Financial	$332.50
	5303 Culligan Bottled Water of Columbus	$53.94
	0259 Continental Cafe, LLC	$393.83
Total - 56620 - Staff Support		**$4,500.88**
56621 - Recruiting Expenses		
	5460 Indeed	$831.77
	5430 ADP Screening & Selection Services	$183.20
Total - 56621 - Recruiting Expenses		**$1,014.97**
Total - 56650.0 - Staff Support Expenses		**$5,515.85**
56900 - Reimbursement of Leased Svcs from OSERS Broad St		
	Reimbursement of Leased Services	($25,416.67)
Total - 56900 - Reimbursement of Leased Svcs from OSERS Broad St		**($25,416.67)**
Total - Expense		**$2,860,709.81**
Capital Admin Expenses		
57500.0 - Other Expenses		
57330 - Furniture & Equipuipment Capital Expense		
	4906 Quadient	$29,015.50
Total - 57330 - Furniture & Equipuipment Capital Expense		**$29,015.50**
Total - 57500.0 - Other Expenses		**$29,015.50**
Total - Capital Admin Expenses		**$29,015.50**
Total Admin Expenses		**$2,889,725.31**

School Employees Retirement System of Ohio
Broad St. Detail Admin Expenses
Aug 2026

Financial Row	Vendor Bill Name	Amount
Ordinary Income/Expense		
Income		
41010 - Suite Income - OSERS Broad St		
		$57,899.71
Total - 41010 - Suite Income - OSERS Broad St		**$57,899.71**
41205.0 - Parking Income		
41206 - Parking Income - OSERS Broad St		
		$3,000.00
Total - 41206 - Parking Income - OSERS Broad St		**$3,000.00**
41210 - Parking Income - Other - OSERS Broad St		
		$20,703.00
Total - 41210 - Parking Income - Other - OSERS Broad St		**$20,703.00**
Total - 41205.0 - Parking Income		**$23,703.00**
41600 - Miscellaneous Income - OSERS Broad St		
		$150.00
Total - 41600 - Miscellaneous Income - OSERS Broad St		**$150.00**
Total - Income		**$81,752.71**
Gross Profit		**$81,752.71**
Expense		
50110.0 - Property Management & Labor		
50110 - Admin. Service Contracts - OSERS Broad St		
	0041 SERS	$25,416.67
Total - 50110 - Admin. Service Contracts - OSERS Broad St		**$25,416.67**
Total - 50110.0 - Property Management & Labor		**$25,416.67**
50200.0 - Administrative Expenses		
50241 - Bank Fees - OSERS Broad St		
	5801 Park National Bank	$78.86
Total - 50241 - Bank Fees - OSERS Broad St		**$78.86**
Total - 50200.0 - Administrative Expenses		**$78.86**
50300.0 - Building Operations		
50305 - HVAC Repairs & Maintenance - OSERS Broad St		
	5698 Metro Group, Inc.	$1,064.70
	6034 All Ohio Air Filter	$5,438.52
Total - 50305 - HVAC Repairs & Maintenance - OSERS Broad St		**$6,503.22**
50307 - Plumbing Repairs & Maintenance - OSERS Broad St		
	5720 Rescue Rooter	$2,062.50
Total - 50307 - Plumbing Repairs & Maintenance - OSERS Broad St		**$2,062.50**
50316 - Wellness Center - OSERS Broad St		
	5724 Batteries Plus	$37.95
Total - 50316 - Wellness Center - OSERS Broad St		**$37.95**
50317 - Janitorial Services - OSERS Broad St		
	0391 Grainger	$111.98
	3990 Acorn Distributors Inc.	$1,971.74
	5811 Harvard Maintenance, Inc	$15,967.00
Total - 50317 - Janitorial Services - OSERS Broad St		**$18,050.72**
50321 - Generator Repairs & Maintenance - OSERS Broad St		
	5699 Ohio CAT	$1,343.91
Total - 50321 - Generator Repairs & Maintenance - OSERS Broad St		**$1,343.91**
50325 - Security - OSERS Broad St		
	5879 Joel George	$639.00
	5748 Oliver George	$213.00
	5754 Stephen Galentine Jr.	$426.00
	5856 Shayne McAndrew	$1,491.00
	5857 Cassandra Eschweiler	$355.00
	5751 Kyle Kincade	$1,917.00
	5883 Trenton Kincade	$1,029.50
	5677 Allied Universal Security Services	$36,039.19
	5955 Ryan Beardsley	$1,899.25
	5997 Nathan Campbell	$852.00
	6022 Nathan Hargus	$426.00
	5682 Johnson Controls Fire Protection LP	$34,078.21
Total - 50325 - Security - OSERS Broad St		**$79,365.15**

50327 - Elevator Repairs & Maintenance - OSERS Broad St		
	5690 Fujitec America, Inc.	$6,919.37
Total - 50327 - Elevator Repairs & Maintenance - OSERS Broad St		**$6,919.37**
50328 - Pest Control - OSERS Broad St		
	5689 Terminix International Company, LP	$167.10
Total - 50328 - Pest Control - OSERS Broad St		**$167.10**
50329 - Life Safety - OSERS Broad St		
	5693 T. P. Mechanical Contractors	$693.55
Total - 50329 - Life Safety - OSERS Broad St		**$693.55**
50330 - Trash & Refuse - OSERS Broad St		
	5770 Rumpke of Ohio Inc	$745.40
	5241 Royal Document Destruction	$269.45
Total - 50330 - Trash & Refuse - OSERS Broad St		**$1,014.85**
50361 - Vehicle/Equipment Repairs & Maintenance - OSERS Broad St		
	0411 Amazon.com	$8.58
	5724 Batteries Plus	$341.44
Total - 50361 - Vehicle/Equipment Repairs & Maintenance - OSERS Broad St		**$350.02**
Total - 50300.0 - Building Operations		**$116,508.34**
50400.0 - Utilities		
50405 - Heat & Gas - OSERS Broad St		
	5686 Columbia Gas	$275.54
Total - 50405 - Heat & Gas - OSERS Broad St		**$275.54**
50410 - Electricity - OSERS Broad St		
	5795 American Electric Power - 16108	$672.97
	5794 American Electric Power - 87617	$158.59
	5678 American Electric Power - 23018	$37,651.20
Total - 50410 - Electricity - OSERS Broad St		**$38,482.76**
50415 - Water & Sewer - OSERS Broad St		
	5681 Columbus City Treasurer	$2,706.56
Total - 50415 - Water & Sewer - OSERS Broad St		**$2,706.56**
Total - 50400.0 - Utilities		**$41,464.86**
Total - Expense		**$183,468.73**
Net Budgeted Expense		**$101,716.02**
Net Building Occupancy		**$76,299.35**

FY2027 Administrative Budget
Board Expense to Budget Reporting
Year-to-Date Through August 31, 2026

Major Category/Sub-Major Category	Line Item	Vendor	FY2027 Budget Approved	Year to Date Expense	Additional Information
PROFESSIONAL SERVICES			**$ 7,394,313**	**$ 1,110,045**	
ACTUARIAL ADVISORS			**$ 367,000**	**$ 34,304**	
	Actuarial	Cavanaugh Macdonald	$ 367,000	$ 34,304	Actuarial Consultant
AUDITING			**$ 980,000**	**$ 10,000**	
	Auditing	Plante Moran	$ 180,000	$ 10,000	External Auditor
	Auditing	Fiduciary Audit	$ 750,000	$ -	Fiduciary Audit
BANKING FEES			**$ 1,225,000**	**$ 240,542**	
Custodial Fees	Custodial Banking		$ 1,080,000	$ 226,700	
		Fifth Third	$ 360,000	$ 60,000	Domestic Custodian
		BNYM	$ 720,000	$ 166,700	International Custodian
Custodial Banking	Administrative Banking	Huntington National Bank/ TOS	$ 145,000	$ 13,842	Banking Services
INVESTMENT RELATED			**$ 2,422,445**	**$ 624,957**	
Master Recordkeeper Fees	Master Recordkeeper		$ 1,300,000	$ 394,133	
		Clearwater Analytics	$ 1,060,000	$ 163,736	
		MSCI (Burgiss)	$ 220,000	$ 230,397	
Investment Advisory Fees	Investment Consulting & Advisory Services		$ 450,000	$ -	
		Wilshire	$ 450,000	$ -	Investment Consulting
Performance/Analytics Fee	Performance Analytics Services		$ 396,445	$ 92,899	
		Barra-One Risk Mgmt Sys	$ 238,445	$ 59,611	Investment Risk Analytics
TECHNICAL			**$ 2,351,868**	**$ 192,241**	
Special Counsel	Special Counsel		$ 396,000	$ -	
Technical	Technical		$ 1,359,290	$ 64,718	
		Merative	$ 124,000	$ -	Data Warehouse
		Sagitec	$ 595,680	$ 62,780	SMART Development Resources
		Board Initiative	$ 100,000	$ -	Board Initiatives
Other Professional Services	Other Professional Services		$ 596,578	$ 127,524	
		Gartner	$ 109,631	$ 109,631	Management Consulting
OTHER OPERATING EXPENSE			**$ 5,050,831**	**$ 896,773**	
COMPUTER SUPPORT SERVICES			**$ 3,714,458**	**$ 688,181**	
Software Maintenance	Software Maintenance		$ 1,061,093	$ 280,291	
		Dell	$ 340,000	$ -	Microsoft Enterprise Agreement/ True Up
		Sagitec	$ 432,600	$ 72,100	SMART Silver Support
		Hyland	$ 122,640	$ 125,464	ImageNow
Software Subcriptions	Software Subscriptions		$ 2,367,499	$ 385,139	
		DRaaS	$ 150,000	$ 26,088	Expedient
		Dynamo	$ 178,912	$ 126,905	Dynamo Software, INC
		Carahsoft	$ 225,735	$ 168,630	ServiceNow System
		Zoom	$ 128,235	$ -	Telecommunication Services
		Performance Management Tool	$ 250,000	$ -	Investment Performance Mgmt Tool
		Blackline	$ 120,960	$ -	Account Reconciliation Tool
PROPERTY MANAGEMENT LIABILITY INSURANCE			**$ 485,221**	**$ 116,921**	
	Management Liability Insurance		$ 485,221	$ 116,921	
		Cyber Liability Insurance	$ 140,688	$ 33,901	ARC Excess & Surplus, LLC
		Crime Fiduciary D&O Insurance	$ 344,533	$ 83,020	ARC Excess & Surplus, LLC

PROJECT ITEMS					
Major Category/Sub-Major Category	**Line Item**	**Project**	**FY2027 Budget**	**YTD Expense**	**Additional Information**
PROFESSIONAL SERVICES					
TECHNICAL					

SERS

UNBUDGETED PROJECT ITEMS					
Major Category/Sub-Major Category	**Line Item**	**Project**	**FY2027 Budget**	**YTD Expense**	**Additional Information**
			$ -		
			$ -		
			$ -		

OSERS BROAD STREET, LLC

UNBUDGETED PROJECT ITEMS				
Major Category	**Line Item**	**Project**	**FY2027 Budget**	**YTD Expense**

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

FINANCIAL HIGHLIGHTS

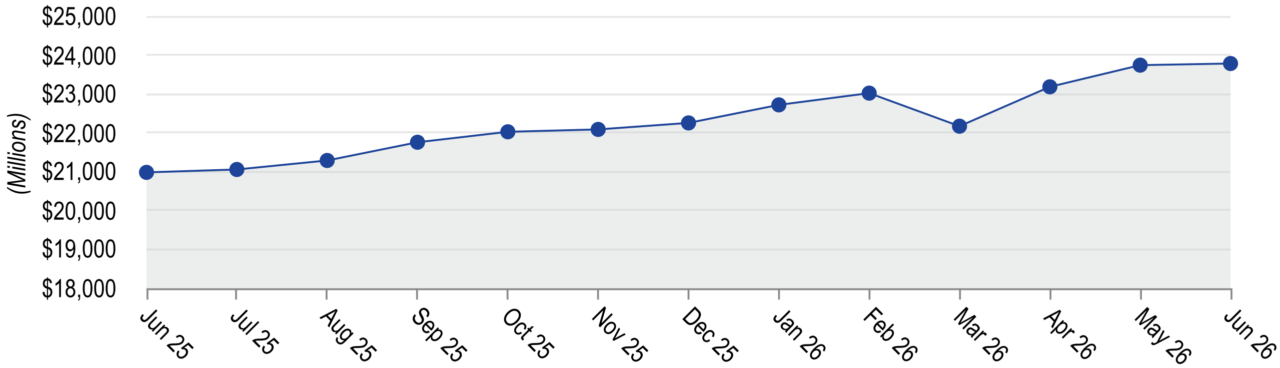
As of June 30, 2026 and 2025

(unaudited)

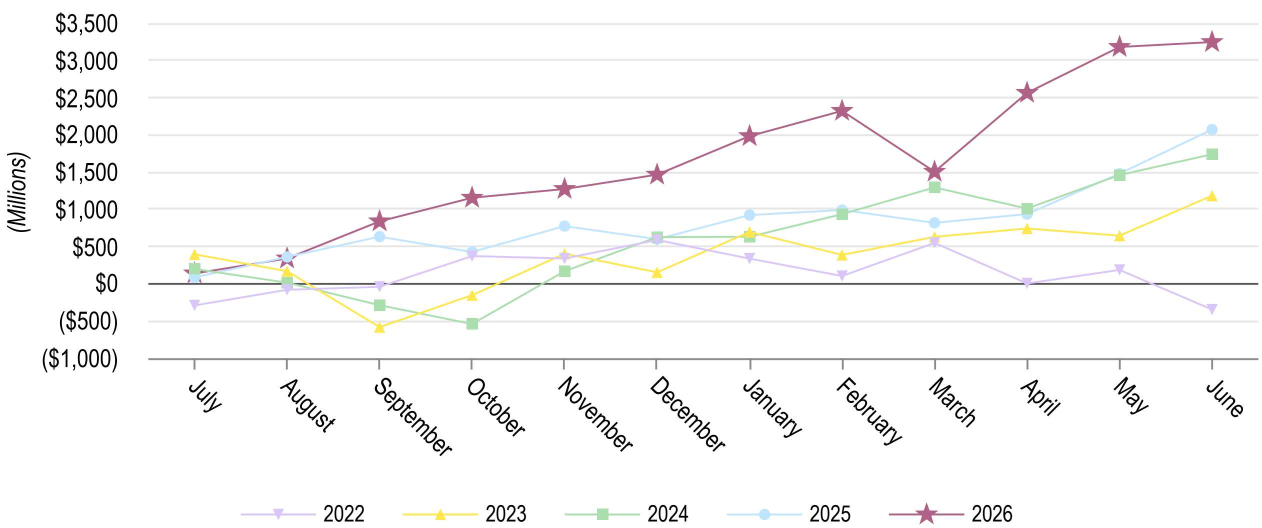
SERS (ALL FUNDS)	6/30/26 YTD (PRELIMINARY)	6/30/25 YTD	Comparative Difference	% Difference
ADDITIONS				
Employer Contributions	$708,754,482	$681,563,316	$27,191,166	4%
Member Contributions	460,617,388	442,429,203	18,188,185	4
Other Income	69,937,573	98,779,081	(28,841,508)	(29)
Total Investment Income, Net	3,245,949,981	2,071,452,066	1,174,497,915	57
TOTAL ADDITIONS	**4,485,259,424**	**3,294,223,666**	**1,191,035,758**	**36**
DEDUCTIONS				
Retirement, Disability, Survivor & Death Benefits	1,550,575,013	1,481,836,817	68,738,196	5
Healthcare Expenses	79,010,239	111,186,249	(32,176,010)	(29)
Refunds & Transfers	121,559,506	104,021,911	17,537,595	17
Administrative Expenses (excluding Investments)	36,884,311	36,160,974	723,337	2
TOTAL DEDUCTIONS	**1,788,029,069**	**1,733,205,951**	**54,823,118**	**3**
Changes in Net Position	2,697,230,355	1,561,017,715	1,136,212,640	73
Net Position - Beginning	21,081,732,005	19,520,714,290	1,561,017,715	8
SERS Net Position - Ending	**$23,778,962,360**	**$21,081,732,005**	**$2,697,230,355**	**13%**

HEALTHCARE FUND				
HEALTHCARE ADDITIONS				
Employer Contributions	$66,023,543	$63,568,312	$2,455,231	4%
Healthcare Premiums	52,764,484	56,662,168	(3,897,684)	(7)
Federal Subsidies & Other Receipts	17,107,217	41,152,667	(24,045,450)	(58)
Total Investment Income, Net	135,049,367	76,544,497	58,504,870	76
TOTAL HEALTHCARE ADDITIONS	**270,944,611**	**237,927,644**	**33,016,967**	**14**
TOTAL HEALTHCARE DEDUCTIONS	**82,789,387**	**114,584,040**	**(31,794,653)**	**(28)**
Changes in Net Position	188,155,224	123,343,604	64,811,620	53
Net Position - Beginning	939,812,471	816,468,867	123,343,604	15
SERS Healthcare Fund Net Position - Ending	**$1,127,967,695**	**$939,812,471**	**$188,155,224**	**20%**

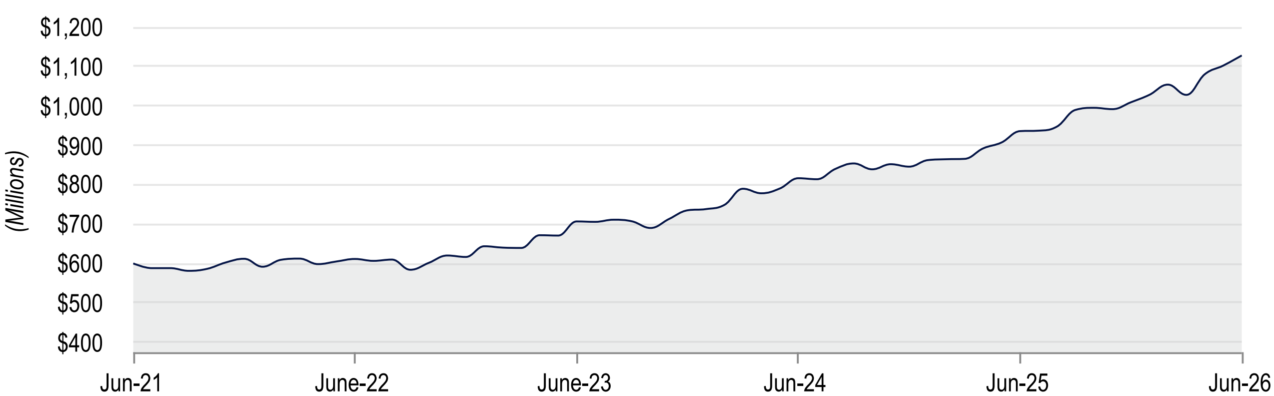
SERS Total Fund Balance for Previous 12 Months



Investment Income (includes realized and unrealized gains & losses)



Healthcare Fund Balance Trend



SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

FINANCIAL HIGHLIGHTS

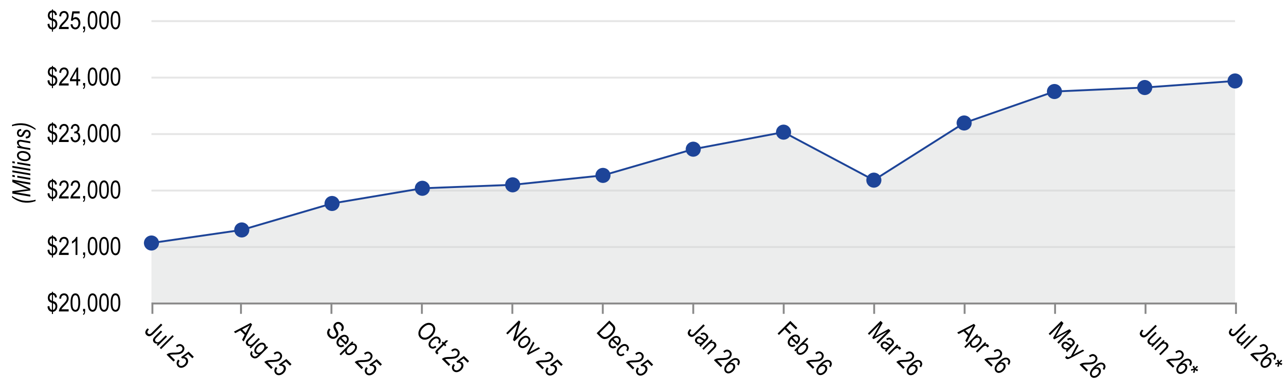
As of July 31, 2026 and 2025

(unaudited)

SERS (All Funds)	7/31/26 YTD	7/31/25 YTD	Comparative Difference	% Difference
ADDITIONS				
Employer Contributions	$53,281,591	$52,437,220	$844,371	2%
Member Contributions	34,336,741	33,943,294	393,447	1
Other Income	4,135,030	4,718,027	(582,997)	(12)
Total Investment Income, Net	180,235,108	37,465,779	142,769,329	381
TOTAL ADDITIONS	**271,988,470**	**128,564,320**	**143,424,150**	**112**
DEDUCTIONS				
Retirement, Disability, Survivor & Death Benefits	133,172,738	127,105,705	6,067,033	5
Health Care Expenses	8,869,206	13,674,141	(4,804,935)	(35)
Refunds & Transfers	10,665,610	12,170,510	(1,504,900)	(12)
Administrative Expenses (excluding Investments)	3,139,705	3,545,692	(405,987)	(11)
TOTAL DEDUCTIONS	**155,847,259**	**156,496,048**	**(648,789)**	**—**
Changes in Net Position	116,141,211	(27,931,728)	144,072,939	(516)
Net Position - Beginning	23,807,807,180	21,081,732,006	2,726,075,174	13
SERS Net Position - Ending	**$23,923,948,391**	**$21,053,800,278**	**$2,870,148,113**	**14%**

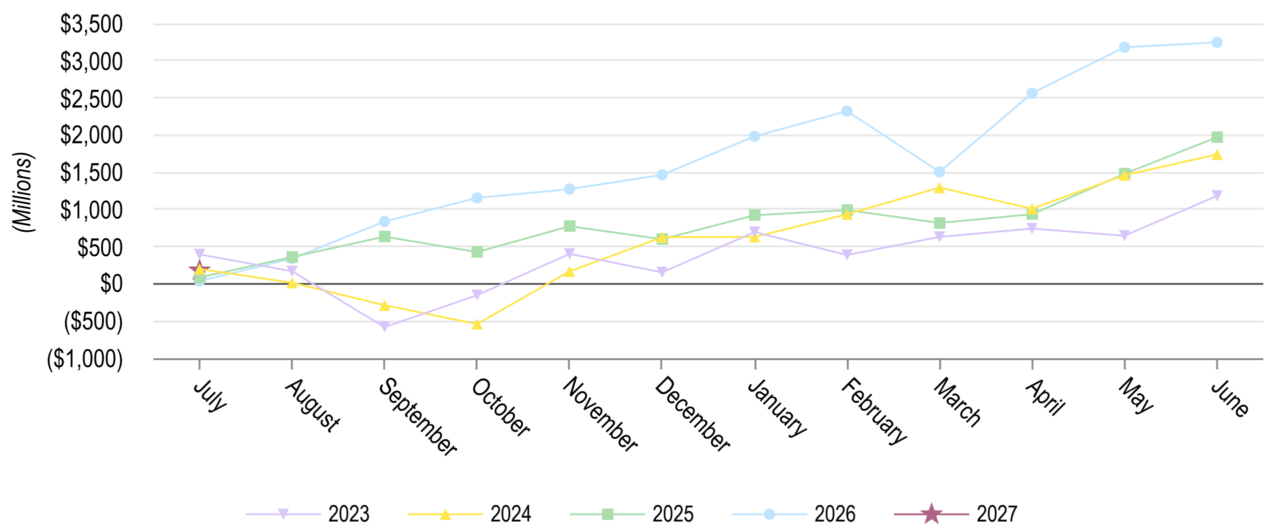
HEALTH CARE FUND				
HEALTH CARE ADDITIONS				
Employer Contributions	$5,499,997	$5,100,000	$399,997	8%
Health Care Premiums	4,133,769	4,717,479	(583,710)	(12)
Total Investment Income, Net	7,629,153	1,431,476	6,197,677	433
TOTAL HEALTH CARE ADDITIONS	**17,262,919**	**11,248,955**	**6,013,964**	**53**
TOTAL HEALTH CARE DEDUCTIONS	**9,159,827**	**13,955,339**	**(4,795,512)**	**(34)**
Changes in Net Position	8,103,092	(2,706,384)	10,809,476	(399)
Net Position - Beginning	1,153,632,981	939,812,471	213,820,510	23
SERS Health Care Fund Net Position - Ending	**$1,161,736,073**	**$937,106,087**	**$224,629,986**	**24%**

Total SERS Fund Balance for Previous 12 Months

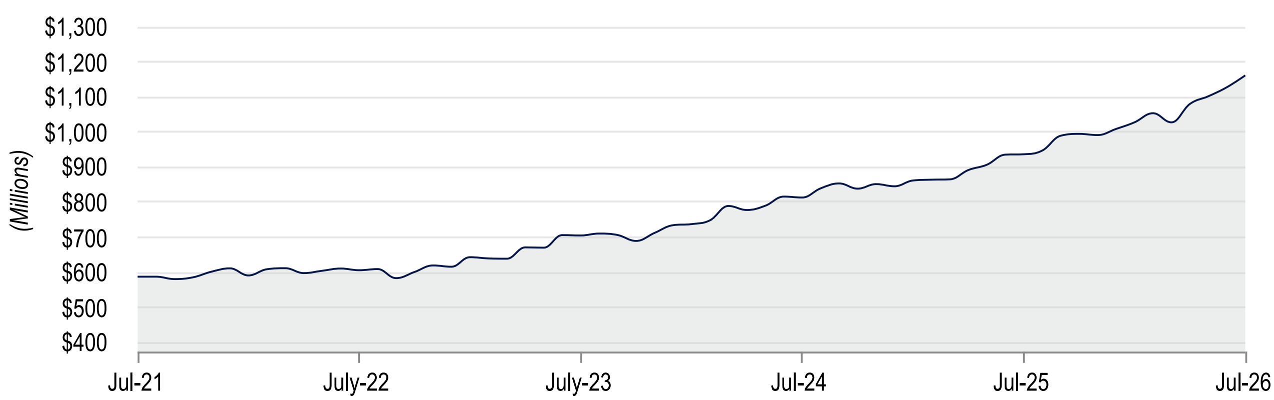


*The Total SERS Fund Balance is based on unaudited, preliminary June 2026 financial statements.

Investment Income (includes realized and unrealized gains & losses)



Health Care Fund Balance Trend



Memo

School Employees Retirement System of Ohio
Serving the People Who Serve Our Schools®

To:	Retirement Board
From:	Britani Galloway
Department:	Legal Department
CC:	Ray Higgins
Date:	September 4, 2026
Re:	Administrative Rules

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

I. **Approval to file with JCARR the following proposed amended administrative rules:**

- **3309-1-35 Heath care.**

This rule addresses SERS' health care eligibility, enrollment, coverage, and cancellation of coverage.

Proposed amendments have updated the time frames for enrollment and reinstatement to SERS' health care coverage after Medicare Part B enrollment for eligible spouses and dependents. Coverage effective dates for Medicare enrollees were changed to match these revised timelines.

Additionally, the proposed amended rule sets forth enrollment requirements for stepchildren. Dependents are also eligible for enrollment pursuant to a National Medical Support Notice issued by a Child Support Enforcement Agency.

Another change includes cancellation of coverage if a person is incarcerated.

Further amendments address Medicare Part B reimbursement eligibility and require benefit recipients who are not enrolled in Medicare Part B but receiving reimbursement to notify the system.

The final amendment places the premium discount program in rule, thereby eliminating the requirement for annual Board approval.

Premium Discount Program:

Benefit recipients enrolled in SERS' health care can qualify for a 25% premium discount if they (or their spouse/dependent) are enrolled in a SERS' Medicare Advantage plan and their household income is at or below 175% of the federal poverty guideline. Special consideration is possible for recent financial changes, and those approved for Medicare Part D low-income subsidy are automatically enrolled. Once approved, the benefit recipient and any dependents enrolled under the benefit recipient's health care coverage will receive a 25% premium discount.

- **3309-1-68 Guardianship**

This rule addresses SERS requirements for issuing payments to an individual with legal incapacity and identifies the authority of the guardian of the estate and guardian of the person to manage the individual's SERS account. The proposed amendment clarifies that payment on behalf of the individual who is under a guardianship must be deposited into a guardianship account established by the guardian of estate or as directed by a probate court order.

Please call Britani Galloway at 614-222-5924 if you have any questions before the meeting.

FILING OF PROPOSED AMENDED ADMINISTRATIVE RULE

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rule: 3309-1-35 Health care.

_____________________ moved and ____________________ seconded that proposed amended rule 3309-1-35 be filed with JCARR as discussed.

3309-1-35 Health care.

(A) Definitions

As used in this rule:

(1) "Benefit recipient" means an age and service retirant, disability benefit recipient, or a beneficiary as defined in section 3309.01 of the Revised Code, who is receiving monthly benefits due to the death of a member, age and service retirant or disability benefit recipient.

(2) "Member" has the same meaning as in section 3309.01 of the Revised Code.

(3) "Age and service retirant" means a former member who is receiving a retirement allowance pursuant to section 3309.34, 3309.35, 3309.36 or 3309.381 of the Revised Code. A former member with an effective retirement date after June 13, 1986 must have accrued ten years of qualified service credit.

(4) "Disability benefit recipient" means a member who is receiving a benefit or allowance pursuant to section 3309.35, 3309.39, 3309.40 or 3309.401 of the Revised Code.

(5) "Dependent" means an individual who is either of the following:

(a) A spouse of an age and service retirant, disability benefit recipient, or member;

(b) A biological, adopted or step-child of an age and service retirant, disability benefit recipient, member, deceased age and service retirant, deceased disability benefit recipient, or deceased member or other child in a parent-child relationship in which the age and service retirant, disability benefit recipient, member, deceased age and service retirant, deceased disability benefit recipient, or deceased member has or had custody of the child, so long as the child:

(i) Is under age twenty-six; or

(ii) Regardless of age is permanently and totally disabled, provided that the disability existed prior to the age and service retirant's, disability benefit recipient's, or member's death and prior to the child reaching age twenty-six. For purposes of this paragraph "permanently and totally disabled" means the individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of not less than twelve months.

(6) "Health care coverage" means any of the following group plans offered by the system:

(a) A medical and prescription drug plan;

(b) Limited wraparound coverage, which provides limited benefits that wrap around an individual health insurance plan; or

(c) An excepted benefit health reimbursement arrangement, which provides reimbursement of medical expenses incurred under an individual health insurance plan.

(7) "Premium" means a monthly amount that may be required to be paid by a benefit recipient to continue enrollment for health care coverage for the recipient or the recipient's eligible dependents.

(8) "Premium subsidy" means a monthly amount paid by the system on the benefit recipient's or recipient's dependent's behalf in order to reduce the health care coverage premium amount.

(9) “Premium discount” means a reduction in the monthly health care premium amount for medical and prescription drug coverage.

~~(9)~~(10) "Employer" and "public employer" have the same meaning as in section 3309.01 of the Revised Code.

~~(10)~~(11) "Marketplace counselor" means an individual licensed to determine eligibility for, and enroll individuals in, a marketplace plan.

~~(11)~~(12) "Marketplace plan" means an individual health plan available through either a state or federal health insurance marketplace.

~~(12)~~(13) "Qualified service credit" means a member's total service credit excluding credit obtained after January 29, 1981 pursuant to sections 3309.021, 3309.301, and 3309.33 of the Revised Code. Credit obtained pursuant to section 145.201 of the Revised Code is excluded for those members who establish eligibility for SERS health care coverage on or after July 1, 2025.

(B) Eligibility

(1) A person is eligible for health care coverage under the school employees retirement system's health care plan so long as the person qualifies as one of the following:

(a) An age and service retirant or the retirant's dependent;

(b) A disability benefit recipient or the recipient's dependent;

(c) The dependent of a deceased member, deceased age and service retirant, or deceased disability benefit recipient, if the dependent is receiving a benefit pursuant to section 3309.45 or 3309.46 of the Revised Code; or

(d) The dependent child of a deceased member, deceased disability benefit recipient, or deceased age and service retirant if the spouse is receiving a benefit pursuant to section 3309.45 or 3309.46 of the Revised Code and the spouse elects to be covered.

(C) Counseling

(1) An age and service retirant or disability benefit recipient who is not eligible for medicare shall complete counseling with a SERS approved marketplace counselor to review marketplace plan options before they are eligible to enroll in health care coverage. Those who do not complete counseling as specified by this rule shall be deemed to have waived SERS health care coverage and cannot enroll in SERS health care coverage until they meet the reinstatement requirements as outlined in paragraph (J) of this rule.

(2) An age and service retirant or disability benefit recipient, who is not eligible for medicare and whose initial SERS health care coverage eligibility date is on or after June 1, 2023, shall complete counseling with a SERS approved marketplace counselor to review marketplace plan options before the later of the following:

(a) December thirty-first of the calendar year of initial health care coverage eligibility; or

(b) Within three months of initial health care coverage eligibility.

(3) An age and service retirant or disability benefit recipient, who is not eligible for medicare and whose reinstatement to SERS health care coverage is established under paragraph (J) of this rule on or after June 1, 2023, shall complete counseling with a SERS approved marketplace counselor to review marketplace plan options before the later of the following:

(a) December thirty-first of the calendar year of the qualifying event entitling the benefit recipient to reinstatement; or

(b) Within three months of the request for reinstatement.

(4) The age and service retirant or disability benefit recipient shall provide the marketplace counselor with all information required to determine the cost of available marketplace plans. The marketplace counselor shall notify SERS when such counseling has been completed.

(5) Counseling shall not be required to establish eligibility prior to enrollment if the marketplace counselor is unable to determine available marketplace plans based on the age and service retirant's or disability benefit recipient's address or other demographic information. The marketplace counselor shall notify SERS when a marketplace plan cannot be determined based on the circumstances.

(D) Termination of eligibility

(1) Eligibility for SERS health care coverage shall terminate under the following circumstances:

(a) When the person ceases to qualify as one of the persons listed in paragraph (B)(1) of this rule, except that a dependent described in paragraph (A)(5)(b)(i) of this rule shall cease to qualify on the first day of the calendar year following the dependent's twenty-sixth birthday.

(b) Except for a dependent described in paragraph (A)(5)(b) of this rule, eligibility for SERS health care coverage shall terminate when the person is not enrolled in medicare part B and on or after January 1, 2016 commences employment that provides access to a medical plan with prescription coverage through the employer, or if employees of that employer in comparable positions have access to a medical plan available through the employer, provided the medical plan with prescription drug coverage available through the employer is equivalent to the medical plan with prescription coverage at the cost available to fulltime employees as defined by the employer. For purposes of this paragraph, "employer" means a public or private employer.

(c) When a person listed in paragraph (B)(1) of this rule on or after January 1, 2021, becomes eligible for medicaid and ineligible for medicare.

(i) For purposes of this rule, a benefit recipient and their dependent(s) shall be presumed to be eligible for medicaid if their gross monthly SERS benefit is less than the percentage of the federal poverty level used by the Ohio department of medicaid to determine medicaid eligibility under agency 5160 and division 5160:1 of the Administrative Code.

(ii) Upon request, a benefit recipient presumed to be eligible for medicaid must provide SERS with satisfactory proof of ineligibility for medicaid in their state of residence within ninety days from the date of SERS' request.

(d) When a person eligible for medicare part B fails to:

(i) Enroll in medicare part B during the person's initial enrollment period or special enrollment period~~under 42 U.S.C. 1395p~~ that includes a date on or after January 1, 2019; or

(a) For purposes of this rule:

(i) "Initial enrollment period" means the initial enrollment period for medicare part B as defined by 42 U.S.C. 1395p.

(ii) "Special enrollment period" means the enrollment period for medicare part B following termination of a group health plan as defined by 42 U.S.C. 1395p.

(ii) Enroll in medicare part B during the general enrollment period ~~available under 42 U.S.C. 1395p~~ immediately following a loss of medicare part B coverage that began on or after January 1, 2019~~.~~; or

(a) For purposes of this rule:

(i) "General enrollment period" means the enrollment period for medicare part B as defined by 42 U.S.C. 1395p.

(iii) Maintain enrollment in medicare part D.

(e) When an age and service retirant or disability benefit recipient, who is not eligible for medicare and whose initial SERS health care coverage eligibility date or reinstatement to SERS health care coverage under paragraph (J) of this rule is on or after June 1, 2023, fails to complete counseling as required under paragraph (C) of this rule.

(E) Enrollment

(1) Except as otherwise provided in this rule, an eligible benefit recipient may enroll in school employees retirement system's health care coverage only at the time the benefit recipient applies for an age and service retirement, disability benefit, or monthly benefits pursuant to section 3309.45 of the Revised Code.

(2) An eligible dependent spouse of an age and service retirant or disability benefit recipient may only be enrolled in the system's health care coverage at the following times:

(a) At the time the age and service retirant or disability benefit recipient enrolls in school employees retirement system's health care coverage.

(b) Within thirty-one days of the eligible spouse's:

(i) Marriage to the age and service retirant or disability benefit recipient; or

(ii) Involuntary cancellation of health care coverage under another plan, including a medicaid, medicare premium assistance, medicare advantage~~-~~, or medicare part D plan.

(c) ~~Within ninety days of~~ Upon the eligible ~~spouse~~spouse's, age and service ~~retirant~~retirant's or disability benefit ~~recipient~~recipient's ~~becoming eligible for medicare~~enrollment in medicare part B during the eligible spouse's, age and service retirant's or disability benefit recipient's initial enrollment period or special enrollment period.

(3) An eligible dependent child of an age and service retirant, disability benefit recipient, or deceased member may be enrolled in the system's health care coverage at the following times:

(a) At the time the age and service retirant, disability benefit recipient, or surviving spouse enrolls in school employees retirement system's health care coverage.

(b) Within thirty-one days of the age and service retirant's or disability benefit recipient's marriage to the eligible dependent child's custodial parent.

~~(b)~~(c) Within thirty-one days of the eligible dependent child's:

(i) Birth, adoption, or custody order; or

(ii) Involuntary cancellation of health care coverage under another plan, including a medicaid, medicare premium assistance, medicare advantage, or medicare part D plan.

~~(c)~~(d) ~~Within ninety days of becoming eligible for medicare.~~Upon the eligible dependent child's enrollment in medicare part B during the eligible dependent child's initial enrollment period or special enrollment period.

(e) As ordered by a national medical support notice issued by a child support enforcement agency.

(F) Cancellation of health care coverage

(1) Health care coverage of a person shall be cancelled under the following circumstances:

(a) The person's eligibility terminates as provided in paragraph (D) of this rule;

(b) The person's health care coverage is cancelled for default as provided in paragraph (H) of this rule;

(c) The person's health care coverage is waived as provided in paragraph (I) of this rule;

(d) The person enrolls in a medicare advantage or medicare part D plan that is not offered by the system, or the center for medicare and medicaid services has reported the person’s incarceration;

(e) The health care coverage of a dependent is cancelled when the health care coverage of a benefit recipient is cancelled;

(f) The person's benefit payments are suspended for failure to submit documentation required to establish continued benefit eligibility under division (B)(2)(b)(i) of section 3309.45 of the Revised Code, division (F) of section 3309.39 of the Revised Code or division (D) of section 3309.41 of the Revised Code;

(g) The person's benefit payments are suspended for failure to submit documentation required to establish continued benefit eligibility under division (D) of section 3309.392 of the Revised Code; or

(h) The enrolled eligible dependent of a deceased member, deceased disability benefit recipient or deceased age and service retirant fails to submit the appropriate application to continue health care coverage to the system within three months of the death of the member, disability benefit recipient or age and service retirant.

(G) Effective date of coverage

(1) Except as provided in ~~paragraph~~paragraphs (G)(2) and (G)(3) of this rule, the effective date of health care coverage for persons eligible for health care coverage as set forth in paragraph (B) of this rule shall be as follows:

(a) For a disability benefit recipient or dependent of a disability benefit recipient, health care coverage shall be effective on the first of the month following the determination and recommendation of disability to the retirement board or on the benefit effective date, whichever is later.

(b) For an age and service retirant or dependent of an age and service retirant, health care coverage shall be effective on the first of the month following the date that the retirement application is filed with the retirement system or on the benefit effective date, whichever is later.

(c) For an eligible dependent of a deceased member, deceased disability benefit recipient, or deceased age and service retirant, health care coverage shall be effective on the effective date of the benefit if the appropriate application to continue health care coverage is received by the system within three months of the death of the member, disability benefit recipient or age and service retirant, or the first of the month following the date that the appropriate application is received if not received within three months of the death of the member, disability benefit recipient or age and service retirant.

(2) The effective date of coverage for a person described in paragraphs (C)(2) and (C)(3) of this rule shall be the later of the following:

(a) The date provided under paragraph (G)(1) of this rule; or

(b) The first of the month following completion of counseling.

(3) The effective date of coverage for a person described in paragraphs (E)(2)(c) and (E)(3)(d) of this rule shall be the later of the following:

(a) The first of the month following the receipt of an application for health care coverage by the system; or

(b) The age and service retirant's, disability benefit recipient's, eligible spouse's, or eligible dependent child's medicare part B enrollment effective date.

~~(3)~~(4) A benefit recipient may elect to defer SERS health care coverage until their first available marketplace plan effective date.

(H) Premiums

(1) Payment of premiums for health care coverage shall be by deduction from the benefit recipient's monthly benefit. If the full amount of the monthly premium cannot be deducted from the benefit recipient's monthly benefit, the benefit recipient shall be billed for the portion of the monthly premium due after any deduction from the monthly benefit.

(2) If the retirement system determines that any premium has been calculated incorrectly, the system will recalculate the premium to the correct amount. The recalculated premium will begin on the next payment date.

(a) If the recalculation results in a decreased premium, the retirement system shall pay the recipient the cumulative difference between the original calculation and the recalculation in a one-time ~~lump-sum~~lump sum.

(b) If the recalculation results in an increased premium, the recipient shall pay to the retirement system the cumulative difference between the original calculation and the recalculation.

(c) The following standards shall apply if the recipient was not the source of the information or records that caused the incorrect calculation and did not commit fraud, misrepresentation, or other misconduct resulting in the incorrect calculation.

(i) For any amounts owed to the system under paragraph (H)(2)(b) of this rule, the retirement system will waive collection of:

(a) The first two hundred dollars, and

(b) Any portion of the amount due that accrued more than two years before the date of the determination made in paragraph (H)(2) of this rule.

(ii) In seeking payment under paragraph (H)(2)(b) of this rule, the system shall deduct up to ten per cent of the gross amount of any periodic benefit due the person until the payment due has been paid in full.

(3)

(a) Premium payments billed under paragraph (H)(1) of this rule shall be deemed in default after the unpaid premiums for coverage under this rule and supplemental health care coverage under rule 3309-1-64 of the Administrative Code reach a total cumulative amount of at least three months of billed premiums.

(b) Premium payments billed under paragraph (H)(2)(b) shall be deemed in default if the benefit recipient does not agree to a payment plan or if the benefit recipient misses scheduled payments under a payment plan in a total cumulative amount of at least three months of billed premiums.

(c) The retirement system shall send written notice to the benefit recipient that payments are in default and that coverage will be cancelled on the first day of the month after the date of the notice unless payment for the total amount in default is received prior to the date specified in the notice. If coverage is cancelled due to a recipient's failure to pay premium amounts in default, the recipient shall remain liable for such amounts due for the period prior to cancellation of coverage.

(4) After payment for the total amount in default is received, health care coverage cancelled for default can be reinstated as provided in paragraph (J) of this rule, or upon submission of a written request for reinstatement supported by medical evidence acceptable to SERS that demonstrates that the default was caused by the benefit recipient's physical or mental incapacity. "Medical evidence" means documentation provided by a licensed physician of the existence of the mental or physical incapacity causing the default. Health care coverage reinstated after cancellation for default shall be effective on the first of the month following the date that the written request for reinstatement is approved.

(5) A person enrolled in SERS health care coverage may be eligible to qualify for a premium subsidy. A person enrolled in SERS' health care coverage cannot receive a premium subsidy unless that person is:

(a) A dependent child.

(b) An age and service retirant who:

(i) Has an effective retirement date before August 1, 1989;

(ii) Has an effective retirement date on or after August 1, 1989 and before August 1, 2008 who had earned fifteen years of service credit; or

(iii) Has an effective retirement date on or after August 1, 2008 who had earned twenty years of qualified service credit and who:

(a) Was eligible to participate in the health care plan of his or her employer at the time of retirement or separation from SERS service; or

(b) Was eligible to participate in the health care plan of his or her employer at least three of the last five years of service preceding retirement or separation from SERS service.

(c) A disability benefit recipient, except as provided in paragraph (H)(5)(d) of this rule who:

(i) Has an effective benefit date before August 1, 2008; or

(ii) Has an effective benefit date on or after August 1, 2008 who:

(a) Was eligible to participate in the health care plan of his or her employer at the time of separation from SERS service; or

(b) Was eligible to participate in the health care plan of his or her employer at least three of the last five years of service preceding separation from SERS service.

(d) A disability benefit recipient who is not enrolled in medicare part B on or after January 1, 2024, who:

(i) Has an effective benefit date before August 1, 1989;

(ii) Has an effective benefit date on or after August 1, 1989 and before August 1, 2008 who had earned fifteen years of service credit; or

(iii) Has an effective benefit date on or after August 1, 2008 who had earned twenty years of qualified service credit and who:

(a) Was eligible to participate in the health care plan of his or her employer at the time of separation from SERS service; or

(b) Was eligible to participate in the health care plan of his or her employer at least three of the last five years of service preceding separation from SERS service.

(e) A spouse:

(i) A spouse or surviving spouse of an age and service retirant or disability benefit recipient with an effective retirement date or benefit date before August 1, 2008 who had earned twenty-five years of qualified service credit, exclusive of credit obtained after January 29, 1981, pursuant to sections 3309.021, 3309.301, 3309.31, and 3309.33 of the Revised Code;

(ii) A spouse or surviving spouse of an age and service retirant or disability benefit recipient with an effective retirement date or benefit date on or after August 1, 2008 who had earned twenty-five years of service credit;

(a) Was eligible to participate in the health care plan of his or her employer at the time of retirement or separation from SERS service; or

(b) Was eligible to participate in the health care plan of his or her employer at least three of the last five years of service preceding retirement or separation from SERS service.

(iii) A surviving spouse of a deceased member who had earned twenty-five years of qualified service credit, with an effective benefit date before August 1, 2008; or

(iv) A surviving spouse of a deceased member who had earned twenty-five years of qualified service credit, with an effective benefit date on or after August 1, 2008, and the member;

(a) Was eligible to participate in the health care plan of his or her employer at the time of death or separation from SERS service; or

(b) Was eligible to participate in the health care plan of his or her employer at least three of the last five years of service preceding the member's death or separation from SERS service.

(f) For purposes of determining eligibility for a subsidy under paragraph (H)(5) of this rule, when the last contributing service of an age and service retirant, disability benefit recipient, or member was as an employee as defined by division (B)(2) of section 3309.01 of the Revised Code the health care plan participation requirement shall be if the individual would have been eligible for the public employer's health care plan if the individual were an employee as defined by division (B)(1) of section 3309.01 of the Revised Code.

(g) Any other individual enrolled in SERS health care coverage shall be eligible for a premium subsidy under the standard set forth for spouses.

(h) In all cases of doubt, the retirement board shall determine whether a person enrolled in SERS health care coverage is eligible for a premium subsidy, and its decision shall be final.

(6) Premium Discount Program

(a) A benefit recipient enrolled in SERS health care coverage may be eligible to qualify for the premium discount program. To be eligible for the premium discount program, the benefit recipient shall:

(i) Be enrolled in SERS medicare advantage plan or the benefit recipient's spouse or dependent be enrolled in SERS medicare advantage plan; and

(ii) For the most recent tax filing year, have a qualifying household income which must be less than or equal to 175% of the federal poverty guideline for the household size.

(a) For purposes of this rule:

(i) "Qualifying household income" means the benefit recipient's household income as defined by 26 U.S.C. Sec 36B(d) less the total annual SERS medical premium for the benefit recipient and covered dependents and excluding any medicare part B reimbursement.

(ii) "Federal poverty guideline" means the poverty guidelines updated periodically in the federal register by the United States department of health and human services under the authority of 42 U.S.C. 9902(2).

(b) If the benefit recipient's qualifying household income is more than 175% of the federal poverty guideline for the household size for the most recent tax filing year, the benefit recipient may request special consideration. The benefit recipient must submit evidence in writing that a material change in the benefit recipient's financial circumstances subsequent to the most recent tax filing year has caused the benefit recipient’s qualifying household income to become less than or equal to 175% of the federal poverty guideline for the household size for the current year.

(c) If the benefit recipient enrolled in SERS health care coverage is approved for non-institutionalized part D low-income subsidy program through medicare, the benefit recipient will automatically be enrolled in the premium discount program.

(d) If approved for the premium discount program, the benefit recipient as well as any dependents enrolled under the benefit recipient’s health care coverage will be eligible to receive a 25% premium discount reduction from the benefit recipient’s and any dependents’ SERS health care premium amount for medical and prescription drug coverage.

(e) Once approved for the premium discount program, participants will continue to be enrolled.

(I) Waiver

(1) A benefit recipient may voluntarily waive health care coverage by completing and submitting a SERS waiver form to SERS.

(2) The health care coverage of a benefit recipient's dependent may be voluntarily waived as follows:

(a) For a currently enrolled non-medicare eligible dependent child, the benefit recipient may voluntarily waive the dependent child's coverage by completing and submitting a signed written request to SERS on the dependent child's behalf.

(b) For a currently enrolled non-medicare eligible dependent spouse, the benefit recipient may voluntarily waive the dependent spouse's coverage by completing and submitting a written request to SERS, signed by the benefit recipient and dependent spouse.

(c) For a currently enrolled medicare eligible dependent, the dependent may voluntarily waive their coverage by completing and submitting a signed written request to SERS.

(J) Reinstatement to SERS health care coverage

(1) An eligible benefit recipient, or eligible dependent of a benefit recipient with health care coverage, whose coverage has been previously waived or cancelled may be reinstated to SERS health care coverage by submitting a health care enrollment application as follows:

(a) ~~No later than ninety days after becoming eligible for medicare. Health care coverage shall be effective the later of the first day of the month after becoming medicare eligible or receipt of the enrollment application by the system;~~ Upon the eligible benefit recipient's or the eligible dependent of a benefit recipient's enrollment in medicare part B during the eligible benefit recipient's or eligible dependent of a benefit recipient's initial enrollment period or special enrollment period;

(i) Reinstatement of health care coverage shall be effective the later of the following:

(a) The first day of the month following receipt of the health care enrollment application by the system; or

(b) The eligible benefit recipient's or eligible dependent of a benefit recipient's medicare part B enrollment effective date.

(b) No later than thirty-one days after involuntary cancellation of coverage under medicaid; or

(i) Reinstatement of ~~Health~~health care coverage shall be effective the later of the following:

(a) The first day of the month ~~after~~following cancellation of coverage; or

(b) The first day of the month following receipt of proof of cancellation and the health care enrollment application by the system~~; or~~.

(c) No later than thirty-one days after involuntary cancellation of coverage under another plan, medicare premium assistance, medicare advantage, or medicare part D plan with proof of such cancellation.

(i) Reinstatement of ~~Health~~ health care coverage shall be effective the later of the following:

(a) The first day of the month ~~after~~following cancellation of the other plan; or

(b) The first day of the month following receipt of proof of cancellation and the health care enrollment request or application by the system.

(2) An eligible person whose coverage was cancelled pursuant to paragraphs (F)(1)(f) and (F)(1)(g) of this rule shall be reinstated to SERS health care coverage when the required documents have been received and benefit payments are unsuspended.

(3) An eligible person whose previous ~~eligibilty~~eligibility was terminated pursuant to paragraph (D)(1)(b) of this rule and health care coverage was cancelled pursuant to paragraph (F)(1)(a) of this rule may be reinstated to SERS health care coverage when they no longer have access to the medical plan of an employer by submitting a health care enrollment application within thirty-one days of the employment ending.

(K) Medicare part B

(1) The board shall determine the monthly amount paid to reimburse an eligible benefit recipient for medicare part B coverage. The amount paid shall be no less than forty-five dollars and fifty cents, except that the board shall make no payment that exceeds the amount paid by the recipient for the coverage.

(2) As used in paragraph (K) of this rule, an "eligible benefit recipient" means:

(a) An eligible person who was a benefit recipient and was ~~eligible for~~enrolled in medicare part B coverage before January 7, 2013; or

(b) An eligible person who is a benefit recipient, is ~~eligible for~~enrolled in medicare part B coverage, and is enrolled in SERS' health care coverage.

(3) The effective date of the medicare part B reimbursement to be paid by the board shall be as follows:

(a) For eligible benefit recipients who were a benefit recipient and were ~~eligible for~~enrolled in medicare part B coverage before January 7, 2013 the later of:

(i) January 1, 1977; or

(ii) The first of the month following the date that the school employees retirement system received satisfactory proof of coverage.

(b) For eligible benefit recipients not covered under paragraph (K)(3)(a) of this rule, the later of:

(i) The first month following the date that the school employees retirement system received satisfactory proof of coverage; or

(ii) The effective date of SERS health care coverage.

(4) If an eligible benefit recipient is no longer eligible for medicare part B reimbursement, the eligible benefit recipient must immediately notify the system.

~~(4)~~(5) The board shall not:

(a) Pay more than one monthly medicare part B reimbursement when a benefit recipient is receiving more than one monthly benefit from this system; nor

(b) Pay a medicare part B reimbursement to a benefit recipient who is eligible for reimbursement from any other source.

HISTORY: 3/6/26,12/15/24, 1/1/24, 6/1/23, 9/30/21, 6/5/20, 1/2/20, 5/3/19, 10/13/16, 8/13/15, 12/4/14, 7/12/14, 1/1/14, 3/8/13, 1/7/13 (Emer.), 9/30/12, 8/14/11, 9/26/10, 7/1/10 (Emer.), 6/11/10, 8/10/09, 5/22/09 (Emer.), 1/8/09, 8/8/08, 12/24/07, 9/28/07 (Emer.), 3/1/07, 1/2/04, 6/13/03, 11/9/98, 8/10/98, 1/2/93, 7/20/89, 3/20/80, 1/1/77

Promulgated Under: 111.15
Statutory Authority: 3309.04
Rule Amplifies: 3309.69
Review Date: 2/1/29

Upon roll call, the vote was as follows:

ROLL CALL:	**YEA**	**NAY**	**ABSTAIN**
Aimee Russell	________	________	________
Jeanine Alexander	________	________	________
Jeffrey DeLeone	________	________	________
Matthew King	________	________	________
Catherine Moss	________	________	________
Rebekah Roe	________	________	________
James Rossler	________	________	________
Frank Weglarz	________	________	________
Daniel Wilson	________	________	________

FILING OF PROPOSED AMENDED ADMINISTRATIVE RULE

Legal Counsel discussed with the Retirement Board filing with JCARR the following proposed amended rule: 3309-1-68 Guardianship.

_____________________ moved and ____________________ seconded that proposed amended rule 3309-1-68 be filed with JCARR as discussed.

3309-1-68 Guardianship.

(A) As used in this rule:

(1) "Benefit" means a payment from the accumulated contributions of the member or employer, or both, under Chapter 3309. of the Revised Code and includes an account refund, pension, annuity, disability benefit, survivor benefit, or death benefit.

(2) "Benefit recipient" means any person who is eligible to receive a ~~payment or~~ benefit under Chapter 3309. of the Revised Code and who has had a guardian appointed based either on being under the age of eighteen years or on being found incompetent.

(3) "Incompetent" has the same meaning as in division (D)(1) of section 2111.01 of the Revised Code.

(B) ~~Payments~~Benefits owed to a benefit recipient shall be ~~made~~ paid as follows:

(1) ~~To~~Into a guardianship account established by the guardian of the estate;

(2) ~~To the agent, when there is~~As directed by a valid durable power of attorney ~~and~~ when there is no guardian of the estate;

(3) ~~To a specific person or financial institution account as directed by the probate court~~Into a depository authorized to receive fiduciary funds in the name of a suitable person to be designated by order of the probate court on behalf of the benefit recipient. The order shall provide the name and address of the depository, the routing number, and the account number;

(4) Lump sum payments of one thousand dollars or less and payments required to be paid to the benefit recipient by paragraph (C)(1) of rule 3309-1-09 of the Administrative Code may be paid as follows:

(a) When there is a guardian of the estate, to the guardian of the estate;

(b) When there is a durable power of attorney and no guardian of the estate, to the agent;

(c) When there is no guardian of the estate or durable power of attorney, to the guardian of the person.

(5) If the benefit recipient is a minor, payment may be issued to the benefit recipient's legal parent so long as the minor is in the care and custody of the parent, or to the benefit recipient's legal custodian or legal guardian.

(C) Except as provided in this paragraph, court authority is required for an application to be signed on behalf of a benefit recipient for an account refund under section 3309.42 of the Revised Code. When the benefit recipient has less than ten years of total service credit, the guardian of the estate, or agent under a durable power of attorney when there is no guardian of the estate, may apply for an account refund.

(D) A guardian of the estate of a benefit recipient has restricted authority to complete and sign the following forms and applications on behalf of the benefit recipient:

(1) Designation of beneficiary form: The guardian may designate a beneficiary. If the beneficiary is anyone other than "estate" or "statutory," the beneficiary designation must be approved by court order.

(2) Application for age and service or conversion retirement: The guardian may elect plan A or plan B in accordance with divisions (B)(1) and (B)(3) of section 3309.46 of the Revised Code. If plan B is elected, the guardian may only designate the beneficiary to be "statutory" or "estate." Any other election must be approved by court order.

(3) Application for benefits payable to a SERS retirant or other system retirant under section 3309.344 of the Revised Code: The guardian may sign the benefit application. If a monthly annuity is an option, the guardian cannot elect a lump sum payment unless approved by court order.

(4) Spousal consent form: The guardian may not sign unless approved by court order.

(5) Application for survivor benefits: If a monthly benefit is an option, the guardian cannot elect a lump sum payment of accumulated contributions unless approved by court order.

(6) A written notice of waiver pursuant to section 3309.662 of the Revised Code.

HISTORY:	10/1/24, 5/1/22, 3/26/18
Promulgated Under:	111.15
Statutory Authority:	3309.04
Rule Amplifies:	3309.01, 3309.22, 3309.34, 3309.343, 3309.344, 3309.35, 3309.381, 3309.39, 3309.40, 3309.401, 3309.42, 3309.44, 3309.45, 3309.46, 3309.50
Review Date:	2/1/27

Upon roll call, the vote was as follows:

ROLL CALL:	**YEA**	**NAY**	**ABSTAIN**
Aimee Russell	________	________	________
Jeanine Alexander	________	________	________
Jeffrey DeLeone	________	________	________
Matthew King	________	________	________
Catherine Moss	________	________	________
Rebekah Roe	________	________	________
James Rossler	________	________	________
Frank Weglarz	________	________	________
Daniel Wilson	________	________	________

EXECUTIVE SESSION

___________ moved and _______seconded the motion that the Board go into Executive Session pursuant to R.C. 121.22 (G)(3) to discuss imminent court action.

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

Upon roll call, the vote was as follows:

ROLL CALL:	**YEA**	**NAY**	**ABSTAIN**
Aimee Russell	________	________	________
Jeanine Alexander	________	________	________
Jeffrey DeLeone	________	________	________
Matthew King	________	________	________
Catherine Moss	________	________	________
Rebekah Roe	________	________	________
James Rossler	________	________	________
Frank Weglarz	________	________	________
Daniel Wilson	________	________	________

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

Only If Needed

EXECUTIVE SESSION

___________ moved and _______seconded the motion that the Board go into Executive Session pursuant to R.C. 121.22 (G)(5) to review applications for Disability Retirement Benefits.

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

Upon roll call, the vote was as follows:

ROLL CALL:	YEA	NAY	ABSTAIN
Aimee Russell	________	________	________
Jeanine Alexander	________	________	________
Jeffrey DeLeone	________	________	________
Matthew King	________	________	________
Catherine Moss	________	________	________
Rebekah Roe	________	________	________
James Rossler	________	________	________
Frank Weglarz	________	________	________
Daniel Wilson	________	________	________

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

SERS AUDIT COMMITTEE REPORT

SERS COMPENSATION COMMITTEE REPORT

CALENDAR DATES FOR SERS BOARD AND COMMITTEE MEETINGS FOR 2026 **

AUDIT COMMITTEE MEETINGS

March 18, 2026 – 2:30 p.m. (Weds.)
June 17, 2026 – 2:30 p.m. (Weds.)
September 16, 2026 - 2:30 p.m. (Weds.)
December 16, 2026 – 2:30 p.m. (Weds.)

COMPENSATION COMMITTEE MEETINGS

March 19, 2026 – 7:30 a.m. (Thurs.)
June 18, 2026 – 7:30 a.m. (Thurs.)
July 16, 2026 – 7:30 a.m. (Thurs.) ***** Special Meeting *****
September 17, 2026 – 7:30 a.m. (Thurs.)
December 17, 2026 – 7:30 a.m. (Thurs.)

TECHNOLOGY COMMITTEE MEETINGS

March 19, 2026 – 12:30 p.m. (Thurs.)
June 18, 2026 – 12:30 p.m. (Thurs.)
September 17, 2026 – 12:30 p.m. (Thurs.)
December 17, 2026 – 12:30 p.m. (Thurs.)

BOARD MEETINGS

February 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.)
March 19 – 20, 2026 - 8:30 a.m. (Thurs. and Fri.)
April 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)
April 27 – 28, 2026 – 10:00 a.m. (Mon. and Tues.)
May 15, 2026 – 8:30 a.m. (Fri.)
May 21 – 22, 2026 – 8:30 a.m. (Thurs. and Fri.)
June 18, 2026 – 8:30 a.m. (Thurs.)
July 16 – 17, 2026 – 8:30 a.m. (Thurs. and Fri.)
September 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.) ***** Board Picture Day *****
October 15 – 16, 2026 – 8:30 a.m. (Thurs. and Fri.)
November 19 – 20, 2026 – 8:30 a.m. (Thurs. and Fri.)
December 17 – 18, 2026 – 8:30 a.m. (Thurs. and Fri.)

**** Please note that these dates and times are tentative.**

CONTINUED OR NEW BUSINESS

Board Information Requested

BOARD INFORMATION REQUESTS AND FOLLOW-UP ITEMS

1. ______________________________

____

2. ______________________________

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3. ______________________________

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4. ______________________________

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5. ______________________________

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6. ______________________________

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7. ______________________________

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8. ______________________________

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9. ______________________________

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10. ______________________________

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ADJOURNMENT

________________moved that the SERS Retirement Board adjourn to meet on October 15, 2026, for their next retirement board meeting.

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

______________________________ ______________________________

Daniel Wilson – Board Chair Ray Higgins – Secretary