



**STATE TEACHERS RETIREMENT SYSTEM OF OHIO
EXECUTIVE DIRECTOR**

POSITION SPECIFICATIONS

CLIENT

Established by law in 1919, our client, the **State Teachers Retirement System of Ohio (STRS Ohio or the “System”)** was the first statewide, actuarially-based teacher retirement system in the United States. **STRS Ohio** is a cost-sharing, multiple-employer plan providing service retirement, disability, and survivor benefits to teachers and faculty members of public boards of education, state-supported colleges and universities, and the state of Ohio and its political subdivisions. Optional health care coverage is available to eligible benefit recipients and their eligible dependents.

As of June 30, 2024, **STRS Ohio** served 543,940 members while participating employers numbered 1,133. As of that same date, assets under management were \$96.9 billion. The total fund delivered a 10.53% net return in fiscal 2024. The actuarial funded ratio of the system as of June 30, 2024, was 82.5% based upon market values of assets. The System’s assumed rate of return is 7.0%. For financial reporting purposes, the assets held in trust by **STRS Ohio** are divided into three primary funds:

- The Defined Benefit (DB) Plan
- The Defined Contribution (DC) Plan
- The post-employment Health Care (HC) Fund.

The DB plan is the largest fund and includes member contributions, employer contributions, and investment earnings for DB Plan participants. The DC Plan began on July 1, 2001. It is an optional plan available to new members. DC Plan participants allocate both member and employer contributions in investment choices provided by

STRS Ohio. Benefits are based upon the member's account value. As an alternative to the DB or DC Plan, new members may elect the Combined (CO) Plan. CO Plan participants allocate 12% of their 14%-member contribution rate among the same investment choices as DC Plan members, and employer contributions are used to provide a reduced formula service requirement benefit along with disability and survivor protection. Assets to provide benefits to CO Plan members are divided between the DB Plan and the DC Plan. The net position of the HC Fund consists of funds set aside to subsidize optional health care coverage for members enrolled in the DB and CO Plans.

As of June 30, 2024, asset holdings by asset class were as follows:

Domestic Equity	25.6%
International Equity	21.2%
Fixed Income	21.5%
Real Estate	10.5%
Alternative Investments	19.8%
Cash and Short-Term holdings	<u>1.4%</u>
	100.0%

STRS Ohio is governed by an 11-member Retirement Board. Five members are elected by contributing members; two are elected by retired teacher members; one investment expert is appointed by the Governor; one investment expert is appointed jointly by the Speaker of the Ohio House of Representatives and the Ohio Senate President; one investment expert is designated by the treasurer of the state; and the Director of the Department of Education and Workforce or his/her designated investment expert.

In fiscal years 2024 and 2025, the **STRS Ohio** Retirement Board approved a number of Plan changes including:

- The eligibility rule requiring 34 years of service for an unreduced full retirement was made permanent.
- Eligibility for reduced retirement benefit was lowered from 30 years of service to 29 years.
- For eligible benefit recipients, the Board approved a 1% permanent COLA. Retirees who started receiving benefits on or before June 1, 2019, received the adjustment.
- The Retirement Board approved a one-time supplemental benefit payment to eligible recipients who started receiving benefits in or prior to January 2024.
- The Retirement Board then lowered the eligibility requirement for an unreduced full retirement from 34 to 33 years of service.
- Eligibility for a reduced retirement benefit was lowered from 29 years of service to 28 years of service.

All told, over the past three years, the impact of these changes resulted in more than \$4.0 billion in positive benefit changes for active and retired members.

In addition, the Retirement Board took these actions:

- 99% of current Health Care Program enrollees benefited from a premium reduction and the Board eliminated the in-network deductible for the Aetna Medicare Plan.
- **STRS Ohio** staff members, at the direction of the Board, have been meeting with legislators and stakeholder groups to generate support for an increase in the employer contribution rate. The current rate of 14% of payroll has not changed in more than 40 years.

In fall 2023, CEM Benchmarking shared the results of its annual Pension Administration Benchmarking Survey. The report showed **STRS Ohio** earned the second-highest service level score among its peer universe of 14 retirement systems. **STRS Ohio's** administrative costs were roughly 10% lower than the group's average cost and **STRS Ohio's** costs have decreased over the past eight years, while peer costs have increased.

A similar CEM Benchmarking Survey showed that **STRS Ohio's** investment costs were low compared to peers, primarily due to a low-cost implementation style (managing roughly two-thirds of assets in-house) and paying less than peers for similar investment strategies. The study also showed that **STRS Ohio's** five-year annualized total fund net return was above the U.S. public median and U.S. peer median returns.

STRS Ohio utilizes the services of a number of external consultants. Investment consulting services are provided by Callan Associates, Inc. and Meketa Investment Group. Cheiron serves as the System's actuarial consultant. Performance verification consulting services are provided by ACA Group and Private Market Fee Validation is done by Albourne America LLC.

STRS Ohio employs a full-time staff of 460. The vast majority work from its headquarters offices in downtown Columbus. **STRS Ohio** also has satellite investment offices in Atlanta, Chicago, New York City, and San Francisco. **STRS Ohio** currently offers remote working opportunities which support **STRS Ohio's** mission to our members. For Fiscal Year 2025, the approved annual operating budget is \$118,309,900.

STRS Ohio subscribes to the following Mission, Vision, and Guiding Principles:

Mission

The mission of STRS Ohio is to provide Ohio's public educators a foundation for their financial security.

Vision

The vision of STRS Ohio is to serve current and future Ohio public educators and their loved ones.

Guiding Principles

- *Integrity – Be authentic in our words and actions.*
- *Transparency – Cultivate trust through open, consistent, and responsive messaging.*
- *Accountability – Adhere to the highest standard of ethical conduct and take ownership of results.*

- *Stewardship – Be prudent and responsible in the matters entrusted to our care.*
- *Achievement – Build excellence through continuous improvement.*
- *Respect – Value diversity in people and thought. Treat everyone with dignity.*
- *Investment in people – Attract, retain, develop and empower motivated associates.*

For more detailed information about **STRS Ohio**, please visit the website at www.strsoh.org.

RESPONSIBILITIES

The **Executive Director** has fiduciary responsibility for providing leadership and direction in administration of **STRS Ohio**. This role reports to the Retirement Board and the policy-making component of this position is carried out in conjunction with the Retirement Board. This position includes accountability for adherence to applicable laws and board policies establishing internal systems to monitor, control, report, and implement procedures, and serves as principal spokesperson for the **System** with members and other external groups, such as the legislature.

The **Executive Director** supervises activities of a large and complex staff. The management staff reporting directly to the **Executive Director** includes individuals overseeing the following areas: communications and public affairs, finance, human resource services, information technology services, investments, legal and governmental relations, and member benefits. Direct reports, by title, are the following: Deputy Executive Director/Chief Benefits Office, Chief Communications Officer, Deputy Executive Director/Chief Investment Officer, Deputy Executive Director/Chief Financial Officer, Chief Information Officer, Director, Human Resource Services, Chief Legal Officer, and Executive Coordinator.

Responsibilities of the Executive Director include the following:

1. Develop, recommend and implement operational and investment policies and objectives of the Retirement Board, administer the System in a manner that complies with federal and state laws and safeguard the fiduciary responsibility of the Board and **Executive Director**.
2. Establish objectives for accomplishing goals of the **System**, monitor and periodically update operating systems and procedures to assure the **System** is responsive, effective, and productive.
3. Provide guidance and direction for the day-to-day operation of the **System** and assure that employees experience the necessary training and development to accomplish the goals of the **System**.
4. Establish and manage an effective procedure for measuring, monitoring, and evaluating the performance of the staff and the System.
5. General supervision of staffing activities, including promotions, transfers and termination of employees, and recruitment of competent staff management level positions and other vacancies.

6. Supervise preparation of the annual administrative operating budget and present recommendations to the Retirement Board.
7. Provide Board members with an understanding of the **System's** current governance model that includes orientation about the Board's governing style, Board member job description, actuarial soundness, Board members' code of conduct, Board delegation to the **Executive Director**, **Executive Director** evaluation, monitoring executive performance, as well as the **STRS Ohio** mission, vision and guiding principles and how the **System's** strategic goals help to accomplish the **STRS Ohio** mission.
8. Participate in and give general supervision to development of the annual investment plan. Review with staff proposed changes, amendments, and modifications of the plan.
9. Monitor management of the investment portfolio, making ultimate decision on critical issues and executing documents necessary for proper portfolio management.
10. Supervise and approve the annual investment report and the annual report of the **System** and distribute reports regarding fund status to contributing members and retirees.
11. Maintain sound audit practices that comply with all applicable laws and rules, and in cooperation with the Actuary, interpret the annual actuarial valuations of assets and liabilities to the Retirement Board.
12. Prepare and recommend desirable legislation to the Retirement Board and the General Assembly. Appear before various committees of the Ohio General Assembly and Congress to testify in support of or in opposition to various legislative proposals.
13. Serve as ex officio member of the Ohio Retirement Study Council.
14. Manage essential public affairs for the **System** and assure effective internal and external communications. Serve as the liaison between the Retirement Board and other public and private agencies at the local, state and national level, thereby building and maintaining effective relationships to strengthen efforts to protect member interests and benefits.
15. Oversee relationships between the Retirement Board and outside legal counsel, consulting actuary, investment advisors/consultants and other organizations maintaining a consultant or contractual relationship with the Board.
16. Represent the Retirement Board and **System** in national retirement and related organizations in which the Board holds membership or has a relationship.
17. Plan, with staff, practices and procedures designed to improve the efficiency of benefit program administration and enhance the degree and quality of services to members.
18. Appear before member groups and associations to explain the program of benefits available to members and report on the general activities of the **System**.
19. Oversee and recommend changes in Retirement Board Policy, Ohio Revised Code and Ohio Administrative Code, and file and record same as required by statute and Board policy.
20. Serve as Secretary to the Retirement Board and conduct all other duties necessary to fulfill the Board's duties and responsibilities under Chapter 3307 of the Ohio Revised Code.
21. Work with the Board Chair to determine the agenda and supporting materials for regular and special meetings of the Retirement Board. Regularly report to the Board on agenda items and recommend courses of action.

22. Plan, with staff, the annual publications schedule and assist in review of material for publication.
23. Provide overall supervision to the annual Board member election procedures.

EDUCATION AND EXPERIENCE

- Bachelors' degree in education, business or related field required. An advanced degree in a relevant field of study is a plus.
- Ten or more years' experience in a leadership/governance position with multifaceted organizations; preferably a public pension plan or an organization with an annual budget exceeding \$100 million.
- Demonstrated leadership skills, analytical ability, knowledge of business process reengineering and communication skills.
- Proven track record in communication and management resulting in building and maintaining successful relationships.
- Ability to read, analyze, and interpret actuarial and financial reports, contracts and other legal documents.
- Ability to develop and implement ideas and plans designed to improve member services.
- Experience in coaching and developing a strong leadership team.
- Proven ability to develop and execute effective human capital-related strategies, including, but not limited to, competitive and fair employee compensation and benefits programs.
- Ability to understand and accurately explain retirement provisions, **STRS Ohio** Board Policy and laws governing the **System**.
- Experience in or demonstrated ability to learn how to manage an organization that is required to function in compliance with various public entity legal requirements, such as public records, open meetings and ethics laws.
- Ability to work with and preserve confidential information required.
- Superior oral and written communication skills required.
- Excellent ability to think and plan strategically.
- Excellent organizational skills and a high degree of accuracy and attention to detail required.
- Proven ability to operated Microsoft Office programs and standard office equipment required.
- Excellent work record of attendance, punctuality, and the ability to maintain a flexible work schedule to meet business needs. Evening, weekend and non-regular work hours will be required.
- Ability to communicate effectively through public speaking and presentations, business and technical writing, and strong interpersonal skills.
- Previous experience working for a board is highly preferred.
- Previous experience working with external service providers (i.e., external legal counsel, consultants, auditors, etc.) is preferred.

PERSONAL CHARACTERISTICS

- A commitment to continuous process improvement to ensure highest quality service is provided to members and other stakeholders.
- Projects confidence but with humility; a servant leader.
- Open and welcoming; approachable and visible to board, staff, and members; empathetic, with strong emotional intelligence.
- A thoughtful decision-maker who values both people and process.
- Integrity and backbone; will do what's right for **STRS Ohio** and its members.
- High energy level and strong work ethic.
- Commitment to the mission and vision of **STRS Ohio**.
- Flexible, versatile, persuasive, and influential; well-developed negotiating skills.

COMPENSATION

Compensation will be commensurate with qualifications and market factors and is anticipated to fall within a range of \$380,000 to \$420,000. The successful candidate is also eligible for the **System's** comprehensive benefits package which includes health, dental, vision, life and AD&D, and short- and long-term disability insurance; medical, dental and life insurance; flexible spending accounts; and educational assistance, as well as a generous PTO policy. Employees of **STRS Ohio** participate in the traditional Ohio Public Employees Retirement Systems (OPERS) defined benefit retirement plan or member-directed (defined contribution) plan and are also eligible for a 457(b) deferred compensation plan. Relocation assistance, if required, will be offered in line with the established relocation policy.

APPLICATION PROCESS

EFL Associates, an executive search firm, is assisting **STRS Ohio** with this important search. All calls and inquiries should be made through the search firm. Referrals and applications will be held in strict confidence. Review of applications will begin immediately and will continue until the position is filled.

NON-DISCRIMINATION

STRS Ohio and EFL Associates firmly support the principle and philosophy of equal opportunity for all individuals, regardless of age, race, gender, creed, national origin, disability, veteran status, or any other protected category pursuant to applicable federal, state, or local law.

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