

- 1) When was the most recent independent benchmarking of OP&F's compensation for investment and plan administration staff compared to peers? Will the consultant have access to that study?  
**Response:** As a matter of best practice Fund management has engaged with third parties to provide compensation studies. There was no such study contracted for in 2019.
- 2) When was the most recent independent benchmarking of the cost effectiveness of the OP&F investment program and staffing levels? Will the consultant have access to that study?  
**Response:** OP&F performs such independent benchmarking studies and trade cost analysis on the costs of its investment program and one was prepared in 2019 using 2018 data and will be provided.
- 3) When was the most recent independent benchmarking of the costs, staffing levels and service levels associated with OP&F's benefit plan administration? Will the consultant have access to that study?  
**Response:** See response to question 2
- 4) Are securities lending and foreign exchange within the scope of this project? When has either been the subject of a recent independent review? Will the consultant have access to that study?  
**ORSC Staff Response:** *Yes, the consultant will review securities lending and foreign exchange as components of review because OP&F does ongoing reporting.*
- 5) What methods and services does OP&F use to evaluate the effectiveness of its trading activities (e.g., Elkins-McSherry)? Has there been a recent report and, if so, when was the report and will the consultant have access to that information?  
**Response:** OP&F uses third party experts to evaluate trading activity and will be available.
- 6) Is the evaluation of transaction costs intended to include any areas other than public equities?  
**ORSC Staff Response:** *We would assume that the evaluation would include all brokerage related transaction costs, including: equities, bonds, REITs, or other public securities that involve a commission.*  
**Response:** See response provided for question 2.
- 7) What methods and services does OP&F currently use to evaluate the effectiveness of its securities lending program? Has there been a recent report and, if so, when was the report and will the consultant have access to that information.  
**Response:** See response to question #4
- 8) Does OP&F have an Enterprise Risk Management program, an enterprise risk plan, and/or a Director of Risk Management position? If yes, will the consultant have access to that information?

**Response:** Yes OP&F has a robust risk management program updated annually and will be shared if asked for.

- 9) Does OP&F have a dedicated or shared Internal Audit activity? If yes, will the consultant have access to the Internal Audit organization chart, charter, and last two years Internal Audit plans?

**Response:** Yes, OP&F has a Chief Auditor position reporting directly to the Audit Committee of the Board and we will provide the 2019 charter along with the 2019 audit plans.

- 10) In several places the RFP asks for an evaluation of 'compliance' with legal requirements. Does this refer to an analysis of policies and governance practices for consistency with state and federal laws, or is it contemplated that a full compliance review of individual investment transaction documentation, decisions, reports and disclosures be undertaken?

**ORSC Staff Response:** *As this is a fiduciary performance audit, we expect an analysis of the policies and governance practices for consistency with state and federal laws and any best practices guidance; we do not expect a full compliance review be undertaken.*

- 11) Does the scope of the project include a review of investment transaction legal documents or manager and service provider contract documentation? If yes, would an analysis of standard contract clauses and transaction processes be sufficient? If not, would analysis of a representative sample of transactions and contracts be sufficient rather than a review of all transactions and related documents?

**ORSC Staff Response:** *No, we expect the evaluation to be directed toward OP&F's internal controls and oversight of providers and contract compliance. Therefore, we would anticipate only a review of the sufficiency of standard contract clauses and transaction processes.*

- 12) Section 2.5 contemplates a review of the adequacy of the record-keeping system. Please specify the record keeping system(s) to be included.

**ORSC Staff Response:** *We do not have a specific list of systems to be reviewed. We envision the audit to, in part, inform ORSC on whether OP&F is following best practices for its records keeping system, both within individual systems and also what should be subject to a record-keeping system.*

- 13) The RFP does not mention anything about the OP&F health care insurance program. Are any aspects of the health care insurance program meant to be included within the scope of this review? Is the review of "compliance" intended to extend to benefits and insurance program practices and governance? If yes, please describe the scope.

**ORSC Staff Response:** *No, the health care insurance program itself is not part of the review. However, consistent with the RFP, we would expect a review of the health care organization with OP&F (staffing, oversight, governance, controls) to be included in the review.*

- 14) Is it possible to receive a copy of any external audit management letter comments?

**Response:** Any such documentation related to our 2019 annual audit conducted by auditors appointed by the Ohio Auditor of State will be provided upon request of the fiduciary auditor.

15) Regarding the IT Operations review, are any investment-related systems meant to be included in the review? If so, please explain the nature of the systems to be included and the scope of the desired review.

**ORSC Staff Response:** *Yes, we expect a review of IT operations to be included in review. The review of the system would be consistent with 2.6 of the RFP.*

16) Is there an expected start and/or finish time frame for this review?

**ORSC Staff Response:** *ORSC staff does not have specified or expected start/finish time frame for the project through the RFP does require an anticipated timeline under 3.5 of the RFP.*