



## Ohio Retirement Study Council

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To: Members of the Ohio Retirement Study Council  
From: Jeffery A. Bernard, Senior Research Associate, ORSC  
Date: April 13, 2017  
Subject: ORSC 2017 Activities

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#### Director/General Counsel

Bethany Rhodes

Find below a list of some major projects that ORSC staff anticipates for 2017. If you need further information on any particular item, please contact me at 228-4644.

**Report standardization project:** At its November and December 2014 meetings, the ORSC approved an action plan for the standardization of a number of reports provided by the retirement systems to the Council. After comments from the Council, staff began with the more simple reports and moved forward with reports of increasing complexity. The schedule for review is:

- 1) Iran/Sudan Divestment Report (*completed*)
- 2) Ohio Managers Report (*eliminated by Am. Sub. H.B. 64*)
- 3) Annual Internal Audit Activities Report (*completed*)
- 4) Annual Budget Report (*completed*)
- 5) Annual Health Care Report (2017)
- 6) Annual Disability Report (2018)

**Adequacy of contribution rates in OP&F:** Pursuant to R.C. 742.311 and a contract with PTA/KMS, the ORSC actuary will conduct an annual review of the adequacy of OP&F contribution rates to finance the benefits provided by OP&F for calendar year 2017.

**Actuarial audit of PERS:** Pursuant to R.C. 171.04, the ORSC conducted an actuarial audit of the assumptions in PERS in 2015. This audit was completed by PTA/KMS. While the final report was issued in 2015, the audit will not be officially completed until PTA/KMS presents their findings to the PERS Board.

**Actuarial audit of OP&F:** Pursuant to R.C. 171.04, the ORSC is to complete an actuarial audit of the assumptions in each retirement system once each 10-year period. PTA/KMS was selected to provide the audit at the February 2016 ORSC meeting. The OP&F audit will be available for review in early 2017.

**Fiduciary audit of SERS:** Pursuant to R.C. 171.04, the ORSC is required to complete a 10-year fiduciary audit of each system. Funston was selected to provide the audit at the August 2016 ORSC meeting. The SERS audit will be available for review in early 2017.

**Bids on SHPRS actuarial audit:** Pursuant to R.C. 171.04, the ORSC is required to complete a 10-year fiduciary audit of each system. After the OP&F audit is completed, the next system to be reviewed is SHPRS. ORSC staff will prepare an RFP draft for ORSC review in spring 2017. The SHPRS audit will complete this 10-year cycle for all systems. The next actuarial audit cycle will begin in 2019.

**Bids on PERS fiduciary audit:** Pursuant to R.C. 171.04, the ORSC is required to complete a 10-year fiduciary audit of each system. After the PERS fiduciary audit is completed, the next system to be reviewed is OP&F in 2018. ORSC staff will prepare an RFP draft for ORSC review in spring 2017.

**Investment performance:** As required by statute, ORSC receives two investment performance reports, typically in April and October.

**2016 ORSC Annual Report:** Pursuant to R.C. 171.04, ORSC staff provide an annual report to the Governor and General Assembly covering evaluations and recommendations regarding the retirement systems. The report is typically issued in March.