



## **Strategic Planning**

## **Continued Implementation of Governance Items**

## **State Teachers Retirement System of Ohio**

---

---

**Julie Becker, Partner**  
**Benita Harper, Associate Partner**

**Aon Fiduciary Services Practice**  
**March 21, 2024**

# Agenda

1

**Strategic Planning**

2

**Continued  
Implementation of  
Governance Items**

# 1

## Strategic Planning



# Why Engage in Strategic Planning?

- 1** Allows all ideas to be heard and given due consideration
- 2** Creates a structure to recognize opportunities and avoid mistakes
- 3** Makes planning a process-driven effort
- 4** Promotes the efficient use of Board time, Staff resources, and the budget
- 5** Encourages Board and staff to work together cooperatively
- 6** Provides focus and a clear path for all to follow
- 7** Establishes guidelines for measuring success

# STRS Ohio's Mission

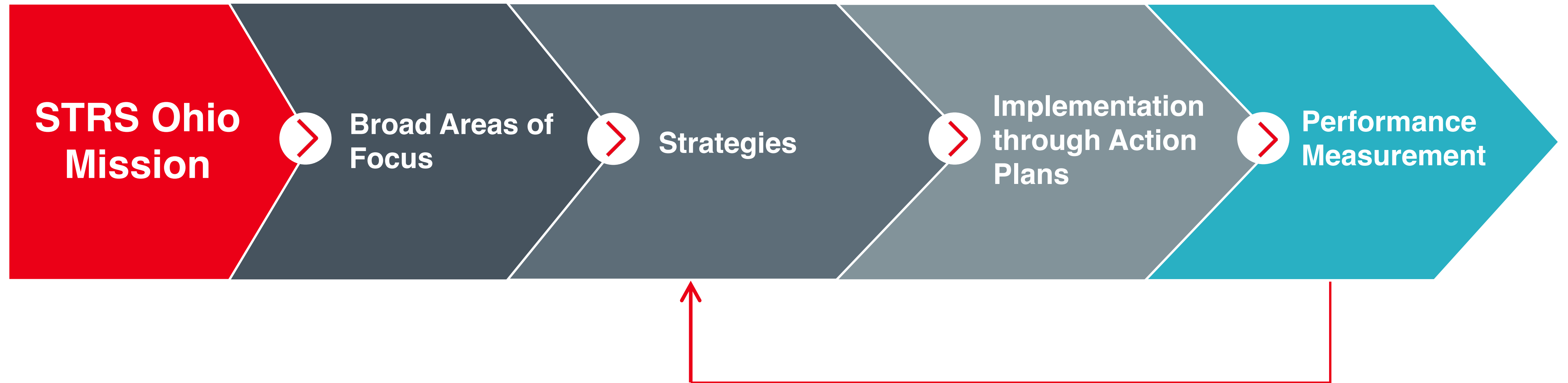
All the strategies and action plans in the strategic plan should support STRS Ohio's mission:



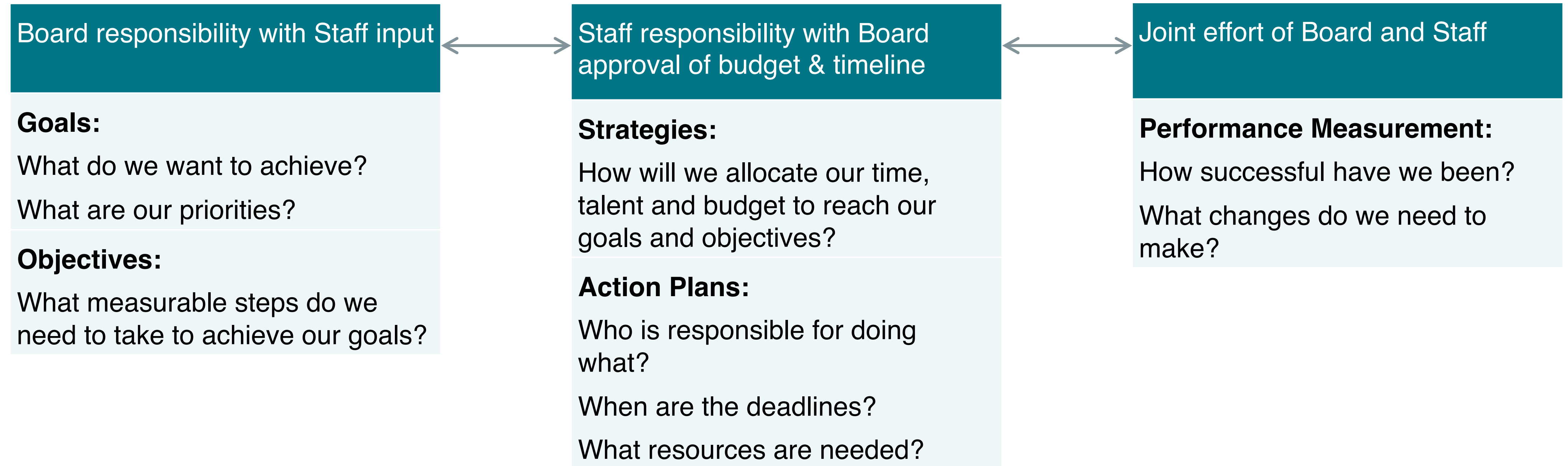
STRS Ohio's mission is to provide Ohio's public educators a foundation for their financial security.



# Strategic Planning: A Continual Process



# Roles in Strategic Planning



# Strategic Planning Principles

- Seek input from all Trustees, key Staff and significant stakeholders
- Honestly evaluate the organization's current strengths and weaknesses
- Carefully scan the external environment to identify opportunities and threats
- Hold candid discussions about the issues to be addressed
- Be reasonable and practical in setting priorities
- Make commitments to follow the plan, meet the deadlines, and work cooperatively
- Evaluate progress, milestones, successes and failures
- Maintain the strategic plan as a rolling 3–5-year road map for the organization
- Encourage Staff to contribute to the plan's success



# What are the Critical Issues?

**We recommend focusing on the structure and goals of the benefit plan.**

Examples:

- Pension Plan Funding
- Health Care Fund
- Communication
- Member Outreach
- Benefit Administration
- Technology Innovation



# Creating Goals and Objectives

**Good strategic plans have five to seven goals that focus on matters that will be:**

- costly to resolve
- involve significant staff effort
- require the Board's attention
- span several years
- be a significant change for STRS Ohio in any way

## **Goals**

- state what you seek to accomplish
- state what you want to change

## **Objectives**

- identify measurable steps you need to accomplish goals
- create focus and motivation toward goals

# Overall Next Steps

1. Determine whether Board wants to proceed with strategic planning
2. Process begins with interviews, data collection, and strategic planning meeting
3. Staff discusses the Board's goals and priorities to further develop action plans
4. Staff suggests performance measurements
5. Board approves the strategic plan along with the appropriate budget
6. Implementation begins as soon as possible
7. Board and Staff review progress regularly
8. The plan rolls forward through annual reviews of progress and updates

# 2

## Continued Implementation of Governance Items



# 2024 STRS Committee Assignments

We are asking for a Board vote on the proposed 2024 Committee assignments:

**Audit:** Rudy Fichtenbaum, Steve Foreman, Brian Perera, Dale Price, Julie Sellers *(Note-R.C. 3307.044 mandates that the audit committee is comprised of one retiree, one active, and one appointed member, plus other members appointed to the committee by the Board.)*

**Disability/FAS:** Carol Correthers, Pat Davidson, Rudy Fichtenbaum, Steve Foreman, Elizabeth Jones, Dale Price, Julie Sellers *(Note-subject to change depending on the future status of the Disability/FAS process.)*

**Governance:** Carol Correthers, Pat Davidson, Claudia Herrington, Elizabeth Jones, Dale Price *(Note-Board Chair serves as chair of the Governance Committee.)*

**Investment:** Alison Falls, Rudy Fichtenbaum, Claudia Herrington, Scott Hunt, Brian Perera

**Legislative:** Carol Correthers, Pat Davidson, Alison Falls, Steve Foreman, Scott Hunt, Elizabeth Jones, Julie Sellers *(Note: due to expressed interest, this committee will have seven members.)*

# Governance Process for Approving Draft Policies/Charters

Once the Board approves the Committee assignments, each Committee will hold its first meeting in April 2024.

The first order of business for each Committee is to nominate the Chair and Vice Chair. Draft agendas with substantive items will also be provided for each Committee to take up as new business.

As part of new business, each Committee will review and provide recommendations to the Board on their respective charters.

The proposed revisions to the Board Policies, as set forth in the subsequent slides, are provided for any feedback. We will assign the draft Board Policies revisions to the Governance Committee for their review and recommendation to the Board.

# Governance Considerations-Board Consensus/Status

Recommendation	Board Consensus/Status
<p>1. Committees: restructure standing committees; obtain individual Board member interest and consideration of individual skills and competencies; Board approval process; increase committee chair eligibility to include appointed members and enable each committee to annually elect its chair (with exception of Board Governance Committee).</p>	<ul style="list-style-type: none"><li>• Board agreed with recommendations.</li><li>• New standing committees: Audit, Board Governance, Investment, Legislative</li><li>• Draft revisions relative to committees on pgs. 20, 23-29, 31-37 of draft Board Policies, in March 2024 board materials.</li></ul>

# Governance Considerations-Board Consensus/Status

Recommendation	Board Consensus/Status
<p>2. Revise the policy and process for tracking trustee requests for information from staff or consultants/advisors to involve the Board Chair, in consultation with the Executive Director, in prioritization, approval and follow-up requests.</p>	<ul style="list-style-type: none"> <li>Board agreed with recommendation, and also including the Executive Coordinator. Draft revisions to Board Policies, pgs. 18 &amp; 44 in March 2024 board materials.</li> </ul>
<p>3. Adopt manager/vendor referral policy</p>	<ul style="list-style-type: none"> <li>Board agreed. Draft Service Provider Referral Policy on pgs. 52-53 of draft Board Policies in March 2024 board materials.</li> </ul>
<p>4. Agenda setting</p>	<ul style="list-style-type: none"> <li>Board agreed. Additional language was drafted as shown in draft revisions to Board Policies, pgs. 18-19, contained in March 2024 materials</li> </ul>
<p>5. Norms of collaboration/behavior</p>	<ul style="list-style-type: none"> <li>Board agreed. Incorporated into draft Board Policies, pgs. 8-9, contained in March 2024 materials</li> </ul>



# Governance Timeline (with strategic planning)

Topic	Feb	Mar	Apr	May	Jun	Jul	Aug
Board Chair to gather individual Trustee feedback regarding committee interest							
Committee Appointments							
Training for Committee Chairs (full Board can participate), conducted with Board Parliamentarian and Chief Legal Officer							
Committee meetings ~ election of Committee Chair/Vice Chair, review of draft Committee Charter							
Governance Committee also reviews draft revisions to Board Policies							
Board reviews/approves Committee Charters/Board Policies							
Disability Appeals Process Education and Board Decision on Disability Review Panel							

# Governance Timeline (with strategic planning)

Topic	Feb	Mar	Apr	May	Jun	Jul	Aug
Strategic planning-conduct interviews with Trustees, Staff, and key stakeholders							
Executive Director Performance Evaluation Process							
Strategic planning session							
Governance areas still needing addressed can be accomplished through strategic planning-i.e., funding policy, key performance indicators/dashboard							
Draft strategic plan for Board's review							

# Legal Disclosures and Disclaimers

Consulting services provided by Aon Consulting, Inc. (“ACI”). The information contained herein is given as of the date hereof and does not purport to give information as of any other date. The delivery at any time shall not, under any circumstances, create any implication that there has been a change in the information set forth herein since the date hereof or any obligation to update or provide amendments hereto.

This document is not intended to provide, and shall not be relied upon for, accounting, legal or tax advice or investment recommendations. Any accounting, legal, or taxation position described in this presentation is a general statement and shall only be used as a guide. It does not constitute accounting, legal, investment, and/or tax advice and is based on ACI’s understanding of current laws and interpretation.

This document is intended for general information purposes only and should not be construed as advice or opinions on any specific facts or circumstances. The comments in this summary are based upon ACI’s preliminary analysis of publicly available information unless otherwise noted. The content of this document is made available on an “as is” basis, without warranty of any kind. ACI disclaims any legal liability to any person or organization for loss or damage caused by or resulting from any reliance placed on that content. ACI reserves all rights to the content of this document. No part of this document may be reproduced, stored, or transmitted by any means without the express written consent of ACI.

Aon Consulting, Inc.  
200 E. Randolph Street  
Suite 700  
Chicago, IL 60601

© Aon plc 2024. All rights reserved.