



Deferred Compensation

Invest in you.

AUDIT COMMITTEE MEETING and BOARD MEETING AGENDA

January 14, 2025



Deferred Compensation

257 E Town Street, Suite 400, Columbus, Oh 43215-4623
877-644-6457
Ohio457.org

NOTICE

On January 14, 2025, a meeting of the Ohio Deferred Compensation– Audit Committee will be held at 9:00 a.m. and the Board meeting will begin immediately following the Audit Committee meeting. The meetings will be held at the Ohio Public Employees Retirement System offices located at 277 East Town Street, Columbus, Ohio.

The purpose of the Audit Committee meeting will be to review the 2024 independent financial audit scope.

The Audit Committee and Board meeting agendas are enclosed.

Members of the public may view the live video of the Board meeting. To join the webinar meeting online or with call-in capabilities, use the link below to register.

https://us02web.zoom.us/webinar/register/WN_x1dJPcjUTmGJRLHaRf36fq

Once your registration is complete you will receive additional information regarding how to observe the meeting.



**AUDIT COMMITTEE MEETING
BOARD MEETING
AGENDAS**
*January 14, 2025
9:00 a.m.*

Audit Committee Meeting

Roll Call

9:00 a.m.

1. **Audit Committee** (Stewart Smith) – 20 minutes
 - **2024 Audit Scope** (Zac Morris)

9:00-9:20 a.m.

Board Meeting

Roll Call

9:20 a.m. (est.)

2. **Review and Approve Minutes** (Chair Thomas) – 5 minutes

9:20-9:25 a.m.

Committee Reports

Audit Committee, see item 1 (Stewart Smith) – 15 minutes

9:25-9:40: a.m.

Action Items

Nominations for Board Chair and Vice Chair, at meeting
(Chair Thomas) – 5 minutes

9:40-9:45 a.m.

3. **Nationwide Year-In-Review and Annual Service Plan** (Matt Gill) – 45 minutes

9:45-10:30 a.m.

Executive Session

***Executive Session pursuant to Ohio Revised Code
§121.22(G)(1)*** (Chair Thomas) – 30 minutes

10:30-11:00 a.m.

Information Items

4. **Board Update (December)**
5. **Finance**
 - **Administrative Fund Financial Statements (December)**



AUDIT COMMITTEE



MEMORANDUM

TO: Audit Committee

Stewart Smith, Chair
Tim Steitz, Vice Chair
Jim Kunk
Jim Tilling
Steve Toth

FROM: Paul D. Miller, Director of Finance

DATE: January 14, 2025

SUBJECT: 2024 Audit Scope

Executive Summary

The Audit Committee charter calls for a minimum of two meetings per year and includes these responsibilities:

- (1) Review audit plans of the independent public accountant with specific inquiry about the extent to which the planned audit scope can be relied on to detect fraud or weaknesses of the internal controls
- (2) Meet with the independent public accountant to review examination results and to discuss accounting issues
- (3) Ensure appropriate action is taken on audit findings

The goals of the January Audit Committee meeting are to review the actions that have been taken due to the findings of the prior audit work (3) and to plan for the upcoming audit (1). This year's audit will be the tenth, and final, performed under the contract with Rea & Associates (Rea). The meeting will provide the Committee the opportunity to meet with Rea staff and hear about their audit procedures and scope. Zac Morris, Principal at Rea, will attend the Audit Committee meeting and present information on this year's procedures.

Background

The maximum initial contract term allowed by the Auditor of State (AOS) is five years, and Ohio DC staff worked with the AOS to first select Rea as our independent accounting firm for the 2015-2019 audit contract term. The AOS policy allows entities at the end of their first five-year contract to extend it for a second five-year term without a search, if all three parties (AOS, entity, and accounting firm) agree to the renewal. The Board approved a five-year contract extension at the November 2020 Board meeting. Rea's annual audit costs are shown in the table below.

<u>Initial Contract</u>		<u>Renewal Contract</u>	
2015	\$38,400	2020	\$41,920
2016	\$39,040	2021	\$42,880
2017	\$39,680	2022	\$43,840
2018	\$40,320	2023	\$44,800
2019	\$40,960	2024	\$44,800

Prior Audit Findings

The audit reports issued by Rea for the year-ended December 31, 2023 noted no significant discrepancies, material weaknesses, or reportable conditions, and Rea did not present any comments on possible improvements to our internal control systems. Accordingly, there were no required actions needed by Ohio DC staff resulting from the prior audit, and no follow up discussions with the Audit Committee.

Upcoming Audit Plans

The purpose of the January 14 Audit Committee meeting is to provide the Committee with an opportunity to discuss the terms of the audit engagement with Rea staff. Audit planning and fieldwork will begin the week of January 27, and final fieldwork is scheduled to begin the week of March 17. In addition to examining the financial statements and reviewing the draft Annual Report, Rea may provide assistance to staff with recording GASB 68/75 transactions. These transactions place expense, liability, and deferred inflow/outflow items in Ohio DC's financial statements representing our allocation of the unfunded OPERS liability and other post-employment benefits. Rea may provide assistance with the implementation of GASB 101 (Compensated Absences) for the 2024 financial statements. Attached to this memo are three documents from Rea including:

- A. Audit Entrance Conference Agenda
- B. Pre-Audit AU-C 260 Communication With Those Charged With Governance
- C. Report on the Firm's System of Quality Control

The Audit Committee will also meet again prior to the May 20 Board meeting, to discuss the draft reports, audit results, findings, and recommendations.

Conclusion

Staff will begin the audit work based on the 2024 audit plans and audit scope as presented by Rea & Associates.

**Ohio Public Employees Deferred Compensation Program
Audit Entrance Conference Agenda
January 14, 2025**

1. Those Charged With Governance Communication – Memorandum of agreement/Proposal
2. Audit Engagement: Scope
 - a. Investments
 - i. Confirmations
 - ii. Purchases/Sales - sample of total transactions to determine trades are at proper price
 - iii. Valuation testing
 - b. Contributions receivable:
 - i. Review of subsequent transactions by employer summarized by billed date
 - c. Participant Data
 - i. Eligibility – verification that employer is permissible entity per plan document per ORC 148.01(A)(1) from selection of employees and review of enrollment forms.
 - ii. Contributions – annualize participant enrollment forms and compare to total contributions. In addition, determine those contributions were credited to proper participant account and not in excess of any IRS limitations. Testing participant investment direction and ROI.
 - iii. Transfers – Review documentation supporting transfers in/out of the plan.
 - iv. Distributions – obtain listing of distributions by type and stratify population. Design detail testing according to various strata. This will include review of distribution request forms and qualifying events in accordance with internal procedure, participant elections and plan document.
 - d. Admin Fund
 - i. Payroll
 - ii. Non-Payroll: to include capitalized cost, travel reimbursement, and credit card transactions as well as search for unrecorded liabilities from subsequent ledgers
 - iii. Recordkeeping income
 - e. GASB/Auditing Standards update
 - i. GASB 101 (Accrued Compensated Absences) – implementation for year ended 12/31/2024
 - ii. AU-C Section 600 (group audit standards)

January 6, 2025

Those Charged With Governance
Ohio Public Employees Deferred Compensation Program
257 East Town St., Suite 400
Columbus, OH 43215

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of Ohio Public Employees Deferred Compensation Program's (the Program) financial statements and compliance as of and for the year ending December 31, 2024.

Communication

Effective two-way communication between our firm and those charged with governance is important to understanding matters related to the audit and developing a constructive working relationship.

Your insights may assist us in understanding the Organization and its environment, identifying appropriate sources of audit evidence and providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will communicate timely to us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing and extent of audit procedures, your suspicion or detection of fraud, or any concerns you may have about the integrity or competence of senior management.

We will communicate timely to you any fraud involving senior management and other known or likely fraud, noncompliance with provisions of laws, statutes, regulations, rules, provisions of contracts or grant agreements, or abuse that is likely to have a material effect on the financial statements. We will also communicate illegal acts, instances of noncompliance or fraud that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Additionally we will communicate significant unusual transactions, matters that are difficult or contentious for which we consulted outside the engagement team, and circumstances that affect the form and content of the auditor's report. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing.

Shared Responsibilities for Independence

Independence is a joint responsibility and is managed most effectively when management, audit committees, and audit firms work together in considering compliance with AICPA and *Government Accountability Office* (GAO) independence rules. For Rea & Associates, Inc. (Rea) to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and Rea each play an important role.

Our Responsibilities

- AICPA and GAO rules require independence both of mind and in appearance when providing audit and other attestation services. Rea is to ensure that the AICPA and GAO's General Requirements for performing nonattest services are adhered to and included in all letters of engagement.
- Maintain a system of quality control over compliance with independence rules and firm policies.

The Organization's Responsibilities

- Timely inform Rea, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors, officers, or person in financial reporting and compliance oversight roles.
 - Changes in the reporting entity impacting affiliates such as partnerships, related entities, investments, joint ventures, component units, jointly governed organizations.
- Provide necessary affiliate information such as new or updated structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the Organization and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with REA.
- Not entering into arrangements of nonaudit services resulting in REA being involved in making management decisions on behalf of the Organization.
- Not entering into relationships resulting in REA, REA covered persons or their close family members, temporarily or permanently acting as an officer, director, or person in an accounting, financial reporting or compliance oversight role at the Organization.

Our Independence Policies and Procedures

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, our partners and professional employees are restricted in their ability to own a direct financial interest or a material indirect financial interest in a client or any affiliate of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with firm policy. In addition, our policies prohibit us from providing certain non-attest services and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your entity functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your operations. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of business objectives, strategies, risks and performance.

As part of obtaining an understanding of your Organization and its environment, we will obtain an understanding of your system of internal control. We will use this understanding to identify risks of material misstatement and noncompliance, which will provide us with a basis for designing and implementing responses to the assessed risks of material misstatement and noncompliance. We will also obtain an understanding of the users of the financial statements in order to establish an overall materiality level for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance.

The Concept of Materiality in Planning and Executing the Audit

We apply the concept of materiality in both planning and performing the audit, evaluating the effect of identified misstatements or noncompliance on the audit and the effect of uncorrected misstatements, if any, on the financial statements, forming the opinion in our report on the financial statements, and determining or reporting in accordance with *Government Auditing Standards* and other compliance reporting requirements. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial and compliance informational needs of users of the financial statements. We establish performance materiality at an amount less than materiality for the financial statements as a whole to allow for the risk of misstatements that may not be detected by the audit. We use performance materiality for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures.

Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. We will accumulate misstatements identified during the audit, other than those that are clearly trivial. At the end of the audit, we will inform you of all individual uncorrected misstatements aggregated by us in connection with our evaluation of our audit test results.

Significant Risks of Material Misstatement

Our audit of the financial statements includes the performance of risk assessment procedures in order to identify risks of material misstatement, whether due to fraud or error. As part of these risk assessment procedures, we determine whether any risks identified are a significant risk. A significant risk is an identified risk of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk due to the degree to which inherent risk factors affect the combination of the likelihood of a misstatement occurring and the magnitude of the potential misstatement should that misstatement occur, or that is to be treated as a significant risk in accordance with auditing standards generally accepted in the United States of America. As part of our initial risk assessment procedures, we identified the following risks as significant risks. Additional significant risks may be identified as we perform additional audit procedures.

Risk Name	Risk Description
Management override of controls	Management could manipulate, override, or improperly recognize accounts, transactions, or controls in order to commit fraudulent financial reporting, misappropriate assets or manipulate earnings.
Fraudulent revenue recognition	Management could improperly recognize revenue to present a more favorable financial position.

Our Approach to Internal Control and Compliance Relevant to the Audit

Our audit of the financial statements, including compliance, will include obtaining an understanding of internal control over financial reporting and compliance sufficient to plan the audit and determine the nature, timing and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control over financial reporting and compliance or to identify significant deficiencies or material weaknesses. Our review and understanding of the entity's internal control over financial reporting and compliance is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

We will issue reports on internal control over financial reporting and compliance related to the financial statements. These reports describe the scope of testing of internal control over financial reporting and compliance and the results of our tests of internal control over financial reporting and compliance. Our reports on internal control over financial reporting and compliance will include any significant deficiencies and material weaknesses in the system of which we

become aware as a result of obtaining an understanding of internal control and performing tests of internal control over financial reporting and compliance consistent with the requirements of Government Auditing Standards issued by the Comptroller General of the United States.

Timing of the Audit

- | | |
|--|------------|
| 1. Public office finalizes accounting records. | 01/27/2025 |
| 2. IPA and representatives of public office hold fieldwork entrance conference. | TBD |
| 3. IPA begins fieldwork. | 01/27/2025 |
| 4. Public office completes draft of financial statements (To extent needed by IPA). | TBD |
| 5. IPA completes fieldwork. | 03/17/2025 |
| 6. IPA provides drafts of audit reports and recommendations to management. | 03/11/2025 |
| 7. Public office submits in writing final responses to IPA draft documents. | 03/17/2025 |
| 8. IPA and representatives of public office hold exit conference. | TBD |
| 9. IPA delivers final report in electronic PDF form to Auditor of State,
Quality Assurance, Columbus, Ohio. | 03/21/2025 |

Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the Program.

This communication is intended solely for the information and use of those charged with governance and is not intended to be, and should not be, used by anyone other than this specified party.

Rea & Associates, Inc.

Dublin, Ohio

January 6th, 2025

Audit Committee
Ohio Public Employees Deferred Compensation Program
257 East Town St., Suite 400
Columbus, OH 43215

The Objective and Scope of the Audit of the Financial Statements

You have requested that Rea & Associates, Inc. (“Rea”, “we”, “us”, or “our”), audit Ohio Public Employees Deferred Compensation Program’s (the Program) financial statements as of and for the year ending December 31, 2024, which collectively comprise the basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter (“Arrangement Letter”). You have also requested that we report on whether the supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States (GAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Responsibilities of the Auditor

We will conduct our audit in accordance with GAAS and GAS. Those standards require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS and GAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider the Program’s system of internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Program’s internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Program's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of controls, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

We will communicate to the audit committee (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

Our report on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and regulations identified above. Our report(s) on compliance matters will address material errors, fraud, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards and regulations identified above.

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants and GAS.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the Program complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;
2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Program involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the Program received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers or others.

Management is responsible for the preparation of the required supplementary information (RSI) which accounting principles generally accepted in the United States of America, (U.S. GAAP) require to be presented to supplement the basic financial statements. RSI includes Management's Discussion and Analysis and pension and other post-employment benefit schedules.

As part of our engagement, we will apply certain limited procedures to the Program's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will

consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management is also responsible for the preparation of the supplementary information in accordance with U.S. GAAP.

Management agrees to include the auditor's report on the supplementary information in any document that contains the supplementary information and indicates that the auditor has reported on such supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

You have informed us that you intend to prepare an annual comprehensive financial report (ACFR) and submit it for evaluation by the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. Our association with the ACFR is to consist of subjecting the supplementary information presented, which includes combining and individual non-major fund financial statements and schedules, to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The introductory and statistical sections will not be subjected to the auditing procedures applied in the audit of the basic financial statements.

The Audit Committee is responsible for informing us of its views about the risks of fraud, waste, and abuse within the Program, and its knowledge of any fraud, waste, or abuse, or suspected fraud, waste, or abuse affecting the Program.

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledges and understands that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

4. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
5. For report distribution; and
6. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;
 - b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of the audit in accordance with the proposed timeline;
 - c. Additional information that we may request from management for the purpose of the audit; and
 - d. Unrestricted access to persons within the Program from whom we determine it necessary to obtain audit evidence.

In our connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Arrangement Letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Reporting

We will issue a written report upon completion of our audit of the Program's financial statements. Our report will be addressed to the Audit Committee of the Program. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

If circumstances arise relating to the condition of the Program's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course

of action permitted by professional standards, including, but not limited to, declining to express an opinion or issue a report, or withdrawing from the engagement.

In addition to our report on the Program's financial statements, we will also issue the following reports:

1. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with GAS;
2. An accompanying schedule of findings (if applicable).

You have informed us that you intend to prepare an annual comprehensive financial report (ACFR) and submit it for evaluation by the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. Our association with the ACFR is to consist of subjecting the supplementary information presented, which includes combining and individual non-major fund financial statements and schedules, to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The introductory and statistical sections will not be subjected to the auditing procedures applied in the audit of the basic financial statements.

The Program will issue a Popular Annual Financial Report for the year ended December 31, 2024. These documents will be provided to Rea prior to the issuance of the documents and prior to the issuance of the auditor's report.

In our connection with our audit of the financial statements, our responsibility is to read the other information included in the Program's annual report and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the Program's books and records. The Program will determine that all such data, if necessary, will be so reflected. Accordingly, the Program will not expect us to maintain copies of such records in our possession. The assistance to be supplied by Program personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Paul Miller, Director of Finance. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Non-audit Services

In connection with our audit, you have requested us to perform certain non-audit services:

- 1) GASB Consulting (to include GASBs 68/75 and 101)

GAS independence standards require that the auditor maintain independence so that opinions, findings, conclusions, judgments, and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a non-audit service to the Program, we determine whether

providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other non-audit services provided. A critical component of our determination is consideration of management's ability to effectively oversee the non-audit services to be performed. The Program has agreed that Paul Miller, Director of Finance possesses suitable skill, knowledge or experience and that the individual understands the GASB 68/75 consulting services to be performed sufficiently to oversee them. Accordingly, the management of the Program agrees to the following:

1. The Program has designated Paul Miller, Director of Finance as a senior member of management who possesses suitable skill, knowledge and experience to oversee the services;
2. Paul Miller, Director of Finance, will assume all management responsibilities for subject matter and scope of the GASB consulting services;
3. The Program will evaluate the adequacy and results of the services performed; and
4. The Program accepts responsibility for the results and ultimate use of the services.

GAS further requires that we establish an understanding with the Program's management and those charged with governance of the objectives of the non-audit services, the services to be performed, the Program's acceptance of its responsibilities, the auditor's responsibilities and any limitations of the non-audit services. We believe this Arrangement Letter documents that understanding.

Other Relevant Information

In accordance with GAS, a copy of our most recent peer review report is enclosed for your information.

Fees and Costs

The contracted cost for the 2024 audit will be a fixed, all-inclusive fee as stated in the Rea & Associates, Inc.'s response to the Ohio Auditor of State Request for Proposal (RFP). Our fee and completion of our work is based upon the following criteria:

1. Anticipated cooperation from Program personnel
2. Timely responses to our inquiries
3. Timely completion and delivery of client assistance requests
4. Timely communication of all significant accounting and financial reporting matters
5. The assumption that unexpected circumstances will not be encountered during the engagement

Fees incurred in excess of the agreed upon scope will be billed through the Auditor of State of Ohio (AOS) IPA portal and will be included as a contract amendment as outlined in the AOS request for proposals.

Use of Subcontractors and Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use qualified third-party service providers, located within or outside the United States, to assist us in providing

professional services to you. In such circumstances, it may be necessary for us to disclose Personal Information or Confidential Information (as such terms are defined below) to them. Those third-party service providers we use to assist us in providing services to you are referred to herein as “Subcontractors”. You hereby consent to us sharing your information, including Confidential Information and Personal Information, with these Subcontractors, within or outside of the United States; provided that such recipients are bound by written obligations of confidentiality that are as protective of your Confidential Information or Personal Information as the confidentiality terms set forth herein. You acknowledge and agree that our use of Subcontractors may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure. We will be responsible to you for the performance of our third-party service providers, solely as related to the services performed under this Engagement Letter, subject to all limitations and disclaimers set forth herein.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, “Third-Party Products”). You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product’s infrastructure and not ours. You further acknowledge that the terms of use and service, including, but not limited to, applicable laws, set forth in the end-user license, end-user subscription agreement or other end-user agreement for such Third-Party Product, (collectively “EULAs”) will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product’s infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership; Access to Audit Documentation

The Audit Documentation for this engagement is the property of Rea. For the purposes of this Arrangement Letter, the term “Audit Documentation” shall mean the confidential and proprietary records of Rea’s audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by Rea for the Program under this Arrangement Letter, or any documents belonging to the Program or furnished to Rea by the Program.

Since the Program is a component of a group in accordance with AU-C Section 600, *Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)*, we may receive requests to provide our Audit Documentation to the group auditor and to respond to its inquiries regarding certain matters. The Program agrees that Rea may provide the Audit Documentation to the group auditor and respond to its inquiries within Rea’s professional judgment.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable Rea policies, and will be agreed to, accounted for and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access & Release Letter substantially in Rea's form. Rea reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Program, the Program will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

You acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the Audit Documentation upon their request and that we shall maintain the Audit Documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to the requested Audit Documentation will be provided under the supervision of Rea audit personnel and at a location designated by our firm.

Confidentiality

Rea and the Program may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, Rea and the Program agree as the recipient of such Confidential Information (the "Receiving Party") to keep strictly confidential all Confidential Information provided to it by the disclosing party (the "Disclosing Party") and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Arrangement Letter and for no other purpose or use. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, Rea is permitted to disclose the Program's Confidential Information to Rea's personnel, agents, and representatives for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

In the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement and such agreement does not automatically terminate or expire upon execution of this Arrangement Letter, such agreement shall be terminated as of the effective date of this Arrangement Letter.

Data Protection Compliance

Prior to disclosing to us or our Subcontractors or granting us or our Subcontractors with access to your data, you will identify in writing any personal, technical, or other data provided or made accessible to us or our Subcontractors pursuant to this Engagement Letter that may be subject to heightened protections under applicable privacy, cybersecurity, export control, and/or data protection laws, including, but not limited to, protected health information pursuant to the Health Information Portability and Accountability Act of 1996 ("HIPAA"), classified, marked or unmarked controlled unclassified information ("CUI") subject to the National Industrial Security Program Operating Manual ("NISPOM") or the Defense Federal Acquisition Regulation Supplement ("DFARS"), or export controlled data subject to Export Administration Regulations ("EAR") or International Traffic in Arms Regulations ("ITAR"). Unless otherwise expressly agreed upon and specified in writing by Rea and the Company, you shall not provide us or any of our Subcontractors with access to such data and you shall be responsible for the handling of all such data in connection with the performance of the services requested hereunder, including, but not limited to, the scrubbing, de-identification, de-aggregation, protection, encryption, transfer, movement, input, storage, migration, deletion, copying, processing, and modification of such data.

Rea and the Company acknowledge and agree that they may correspond or convey information and documentation, including Confidential Information and Personal Information, via various forms of electronic transmission, including, but not limited to, Third-Party Products, such as, email, FTP and cloud-based sharing and hosting applications (e.g., portals, data analytics tools, and helpdesk and support ticketing applications), and that neither party has control over the performance, operation, reliability, availability, or security of these electronic transmissions methods. Therefore, neither party will be liable for any loss, damage, expense, harm, disclosure or inconvenience resulting from the loss, delay, interception, corruption, unauthorized disclosure, or alteration of any electronic transmission where the party has used commercially reasonable efforts to protect such information. We offer our clients various platforms for the exchange of

information. You hereby agree that you shall be bound by and comply with any and all user terms and conditions made available (whether by link, click-through, or otherwise) with respect to such platforms.

Personal Information

As used herein, the term “Personal Information” means any personal information that directly or indirectly identifies a natural person as may be defined by applicable privacy, data protection or cybersecurity laws, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, Social Insurance numbers, driver’s license numbers or state- or province-issued identification card numbers, credit or debit card numbers with or without any required security code, number or passwords, health information, and other personal information as defined by applicable laws, whether of the Program or the Program’s customers or other third parties.

Each party agrees that it will not transmit to the other, in any manner, (i) Personal Information that is not needed to render the services hereunder, and (ii) Personal Information that has not been encrypted. In the event you transmit to us Personal Information in an unencrypted format or via unencrypted means, you agree that we have no obligation to notify you of the foregoing.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use and disclosure to us or our Subcontractors of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

We will use all such Program-provided Personal Information, if at all, only for the purposes described in this Arrangement Letter. The parties agree that as part of the performance of the services as described in this Arrangement Letter, and as part of the direct business relationship between the parties, we may, at our election, use the Personal Information to improve the services and for other similar internal and business purposes. We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of Program-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

Retention of Records

We will return to you all original records you provide to us in connection with this engagement. Further, in addition to providing you with those deliverables set forth in this Arrangement Letter, we will provide to you a copy of any records we prepare or accumulate in connection with such deliverables which are not otherwise reflected in your books and records without which your books and records would be incomplete. You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and nonfinancial records related to this engagement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records of yours necessary for us to comply with applicable law and/or professional standards. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and non-cancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at our sole discretion, terminate this Arrangement Letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will require additional procedures not contemplated in this Arrangement Letter. Accordingly, the scope, timing and fee arrangement discussed in this Arrangement Letter will no longer apply. In order for us to recommence work, the execution of a new Arrangement Letter will be required.

We may terminate this Arrangement Letter upon written notice if: (i) we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Miscellaneous

We may mention your name and provide a general description of the engagement in our client lists and marketing materials. We also may utilize Confidential Information you have provided to us in connection with this engagement for purposes of creating benchmarking data to be used by our professionals and other clients. This benchmarking data is aggregated with data from a minimum of five other entities so that users of the data are unable to associate the data with any single entity in the database.

The Program agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the Program agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering. Our association with an official statement is a matter for which separate arrangements may be necessary. The Program agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, you agree to compensate us for any additional costs incurred as a result of your employment of one of our partners, principals or employees.

Governing Law

This Arrangement Letter, including, without limitation, its validity, interpretation, construction, and enforceability, and any dispute, litigation, suit, action, claim, or other legal proceeding arising out of, from, or relating in any way to this Arrangement Letter, any provisions herein, a report issued or the services provided hereunder, will be governed and construed in accordance with the laws of the State of Ohio, without regard to its conflict of law principles, and applicable U.S. federal law.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between Rea and the Program, and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Arrangement Letter.

If any term or provision of this Arrangement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this Arrangement Letter or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (a) to be "written" or "in writing," (b) to have been signed and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (a) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (b) an electronic copy of a traditional signature affixed to a document, (c) a signature incorporated into a document utilizing touchscreen capabilities or (d) a digital signature. This Arrangement Letter may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to you.

Rea & Associates, Inc.

Dublin, Ohio

Zachary L. Morris, Principal

Confirmed on behalf of Ohio Public Employees Deferred Compensation Program:

Audit Chair

Date

Director of Finance

Date

Report on the Firm's System of Quality Control

September 21, 2022

To the shareholders of Rea
& Associates, Inc.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Rea & Associates, Inc. in effect for the year ended June 30, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; and examinations of service organizations (SOC 1 and SOC 2 engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Rea & Associates, Inc. in effect for the year ended June 30, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Rea & Associates, Inc. has received a peer review rating of *pass*.

Bonadio & Co., LLP

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**Deferred
Compensation**

MINUTES

Minutes of OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION BOARD

A publicly noticed meeting of the Ohio Public Employees Deferred Compensation Board was held at the Ohio Public Employees Retirement System offices located at 277 East Town Street, Columbus, Ohio on November 19, 2024, at 9:00 a.m.

Members present: Chair Ken Thomas; Ms. Julie Albers; Representative Richard Brown; Mr. James E. Kunk; Mr. Christopher Mabe; Ms. Kathleen Madden; Mr. Scott Richter; Mr. Stewart Smith; Mr. Timothy Steitz; and Mr. Steve Toth.

Also present: Mr. Paul D. Miller, Mr. Kevin Kirkpatrick, Ms. Renee Zysk, Mr. Jason Chang and Ms. Cindy Ward of the Ohio Public Employees Deferred Compensation Program (Ohio DC); Mr. Matt Gill and Mr. Cedric Gaaskjolen of Nationwide, Ms. Caroline Mills of the Attorney General's office; Ms. Lauren Gresh, Ms. Karen Carraher, Mr. Eric Harrell, and Mr. Chuck Quinlan of Ohio Public Employees Retirement System (OPERS); Mr. Matthias Bauer (virtual) and Mr. Stephen Budinsky (virtual) of RVK, Inc. (RVK); and Ms. Andrea Selke of Plante Moran.

Member(s) absent: Senator Louis W. Blessing, III; Mr. Randy V. Desposito; and Mr. James R. Tilling.

Chair Thomas called the meeting to order.

Minutes

The minutes of the October 15, 2024 Board meeting were presented.

Mr. Mabe moved; Mr. Kunk seconded to accept and file the minutes listed above.

Chair Thomas asked for any questions or discussion regarding the motion.

Ms. Mills indicated that the motion for obtaining an opinion from the Ohio Ethics Commission could be clarified by adding language to indicate the job duties were those of the OPERS designee and the Ohio DC Executive Director.

The Board agreed with the proposed change, and Mr. Mabe and Mr. Kunk agreed to amend the motion to approve the October 15, 2024 minutes with the revision as discussed.

Roll call vote was taken:

Representative Brown	yes	Mr. Smith	yes
Mr. Kunk	yes	Mr. Steitz	yes
Mr. Mabe	yes	Chair Thomas	yes
Ms. Madden	yes		

The motion passed unanimously.

Action Items

Mr. Mabe read the Board Resolution for Representative Brown into the record:

RESOLUTION

WHEREAS, Representative Richard Brown has served on the Ohio Public Employees Deferred Compensation Board from November 2017 to December 2024; and,

WHEREAS, Representative Richard Brown's faithful service has significantly contributed to the success of the Ohio Public Employees Deferred Compensation Program, and its mission of guiding participants along the path to retirement income security; and

NOW, THEREFORE, BE IT RESOLVED, the Ohio Public Employees Deferred Compensation Board, collectively and individually, respectfully expresses its appreciation to **Representative Richard Brown** for his diligent service, and further wishes him continued success, good health, and happiness in all his future endeavors.

Mr. Smith moved; Mr. Mabe seconded to approve the resolution for Representative Brown as presented.

(Mr. Richter and Mr. Toth entered the meeting.)

Chair Thomas asked for any questions or discussion regarding the motion.

Roll call vote was taken:

Representative Brown	yes	Mr. Smith	yes
Mr. Kunk	yes	Mr. Steitz	yes
Mr. Mabe	yes	Mr. Toth	yes
Ms. Madden	yes	Chair Thomas	yes
Mr. Richter	yes		

The motion passed unanimously.

Chair Thomas thanked Representative Brown for his representation and advocacy to the Ohio DC Board and participants.

Ms. Gresh noted that the *Board Governance Policy Manual* is reviewed annually, and this year the review also included the manual appendices. She highlighted the changes and indicated that they were made to standardize, format, add clarification, and provide conciseness.

Discussion was held regarding the reduction of unforeseeable emergency (UE) Board appeals, which can be mainly attributed to the addition of the participant's ability to self-certify a UE application.

Mr. Richter moved; Mr. Steitz seconded to approve the recommended changes to the *Board Governance Policy Manual* and appendices as presented.

Chair Thomas asked for any questions or discussion regarding the motion.

Roll call vote was taken:

Representative Brown	yes	Mr. Smith	yes
Mr. Kunk	yes	Mr. Steitz	yes
Mr. Mabe	yes	Mr. Toth	yes
Ms. Madden	yes	Chair Thomas	yes
Mr. Richter	yes		

The motion passed unanimously.

Chair Thomas indicated that anyone interested in being nominated for the 2025 Board Chair or Vice Chair should let him or Ms. Ward know. Chair Thomas noted he would nominate Ms. Albers for Vice Chair. Mr. Mabe noted he would nominate Mr. Thomas as Chair. Formal nominations will be held at the January 2025 Board meeting.

Mr. Miller began the 2025 budget presentation by covering the year-to-date 2024 financial results.

(Ms. Albers entered the meeting.)

Ms. Zysk provided the details of the 2025 revenue and expense budgets. Ohio DC 2025 revenues are budgeted at \$17.7M and the administrative expenses are budgeted at \$16.5M.

Discussion was held regarding the budget, including the administrative fees, and the fund reserves being at the top end of the reserve policy. It was noted that the amount of administrative fees collected is tied to investment market performance. Staff are currently evaluating the potential need for a fee holiday or fee restructuring in 2025. Discussion continued about the increase in the health benefits budget, and how the funds reserves functioned with previous unanticipated or extended economic downturns.

Ms. Zysk reviewed the 2025 capital expenditures. Mr. Miller reviewed the fund reserves projections for 2025 and provided a summary of the proposed budget. Discussion was held regarding historical fees and reserves, and the Board requested additional information be brought back at a future meeting.

Mr. Mabe moved; Mr. Kunk seconded to approve the 2025 administrative and capital expenditures budgets, as presented.

Chair Thomas asked for any questions or discussion regarding the motion.

Roll call vote was taken:

Ms. Albers	yes	Mr. Richter	yes
Representative Brown	yes	Mr. Smith	yes
Mr. Kunk	yes	Mr. Steitz	yes
Mr. Mabe	yes	Mr. Toth	yes
Ms. Madden	yes	Chair Thomas	yes

The motion passed unanimously.

Discussion continued regarding how potential administrative fee and fund reserve projections could be calculated.

Mr. Gill reviewed the eight employers recommended for formal recognition with the adoption of a Board resolution, and the criteria and process for their selection. Employers will be recognized on the employer website and newsletter. If possible, the framed resolution will be presented in person to the employer. Resolutions for the following employers were recommended:

City of Fairborn
City of Moraine
Paulding County Hospital
Cleveland Heights-University Heights Public Library
Cincinnati Metropolitan Housing Authority

Warren Local School District
Morrow County
Washington-Nile Local School District

Discussion was held regarding the need to continue to recognize employers that support Ohio DC and their employees, and potential ways to provide employers with Ohio DC participation metrics.

Mr. Richter moved; Ms. Albers seconded to adopt the employer resolutions to formally recognize this group of exemplary employers.

Chair Thomas asked for any questions or discussion regarding the motion.

Roll call vote was taken:

Ms. Albers	yes	Mr. Richter	yes
Representative Brown	yes	Mr. Smith	yes
Mr. Kunk	yes	Mr. Steitz	yes
Mr. Mabe	yes	Mr. Toth	yes
Ms. Madden	yes	Chair Thomas	yes

The motion passed unanimously.

Discussion Items

Ms. Albers moved; Mr. Mabe seconded to go into Executive Session at 10:00 a.m., pursuant to Ohio Revised Code §121.22(G)(6) to provide details relative to the security of Ohio DC and its operations.

Chair Thomas asked for any questions or discussion regarding the motion.

Roll call vote was taken:

Ms. Albers	yes	Mr. Richter	yes
Representative Brown	yes	Mr. Smith	yes
Mr. Kunk	yes	Mr. Steitz	yes
Mr. Mabe	yes	Mr. Toth	yes
Ms. Madden	yes	Chair Thomas	yes

The motion passed unanimously.

(Ms. Madden left during Executive Session.)

The meeting returned to regular session at 10:23 a.m.

Ms. Albers moved; Mr. Richter seconded to go into Executive Session at 10:24 a.m., pursuant to Ohio Revised Code §121.22(G)(1) to consider the appointment, employment, dismissal, promotion, demotion, or compensation of a public employee or official.

Chair Thomas asked for any questions or discussion regarding the motion.

Roll call vote was taken:

Ms. Albers	yes	Mr. Smith	yes
Representative Brown	yes	Mr. Steitz	yes
Mr. Kunk	yes	Mr. Toth	yes
Mr. Mabe	yes	Chair Thomas	yes
Mr. Richter	yes		

The motion passed unanimously.

(Ms. Madden entered the Executive Session.)

The meeting returned to regular session at 11:01 a.m.

Ms. Albers moved; Mr. Toth seconded to submit a follow-up question to the Ohio Ethics Commission to provide clarification of the Ohio Ethics Commission's November 14, 2024 response, as discussed in Executive Session.

Chair Thomas asked for any questions or discussion regarding the motion.

Roll call vote was taken:

Ms. Albers	yes	Mr. Richter	yes
Representative Brown	yes	Mr. Smith	yes
Mr. Kunk	yes	Mr. Steitz	yes
Mr. Mabe	yes	Mr. Toth	yes
Ms. Madden	yes	Chair Thomas	yes

The motion passed unanimously.

Information Items

Ms. Gresh indicated that due to the need for an additional Executive Session, some discussion items were moved to information items. RVK will issue a Request for Proposal (RFP) to add another US Core Fixed Income Manager to complement TCW, the current manager of the collective investment trust in the US Bond option. The RFP results will be presented at the March 2025 Board meeting. In addition, RVK provided their third quarter investment performance report. Staff also completed the internal fiduciary review using the NAGDCA fiduciary check list, and determined Ohio DC practices sound fiduciary measures, and no significant deficiencies were identified.

Ms. Gresh pointed out the 2025 Board meeting schedule, IT Security Policy Review, and administrative fund financial statements.

Representative Brown moved; Mr. Kunk seconded to adjourn the meeting at 11:06 a.m. until the next regular meeting of the Board, January 14, 2025 to be held at the Ohio Public Employees Retirement System offices, located at 277 East Town Street.



**Deferred
Compensation**

ACTION ITEMS

2024 Year in Review and 2025 Annual Service Plan

Ohio Deferred
Compensation

1/1/2025- 12/31/2025



Be ready

Invest in you. Use our retirement
tools to find out more about your
retirement readiness.



Agenda

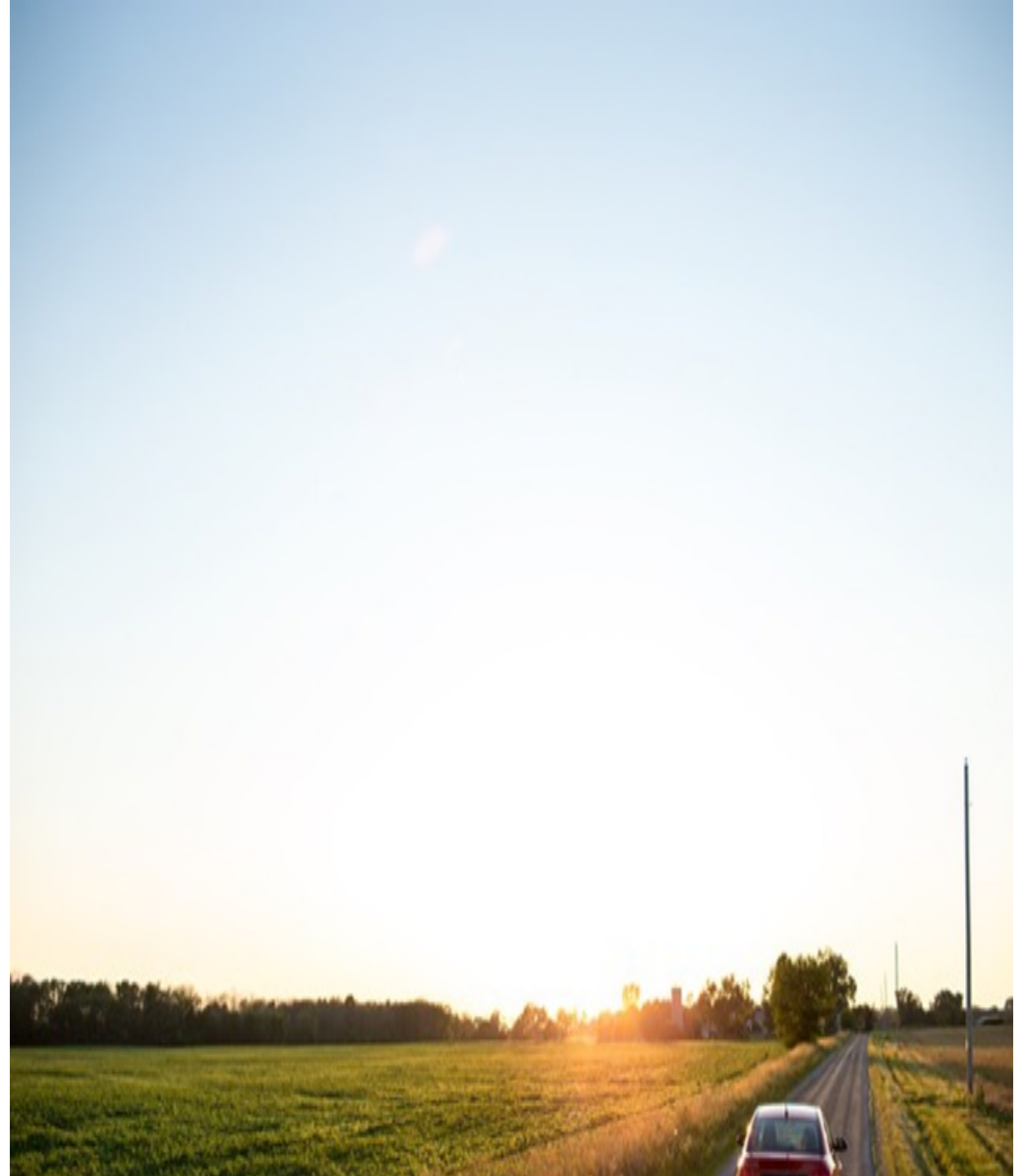
Annual Service Plan Contents:

1. 2024 Recap

2. 2025 Opportunities

- Plan Goals
- Key Focus Areas
- Messaging and Communications
- Measurement and Analysis

3. Appendix



Wins in 2024

20,464

New
participant
enrollments

New Record

100th

percentile net
promoter score

93% satisfaction
scores

2X

Open rate

Double the
industry average
email open rates
from Ohio DC

16,732

SMarT Plan
Enrollments

New Record



**7,474 Webinar
attendees**

2024 Areas of Focus

1. Elevate participant retirement savings behaviors
2. Expansion of participant and employer education
3. Enhanced partnership with OPERS

Recap of initiatives in 2024

Participant Education Initiatives

- Outbound electronic communications
- Virtual RetireU activation
- Participant and employer newsletters
- Participant and employer webinar enhancements

“Motivated to Invest” Campaign

The concept, “Motivated to Invest,” encouraged a sense of personal empowerment and aimed to appeal to a participant's aspirations

Quarterly Themes:

1. Get motivated to invest in the new year
2. Annual reviews can help you better invest in you
3. Leverage our online tools
4. Protect your data - Cybersecurity awareness

Employer Recognition

The Board has recognized employers who have done an outstanding job as advocates for retirement education, enrollment, and savings levels among employees.

Identification steps include calculating the total increase or percentage change in:

- New enrollments
- Active participants
- Total contributions
- Active participants enrolled in the SMarT Plan

Administrative highlights in 2024

Fraud Prevention

- PINDROP anti-fraud recognition software
- Ongoing fraud training
- Nationwide anti-fraud team value added

Hiring & Training

- 13 new team members
- 1 internal job advancement
- 2 internal promotions to Senior Account Executive
- 1 move from promotion from Nationwide to Ohio DC staff

Processing Volume

- 17,285 “Contact Us” emails
- 17,372 withdrawal forms
- 5,864 unforeseeable emergency forms
- 1,518 rollover-in forms
- 5,316 rollover-out forms
- 6,633 paper enrollment forms
- 1,880 deceased participant claims
- 2,847 beneficiary forms



2025 Plan Goals



Overall plan goals

Decrease outflows	Increase account balances	Increase participation rate
Help participants understand the value and benefits of staying with Ohio DC throughout retirement, rather than rolling over to an IRA.	Encourage participants to boost their account balances by helping them understand their retirement income needs by utilizing personalized guidance and digital tools.	Work with OPERS to revise target list of employers with low participation rate and explore additional employer adoptions. Already logged 360+ interactions with focus employers.

Insights & opportunities

Considering the current financial landscape, it's crucial to prioritize participants' needs by offering tailored solutions that address their financial challenges and support their long-term stability and security.

Key Insights

- According to 3rd party survey, 46% of participants who rolled out did so at the recommendation of a financial advisor.
- 70% of Ohio DC participants who use Enrich don't seek outside influence for their retirement decisions.

Opportunities

- Emphasize the benefits of staying in the Ohio DC earlier in participants' careers by highlighting lower fees, competitive investments, personalized support and flexible payout options.
- Promote the features and benefits Ohio DC already offers and increase participation in Enrich for a more balanced financial education.



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Key Focus Areas



2025 areas of focus



Improve Asset Retention

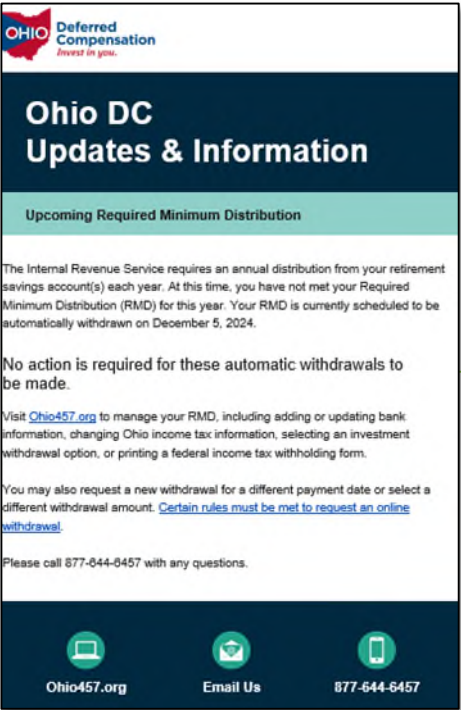


Increase account balances and participation rate through contributions, enrollments, and rollovers-in

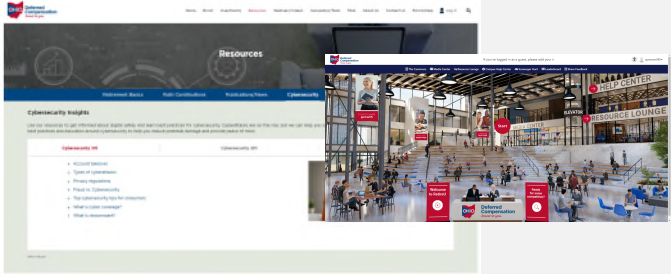
Foundational Areas Serving As Enablers – Electronic Communications, Webinars, Digital Experience Enhancements such as new Simple Income & Retirement Planner (SIRP), Educational Materials, and Personalized Services (Field/RPS)

Ohio DC proactively connects relevant content for each participant

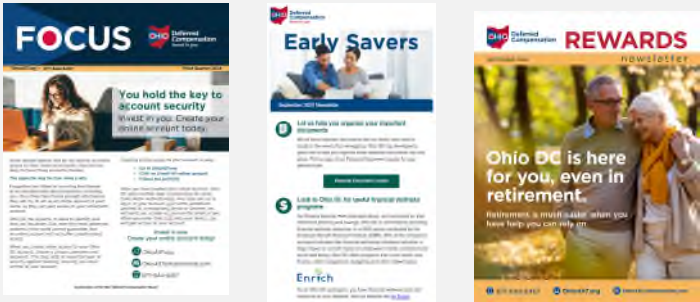
Emails sent at specific times throughout the year. 67 emails are already scheduled for 2025.



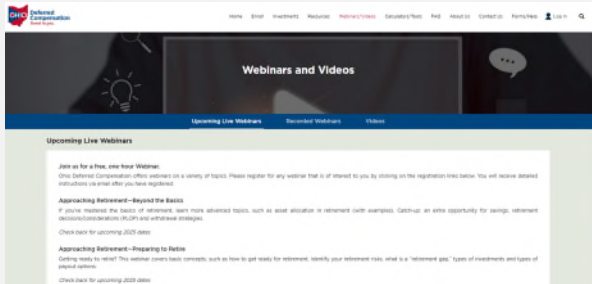
Educational articles, videos, virtual centers



Focus, Early Saver and Rewards Newsletters



Live webinar registrations, on-demand webinars, and on-demand educational videos



2025 Email Content Calendar

January	February	March	April	May	June
1) Approaching Retirement - Preparing to Retire & Beyond the Basics 2) Quarterly Newsletter 3) Asset Allocation & Managing Risk 4) Closing the Retirement Gap 5) Promotional email Q1 6) Employer webinar	1) NRI Webinar - Women in Retirement 2) Ask Ohio DC 3) Retired Minds Want to Know 4) Rollover with single investment option default 5) NRI Webinar - Social Security 6) eDelivery reminder email 7) Employer Newsletter Notification 8) Employer webinar	1) Retired Minds Want to Know 2) Spring Early Saver Newsletter 3) Retention Email 4) Ask Ohio DC 5) Spring Rewards Newsletter 6) Closing the Retirement Gap 7) Enrich promotion Q1 8) Rollover-in email to newly enrolled employees 9) Employer webinar	1) NRI Webinar - Tax Efficient Retirement Income 2) Asset Allocation & Managing Risk 3) Quarterly Newsletter 4) NRI Webinar - Introduction to Medicare 5) Approaching Retirement - Preparing to Retire & Beyond the Basics 6) Promotional email Q2 7) Employer Newsletter Notification	1) Beneficiary clean-up email 2) NRI Webinar - Social Security 3) NRI Webinar - Women in Retirement 4) Employer webinar	1) Asset Allocation & Managing Risk 2) Cybersecurity awareness reminder to establish online profile 3) Retention Email (separated within past 3 months) 4) Enrich promotion Q2 5) Rollover-in email to newly enrolled employees 6) Employer Newsletter Notification 7) Employer webinar
July	August	September	October	November	December
1) Closing the Retirement Gap 2) Ask Ohio DC 3) Quarterly Newsletter 4) NRI Webinar - Tax Efficient Retirement Income 5) Retired Minds Want to Know 6) Promotional email Q3 7) Employer webinar	1) Ask Ohio DC 2) Beneficiary clean-up email 3) NRI Webinar - Introduction to Medicare 4) Asset Allocation & Managing Risk 5) Employer Newsletter Notification 6) Employer webinar	1) NRI Webinar - Women in Retirement 2) Early Saver Newsletter 2 3) Approaching Retirement - Preparing to Retire & Beyond the Basics 4) Rewards Newsletter 2 5) Retention Email 6) Enrich promotion Q3 7) Rollover-in email to newly enrolled employees 8) Employer webinar	1) RMD management email 2) Quarterly Newsletter 3) Asset Allocation & Managing Risk 4) NRI Webinar - Social Security 5) Promotional email Q4 6) Employer Newsletter Notification 7) Employer webinar	1) Ask Ohio DC 2) NRI Webinar - Tax Efficient Retirement Income 3) Ask Ohio DC 4) Employer webinar	1) Retention Email 2) New Contribution Limits 3) Rollover-in email to newly enrolled employees 4) Enrich promotion Q4 5) Employer Newsletter Notification 6) Employer webinar

Ohio DC Webinars

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Ohio DC Updates & Information

Join us for a free, one-hour Retiree Webinar

Ohio DC Webinar - Retired Minds Want to Know

Topics include:

- Protecting your account against risks in retirement
- Diversifying your retirement portfolio
- Accessing your funds during retirement

When:
Wednesday, October 18, 2023
9:00 AM - 10:00 AM

[Register today](#)

Or

11:30 AM - 12:30 PM

[Register today](#)

We will address the most common questions following the webinar. To protect your personal information, we will not be able to answer specific questions about your account. However, you are welcome to call our Service Center at 877-644-6457 to schedule a face-to-face or phone meeting with a Retirement Planning Specialist.

Register now—attendance is limited!

You will receive login information and detailed instructions after registering. Using asset allocation as part of an overall investment strategy does not assume a profit or guarantee against loss in a declining market.

Information presented by Account Executives is for educational purposes only and is not intended as investment advice.

 [Ohio457.org](https://ohio457.org)

 [Email Us](#)

 [877-644-6457](tel:877-644-6457)

Webinars and Videos

Upcoming Live Webinars | **Recorded Webinars** | Videos

Recorded Webinars

Approaching Retirement—Preparing to Retire

Getting ready to retire? This webinar covers basic concepts, such as how to get ready for retirement, identify your retirement risks, what is a "retirement gap," types of investments and types of withdrawal options.

[Watch this presentation](#)

Approaching Retirement—Beyond the Basics

If you've mastered the basics of retirement, learn more advanced topics, such as asset allocation in retirement, Catch-up, retirement decisions/considerations and withdrawal strategies.

[Watch this presentation](#)

Asset Allocation & Managing Risk

This webinar is for all Ohio DC investors because it covers basic information about controlling emotions when investing, strategies for managing risk and identifying your asset allocation strategy.

[Watch this presentation](#)

Managing the Taxes on Your Retirement Income

Most Ohio Public Employees save for retirement with a 457(b), 403(b) or other tax-deferred account, which may result in a hefty tax bill or higher tax bracket when they withdraw income — especially at age 73, when RMDs begin. This webinar reviews tax basics and discusses the importance of having tax flexibility among various investments and accounts.

[Watch this presentation](#)

Closing the Retirement Income Gap

Identify your potential retirement income shortfall or surplus. Learn how to estimate your potential retirement income including your assets, pension income, and social security using an interactive retirement planning tool and prepare an action plan to help you reach your desired income level throughout retirement.

[Watch this presentation](#)

Retired Minds Want to Know

A great webinar for those already retired. Topics include protecting your account against risks in retirement, diversifying your retirement portfolio, and accessing your funds during retirement.

[Watch this presentation](#)

Asset Allocation & Managing Risk



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Approaching retirement: Beyond the basics



**Ohio DC**
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Retired Minds Want to Know



**Ohio DC**
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2025 Webinar Content Calendar

January	February	March	April	May	June
NRI Webinar - Introduction to Medicare	Approaching Retirement - Beyond the Basics	Asset Allocation & Managing Risk	Ask Ohio DC	NRI Webinar - Introduction to Medicare	Approaching Retirement - Beyond the Basics
	Asset Allocation & Managing Risk	Asset Allocation & Managing Risk	Closing the Retirement Gap	Approaching Retirement - Preparing to Retire	NRI Webinar - Social Security
Approaching Retirement - Preparing to Retire	Closing the Retirement Gap	Closing the Retirement Gap	NRI Webinar - Tax Efficient Retirement Income	Approaching Retirement - Beyond the Basics	NRI Webinar - Women in Retirement
	NRI Webinar - Women in Retirement	NRI Webinar - Women in Retirement	Asset Allocation & Managing Risk	Approaching Retirement - Preparing to Retire	Asset Allocation & Managing Risk
Employer Webinars	Employer Webinars	Employer Webinars	Employer Webinars	Employer Webinars	Employer Webinars

July	August	September	October	November	December
Closing the Retirement Gap	NRI Webinar - Tax Efficient Retirement Income	NRI Webinar - Introduction to Medicare	Approaching Retirement - Preparing to Retire	Asset Allocation & Managing Risk	Ask Ohio DC
	Retired Minds Want to Know		Approaching Retirement - Beyond the Basics		NRI Webinar - Tax Efficient Retirement Income
Ask Ohio DC	Retired Minds Want to Know	Asset Allocation & Managing Risk	Approaching Retirement - Preparing to Retire	NRI Webinar - Social Security	Ask Ohio DC
	Ask Ohio DC	NRI Webinar - Women in Retirement	Approaching Retirement - Beyond the Basics		
Employer Webinars	Employer Webinars	Employer Webinars	Employer Webinars	Employer Webinars	Employer Webinars

New on-demand presentations/webinars featuring updated content and formatted to align with influencer techniques

Updated experience: Fresh and relevant content featuring speakers and content chapters that allow for user engagement metrics. At least 9 new presentations for 2025.

Improved Navigation: Advanced filtering capabilities will allow users will be able to quickly locate specific content and resources.

Presentations that may align with the 2025 focus campaigns:

Contributing to your retirement plan

Ready, set, retire

Watch webinars on-demand

Closed captioning is available.



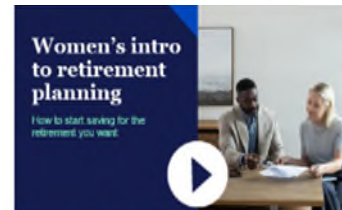
[Personal finance 101](#)



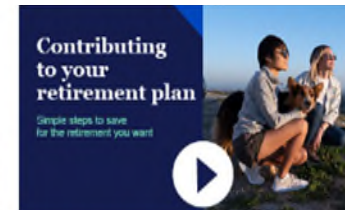
[Steps to cybersecurity](#)



[Investing 101](#)



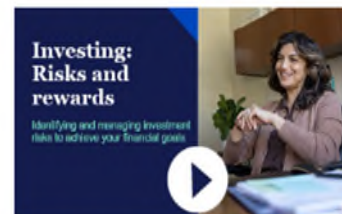
[Women's intro to retirement planning](#)



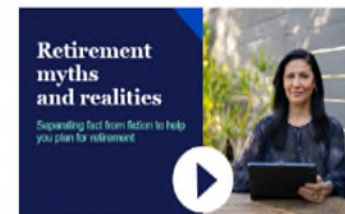
[Contributing to your retirement plan](#)



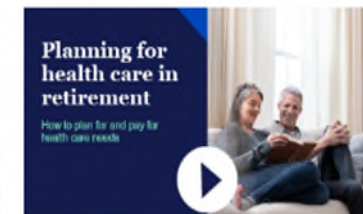
[Basics of Social Security](#)



[Investing risks and rewards](#)



[Retirement myths and realities](#)



[Planning for healthcare in retirement](#)

Introducing Simple Income & Retirement PlannerSM

- Nationwide has developed a new, simplified retirement planner designed to assist participants in establishing a foundation for their retirement, focusing on enhancing knowledge, behaviors, and planning strategies.
- This tool replaces the existing My Interactive Retirement Planner
- Participants will benefit from a new retirement planning experience that offers capabilities and insights to help drive action and highlight opportunities for retirement planning
- **Planned launch in Q1**

Simple Income & Retirement Planner

See your retirement potential. To discover how your assets, financial decisions and planning may affect your retirement outlook, just answer a few questions. You can add more details to give you an even more accurate outlook.

ABOUT ME

I am Single ▼ and 0 years of age. My monthly pre-tax income is \$0 .

I want to retire at age 65 . During retirement I plan to Spend as much as I do today ▼

I have saved \$0 in my Retirement Accounts ▼ and I contribute \$ % \$0 a month towards my retirement.

I Do not ▼ have employer contribution matching.

Add another investment ⊕

During retirement, I will receive income from these sources

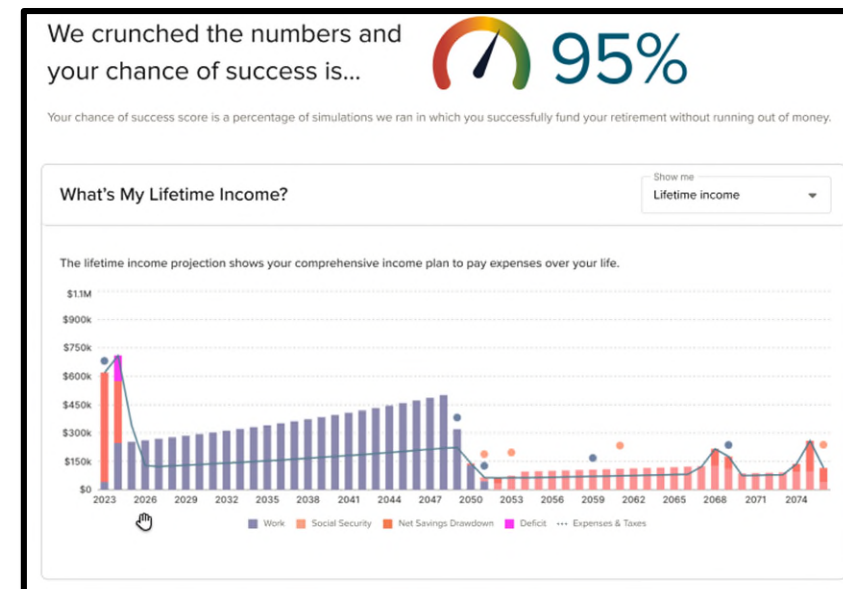
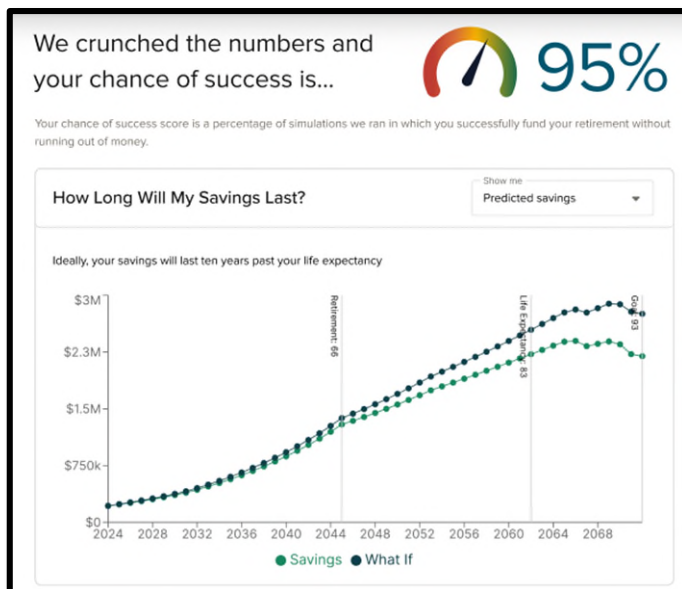
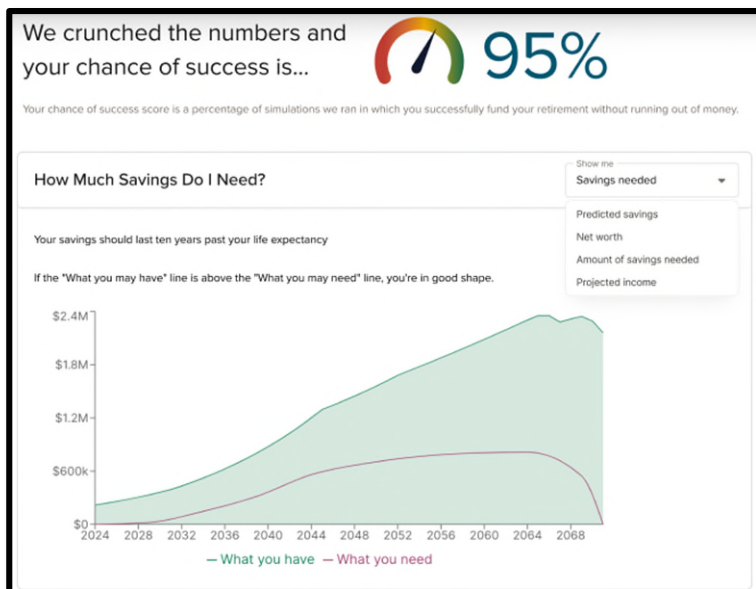
☐ Social Security

☐ Pension

[See Results →](#)

Simple Income & Retirement PlannerSM Highlights

Participants may benefit from a simplified retirement planning experience that offers clearer insights to help drive action and highlight opportunities for retirement planning.



- ❑ Utilization of Monte Carlo simulations to derive “chance of success”
(the number of times which you successfully make it to a longevity age without running out of money)
- ❑ Multiple intuitive graphic representations and charts to help simplify and aid in comprehension
- ❑ Participants can view assumptions and make as many changes to the variables as desired



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Messaging and Communication



2025 campaign messaging

The 2025 marketing campaign encourages participants to envision the emotional satisfaction of achieving their retirement savings goals. It emphasizes the confidence and readiness that come with being prepared for retirement.

Target Audience: All Ohio DC participants

Campaign Theme



Messaging and Tactics



Measurement



The message uses the phrase "**Invest in you**" to inspire action and guide participants toward their ultimate financial goals.

Campaign Support:

- Web banners
- Newsletter articles
- Targeted emails to participants
- Videos and presentations online
- Online webinars
- Online scheduling
- Auto features (SMarT)
- Virtual and in-person consultations from Field Account Executives and Retirement Planning Specialists

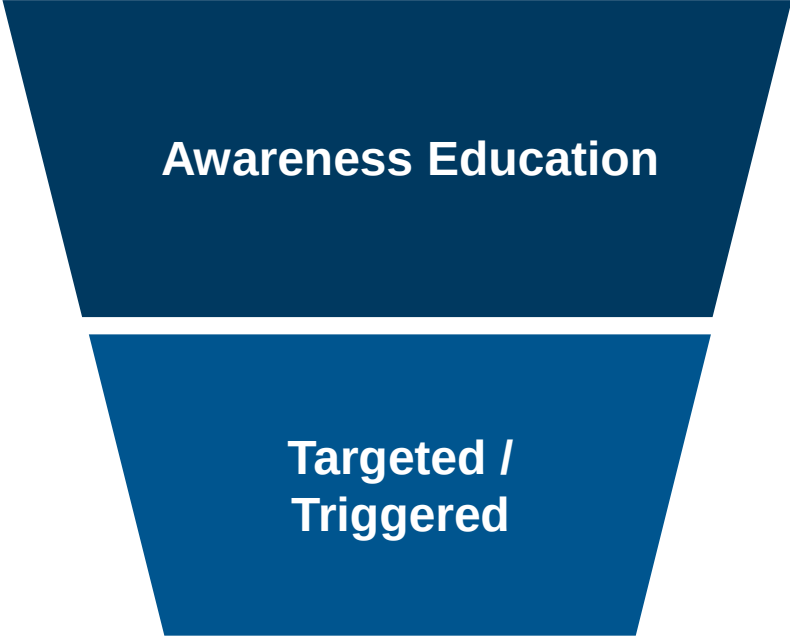
Resource usage can be measured by:

- Visits to online tools
- Time spent on web pages
- Webinar attendance
- Average phone call duration
- Meetings with Account Executives
- Meetings with Retirement Planning Specialists

Increase retention through multi-pronged approach

Primary goal: Build loyalty and develop enduring relationship with participants over time to be the clear choice for retirement income

2 key approaches to achieve the goal:



Awareness Education

- ☐ Increase awareness of guidance available throughout life stages
- ☐ Increase awareness of the benefits of staying in plan through retirement and income options available as they near retirement

**Targeted /
Triggered**

-
- ☐ Triggered at the time participants show behaviors that indicate the need for guidance (examples: enrollment, separation, request transaction, etc.)
 - ☐ Targeted messages specific to the type of guidance the participants are seeking (based on age or life stage)

Increase savings and participation rate through two-fold strategy

Primary goal: Encourage Participants to Boost Account Balances by Understanding and Comparing Retirement Income Needs

2 key approaches to achieve the goal:

Awareness Education

- ❑ Increase awareness regarding need to increase contribution leveraging robust email communications
- ❑ Increase awareness of the benefits of contribution increase through educational materials and leveraging SIRP

**Targeted /
Triggered**

-
- ❑ Focused meetings with employer gatekeepers where low participation is observed. Already logged 360+ interactions in 2nd half of 2024 for the 129 focus employers.
 - ❑ Promote SIRP to showcase gap in savings to targeted audience

2025 Participant Communication Plan

	Q1 2025			Q2 2025			Q3 2025			Q4 2025		
Key Areas of Focus	SMarT Decisions			Financial Literacy			Stay in plan			Refer a friend		
	Web Content, Materials, Webinars, Forms											
	SECURE 2.0 Act of 2022											
Education & Awareness Themes				Financial Literacy Month			Cyber Security			NRSM		
							Virtual Event					
	Participant and Employer Newsletters:											
Navigating Your Path to a Secure Retirement Empower Your Retirement Journey Building a Brighter Financial Future Securing Your Financial Future: Knowledge, Strategies, and Support Retirement Ready: Your Path to Financial Confidence Strategies for Financial Success Achieving Financial Wellness Building Financial Confidence Your Path to Financial Confidence Cyber Security Your Financial Confidence Stay Informed and Empowered												



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Measurement and Analysis



Success Measurement

Increase Retention and Stay In Plan with Ohio DC

We can measure success by reviewing:

- Rollover rates
- Feedback and satisfaction surveys
- Consultations with Retirement Planning Specialists
- Webinar attendance

Increase Participation and Savings Rate

We can measure success by reviewing:

- Enrollments
- SMarT enrollments
- Tool Utilization
- Email and account engagement
- Interaction with Account Executives
- New employer adoptions
- Roth adoptions



**Thank you for your continued
partnership!**



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Appendix

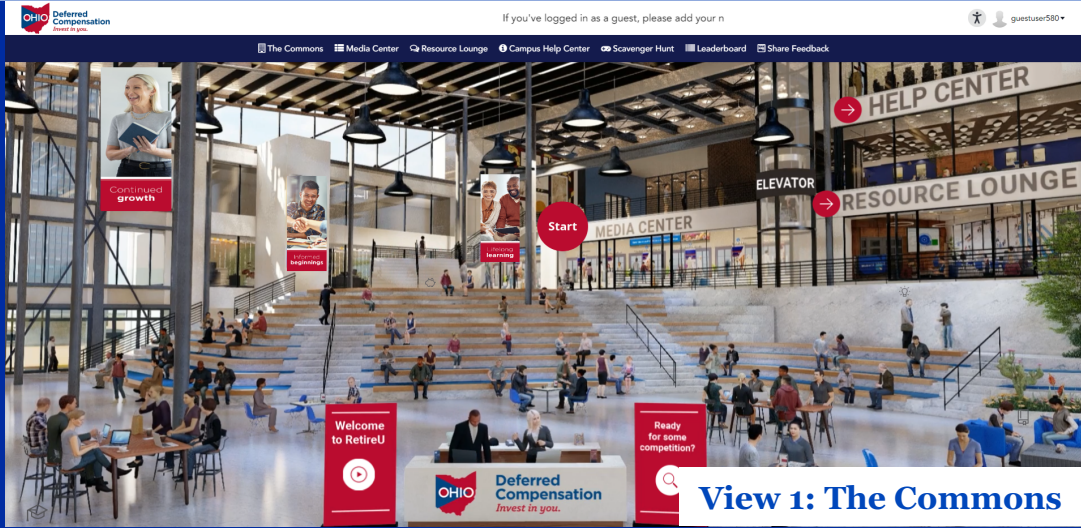




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2024 RetireU Virtual Campus Engagement Results





Need

- Virtual solution to proactively engage employees
- Increase enrollments, assets, education, Rep 1:1's and plan retention
- Drive actions to improve retirement readiness
- Demonstrate Ohio DC is on the cutting edge with innovative technology.



Solution

A 3-D simulated virtual environment with interactive and educational videos, downloadable educational content, ability to meet with Reps, attend live or view on-demand webinars, and website links to take further actions.



Benefits and success measurements

- Digital solution to use our resources, tools, and education more easily
- An alternative for in-person events
- Increase visits and activities year-over-year

Innovative digital experience to increase engagement



2024 RetireU Engagement Summary



8,729 unique visitors*, 1,470 return visitors



62,510 unique activities**



August 1 to December 31, 2024

* = Count of each unique device that visited the virtual link

**= Number of unique activities our unique visitors engaged with. Ex. opened hot spots, listened to videos, displayed hover text, downloaded pdf, etc.

Virtual environments evolution

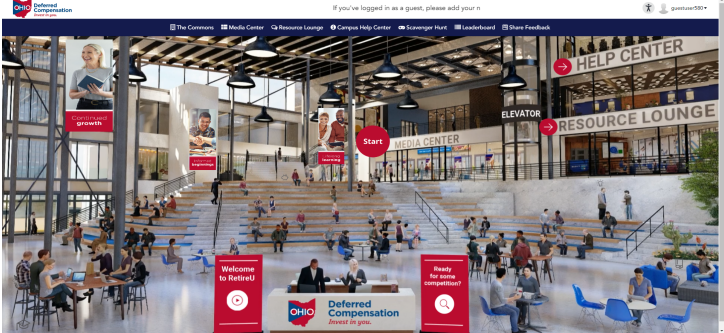
2022*



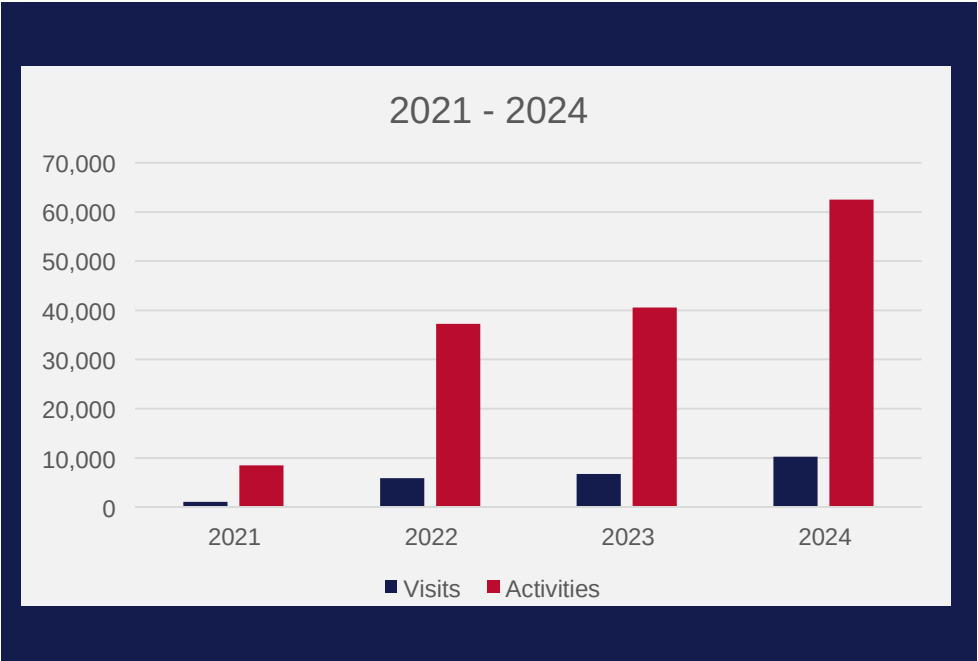
2023



2024*



Year	Visits	Activities
2021	1,044	8,482
2022	5,881	37,294
2023	6,727	40,580
2024	10,199	62,510



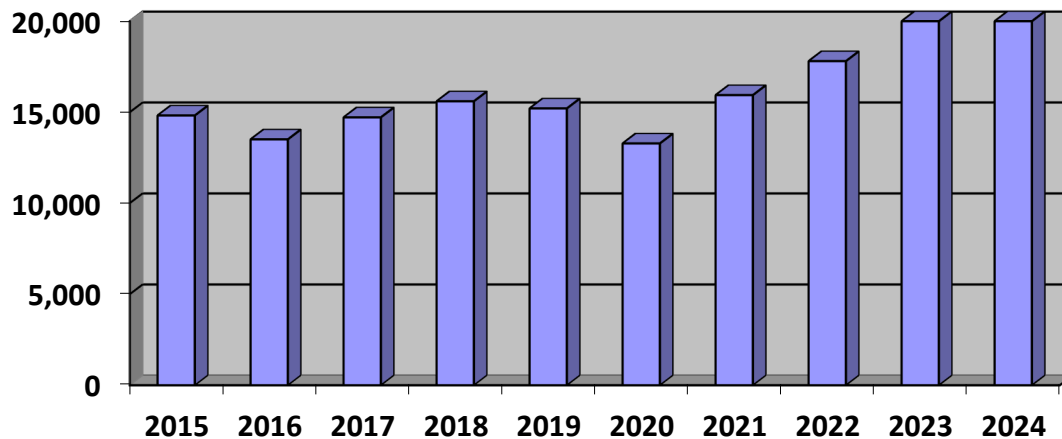


2024 Year in Review

I. Service Summary

Last year was a very good year for the stock market. Positive market trends typically correspond to favorable enrollment statistics. Nationwide helped enroll 20,464 new participants while adding 16,732 participants to the SMaRT Plan. Through our retention efforts and roll-in efforts, we helped add 9,427 net new accounts (enrollments, rollovers-in and transfers-in minus rollovers-out, transfers-out, and account depletions). This is nearly identical to net new accounts in 2023. Last year was the highest enrollment year ever for Ohio DC. The chart below illustrates the last ten years of enrollment history which tends to also reflect stock market performance:

Annual Enrollments



Retirement Planning Specialists (RPS) continued to perform a variety of services, including conducting in-person services, virtual meetings, and webinars while managing participant correspondence to the Service Center, assisting with incoming calls, and managing administrative workflows. They also conducted retirement readiness meetings for special groups like Ohio public safety employees throughout the year and increased the frequency and content of group webinars.

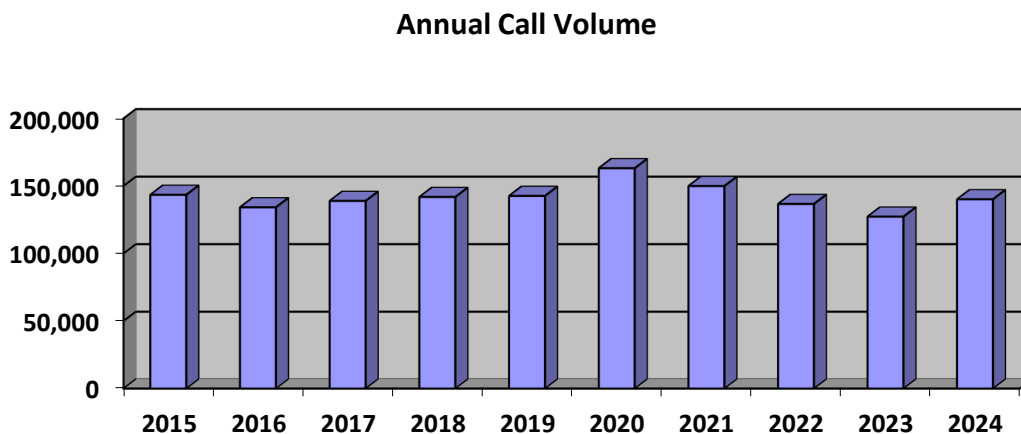
RPS and Field Account Executives also participate in virtual retirement seminars sponsored by Ohio pension systems including OPERS, STRS, and HPRS. While we have traditionally participated in OP&F presentations to those nearing retirement, OP&F indicated they did not have time to allow our representatives to present in 2024.



The Service Center handled over 140,000 incoming calls in 2024 which represented a 10% increase from 2023. To anticipate fluctuations in call volume, a daily schedule is prepared in advance and any updates or revisions are made the next morning based on unscheduled employee absences. Although calls to the Service Center can be unpredictable, our management team does its best to plan for periods that are traditionally busy, such as those following Ohio DC communications, holiday weekends, and stock market or political events. The swings in call volume have become increasingly erratic in the last few years. However, increased web self-service, especially for withdrawal calls, has contributed to the overall reduction in calls.

Throughout most of the year, Nationwide was efficiently staffed to handle call volume. We have streamlined our training to allow representatives to contribute by handling some of the routine calls sooner while gradually increasing subject matter knowledge over time. We continue to experience more calls from retiring participants regarding withdrawals and required minimum distributions, which are more complicated and require more time. Due to self-certification, Unforeseeable Emergency withdrawals have increased, but there are fewer escalations to supervisors.

The following chart shows a ten-year history of call volume:



Our top focus in training Account Executives is providing a high level of call quality. This becomes especially important when navigating through periods of change. Satisfaction scores reported by the third-party vendor showed an increase in participant satisfaction. Satisfaction scores for the Service Center demonstrated that 92% of callers were satisfied with the service they received. Scores for Field Account Executives were also high at 93%.

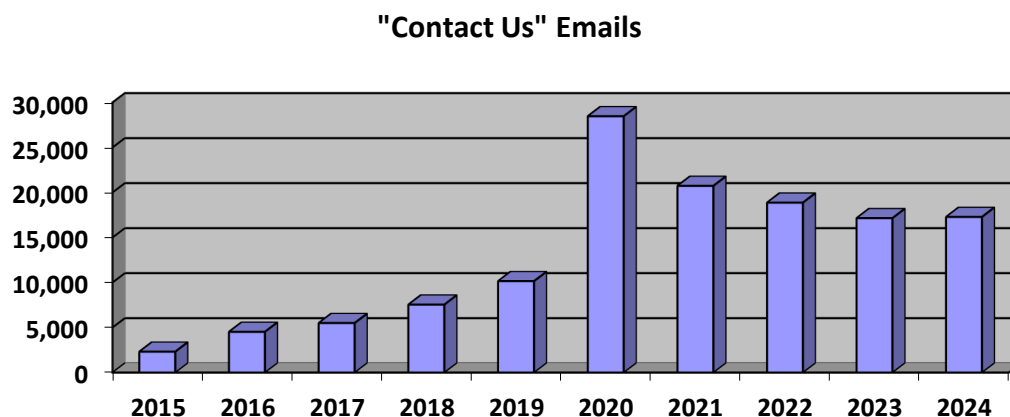
XM Discover (Caller experience)

Instead of using old methods of manually listening to and scoring a limited sampling of calls, the XM Discover quality management solution is evaluating 100 percent of the calls in the Service Center. After transcribing the speech into text, artificial intelligence and machine learning are used to auto-score every call. By analyzing calls in this way, the leadership team will continue to develop a more comprehensive understanding of our team's performance. As the software evaluates the words spoken by both the Account Executive and the participant, it can also interpret tone, empathy, responsiveness, positivity, confidence, and more. The data collected from XM Discover highlights areas where improvements in the participant experience have been made, but also provides "hot spot" areas that would be a worthwhile investment for further Account Executive training.

Benchmarks of our performance from period to period show that the team made improvements in the participant experience in the second half of 2024 compared to the first half. The customer experience score improved overall by 0.3%. Customer confusion was down 0.2%; knowledge gaps were down 2.3%; customer frustration was down 2.3%; and the escalation rate was down 6.2%. This internal benchmark seems to pair up with the participant survey since both showed improvements in the second half of 2024.

"Contact Us" Incoming Email Communication

Over the last five years, the Service Center has seen a significant increase in the number of "Contact Us" emails initiated from the website. Email volume in 2020 was an anomaly due to the new website and the uncertainty surrounding Covid 19. Email volume increased by 1% in 2024 and seems to have normalized but remains substantially higher than the 10-year average. Not only are participants increasingly comfortable doing business in an electronic format, but they have also come to expect it. However, for security reasons, we do not release any personal account information in an email. The following is a chart depicting the past ten years of incoming emails:



Administrative Processing

A large operational component the Service Center is responsible for each year is administrative processing. This includes sending paperwork to participants requesting a distribution and receiving all incoming paperwork. A quality check process is performed on all the paperwork received prior to sending it to Ohio DC staff for final processing. Some of our larger paperwork volumes in 2024 include:

Withdrawal paperwork including tax withholding forms – 17,372

Direct Deposit forms – 1,853

Unforeseeable Emergency forms – 5,864

Rollover In forms – 1,518

Rollover Out forms – 5,316

Enrollment forms – 6,633

Death Claims – 1,880

Beneficiary forms – 2,487

Personal Face-to-Face Services

Field Account Executives are making both in-person and virtual visits to reach public employees all across Ohio. We currently have 13 full-time Field Account Executives covering thousands of locations across the State. Below is an updated Field Account Executive coverage map. A drop-down menu is posted on the participant website allowing participants to click on the county where they work which brings up a representative's name to schedule an appointment through the online scheduling tool.

 Jim Montgomery 419-290-2368 montgj7@nationwide.com	 Karine Miller 216-777-7133 karine.miller@nationwide.com
 Brent Tabler 614-579-9817 tablerb@nationwide.com	 Mike Pacak 440-623-9143 pacakm1@nationwide.com
 Steve Schmittauer 937-284-1212 schmits3@nationwide.com	 Chris Waters 330-328-5982 waterc3@nationwide.com
 Tom Bugher 513-829-6499 bughert@nationwide.com	 Tom Tornabene 330-447-1835 tornabt@nationwide.com
 Stan Mories 419-560-0644 moriess@nationwide.com	
 Myra Bulls 330-285-5222 bullsj@nationwide.com	
 Kathy McCully 440-610-3704 mccullk@nationwide.com	
 Bonnie Rodenstine 614-361-9819 rodenstb@nationwide.com	
 Jason Brown 740-701-6994 brownj29@nationwide.com	





II. Participant and Employer Communications

Ohio DC also continues to increase the number of participants who utilize eDelivery of statements and confirmations, web tools and content, and online webinars to educate and inform. We have collected email addresses from participants at every touchpoint for 19 years. Email communication has become a way to reach a significant segment of the population. With nearly 200,000 email addresses stored on the recordkeeping system, we have the ability to create queries to target specific groups of participants with customized messaging.

Outbound Electronic Communication – Email

Ohio DC's email open rates decreased slightly from 56% to 55% last year; but remains more than double the industry average. Emails have much higher open rates when they correspond to a specific event like a webinar or a fund change. Emails also have much higher open rates when the target audience is a more mature population. Although the younger audience has greater usage of electronic communication, they are less engaged than the older population with higher balances.

The following email campaigns were conducted for employers:

- Employer newsletters sent by Ohio DC staff (February, April, June, August, October, December). Emails were also sent each month from August through December announcing employer webinars. The monthly webinar emails proved successful in encouraging higher attendance at these events.



The following email campaigns were conducted for participants:

- Marketing campaign promotional emails – Motivated to Invest/Invest in You (January, April, July, October)
- Enrich promotional email (March, June, September, December)
- Quarterly newsletter email reminders – sent to all participants reminding them the newsletter is available for viewing on the web.
- Early Saver News sent to young savers encouraging positive financial behavior and highlighting tips and information of interest to younger participants. The newsletter is also posted on the website. (March, September)
- Retiree *Rewards* Newsletter sent to participants who might be close to retirement age, providing retiree education and a link to the newsletter. (March, September)
- Beneficiary clean-up emails to participants who have not selected a beneficiary. (May, August)
- eDelivery reminder email (February)
- Cybersecurity Awareness reminder (June)
- Stay in Plan retention email (September, December)
- Required Minimum Distribution email (October)
- Webinar announcements, including National Retirement Security Month, sent to promote the web-based seminars offered by Ohio DC. (Monthly)
- Age 60-63 catch-up email (November)
- Increased annual contribution limit email (December)



Electronic Communication – Web based Seminars/Education

Demand continues for webinars, especially for those participants nearing or already in retirement. During 2024, roughly 7,500 participants attended our centrally coordinated webinars. Most sessions are focused on mid-career participants, those nearing retirement, and those who are already retired. A new open-ended session titled, “Ask Ohio DC” was also popular this year. This webinar content was kept much shorter than other webinars to allow the majority of time to be dedicated to answering questions participants have regarding Ohio DC. With the exception of “Ask Ohio DC,” all webinar recordings are posted to the website for on-demand viewing, to watch a webinar for a second time, or refer it to a friend. Webinar attendance was up 71% from 2023 due to an increased number of offerings and fresh content. Ohio DC also won a NAGDCA award for our work in webinar outreach. Please see the Exhibit labeled 2024 NAGDCA Leadership Recognition Award Submission for specifics on our submission.

Employer Recognition

Since 2011, the Board has recognized employers who have done an outstanding job as advocates for retirement education, enrollment, and savings levels among employees. Nationwide has worked with Ohio DC staff to identify and select candidates. Steps taken to identify and select employers include:

- Calculating an increased percentage in the change of new enrollments.
- Calculating an increased percentage in the change of active participants.
- Calculating an increased percentage in the change of total deferrals.
- Calculating the total percentage of active participants enrolled in the SMarT Plan.

All 2024 employer awards will be featured in the bi-monthly employer newsletter after their award has been presented in-person.



III. Primary Marketing Initiatives

“Motivated to Invest” ongoing theme for 2024 (Strategic Goal 1 & 2)

The theme of marketing messages for 2024 were a play on the new re-branding tagline “Invest in you.” The concept, “Motivated to Invest,” encouraged a sense of personal empowerment and aimed to appeal to a participant's aspirations for a secure, and potentially prosperous, future. It reinforced the idea that financial security and retirement readiness are within their control when they actively participate in Ohio DC. By investing in themselves and their retirement, they have the potential to meet their goals.

Photography included lifestyle images that focus on confident individuals performing daily activities.

This campaign was supported by marketing efforts in the following areas:

- Web banners
- Newsletter articles
- Targeted emails to participants
- Videos and presentations online
- Online webinars
- Online scheduling
- Auto features (SMarT)
- Virtual and in-person consultations from Field Account Executives and Retirement Planning Specialists

Some headlines for 2024 were:

- Get motivated to invest in the new year
- Annual reviews can help you better invest in you
- Leverage our online tools
- You hold the key to online security. Invest in you. Create your online account today. (Part of cybersecurity awareness campaign)

Cybersecurity Insights/Awareness Resources (Strategic Goal 1 & 2)

As part of Ohio DC's ongoing commitment to protecting participants from cybersecurity threats, Nationwide provided robust content that was posted to the Ohio DC website allowing participants to educate themselves on general cybersecurity best practices. Although there are many new resources available, a few of the topics included:

- Account takeover
- Top cybersecurity tips for consumers
- What is ransomware
- Generative AI attacks – Spot the fake
- Avoid online malvertising
- Create strong passwords
- Recognizing phishing flags
- Secure home Wi-Fi
- Social media safety



Ohio DC Rebranding Launch Q3 & Q4 (Strategic Goal 1 & 2)

Third quarter 2023 marked the beginning of the Ohio DC rebranding launch. This project continued into the summer of 2024 and included a full redesign and reprint of every piece of literature, online collateral, forms, and signage/banners/tablecloths, promotional give-aways, etc. This was one of the most significant marketing and communication projects of the last decade.

RetireU Virtual Campus (Strategic Goal 1 & 2)

In August of 2021, Nationwide created our first virtual benefits booth to provide to employers who did not have a benefits fair or annual enrollment meeting due to the pandemic. Employees could watch videos, enroll, read literature, or sign up for a webinar. Conducting a complete overhaul and using a new vendor, we changed the theme for 2024 to become a “Virtual Campus” with more choices of places to visit. This is a great substitute for events like school in-service days where our 13 Field Account Executives cannot possibly cover hundreds of invitations over a two- to three-day period. With over 10,199 visitors (1,470 were return visits) and more than 62,500 interactions, this was a very successful project in its third year.

Opt-in Enrollment & Auto-Enrollment (Strategic Goal 1 & 2)

Nationwide continued to receive significant numbers of enrollment forms from State departments that pass out the Supplemental Retirement Election form for employees to make a yes/no decision about their participation upon being employed by the State of Ohio. This Ohio DC Opt-in/Opt-out process for State employees was required by State law until auto-enrollment went into effect in 2022. Now opt-in applies only to agencies that did not adopt auto-enrollment. However, we continue to see the success of the Opt-in process for non-state employers.

There are also several voluntary auto-enrollment programs for employers who have elected to participate in the auto-enrollment process (STRS, SERS, OPERS, Ohio DC, and the City of Marietta).

National Retirement Security Month (NRSN) (Strategic Goal 1 & 2)

The most effective method of reaching participants during NRSN each year is with emails and webinars. Emails drive participants to attend a webinar for additional information. Feedback from participants who attended the webinars was very positive. We are now conducting verbal question-and-answer sessions so all participants get the benefit of hearing others' questions and the answers. This seems to be a more effective and educational process for learning.



Advertisements for the webinars were posted on the participant website and sent by email invitation to target audiences based on the type of workshop being offered. Below were the webinar offerings for NRSB:

- **“Women in Retirement”** – This webinar provides education on a holistic approach to financial planning. It is important to consider the unique challenges women face as they grow older. On average, women live longer, meaning they spend more time in retirement. The webinar looks at some of the key factors that could impact their retirement savings.
- **“Approaching Retirement – Preparing to Retire”** – This webinar is for participants who are getting close to retirement. It covers asset allocation, risk tolerance, catch-up contributions, and withdrawal options.
- **“Approaching Retirement – Beyond the Basics”** – This webinar is for participants who are getting close to retirement but have already learned the basics about Ohio DC. The webinar takes a deeper dive into topics such as asset allocation and retirement withdrawal strategies by providing specific examples and “what if” scenarios.
- **“Helping Your Employees Prepare for Retirement”** – This webinar is designed specifically for employers and focuses on the impact an employer’s supportive actions can have on participation rates. The webinar also dedicates time to the most frequently asked questions by our employer contacts.

These webinars are also posted online for on-demand viewing.

Account Retention

Ohio DC staff, OPERS staff, and Nationwide presented a growth and retention plan to the Board at the August 2024 Strategic Planning Meeting. Two of the components of this plan were making outbound retention calls to participants who requested rollout paperwork and surveying those same participants.

Although the presentation to the Board was in August, we actually began these initiatives at the beginning of July. Over the last six months, we made 1,400 retention calls by our most experienced staff members. Out of these calls, only three people indicated they would consider not rolling their accounts out of Ohio DC or would reduce the transaction to a partial rollover. These statistics are typical of other large employer sponsored retirement plans, and not surprising. By the time participants request rollover paperwork, they have already made up their mind. This behavior reinforces previous professional studies conducted by Ohio DC and is verified again by the new rollout survey that began in July 2024.

Nationwide began conducting rollover-out surveys in July. The results were not surprising:

Reasons for rolling out of Ohio DC

- Consolidation – 58%
- Achieve better fixed/Stable Value rate – 8%
- Recommendation from a financial advisor – 12%
- Desire more or better investment options – 9%
- Seeking guaranteed income (annuity) – 3%
- Other (Roth conversion Qualified Charitable Distributions, investment advice, political risk)– 10%



When was the decision made to leave Ohio DC?

- That was always the plan – 33%
- Recently decided – 55%
- Other – 12% (Seeking features Ohio DC does not have such as Roth conversion or investment advice)

Which Ohio DC services were used?

- Retirement Planning Specialists – 10%
- Field Account Executives – 14%
- Webinars – 18%
- Ohio DC website – 33%
- None – 25%

Is there anything Ohio DC could have done to keep the business?

- No – 88%
- Yes – 10% (Stable Value rate and Roth conversion were the two most common reasons given for “yes.”)
- Other/Maybe – 2% (Roth conversion)

Based on the results over the last six months, Nationwide intends to continue to ask these survey questions and monitor for any changes to participants' answers or behavior. Although we will continue to make some outbound calls to participants who have requested to rollout, this will be a lower priority than conducting more outreach education and developing other proactive retention activities that reach participants earlier in their careers.



IV. Conclusion

2024 was a successful year for Ohio DC's growth. During the second half of the year, an enhanced partnership with OPERS provided access to more employer level data. We will discuss the impact of that new information on future plans in the 2025 Annual Service Plan. It is our hope that this partnership will continue to positively impact Ohio DC's growth, retention, and new employer adoptions. The following statistics show our success in both quantitative and qualitative measures:

Enrollments – 20,464 (new record)

SMarT Plan enrollments – 16,732 (new record)

Survey scores – 93% Field Account Executives, 92% Service Center, 100th percentile net promoter score

Employer events – 7,778

Participant contacts (phone, email, on-site meetings, virtual appointments, webinars) – 206,151

The 2025 Annual Service Plan will continue to build on previous successes. Each year, Nationwide strives to make incremental adjustments to our service model to create efficiencies and improve the participant's experience. Nationwide looks forward to another year of a productive partnership and appreciates the Board's confidence in Nationwide as your partner.



2025 Annual Service Plan

Nationwide has created a Marketing Checklist that is reviewed each month with Nationwide and Ohio DC staff to ensure all items on the Annual Service Plan are completed by year-end. This document is included at the end of this Service Plan. It is the basis for the initiatives we intend to accomplish in 2025, but it is also adaptable to needs that arise throughout the year which may alter the course of our marketing campaigns. Examples include legislative changes, fluctuations in the economy, or results from surveys and participant feedback.

I. 2025 Outlook and Opportunities

It is difficult to believe it has been five years since the world as we knew it changed as a result of the pandemic. While most of the challenges are in the rear-view mirror, one major obstacle that remains is maintaining an audience with an ever-changing workforce. While most employees are back to business as usual, many white-collar employees are still working remotely or on a hybrid schedule. This has presented some challenges for scheduling Field Account Executive visits at employer locations to cover all employees. The lack of access to remote workers likely results in fewer enrollments and lower retention of existing accounts. However, we are experiencing an increase in enrollments on the Ohio DC participant website. Technology has made it much easier for employees to self-educate and self-service. We will discuss more about the positive influence of technology in subsequent sections of this Annual Service Plan.

The largest opportunity for participant growth in 2025 comes from school employees and the enhanced partnership with OPERS. As we shared with the Board at the August Strategic Planning meeting, this partnership has opened access to aggregate employer information which will help focus enrollment and adoption efforts. Ohio DC and Nationwide are excited about the opportunity to open new doors and access a broader base of employees. We also recognize the time commitment and dedication of OPERS leadership and their member education team who have been so helpful and accommodating.

Nationwide and Board staff continue to invest in services needed to enhance and improve the participant experience such as SECURE 2.0 Act enhancements, more education, greater web functionality, more convenience, less paper, and more ways to connect with a member of our service team when needed. This Service Plan will highlight the customer-focused strategies we expect to deliver in 2025.



II. Communications

Communications in 2025 will continue to utilize Ohio DC's new brand and the tagline, "Invest in you." The primary theme for communications for the year will focus on plan growth and retention of accounts. In mid-2025, we will also be introducing Ohio DC's 50-year celebration that will continue through the end of 2026.

Throughout the year we will continue to look for enhancements to participant and employer services and make the most efficient use of resources. As always, retirement planning competes for time and money with other priorities for an individual or their family. The dollars required to save for retirement are certainly in competition with dollars required for other resources such as housing, education, healthcare, entertainment, etc. We are hopeful that our partnership with the OPERS education team will help open some doors, lend greater credibility to Ohio DC as the premier supplemental retirement option, and encourage plan growth and retention. We have also begun informal discussions with STRS about a similar arrangement where a partnership would allow for greater cross-promotion of Ohio DC as the endorsed supplemental retirement option.

Since Ohio DC's eligible participant base spans to all public employees in Ohio, our education and marketing efforts need to resonate with the 750,000 public employees with both employment diversity and geographic diversity. To provide services to cover all of these individuals among the 2,100+ employers, we must offer a variety of methods to communicate with participants and vice versa. All the following are recommended by NAGDCA as best practices for communication in a supplemental retirement plan:



- ✓ One-on-one counseling (Nationwide has 13 Field Account Executives to provide local service, and 2 Retirement Planning Specialists for those nearing or in retirement.)
- ✓ Web-based planning tools
- ✓ Call centers (Nationwide offers a dedicated Service Center for Ohio DC participants.)
- ✓ Quarterly statements and newsletters (Ohio DC staff produces high-quality statements and partners with Nationwide to create informative newsletter content for all participants, as well as targeted groups like employers, retirees, and early savers.)
- ✓ Group education (Nationwide offers on-site and virtual group education and group webinars as well as content from the Nationwide Retirement Institute.)
- ✓ Social media (Ohio DC maintains a LinkedIn profile.)

**In-person**

- o Retirement education
- o Group meetings and seminars
- o 1:1 consultations

**Over-the-phone**

- o Retirement education
- o Needs-assessment
- o Personalized investment education

**On-line**

- o Interactive financial tools and calculators
- o Education videos
- o Mobile-responsive website
- o Virtual/webinar meetings
- o Financial wellness

**Direct marketing**

- o General marketing campaigns & programs
- o Target marketing
- o Email
- o Social Media

Nationwide and Ohio DC staff utilize these resources to service participant accounts and increase participation.



The following communication activities are planned for 2025:

Face-to-Face Communication – Local Employee & Employer Services (*Strategic Goal 1*)

While most interaction (67%) is related to in-person meetings at the employer worksites, we conduct a significant amount (33%) of meetings and workshops over the phone or via video conference. Whether in-person or virtual, the personalized and focused attention during meetings with our Field Account Executives always scores well in the participant survey. Since the meeting times are typically much longer than the average phone call, we are limited in the number of participants we can reach in that manner. Because so many participants approach retirement planning and investing with some measure of fear and anxiety, person-to-person communication goes a long way toward building confidence.

NAGDCA also maintains that it is important to provide neutral representatives; individuals who are not there to sell a specific product, but rather to educate and explain the value of the plan. None of our representatives work on commission but are instead provided with some incentives to encourage people to save money for retirement, visit thousands of worksite locations, and other incentives to provide excellent service, which has been proven over decades by survey scores from the third-party survey provider.

Field Account Executives, who normally visit thousands of public worksites each year, are experienced in adapting their approach to various segments of the population.

- Eligible employees – inform non-participating employees about the benefits of Ohio DC and drive them to enroll. We will continue to leverage Salesforce, Microsoft Bookings, and TimeTap to maximize our on-site and virtual visits where we have the greatest opportunities. In addition, we will continue to build partnerships with emerging employers like schools and universities to maximize those visits.
- New enrollees – deliver a personalized “Welcome Experience” that introduces new enrollees to Ohio DC and informs them of the tools and resources available to them. Retention conversations also begin at enrollment by explaining the benefits of Ohio DC including significantly lower fees than other similar plans. We also offer an orientation video for occasions when a representative cannot be onsite.
- Young and Mid-Career Savers – engage participants so that they continue saving for retirement as they manage multiple needs based on their life stage (e.g. saving for their child’s college tuition, saving for their retirement, supporting a parent, etc.)
- Pre-Retirees (In Transition) – help pre-retirees plan for their transition from working to retirement by helping them understand their options as they convert their savings into retirement income. Also, offer them the resources of a Retirement Planning Specialist who can work with them to create a more personalized retirement income outlook.
- Retirees – remain committed to offering resources to retirees by educating retirees in-person and over the phone.



Enrollment numbers in recent years have been influenced by greater economic stability and the avoidance of a recession. Ohio DC is continuing to grow at record pace. Recent developments in technology, auto-enrollment, and increased partnership with OPERS and STRS should help the positive enrollment trends continue. We continue to look for new ways to conduct business with employers and employees on their terms including concepts such as:

Simplification – Our representatives continue to provide participants with the tools to make informed retirement decisions, including new employee enrollment, participation in the SMarT automatic increase plan, online planning tools, and the online Virtual RetireU Virtual Campus. In decades prior, the majority of new enrollments were generated from the single-page EZ enrollment form or the single-page Opt-In enrollment form, which further supports the theory that communications needed to be simplified. Our Field Account Executives have also been successful encouraging non-State employers to distribute the Opt-In enrollment form, with over 200 employers voluntarily participating in this process. Most enrollments are now completed on the website, which is faster and provides less possibility for error. Field Account Executives can enroll participants online or assist them with a self-service enrollment. As of November 2022, the first State of Ohio auto-enrolled participants had their accounts created on the Ohio Recordkeeping Information System (ORIS). We expect auto enrollments will continue to generate roughly 275 new participants each month.

Ease of Scheduling – Visits to employer locations or virtual visits are primarily advertised by email, though some employers still prefer to use printed materials like flyers and posters. Most employers have become comfortable promoting our online scheduling tools. These tools allow the employer to email all employees to sign up for a convenient meeting time. The comments section also allows the Field Account Executive to preview their workday and be prepared to answer the unique questions of each employee listed. This has resulted in much more efficient scheduling and, in many cases, has doubled the number of participants choosing to meet with a Field Account Executive. In case of a “no-show” it also provides us with contact information for the employee so we can follow up by email, send them an enrollment form, or link them to our website. This turns an otherwise wasted block of time into a productive outcome. Participants can also go on our website to schedule these appointments. Participants can also schedule face-to-face, phone, or virtual meetings with Retirement Planning Specialists by calling our Service Center within 45 days of their desired appointment date.

Efficiency – Typical participant appointments last 20-30 minutes and allow the Field Account Executive time to look up an account on ORIS and review it with the participant. Access to ORIS provides Field Account Executives with enhanced information to assist participants without having to make a call to our Service Center. Action steps such as contribution increases, allocation changes, or beneficiary updates are completed onsite. Field Account Executives also have the ability to record voice transactions like investment exchanges. Whether in person or in a virtual setting, Field Account Executives are also able to demonstrate web tools, perform transactions, walk through web calculators, or provide a variety of resources to help answer questions and illustrate retirement savings concepts like the SMarT Plan for automatically increasing contributions each year.



Collaboration – Our Field Account Executives and Retirement Planning Specialists currently partner with each of the pension systems to take part in their outreach activities. In recent years, the most active pension system with regard to outreach has been OPERS. Increased collaboration with OPERS staff began in 2024 and will be continuing this year. OPERS has been able to share high level employer data which should help Ohio DC focus educational efforts on those employers with the lowest participation. Ohio DC representatives also participate in both in-person seminars and a weekly webinar alongside OPERS. STRS and the Ohio Highway Patrol Retirement System (HPRS) have also included Ohio DC as a regular part of their outreach efforts across all stages of the participants' careers. Retirement Planning Specialists have been asked to participate in special events where a large group of people may be retiring at the same time or those events designed for retirees like Ohio Public Employees Retirees Incorporated.

Face-to-Face Communication – Service Center Counseling (*Strategic Goal 1*)

Our Service Center accepts appointments for both virtual and in-person retirement planning service needs. By requiring appointments, we are able to make sure the participant is speaking with the appropriate person to meet their needs. For those participants who simply wish to drop off paperwork to our local office, we have established a lobby drop-box. Some of the basic topics currently covered by Retirement Planning Specialists during appointments include:

- **Withdrawals:** Help determine how long a certain payment plan might last. Review the advantages of a 10-year payment plan from a tax-withholding perspective.
- **Partial Lump Sum Option (PLOP):** Review the pros and cons of taking a PLOP from their defined benefit plan and rolling it to Ohio DC.
- **Paying Off Debts:** Review tax-efficient debt reduction strategies and prioritize the debt to be eliminated based on financial principles.
- **Tax-Minimization Strategies:** Discuss withdrawal options that are tax-effective and provide the maximum benefit.
- **Asset Allocation in Retirement:** Discuss and implement an investment strategy that fits participants based on their age, objectives, and risk tolerance. Use the Wilshire asset allocation models and a quiz to help define goals and a personalized investment mix.
- **Pre-retirement and Post-Retirement Income:** Help answer the question, “Can I Afford to Retire?” Review current “living income” with expected income in retirement. For participants who might be approaching retirement, suggest ways to close their income gap.
- **Required Minimum Distributions:** Assist members over 73 years of age with IRS required payments. Many customers in this age group prefer meeting people in person, and this local visit makes it easier for them to do so.
- **Retire/Re-Hire:** Explain options available when there is a desire to continue working after retirement. Review tax-saving options and typical concerns for this unique demographic.



- **Participant/Spouse Income Sources:** Put together retirement income from Social Security, public pension(s), personal savings, IRAs, and Ohio DC.
- **Pension Maximization:** Discuss the potential use of insurance to assist with income needs for participants and beneficiaries. Pension plan withdrawal options combined with low-cost term insurance might provide necessary coverage for the participant's heirs. Assist with analyzing the decision to purchase service credit for their pension.

We will continue to expand our reach and will offer the ability to meet virtually or face-to-face with a broad audience from all across Ohio. One of the resources we use most frequently to contact a significant number of participants is email. However, not all messages can be used for the entire participant base, which is why we conduct targeted email campaigns. Targeted electronic messages can be tracked, measured, recorded, and analyzed immediately to allow us to increase the effectiveness of future campaigns. Electronic communications reach the participant and employer via the website, emails, and webinars.

Electronic Communication – Email (*Strategic Goals 1 & 2*)

The Service Plan for 2025 currently involves approximately 67 participant emails promoting various events throughout the year and encouraging financial behaviors in the best interest of participants. We can add or delete emails throughout the year, as needed, in order to react to market volatility, increased plan limits, Board action, or legislative changes. Scheduled emails are up from previous years due to an expanded number of webinars, new webinar topics, and an increased focus on asset retention.

We continue to strengthen our email address list and currently have approximately 200,000 email addresses on file. Measurement is also an important component of the communication plan. Industry email open rates are rising, but Ohio DC email open rates are rising faster. Ohio DC's email open rate of 55% is more than double the industry average according to WebFX's consolidated 2024 statistics which show open rates of 20.2% for financial services. As with other facets of Ohio DC, communications targeted at older participants or those with higher balances are getting the most attention. Younger participants are less engaged. To appeal to younger audiences, we send a biannual *Early Savers* newsletter with topics that would be more likely to appeal to a younger audience.

We continue to send special communications to keep retirees in the loop. Distributed in March and September, the *Rewards* newsletter is designed for participants over age 50. Articles are generally written by the Retirement Planning Specialist team and reflect common questions or concerns that arise from their thousands of appointments each year with retirees. Our Retirement Planning Specialists meet with people approaching retirement and those who have already retired. Using common questions and discussion items from these meetings, the Retirement Planning Specialists write articles designed to answer questions and capture the attention of retirees.



Nationwide is required by law to maintain a “do not call” and a “do not email” list to comply with anti-spamming regulations. Emails to participants cover topics such as quarterly statement notifications, account retention, and webinar announcements. Messages are altered based on the anticipated appeal to a target age range, account circumstances, or other demographic information. For a complete list of all the planned emails in 2025, refer to the Marketing Checklist following this document.

Electronic Communication – Multimedia (*Strategic Goals 1 & 2*)

The following multimedia features are currently available:

- 17 Retirement Basics videos
- Two Ohio DC overview videos
- Nine recorded webinars conducted by Retirement Planning Specialists and Nationwide Retirement Institute (NRI)
- 9 (on demand videos coming soon)

Electronic Communication – Website (*Strategic Goals 1 & 2*)

For 2025, Nationwide will revise and simplify the “My Interactive Retirement Planner” for existing participants and potential new enrollees. It allows users to incorporate pension estimates from the Ohio public pensions (including various groups), spousal information, and outside assets to help participants gauge their retirement readiness and close the retirement gap. We will incorporate this tool into meeting announcements, account reviews, webinars, and phone conversations. We will also develop a flyer and email template that highlights the benefits of this tool.

In addition, Ohio DC offers other web tools such as a W-4P Tax Withholding Calculator, My Health Care Estimator, Asset Allocation Tool, Paycheck Impact Calculator, Roth Analyzer, Future Value Calculator, and Payout Illustrator Calculator. Our Account Executives also have a variety of other tools at their fingertips to help participants make informed decisions about retirement plan fees, the SMarT Plan, tax withholding, required minimum distributions, and the Enrich Financial Wellness Program.



Electronic Communication – Web-based Seminars/Education (*Strategic Goals 1 & 2*)

Our Field Account Executives and Retirement Planning Specialists will continue to offer weekly live webinars in 2025. Through our partnership with the NRI, we will be offering webinars that focus on broader retirement planning topics such as Social Security, Women and Investing, Tax Efficient Retirement Income, and Medicare. For over a decade, the NRI has been focused on its mission to provide practical “thought leadership” and actionable solutions to improve financial health and retirement outcomes. Retirement Planning Specialists have recently been collaborating with experts from NRI as guest speakers during our “Webinar Wednesday” series.

Retirement Planning Specialists already have 51 webinars scheduled for 2025 covering topics such as:

- Approaching Retirement - Preparing to Retire
- Approaching Retirement - Beyond the Basics
- Asset Allocation & Managing Risk
- Closing the Retirement Gap
- Ask Ohio DC (general overview with the majority of time dedicated to Q&A)
- Retired Minds Want to Know
- Helping Your Employees Prepare for Retirement (Employer Webinar)
- Introduction to Medicare
- Women in Retirement
- Social Security
- Tax Efficient Retirement Income

In addition to these centrally coordinated and advertised webinars, individual Field Account Executives are also offering smaller webinars using *Microsoft Teams* for specific employers in their territory each week.

For those who cannot attend a live webinar, pre-recorded webinars are available on the website. We also know that some employers promote our webinars as “lunch and learn” events and often have multiple participants watching on a big screen. Webinars have become a very efficient way to communicate with participants across the state, many of whom may not otherwise have opportunities to meet with our representatives due to their remote locations. For a listing of all the webinars currently scheduled for 2025, please see the 2025 Marketing Checklist following this document.

Electronic Communication – RetireU Virtual Campus (*Strategic Goals 1 & 2*)

Nationwide has experienced success over the last few years with virtual interactive micro-sites and plans to design another new theme for 2025. Past themes have included the Virtual Booth, Virtual Courtyard, Virtual Adventure Center, and RetireU Virtual Campus. These are all virtual destinations for employers who did not have interaction with Ohio DC at a benefits fair or annual enrollment meeting. Employees can watch videos, enroll, read literature, or sign up for a webinar. We hope to further improve on the great success of more than 8,700 unique visitors and the 62,500 interactions in the RetireU Virtual Campus last year.



Employer Engagement & Recognition (Strategic Goal 1)

At the November 2024 Board meeting, the Board voted to recognize eight employers for their outstanding attitude toward retirement savings and the results they helped produce in terms of new enrollments, number of active participants, and percentage of active participants enrolled in the SMarT Plan. We will continue to bring recommendations to the Board for employer recognition in our attempt to increase employer engagement. Employers honored with a Board resolution will receive a framed resolution and recognition in the participant and employer newsletters in 2025.

Written Communication - Marketing Materials (Strategic Goal 1 & 3)

Nationwide maintains approximately 115 different printed marketing and communications pieces in our database. The entire catalog of printed material and forms maintained by the Ohio DC staff is closely examined every six months so that all requested changes from Nationwide and the Ohio DC staff are made during the revision and redesign process. Most printed pieces have a 15 to 18-month lifecycle except for those materials that contain outdated performance, contribution limits, or become obsolete due to legislative changes. Samples of any of the marketing materials can be provided to the Board upon request.

Although printed materials are decreasing in popularity, we still maintain a library of materials to grab participants' attention and encourage them to attend a workshop or schedule a one-on-one meeting with our Field Account Executives. Our system called "**Marketing Works,**" provides the opportunity to personalize material with the name and photograph of the local representative, and is an organized presentation of professional-looking, compliance-approved announcements. In addition, these can be emailed to employers in a PDF format so they can distribute the same material electronically.



III. Primary Marketing Initiatives

"Be Ready..." ongoing theme for 2025 (Strategic Goal 1 & 2)

The theme of marketing messages for 2025 is designed to make the participant think about how they want to feel when they have accomplished their retirement savings goals. The concept focuses on the ultimate emotional benefit of being retirement-ready with a sense of confidence. This initiative will use our tagline, "Invest in you," as part of the lead-in to the call to action, creating a directive for how a participant can get to their ultimate goal.

Photography will include lifestyle images that focus on confident individuals looking directly into the camera with bold headlines and supporting copy such as:

- Be Ready. Invest in you. Use our retirement tools to find out more about retirement readiness.
- Be Prepared. Invest in you. Enjoy the long-term advantages of staying with Ohio DC.
- Be Resilient. Invest in you. Talk with an Account Executive to get started.

This campaign will be supported by marketing efforts in the following areas:

- Web banners
- Newsletter articles
- Targeted emails to participants
- Videos and presentations online
- Online webinars
- Online scheduling
- Auto features (SMarT)
- Virtual and in-person consultations from Field Account Executives and Retirement Planning Specialists

Resource usage can be measured by examining the number of visits to various online tools, time spent per website page, attendance at webinars, average telephone talk time, number of meetings with participants, and the number of meetings with Retirement Planning Specialists.



The brand refresh was completed last year. The focus in 2025 will be to maintain alignment between the Ohio DC brand and any new materials, forms, web pages, and communications. Nationwide's marketing team will continue to consider the following brand attributes when revising and designing materials:



- **Helpful**
I know that Ohio DC will help me make smart financial decisions every step of the way on my path to retirement readiness.
- **Authentic**
I can tell that Ohio DC respects hard-working public-sector employees like me. They communicate in a relatable way and don't talk down to me.
- **Empowering**
Ohio DC has helped me see my own potential and motivated me to set goals. I'm excited to stick with the plan and watch my savings grow over time.
- **Assuring**
I trust Ohio DC to protect my savings and make decisions based on what's best for me. It feels good knowing I have a partner I can count on.
- **Clear**
I appreciate that Ohio DC simplifies the complex world of retirement planning, making it easier for me to understand.
- **Adaptive**
I'm confident that Ohio DC is keeping pace with the times. I see them innovate and modernize to make sure I have up-to-date information and the latest tools.
- **Representative**
My colleagues are Ohioans of all walks of life and at every career stage. I like that Ohio DC takes care to reflect the rich diversity of our state in the materials I see.



Retention

The Board spent the majority of the day discussing asset retention at the most recent Strategic Planning Meeting. We plan to enhance our retention message in 2025 while proactively engaging participants during conversations. In 2025, we will continue our retention efforts and offer compelling reasons to stay with Ohio DC. Retention tactics will include:

- Trial run of outbound calls to participants who have requested to rollover or transfer out of Ohio DC
- Surveys of participants who have returned rollover or transfer-out paperwork
- Conversations about retention with every participant interaction regarding a withdrawal over \$20,000.
- More offerings of in-depth webinars such as Asset Allocation & Managing Risk, Tax Efficient Retirement Income, Social Security, Medicare, Women in Retirement, etc.
- Greater promotion of retirement planning expertise
- Retention conversations with every field interaction



Account Engagement

Over the last couple of years we have increased the number of account engagement emails. We have several additional account engagement emails planned for 2025. We will continue a focus on administrative details such as encouraging more participants to update their beneficiaries and complete their online account profile settings for security reasons. For 2025, we will conduct the following activities to increase account engagement:

- Retention emails sent to participants who have separated service during the last three months encouraging them to stay with Ohio DC.
- Rollover-in email sent to participants who enrolled during the previous 3-6 months encouraging them to consider consolidating other accounts with Ohio DC.
- Reallocation email sent to participants who recently completed a rollover encouraging them to review their investment allocations for the appropriate asset mix.
- Beneficiary update emails sent to participants without a named beneficiary to update the beneficiaries on their account.
- Online profile emails to encourage participants to create an online profile to help prevent unauthorized access.
- Include information about current beneficiaries in annual statements.
- Include information about online profile security in the participant newsletter.
- Remind participants about the security of eDelivery.
- Announce new contribution limits in Q4.



Financial Wellness

Overall financial wellness through the Enrich platform will once again be part of the message for 2025. We will offer a new employer webinar to promote Enrich while continuing to incorporate Enrich into participant emails and Field Account Executive demonstrations. Messages regarding financial wellness will continue to be incorporated into the primary marketing campaign for 2025 and will include messages to Enrich users and non-Enrich users.



Strengthening Peer Relationships with Pension Systems (*Strategic Goal 2*)

This document makes many references to enhanced strategic relationships with OPERS. This will be a focus for 2025 as Ohio DC representatives continue to work the employer list, attempting to improve rates of participation with employers and encouraging new employers to adopt. OPERS has created a new series of member seminars and invited Ohio DC to present. OPERS also experimented with employer seminars last fall and those may continue into 2025. For those employers who are reluctant to entertain a meeting with Ohio DC, we have discussed leveraging the relationship with OPERS to make inroads in 2025.

Ohio DC has also been in discussion with leadership at STRS about enhancing the partnership to include more events, cross-promotion, and shared materials. Relationships also remain positive with SERS, HPRS, OP&F and the City of Cincinnati pension system.

Collaboration with 403bwise.org (*Strategic Goal 2*)

This relationship began at the end of 2023. Ohio DC is still working with 403bwise to determine how we can partner to achieve results in the school market. Their mission is educating school employees about the fee structure of 403(b) plans compared to an institutional 457(b) plan like Ohio DC. They are slowly building out a competitive comparison database, but currently have limited data on Ohio school systems. We will continue to assist them by providing information for them to research and post on their site. They also suggested the possibility of including Ohio DC in their podcasts as an example of a preferred vendor for retirement savings, but so far that has not materialized.

Opt-in/Opt-out process (*Strategic Goal 1 & 2*)

Field Account Executives will continue to meet virtually, or in-person, with non-State employer contacts throughout the year encouraging them to adopt the Opt-in/Opt-out election form. More than 200 different employers have used this form at least once, although, as of legislation passed in 2022, it is only required for State agencies who don't participate in the auto-enrollment process.

National Retirement Security Month (NRSB) (*Strategic Goal 1, 2, & 3*)

As described previously, offering webinars has proven to be a successful and efficient method to educate participants. Nationwide will continue to promote and offer on-site education and webinars during NRSB. Details of this campaign will include:

- Email announcements to participants regarding webinars with instructions on how to register for the events
- Follow-up emails after the webinars with any additional information requested
- Information on how to view a webinar recording
- Promotion of online educational videos and planning tools
- News articles will be provided to unions and associations who are willing to include our message in their communications to members
- Distribution of new micro-site for 2025 similar to the RetireU Virtual Campus



V. Special Enhancements

SECURE 2.0 Act (*Strategic Goal 4*)

Since the passage of the SECURE 2.0 Act, staff has been meeting frequently to discuss the required and optional provisions of the Act. Work has either been completed or begun for all of the required provisions with only one more major provision left to be developed for calendar year 2026.

Auto-enrollment (*Strategic Goals 2 & 5*)

The auto-enrollment project was completed over the summer of 2022 allowing participating state agencies to auto-enroll all new employees. Nationwide works with the Ohio DC staff to track auto-enrollments and compare them to the three previous years' enrollment numbers for state employees to determine the number of additional employees captured by the auto-enrollment process.



VI. Annual Service Plan Conclusion

The Annual Service Plan takes into account a significant portion of the activities that will take place during 2025. However, the plan will remain flexible for any unexpected events or as a result of legislative or regulatory changes. The marketing theme for the year, “Be Ready...,” will help participants focus on their own retirement readiness with confidence. Strategies for marketing will incorporate a variety of messages through print, electronic media, virtual meetings, and face-to-face meetings.

The largest potential change is the enhanced partnership with OPERS. We are already seeing some improvements in exposure to employers and greater awareness as a result of this collaboration. We will continue to focus on roughly 130 employers identified last summer while also seeking new adoptions from some of the smaller employers who have not yet taken advantage of Ohio DC. As this project progresses, we will provide updates to the Board on successes and lessons learned.

One of the largest components of the Annual Service Plan is a description of our service model. Please refer to the Exhibit titled, “Service Model” for additional details.

Changes made to the Annual Service Plan throughout the year are always discussed with the Ohio DC staff in progress meetings held at least once a month. Measurement for these activities is also reported monthly to the Ohio DC staff. Weekly communication meetings also ensure Nationwide and Ohio DC staff remain committed to the Service Plan presented to you each January and any communication needs that arise throughout the year.



2025 Service Model

Service Summary

Nationwide is responsible for the following operational components each year. A scorecard is reviewed monthly by Ohio DC staff that measures progress and performance on goals.

Participant call center – Answer incoming participant phone calls in a timely manner using monthly targets for average speed of answer.

On-site services – Form relationships with employers and participants through group meetings and one-on-one consultations in both a virtual space and a physical presence.

Retirement Planning Services – Offer both on-site and virtual appointments to participants nearing retirement or already retired. Educate all participants through enhanced webinars.

Administrative processing – Fulfill paperwork to participants requesting a distribution of their account or other administrative requests. Receive all returned paperwork and quality check prior to sending to Board staff for final processing.

Electronic communications – Send proactive targeted emails to participants. Respond to participant email inquiries and faxes in a timely manner.

Marketing and Compliance – Execution of the Annual Service Plan.

Project Management – Thought leadership regarding the Board's business processes and consultation on the design and testing of process enhancements.

Program Growth – Grow the Ohio DC by increasing net new accounts through enrollments, rollovers and transfers into the Plan, retention of existing accounts, and automatic contribution increases.

Staffing Model (Strategic Goal 1 & 5)

The Nationwide staff assigned to Ohio DC has always been 100% dedicated to Ohio DC. Each employee is fully integrated into the service model and uses the Ohio DC brand in all interactions with employees, employers, and participants. This integration is the key to seamless service for the participants and employers. Our service model incorporates a mix of automated services via the website, as well as personal service from Account Executives over the phone, in person, or in a virtual environment.

We continue to see significant growth in new participant enrollments and SMaRT increases. We anticipate a few potential retirements in the field Account Executive role over the next few years and will be looking closely at territories to see if there are efficiencies to be achieved.



Hiring, training, and staffing will continue to be a huge focus of effort for Service Center management. Labor shortages seemed to have improved in recent years, however, it is a challenge to hire people who want to work in a call center and physically report to an office. Conducting training in the office versus remotely has helped improve attrition rates. The process of hiring, training, and licensing a representative can take six months before each associate is fully contributory. As always, we will continue to use increased flexibility in our staffing model to staff up for the peak season and reduce hiring during the spring and early summer months, which saves the Board and participants money by reducing the staffing budget.

Fraud Prevention/Intervention (Strategic Goal 5)

Nationwide purchased Pindrop® software to assist with fraud identification. Pindrop® was implemented for Ohio DC in October of 2018. The software provides a risk score and call intelligence to our operations department in the first few seconds of each call. The risk score, along with the analysis of the caller's voice, device, and behavior, is provided to Nationwide's fraud analysis team for further investigation. If the call's risk score exceeds a certain threshold, the fraud analysis team contacts a manager at the Service Center to review the call, compare it to previous call recordings, and analyze the request of the caller to determine the next steps.

We will continue to use this as a backup measure for our security protocols and account verification during all calls. Although no security methods are completely foolproof, this is one more way that Nationwide is adding value to Ohio DC by helping to secure participant information and dollars in their accounts. Each year we are experiencing more and more attempted fraud which can be a significant drain on Service Center resources. We are fortunate to have assistance from Nationwide's expanding anti-fraud team.

Quality Management Artificial Intelligence (Strategic Goal 1)

Rather than old methods of manually listening to and scoring a limited sampling of calls, the AI quality management solution will evaluate 100 percent of the calls in the Service Center. After transcribing the speech into text, artificial intelligence and machine learning can be used to auto-score every call. As the software evaluates the words spoken by both the Account Executive and the participant, it can also interpret tone, empathy, responsiveness, positivity, confidence, and more. Although this tool is continuing to learn and improve, the Service Center management team has found there is no substitution yet that can replace a solid training program, peer-to-peer coaching, mentoring, and accessible resources when it comes to improving call quality.

Enhanced Training for Existing Staff (Strategic Goal 1, 3, & 5)

Service Center turnover and promotional opportunities reinforce the need for a strong cross-training program and frequent succession planning by Nationwide management staff. We will continue to enhance training and development in 2025 with the following:

- Shadowing—Succession planning and development begins with a willingness to allow shadowing within the organization. This gives team members an opportunity to sit with more experienced staff in roles of increasing responsibility to learn about their jobs. It also allows Nationwide staff from other business units to learn about Ohio DC and can serve to attract new talent.



- Holiday training days—There are very limited opportunities throughout the year to conduct Service Center training for all staff members. Closure of the Service Center for stock exchange holidays provides a great opportunity for staff training. Utilizing these holiday closures minimizes the interruption and inconvenience to participants.
- Field Account Executive training—Nationwide will bring all Field Account Executives together for in-person or virtual training and staff meetings twice per year.
- Workday Learning—Nationwide offers hundreds of developmental courses online. Leadership supports scheduling time to allow associates to develop new skills and stay current with regulatory requirements.
- eDevelopment—Nationwide will assist associates with a formal development plan for personal and career growth. Leadership is required to oversee this process.
- Succession planning—Nationwide leadership will have weekly succession planning meetings to ensure we have backup plans in place for staff turnover.

New Employee Training (Strategic Goal 1, 3, & 5)

During the first few weeks of employment, new contractors will learn the business flow of the office, including processing paperwork. They will then begin training on several specific call types related to withdrawals and website help. They are provided with recorded video training sessions to view. After completion of the video library, Account Executives are paired up with a Service Center Team Lead to recap all subject matter and test their retention of the material. After completion of subject matter training, hands-on Service Center training continues with the Account Executive listening to live calls and completing follow-up paperwork with a Sr. Account Executive or Service Center Team Lead. This process helps them learn how a call should flow and provide the opportunity to learn first-hand how to lead a participant through each process and answer their questions. After they have an understanding of the call flow, they will begin taking calls under the supervision of a Sr. Account Executive or Team Lead. Not until they have a proven working knowledge of Ohio DC will they be permitted to take calls on their own.

After the Account Executive has successfully taken these call types for a period of time and has a proven track record of attendance and great customer service, they will be provided the opportunity to apply for a full-time position with Nationwide. Consideration will be given to those contractors who have already completed their FINRA Securities Industries Essentials exam. Upon converting to a full-time associate, the Account Executive will be required to complete both the FINRA Securities Industry Essentials exam, if they have not already done so, and their FINRA Series 6 licensing exam. During the time they are studying, training begins on specific call types related to rollovers and enrollments. Similar to the previous hands-on training, Account Executives will review the library of training videos and recap with a Team Lead. After new Account Executives have completed their licensing requirement, training begins on call types related to changes to investments or contributions.



Ongoing Training and Performance Management (Strategic Goal 1, 3, & 5)

Ongoing training exists in the form of classroom technical training, personal skills training, mentoring, and on-the-job learning from peers. Nationwide values personal development and offers a variety of resources to help improve job performance and career advancement. Managers and Team Leads review and score random recorded calls taken by our Account Executives for quality and training purposes. In-depth feedback is provided to each Account Executive on the call-review and opportunities for improvement are highlighted.

Field Account Executives are not generally part of the office environment. Due to the nature of their jobs, they would normally be traveling to different worksites each day, providing fewer opportunities to attend formal training classes. However, they are evaluated and reviewed by management several times per year in a variety of settings. Management also carefully reviews verbatim survey comments for any opportunities to improve performance. For 2025, Field Account Executives will be asked to assist the Service Center by answering incoming calls during peak season depending on Service Center staffing levels.

Weekly team huddles and monthly conference calls with Field Account Executives ensure representatives are kept current on any changes. Guest speakers from Ohio DC's investment managers and an economist occasionally attend these meetings to discuss fund updates or provide an economic overview. An annual meeting of all Field Account Executives across the country typically occurs in January. This conference allows us to share and learn from our peers in other areas of the country, especially large multi-employer plans. Field Account Executives also conduct peer-to-peer shadowing on occasion to share ideas and learn from each other's experiences.

Formal performance reviews are conducted twice per year and determine employee compensation and career development, while individual coaching and feedback occur much more frequently. The Service Center routinely holds small group meetings with staff members about once a month.

Training Manual (Strategic Goal 1, 2, 3, & 5)

All training manuals and procedure manuals are hosted on an internal SharePoint website so everyone in the office is accessing the same, current documents for use with participant calls. These procedure documents are also available to Field Account Executives. All team members also have access to pre-recorded video training sessions by our experienced Team Leads to expedite the training and onboarding process, while minimizing the time needed from leadership to conduct training sessions. Training and procedures documents will be updated each time we are informed of a new administrative procedure by the Board staff.

Quantitative and Qualitative Service Goals (Strategic Goal 1, 2, 3, & 5)

Nationwide and Ohio DC staff believe participant satisfaction is very important. We record all calls so that we can use them for training purposes and to help address areas where we could have worked harder to improve the participant experience. The Board evaluates Nationwide's performance based on survey results. Survey scores have been very high over the last decade. Using the new "Net Promoter Score" which benchmarks Ohio DC to the financial services industry, scores were in the 100th percentile.



Collaboration with Other Large Defined Contribution Plans (Strategic Goal 1, 2 & 5)

Nationwide remains the largest deferred compensation provider ranked by the number of plans. This puts us in a unique position to serve some of the largest and most complex plans in the country. Several years ago, Nationwide created a single “Large Plan” team that includes staff servicing Ohio Deferred Compensation, the Maryland Teachers & State Employees Retirement Plans, New York State Deferred Compensation Plan, the Kentucky Deferred Compensation Plan, and the California Savings Plus Plan. Through frequent meetings and conference calls with other leaders from large plans, we continue to share best practices to benefit all plans including web content, marketing materials, outreach meetings to participants, etc. These plans are all leaders in the public sector defined contribution industry.

Disaster Recovery (Strategic Goal 2 & 5)

Each year Nationwide evaluates its Disaster Recovery Plan to ensure our operations can continue during a catastrophic disruption of the business. As part of Nationwide’s contract, we are responsible for providing information on our full-scale Disaster Recovery Plan for the Service Center and auxiliary Nationwide services. This plan is reviewed by our Business Continuity team.

A more likely disruption scenario is a temporary loss of power or communication. While we previously used other local Nationwide facilities as a staging area for short-term disruptions, we now have the full capability of all associates to work from anywhere with an internet connection. Using our phone system, an Account Executive can login and begin taking calls from anywhere in the country through a Virtual Private Network.

Strict Adherence to Financial Industry Regulatory Authority (FINRA) Requirements (Strategic Goal 4 & 5)

Nationwide actively monitors both federal and state legislation as it applies to our businesses, business partners, customers, and employees. For the purposes of Ohio DC, Nationwide provides and monitors the activities, marketing materials, and communications used by its Registered Representatives. Nationwide Investment Services Corporation (NISC) Compliance manages the compliance program. NISC Compliance is responsible for providing the oversight of NISC’s business lines.

2025 Marketing Checklist

	<u>Target Date</u>	<u>Completed Date</u>
<u>Employer Emails</u>		
Employer Newsletter Notification (Communication Mgr.) Even months	February	
Monthly Employer webinars (Communication Mgr.) Odd months	January	
<u>Participant Emails</u>		
Approaching Retirement - Preparing to Retire & Beyond the Basics	January 8	
Quarterly Newsletter	January 13	
Asset Allocation & Managing Risk	January 22	
Closing the Retirement Gap	January 29	
Promotional email Q1	January 30	
NRI Webinar - Women in Retirement	February 5	
Ask Ohio DC	February 12	
Retired Minds Want to Know	February 19	
Rollover with single investment option default	February 25	
NRI Webinar - Social Security	February 26	
eDelivery reminder email	February 27	
Retired Minds Want to Know	March 5	
Early Saver Newsletter 1	March 6	
Retention Email (separated within past 3 months)	March 11	
Ask Ohio DC	March 12	
Rewards Newsletter 1	March 13	
Closing the Retirement Gap	March 19	
Enrich promotion Q1	March 20	
Rollover-in email to newly enrolled employees	March 27	
NRI Webinar - Tax Efficient Retirement Income	April 2	
Asset Allocation & Managing Risk	April 9	
Quarterly Newsletter	April 14	
NRI Webinar - Introduction to Medicare	April 16	
Approaching Retirement - Preparing to Retire & Beyond the Basics	April 23	
Promotional email Q2	April 30	
Beneficiary clean-up email	May 7	
Beneficiary clean-up email	May 14	
NRI Webinar - Social Security	May 21	
NRI Webinar - Women in Retirement	May 28	
Asset Allocation & Managing Risk	June 4	
Cybersecurity awareness reminder to establish online profile	June 11	
Retention Email (separated within past 3 months)	June 12	
Enrich promotion Q2	June 18	
Rollover-in email to newly enrolled employees	June 26	
Closing the Retirement Gap	July 2	
Ask Ohio DC	July 9	
Quarterly Newsletter	July 14	
NRI Webinar - Tax Efficient Retirement Income	July 16	
Retired Minds Want to Know	July 23	
Promotional email Q3	July 31	
Ask Ohio DC	August 6	
Beneficiary clean-up email	August 7	
Beneficiary clean-up email	August 13	
NRI Webinar - Introduction to Medicare	August 20	
Asset Allocation & Managing Risk	August 27	
NRI Webinar - Women in Retirement	September 3	
Early Saver Newsletter 2	September 4	
Approaching Retirement - Preparing to Retire & Beyond the Basics	September 10	
Rewards Newsletter 2	September 11	
Retention Email (separated within past 3 months)	September 12	

	<u>Target Date</u>	<u>Completed Date</u>
Enrich promotion Q3	September 18	
Rollover-in email to newly enrolled employees	September 24	
RMD management email	October 1	
Quarterly Newsletter	October 13	
Asset Allocation & Managing Risk	October 15	
NRI Webinar - Social Security	October 29	
Promotional email Q4	October 30	
Ask Ohio DC	November 12	
NRI Webinar - Tax Efficient Retirement Income	November 19	
Ask Ohio DC	November 26	
Retention Email (separated within past 3 months)	December 12	
New Contribution Limits	December 17	
Rollover-in email to newly enrolled employees	December 18	
Enrich promotion Q4	December 19	
Section 603 email (50+ Roth)	TBD	
Section 603 email (50+ Roth)	TBD	
Section 603 email (50+ Roth)	TBD	
Section 603 email (50+ Roth)	TBD	

Web Banners

To be determined each month	January
To be determined each month	February
To be determined each month	March
To be determined each month	April
To be determined each month	May
To be determined each month	June
To be determined each month	July
To be determined each month	August
To be determined each month	September
To be determined each month	October
To be determined each month	November
To be determined each month	December

Physical Mailings

C Status Participant Letter (Age 65-72) to be sent by Board Office	February
C Status Participant Letter (Age 73+) to be sent by Board Office	February
Accel Letter to be sent by Board Office	May
Small Balance Letter to be sent by Board Office	May
RMD Direct Deposit Notification	September
Default RMD Notification	November

Newsletter articles - Front Page

Themed article - Be Ready. Be Prepared.	January
Themed article - Be Ready. Be Prepared.	April
Themed article - Be Ready. Be Prepared.	July
Themed article - Be Ready. Be Prepared.	October

Webinars

NRI Webinar - Introduction to Medicare	January 8
Approaching Retirement - Preparing to Retire	January 29
Approaching Retirement - Beyond the Basics	February 5
Employer webinar	February 11
Asset Allocation & Managing Risk	February 12
Closing the Retirement Gap	February 19

	<u>Target Date</u>	<u>Completed Date</u>
NRI Webinar - Women in Retirement	February 26	
Ask Ohio DC	March 5	
Retired Minds Want to Know	March 12	
Employer webinar	March 18	
NRI Webinar - Social Security	March 19	
Retired Minds Want to Know	March 26	
Ask Ohio DC	April 2	
Employer webinar	April 8	
Closing the Retirement Gap	April 9	
NRI Webinar - Tax Efficient Retirement Income	April 23	
Asset Allocation & Managing Risk	April 30	
NRI Webinar - Introduction to Medicare	May 7	
Employer Webinar	May 13	
Approaching Retirement - Preparing to Retire	May 14	
Approaching Retirement - Beyond the Basics	May 21	
Approaching Retirement - Preparing to Retire	May 28	
Approaching Retirement - Beyond the Basics	June 4	
Employer Webinar	June 10	
NRI Webinar - Social Security	June 11	
NRI Webinar - Women in Retirement	June 18	
Asset Allocation & Managing Risk	June 25	
Employer Webinar	July 8	
Closing the Retirement Gap	July 23	
Ask Ohio DC	July 30	
NRI Webinar - Tax Efficient Retirement Income	August 6	
Employer Webinar	August 12	
Retired Minds Want to Know	August 13	
Retired Minds Want to Know	August 20	
Ask Ohio DC	August 27	
Employer Webinar	September 9	
NRI Webinar - Introduction to Medicare	September 10	
Asset Allocation & Managing Risk	September 17	
NRI Webinar - Women in Retirement	September 24	
Approaching Retirement - Preparing to Retire	October 1	
Employer Webinar	October 7	
Approaching Retirement - Beyond the Basics	October 8	
Approaching Retirement - Preparing to Retire	October 22	
Approaching Retirement - Beyond the Basics	October 29	
Asset Allocation & Managing Risk	November 5	
Employer Webinar	November 18	
NRI Webinar - Social Security	November 19	
Ask Ohio DC	December 3	
Employer Webinar	December 9	
NRI Webinar - Tax Efficient Retirement Income	December 10	
Ask Ohio DC	December 17	

Staff Training & Development

National Sales Meeting for field staff	January 21-24
President's Day internal staff training meeting	February 17
Associate development plans	March
Good Friday internal staff training day	April 18
Juneteenth training/holiday	June 19
Firm element training	September
Field staff training meeting	November

	<u>Target Date</u>	<u>Completed Date</u>
Workday Learning development	Monthly	
Small group training	Monthly	
Field staff conference calls	Monthly	
Level 2 Processing Team huddle	Daily	
Service Center team huddle	Every other Tuesday	
Field representative team huddle	Every Tuesday	
<u>Miscellaneous</u>		
Annual fraud awareness/training	March	
Call center disaster recovery exercise	July 3	
Semi-annual marketing audit	June/December	
Training manual/videos updated online	Monthly	



2024 NAGDCA Leadership Recognition Award Submission

PLAN PROFILE:

Plan: Ohio Deferred Compensation Plan (Ohio DC)

Plan Type: 457(b) (pre-tax & Roth)

Participants: 260,000 accounts **Assets:** \$20 Billion

Administrator: Ohio DC (Defined Contribution)

Category: Communication and Marketing

Initiative: Ohio DC – 2023 Enhanced Webinar Education Campaign

Overview/Background:

Since the onset of the pandemic, Ohio DC noticed a decline in group meeting attendance. With decentralized work locations, fewer employees participated in workplace meetings, impacting Ohio DC's field representatives across the state. To continue delivering valuable education to Ohio's public employees, Ohio DC sought innovative solutions. Although webinars had been offered for more than a decade, Ohio DC was able to increase year-over-year attendance by 154% by providing new engaging content and thoughtful tactics. The enhanced content led to a 98% surge in meeting participation during the second half of 2023.

Campaign Goals:

1. **Efficiency** to connect with more Ohio public employees.
2. **Increase** group meeting satisfaction for employees and employers.
3. **Motivate** participants to act on their knowledge.

From Paul Miller, Interim Executive Director

Our post-pandemic work environment has changed considerably, and online education has replaced in-person as our primary education channel. With many media alternatives vying for our attention, we felt a refresh in invitations and webinar content was needed to improve our results. Our improvement in webinar attendance was stunning!

Project/Campaign Descriptions:

The pandemic significantly altered the way defined contribution plans conducted business. The number of traditional in-person meetings declined and never fully recovered due to employee decentralization. Additionally, an independent survey found that employer satisfaction declined 11% from 2021 to 2022 with onsite group meetings as a method of reaching their employees. The survey results concluded that dissatisfaction did not rise, neutral responses increased. Also, the survey uncovered plan participants’ need for additional retirement education, covering topics from investing to retirement preparation. The existing webinar content addressed these concerns but needed enhancement.

To address these challenges, Ohio DC revamped its webinar strategy. The goal was to boost knowledge distribution, increase webinar attendance, and enhance employer satisfaction. We achieved this by employing multiple communication touchpoints. Leveraging survey insights, we realized that 79% of employees and 62% of employers preferred email as their primary communication channel. Key tactics to promote webinars included engaging email campaigns promoted by Ohio DC’s field representatives, informative employee and employer newsletters, virtual events, and a mix of live and recorded meetings.

Campaign Tactics

- **Proactive Communication:** Targeted emails were dispatched to employees three weeks prior to the webinars. This proactive approach allowed both employees and employers to engage in communication and allocate time for these important meetings. The emails were designed to highlight one specific event each month. By doing so, attendance for that event was maximized, allowing employees and employers to fully engage and benefit from the content.
- **Quarterly Connection:** The *Focus* newsletter (participant-facing) and *Employer Insights* newsletter played a crucial role in boosting quarterly awareness for both audiences. These newsletters catered to 31% of audiences who prefer alternative channels to email or lack an online presence, ensuring they remained informed about Ohio DC content.
- **Accessible Meeting Materials:** Ohio DC ensured that live meeting registration links were posted online. Additionally, we archived digital recordings of past meetings, allowing participants to revisit content at their convenience.

Refreshed webinar topics offered in 2023	
Asset Allocation & Managing Risk	Approaching Retirement—Beyond the Basics
Closing the Retirement Income Gap	Introduction to Social Security
Women & Retirement	Introduction to Medicare
Managing the Taxes on Your Retirement Income	What Retired Minds Want to Know
Approaching Retirement—Preparing to Retire	Ask Ohio DC. We’re Here to Help!

Campaign Results:

1. **Yearly Progress (2022 to 2023):** In 2022, the total number of webinar attendees was 1,721. However, the following year, in 2023, there was a remarkable increase in attendees. The total attendance surged to 4,376, marking an impressive 154% increase. Every month in 2023 saw attendance increases, indicating enhanced engagement and interest in the webinars. This growth could be attributed to factors such as improved content quality, effective marketing strategies, or broader audience reach.
2. **Mid-Year Shift (First Half to Second Half of 2023):** Further examining the 2023 data, we notice a significant trend. In the first six months, 1,467 attendees participated. However, during the latter half of the year, this number surged to 2,909, translating to a substantial 98% increase. Strategic

adjustments, targeted promotions, or compelling topics contributed to this upswing. The second half of 2023 witnessed heightened engagement, emphasizing the importance of adapting and refining webinar approaches throughout the year.

Email webinar results

	2022	2023	Outcome
Open Rate	54.2%	58.5%	+4.3%
Registration-Link Clicks	3,739	11,737	+213.9%
Online webinar page views	6,867	9,226	+34.4%

Newsletter Results

- 107,533 newsletters were mailed per quarter in 2023
- 2,648 views of the digital newsletter
- 733 clicks to visit Ohio457.com

Application to other plans:

Here are three ways other plans can enhance webinar attendance and engagement:

- Leverage Common Tactics:**
 - o **Webinar Content Enhancement:** Plans can adopt the same tactics used here to bolster their webinar content. This includes creating informative and engaging material that resonates with participants.
 - o **Multi-Channel Promotion:** Utilize multiple communication channels (such as email, social media, and employer intranet sites) to advertise webinars effectively. By reaching participants through various platforms, plans can maximize visibility and attendance.
- Harness Survey Insights:**
 - o **Conduct Surveys:** Plans should consider conducting surveys among participants. These insights can reveal trends and highlight needs that might otherwise go unnoticed. By understanding participant preferences and pain points, plans can tailor their webinars accordingly.
- Collaborate with Experts:**
 - o **Engage Recordkeepers and Consultants:** Plans can collaborate with their recordkeepers or external consultants. These experts can help create additional content for webinars, ensuring they remain relevant and engaging. By tapping into their expertise, plans can enhance the overall webinar experience for participants.

Campaign Content:

Email Messages



Employer & Focus Newsletter



Ohio DC
Deferred Compensation
Invest in you.

Ohio DC Employer Insights

October 2023

Invest in your employees.

Stay informed about the latest Ohio DC employer news. The "Ohio DC Employer Insights" newsletter has information about retirement planning, financial wellness for your employees, 15(c) changes, and industry news.

[Visit our Website](#)

Virtual Adventure Center

We have resources to help your employees along their retirement journey. They can get hands-on experience with our planning tools, dive deeper into retirement topics, and test their knowledge in a game of trivia.

Share a link to our Virtual Adventure Center with your employees today!



Roth 457

Why offer the Roth 457 Option?

Ohio DC's Roth 457 option gives your employees the ability to make post-tax contributions to an Ohio DC account, which allows for tax-free withdrawals once certain conditions are met.

As the employer, you must choose to adopt the Ohio DC Roth 457 option by executing an Employer Adoption Agreement, Exhibit G, and Payroll/Administrative Procedures form before an employee can enroll. In addition, employers will need to set-up a separate post-tax deduction in their payroll system for Roth contributions.

All information about the Roth 457 option can be found on our employer website.

National Retirement Security Month

Webinar Schedule

Approaching Retirement - Preparing to Retire
• October 4 at 9 a.m. and 11:30 a.m.

Approaching Retirement - Beyond the Basics
• October 11 at 9 a.m. and 11:30 a.m.

Retired Minds Want to Know
• October 18 at 9 a.m. and 11:30 a.m.

Asset Allocation & Managing Risk
• October 25 at 9 a.m. and 11:30 a.m.



National Retirement Security Month (NRSRM) kicks off October first. If you are looking for inspiration on how to further promote the ideas of NRSRM, Ohio DC is hosting four employee one-hour webinars.

Please provide the webinar schedule on the left to your employees. All webinar dates and times are also located on our website.



FOCUS



Ohio457.org • 877-644-6457 Third Quarter 2023

Ohio Deferred Compensation has a new look

We refreshed our branding and



October Is National Retirement Security Month

During National Retirement Security Month, we will host free, one-hour, live webinars to help you with your retirement outcomes. If you have an internet connection and a phone or computer, you're ready to go. During the webinar, we will not be able to address specific questions about your account. Call our Service Center, at 877-644-6457, if you need individual assistance.

Approaching Retirement: Preparing to Retire

Wednesday, October 4 at 9 a.m. and 11:30 a.m. (one hour)

This webinar is for participants who are getting close to retirement. It helps participants identify basic concepts such as retirement risks, determine their retirement gap, and explore asset allocation and payout options. If you are unable to attend, this webinar has been recorded and is available at Ohio457.org.

Retired Minds Want to Know

Wednesday, October 18 at 9 a.m. and 11:30 a.m. (one hour)

This webinar focuses on helping retirees protect their accounts against risks in retirement, including diversifying their portfolios. It also explains various withdrawal strategies and required minimum distributions (RMDs). If you are unable to attend, this webinar has been recorded and is available at Ohio457.org.

Approaching Retirement: Beyond the Basics

Wednesday, October 11 at 9 a.m. and 11:30 a.m. (one hour)

This webinar is for participants who are getting closer to retirement and have already mastered basic concepts and want more in-depth discussion regarding asset allocation examples, Catch-up, retirement decisions (such as PLOP), and withdrawal strategies. If you are unable to attend, this webinar has been recorded and is available at Ohio457.org.

Asset Allocation & Managing Risk

Wednesday, October 25 at 9 a.m. and 11:30 a.m. (one hour)

This webinar is designed to help participants control their emotions when investing through market volatility. It will help participants identify an asset allocation strategy and manage their investment risk.

Advance Registration Is Required for Ohio DC Webinars To Register:

1. Go to Ohio457.org
2. Click "Resources" then "Videos & Webinars"

You will be emailed login information and detailed instructions after registering. Register now—attendance is limited!



Website Posting & Presentations

The screenshot displays the 'Webinars and Videos' section of the Ohio Deferred Compensation website. The header features a dark blue background with a lightbulb icon on the left and a speech bubble icon on the right. Below the header, a navigation bar includes links for 'Upcoming Live Webinars', 'Recorded Webinars', and 'Videos'. The 'Recorded Webinars' section is active, showing a list of available webinars on the left and a video player on the right.

Recorded Webinars

- Approaching Retirement—Preparing to Retire**
Getting ready to retire? This webinar covers basic withdrawal options.
[Watch this presentation](#)
- Approaching Retirement—Beyond the Basics**
If you've mastered the basics of retirement, learn more.
[Watch this presentation](#)
- Asset Allocation & Managing Risk**
This webinar is for all Ohio DC investors because it's important.
[Watch this presentation](#)
- Managing the Taxes on Your Retirement Income**
Most Ohio Public Employees save for retirement with a 401(k) plan, especially at age 73, when RMDs begin. This webinar explains the rules.
[Watch this presentation](#)
- Closing the Retirement Income Gap**
Identify your potential retirement income shortfall or surplus. Learn how to use a retirement planning tool and prepare an action plan to help you retire.
[Watch this presentation](#)
- Retired Minds Want to Know**
A great webinar for those already retired. Topics include protecting your account, understanding your options, and more.
[Watch this presentation](#)

Introduction to Medicare
Introduction to Medicare

SocSec-Webinar
Introduction to Social Security

Retired Minds Want to Know

The video player shows a thumbnail image of three people (two men and one woman) sitting around a table, engaged in a discussion. The Ohio Deferred Compensation logo is visible in the bottom right corner of the video player.



**Deferred
Compensation**

INFORMATION ITEMS



December 2024 Board Update

In months the Ohio DC Board does not hold a meeting, staff compiles updates on initiatives that may not warrant a full discussion during meetings but are nonetheless critical to Ohio DC's success. The Board Update will contain important reminders and statistics, as well as strategic plan, priority projects, and shared services updates. If you have questions, please do not hesitate to ask.

This update covers the following topics: November meeting wrap-up, quarterly shared services budget analysis, strategic plan objectives and 2024/2025 priority project updates, and November monthly statistics.

November 19, 2024 Meeting Wrap-Up

- 2025 Meeting Dates – January 14 (Audit Committee), March 18, May 20 (Audit Committee), August 19 (Strategic Planning), September 16, November 18.
- US Bond Fund Structure and RFP – Ohio DC provides participants with an active fixed income investment option through the US Bond Fund. TCW is the sole manager of the fund within a Collective Investment Trust. The Fund represents about 1.07% of Plan assets for about 14,700 (0.1%) participants (as of 9/30/24). RVK and staff will move forward with an RFP in Q1 2025 to identify a complementary manager. As with Ohio DC's other white label funds, diversity of managers may both improve performance and reduce detractors to Fund returns. RVK will present the results at a future meeting.
- Internal Fiduciary Review – Staff conducted an analysis of Ohio DC's fiduciary compliance topics using a best-practices checklist developed by NAGDCA. It was an educational and affirming process to recognize where efforts have served the fiduciary duties of the Plan. While no significant deficiencies were identified, staff will complete the necessary SECURE Act 2.0 Plan amendments in the future. Please review the November materials for details.
- Budget Modeling – Staff will be modeling various market performance and fee collection scenarios to analyze how they might impact future administrative fees and operating cost. This data will help us understand whether the administrative fee policy is appropriate in the short and long term. Staff will present information for discussion at a future meeting.

Quarterly Shared Services Budget Analysis

OPERS shared services expenses are reported on a rolling three-month period. The analysis below aggregates Ohio DC September, October and November shared services expenses.

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION BOARD SHARED SERVICES BUDGET ANALYSIS

	SEPT-OCT-NOV 2024			YEAR-TO-DATE 2024		
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>
HUMAN RESOURCES	\$ 1,342.00	\$9,242	\$ (7,899.50)	\$ 4,453.00	\$33,886	\$ (29,432.50)
PRINTING AND MAILING	\$ 4,520.16	\$7,777	\$ (3,257.17)	\$ 18,245.17	\$28,517	\$ (10,271.70)
INTERNET CONNECTIVITY	\$ -	\$2,497	\$ (2,496.85)	\$ 1,485.12	\$9,155	\$ (7,670.00)
EXECUTIVE LEADERSHIP	\$ 51,582.97 *	\$50,521	\$ 1,062.29	\$127,600.90 *	\$126,302	\$ 1,299.20
MISCELLANEOUS SERVICES	\$ 1,919.99	\$0	\$ 1,919.99	\$ 17,072.71	\$0	\$ 17,072.71

Notes: The 2024 approved budget includes \$120,000 for shared services and \$202,350 for Executive Director Salary. As of November 30, 2024, purchase order commitments totaling \$235,972.82 have been made for OPERS shared services. This amount includes \$127,600.90 unpaid invoices and interest accrued for Executive Leadership Services. These amounts do not include Postage, as it is budgeted in its own line item and is the same cost for Ohio DC and OPERS. As a result, staff concludes that Shared Services projects are within budget and scope as of November 30, 2024, with the exception of unexpected interest expense accrued (\$1,239.97 year-to-date) as a result of non-payment.

Strategic Plan Objectives Update

All the existing strategic planning objectives have been completed as noted below. Staff are building our action plans to support the new strategic objectives.

Completed Objectives

- Update the internal fiduciary review, every five years (2-55). **Completed a presentation in November.**
- Research asset retention strategies, including but not limited to SDBA and managed account options (3-26). **Completed with RVK presentations in August and October.**
- Research retirement income strategies (3-27). **Completed with the RVK presentation on various strategies. The collaboration with Ohio DC and OPERS will continue to review strategies and products available in the market.**
- Develop administrative staffing model to assist with maintaining new technology, participant service enhancements, and succession plans (5-20). **Completed with the shared services model being put in place. New opportunities will be evaluated.**

New Objectives

- Reach more new and existing participants by utilizing collaborative data and education opportunities (1-50).
- Develop employer-specific tactics to reach more new and existing employers and educate on the advantages of Ohio DC (1-51).
- Invest in new technologies that improve service to participants, efficient operations, and cyber security (2-56).

2024 Priority Projects Update

The following information will inform the Board about the status of work on critical topics and their cadence for review in the past or coming year.

- **Administration**

Annual Financial Audit and Report – Staff participates in external audits and reports the results to the Board each year. Staff has asked the auditor to initiate the 2025 external audit on a slightly accelerated timeline. Therefore, the representative from Rea & Associates is attending the January 2025 Board meeting to kick off the annual audit in the Board's Audit Committee. **Reminder: The Audit Committee currently consists of: Mr. Smith (Chair), Mr. Steitz (Vice Chair), Mr. Kunk, Mr. Tilling, and Mr. Toth.**

Nationwide Services – Nationwide will present its annual service review and upcoming year's plan at the January 2025 Board meeting. Staff monitors and measures services and satisfaction, including the use of participant surveys and monthly operational meetings. Nationwide's activities and milestones will also appear in the Board's regular updates.

Participant and Employer Satisfaction Surveys – Participant and Employer surveys are conducted routinely each year. The most recent round of completed participant surveys was conducted in the spring, with results in-line with exemplary historical norms, ranking the Ohio DC in the 100th percentile among financial services vendors in Net Promoter Score (comprised of a formula subtracting those dissatisfied with Ohio DC from satisfied participants). Ohio DC staff also conducted a census survey of all participating employers to improve points of contact and identify service opportunities for employer reporting.

CEM Results – Each year, Ohio DC participates in the CEM Defined Contribution Survey. The program is free because Ohio DC shares information but does not purchase customized reports. Using over 100 U.S. corporate and public defined contribution plans as peers, CEM summarized Ohio DC's individual participant costs as below the median and number of investment offerings slightly above the median. Plan participants' average net total return on investments in 2023 was 2% above the U.S. median of 16.3%, because many of Ohio DC's investment options are outperforming their benchmark indices. Ohio DC does not currently purchase enhanced benchmarking outside of RVK consulting services but continues to explore it periodically. RVK regularly provides benchmarking reports for investment funds, managers, and participant fees.

- **Information Technology**

IT Staffing – Ohio DC hired a project manager in early November and is in the initial stages of integrating her with the team. Staff will proceed with filling out the IT staffing needs in 2025, as described in the operating budget.

Priority IT Projects and Security – Priority IT projects for 2024 included implementing new IRS age-based contribution limits from SECURE Act 2.0, adding a site search to the Participant Web Portal, migrating our bulk printing to leverage OPERS' shared services, outsourcing benefit payment check printing, and reducing technical debt. Priority projects for 2025 include adding a managed security operations center vendor and developing a document management system. Peraton continues to be a key component to IT staffing and will continue to work alongside the Ohio DC IT team to provide major enhancements to the recordkeeping system and participant web portal, as well as upgrades to the

Azure cloud infrastructure. The Board also heard the results of the external security audit and penetration testing in November. In 2024, staff addressed several recommendations identified in the 2023 audit.

Business Continuity and Disaster Recovery Plan (BC/DRP) – Ohio DC decommissioned its colocation space in 2024, as the provider ceased these services and there were no other suitable providers in the area. With Ohio DC's minimal on-site footprint, alternative strategies were developed to outsource any remaining printing and scanning to the Nationwide disaster recovery site in the event the Columbus office is unavailable and to have staff work remotely.

- **Participant and Employer Services and Communication**

Auto-Enrollment – Many agencies of the State of Ohio automatically enroll new employees in Ohio DC, and the statistics demonstrate that far more employees remain active participants than those who choose to disenroll. Through November 2024, there were 3,035 potential auto-enrolled participants. 670 of them (22%) enrolled prior to the 90-day deadline. 275 (9%) opted out of Ohio DC. However, 43 of those who initially opted out later chose to reenroll in Ohio DC. Therefore, 2,803 (92%) of the potential auto-enrolled participants now have Ohio DC accounts. This rate of retention is strong evidence of participants' favorable behavior around this growth strategy.

2024 National Retirement Security Month – In October of 2024, Ohio DC field representatives partnered with OPERS education representatives to reach more public employers and educate them about the best practices for reporting contributions and why the Plan is valuable for employers and employees. There were several sessions throughout the state with strong attendance. Nationwide staff are also hosting an employer webinar that is receiving larger registration than expected.

Employer Outreach – Using data provided by OPERS, Nationwide identified 129 large employers with below average participation. Hundreds of contacts and events have taken place with these employers since last summer. We will be meeting with OPERS to review progress on participation.

Annual and Quarterly Statements and Newsletters – Beginning with the second quarter 2024, the quarterly *Focus* newsletter was made accessible only online at Ohio457.org. An email is sent to participants when the new *Focus* newsletter is available, and a QR code linked to the online newsletter is printed in the quarterly statement. The transition to paperless newsletters was successful and well received by our participants. The newsletter change represents approximate savings of \$47,000 per year.

- **Investments**

BNY Renewal – Ohio DC's master custody agreement with BNY Mellon is for a five-year term ending on December 31, 2025. RVK and staff agree that an extension of the agreement is appropriate without a competitive bid, because the vendor's performance is satisfactory, the relationship is productive, and the current fees are reasonable. Staff will solicit a renewal proposal from BNY and review it with RVK to determine whether Ohio DC would still need to conduct a full RFP for the services in early 2025.

Stable Value Option – To optimize returns, RVK recently advised, and the Board adopted, a strategy to reduce a manager in the option. RVK and staff will implement this change in the first quarter of 2025. Assets in the Nationwide portfolio will be reallocated among our existing SVO managers.

Lifepath Changes – Ohio DC opened a new lifepath portfolio for 2065 and closed the year 2025 portfolio. Blackrock is also implementing a modified glidepath strategy within these funds, as RVK presented to the Board in October.

November 2024 | Ohio DC Statistics

MONTHLY MARKET PERFORMANCE

		November		YTD
Large Company Stocks	▲	5.87%	▲	28.05%
Small/Mid Company Stocks	▲	11.72%	▲	26.24%
Non-US Stocks	▼	-0.42%	▲	7.47%
Total Bond Market	▲	1.15%	▲	3.15%

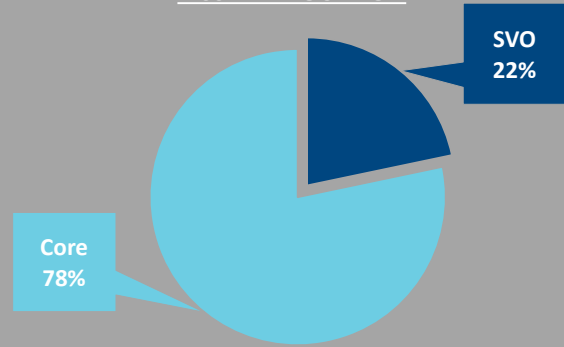
Monthly Perf.

\$805
million

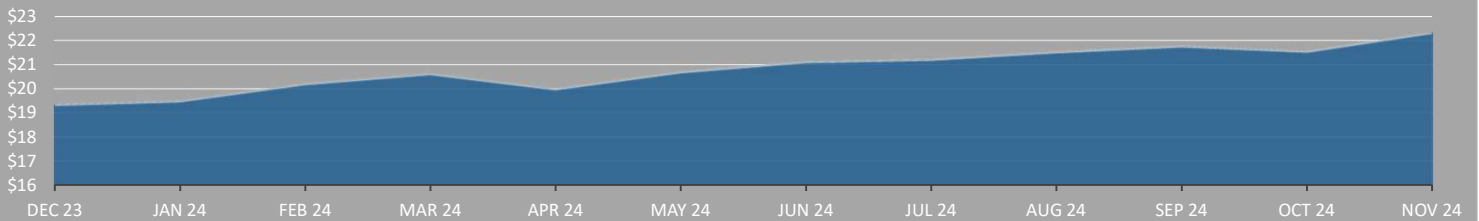
YTD Perf.

\$3,464
million

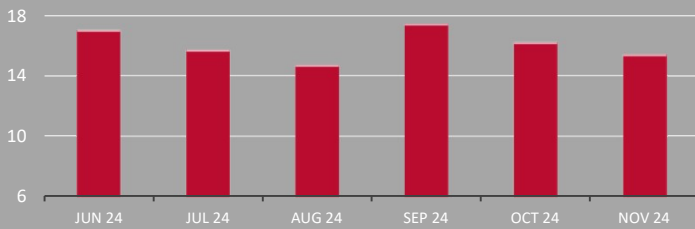
MONTH END ASSET ALLOCATION



TOTAL ASSETS (in billions)



MONTHS OF EXPENSE IN CASH RESERVES



KEY INDICATORS

	November	YTD
Enrollments		
2024	1,763	18,882
2023	1,585	18,524
% Change	▲ 11.2%	▲ 1.9%

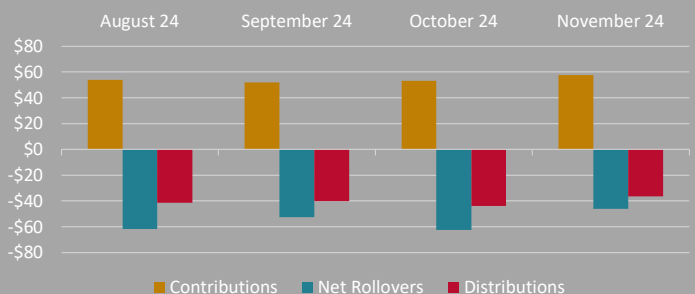
Unforseeable Emergencies (in millions)

2024	\$ 2.0	\$ 20.8
2023	\$ 1.6	\$ 12.2
% Change	▲ 24.0%	▲ 71.2%

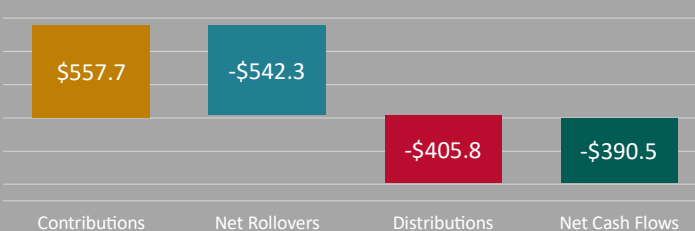
Applications Processed:	466
Applications Approved:	461
Percentage Self-Certified:	79%

Approval %
98.9%

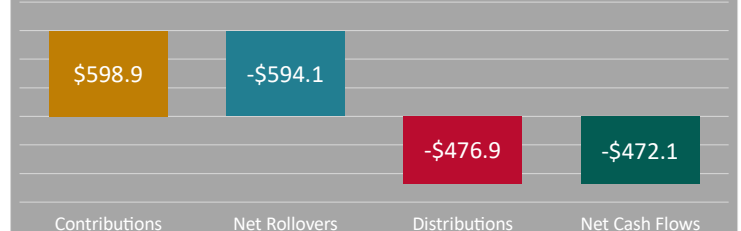
MONTHLY CASH FLOWS (in millions)



2023 YTD NET CASH FLOWS (in millions)



2024 YTD NET CASH FLOWS (in millions)



Financial data is unaudited and reflects the cash basis of accounting.

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM
ADMINISTRATIVE FUND
COMPARATIVE BALANCE SHEETS (UNAUDITED)

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>ASSETS</u>		
<i>CURRENT ASSETS:</i>		
PETTY CASH	\$50	\$50
CHECKING ACCOUNT	447,578	\$321,030
MONEY MARKET ACCOUNT	8,769,045	\$3,957,101
SHORT TERM INVESTMENTS	11,654,074	\$11,110,035
ACCOUNTS RECEIVABLE / PREPAYS	1,492,885	3,717,647
TOTAL CURRENT ASSETS	<u>22,363,632</u>	<u>19,105,863</u>
<i>FIXED ASSETS:</i>		
RECORDKEEPING MODERNIZATION	2,273,652	3,516,856
ORIS - PWP	20,175,114	17,189,289
FURNITURE AND FIXTURES	251,832	251,832
OFFICE EQUIPMENT	186,114	182,761
IBM AS/400	2,869	2,869
LEASE ASSET	2,209,807	2,209,807
LEASEHOLD IMPROVEMENTS	46,551	46,551
TOTAL FIXED ASSETS	<u>25,145,939</u>	<u>23,399,965</u>
LESS ACCUMULATED DEPRECIATION	<u>(7,063,597)</u>	<u>(5,199,480)</u>
NET FIXED ASSETS	<u>18,082,341</u>	<u>18,200,485</u>
<i>LONG TERM ASSETS:</i>		
UNCLAIMED PARTICIPANT BENEFIT PAYMENTS	609,496	483,092
TOTAL LONG TERM ASSETS	<u>609,496</u>	<u>483,092</u>
TOTAL ASSETS	<u>\$41,055,469</u>	<u>\$38,401,993</u>
<u>LIABILITIES & FUND BALANCE</u>		
<i>CURRENT LIABILITIES:</i>		
ACCOUNTS PAYABLE	\$433,625	\$472,364
HEALTH INSURANCE RESERVE	129,314	137,693
ACCRUED EXPENSES	482,095	522,418
SHORT-TERM LEASE LIABILITY	261,666	226,836
TOTAL CURRENT LIABILITIES	<u>1,306,701</u>	<u>1,359,311</u>
<i>LONG TERM LIABILITIES:</i>		
UNCLAIMED BENEFIT PAYMENT LIABILITY	607,022	480,754
LONG-TERM ACCRUED LEAVE LIABILITY	176,978	-
LONG-TERM LEASE LIABILITY	1,295,407	1,557,073
TOTAL LONG TERM LIABILITIES	<u>2,079,408</u>	<u>2,037,827</u>
TOTAL LIABILITIES	<u>3,386,108</u>	<u>3,397,138</u>
<i>FUND BALANCE:</i>		
BEGINNING OF YEAR	34,034,783	31,441,956
CURRENT YEAR SURPLUS (DEFICIT)	3,634,577	3,562,899
TOTAL FUND BALANCE	<u>37,669,360</u>	<u>35,004,855</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$41,055,469</u>	<u>\$38,401,993</u>

NOTE: CERTAIN ACCRUAL ADJUSTMENTS HAVE BEEN OMITTED

**OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM
ADMINISTRATIVE FUND
FUND RESERVE CALCULATION**

	<u>2024</u>	<u>2023</u>
Annual Expense Budget *	<u><u>\$13,791,600</u></u>	<u><u>\$13,142,197</u></u>
Average Monthly Expense Budget	<u><u>\$1,149,300</u></u>	<u><u>\$1,095,183</u></u>
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
CHECKING ACCOUNT	\$447,578	\$321,030
MONEY MARKET ACCOUNT	8,769,045	3,957,101
SHORT TERM INVESTMENTS	<u>11,654,074</u>	<u>11,110,035</u>
NET CASH RESERVES	<u><u>\$20,870,697</u></u>	<u><u>\$15,388,166</u></u>
Number of Months Expense in Reserve	<u><u>18.2 **</u></u>	<u><u>14.1</u></u>

The fund reserve policy was updated in July 2012 and seeks to retain a fund reserve equal to six to eighteen months of operating expense.

*The annual expense budget is adjusted for the impact of non-cash depreciation.

**While the 12/31/2024 fund reserves calculates to 18.2 months of 2024 expenses, the same reserve calculates to 16.9 months of 2025 expenses.

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM
ADMINISTRATIVE FUND
MONTHLY AND YEAR-TO-DATE REVENUES AND EXPENSES, WITH BUDGET COMPARISONS

	MONTH OF December 2024			YEAR-TO-DATE 2024		
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>
PARTICIPANT FEES	\$1,410,733	\$1,312,880	\$97,854	\$16,535,669	\$15,412,264	\$1,123,405
INTEREST INCOME	117,618	87,019	30,599	1,303,152	1,013,916	289,236 *
OVERNIGHT FEE INCOME	\$2,650	1,600	1,050	26,340	19,200	7,140
TOTAL REVENUE	1,531,001	1,401,499	129,502	17,865,161	16,445,380	1,419,782
SALARIES	380,617	407,866	(27,248)	2,349,983	2,792,956	(442,973) *
BENEFITS	48,984	80,144	(31,160)	789,350	801,060	(11,709)
INFORMATION TECHNOLOGY (IT)	11,014	62,497	(51,483)	550,888	749,963	(199,075) *
INSURANCE	0	0	0	198,033	215,200	(17,168)
HIRING AND RECRUITING	254	750	(496)	358	9,000	(8,642)
RENT	15,346	15,346	0	182,080	182,080	0
PRINTING	0	2,988	(2,988)	30,506	25,596	4,909
POSTAGE/DELIVERY	15,134	8,730	6,404	407,652	409,720	(2,068)
BOARD MEMBERS	0	605	(605)	4,760	9,100	(4,340)
EDUCATION/LICENSE/TRAVEL	1,283	2,200	(917)	10,421	26,400	(15,979) *
STATEMENTS	70	0	70	123,049	145,200	(22,151) *
PROFESSIONAL FEES	22,662	17,417	5,245	568,837	625,311	(56,473)
PARTICIPANT ADJUSTMENTS	3,715	400	3,315	2,132	4,800	(2,668)
BANK FEES	4,442	17,000	(12,558)	165,844	204,000	(38,156) *
MISCELLANEOUS	2,163	3,215	(1,051)	28,853	38,575	(9,722)
OPERATING EXPENSES	505,684	619,157	(113,473)	5,412,747	6,238,961	(826,213)
DEPRECIATION AND AMORTIZATION	365,307	376,188	(10,881)	1,460,392	1,504,752	(44,360)
TOTAL OPERATING EXPENSES	870,992	995,345	(124,353)	6,873,139	7,743,712	(870,574)
NRS COMPENSATION	602,255	624,937	(22,682)	7,105,255	7,302,903	(197,648)
OCCUPANCY COSTS	14,000	14,000	0	166,000	166,000	0
FINANCIAL WELLNESS	500	6,967	(6,467)	86,190	83,600	2,590
DEPRECIATION	0	0	0	0	0	0
TOTAL CUSTOMER SERVICE EXPENSE	616,755	645,904	(29,149)	7,357,445	7,552,503	(195,058)
TOTAL EXPENSES	1,487,746	1,641,248	(153,502)	14,230,584	15,296,216	(1,065,632)
NET REVENUES OVER EXPENSES	\$43,255	(\$239,750)	\$283,004	\$3,634,577	\$1,149,164	\$2,485,414

CERTAIN ACCRUAL ADJUSTMENTS HAVE BEEN OMITTED

A (\$) VARIANCE INDICATES ACTUAL AMOUNTS ARE LOWER THAN BUDGETED.

* = SEE ATTACHED EXPLANATION OF YTD VARIANCE OVER \$10,000 AND 10% FROM BUDGET.

**OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM
ADMINISTRATIVE FUND
YEAR-TO-DATE VARIANCE ANALYSIS OVER \$10,000 AND 10% FROM BUDGET**

	MONTH OF December 2024			YEAR-TO-DATE 2024		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
INTEREST INCOME	\$117,618	\$87,019	\$30,599	\$1,303,152	\$1,013,916	\$289,236

The 2024 budget was based on interest income earned in the previous year, plus a small increase. For 2024 YTD, this variance is due to a much larger than budgeted balance in reserves; therefore more interest income has been earned.

SALARIES	\$380,617	\$407,866	(\$27,248)	\$2,349,983	\$2,792,956	(\$442,973)
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Salaries are lower than budgeted due to two open positions and one eliminated position that were budgeted to be filled for the entire year. Executive Leadership is being accrued in the Professional Fees expense line for 2024. As such, this monthly variance is partially offset in that line item.

INFORMATION TECHNOLOGY	\$11,014	\$62,497	(\$51,483)	\$550,888	\$749,963	(\$199,075)
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Approximately \$60k of IT services are unbilled at year end and, upon receipt, will be adjusted back into 2024 to reduce this variance. \$80k was budgeted for Document Management System costs and \$10k for training: both were unused for 2024.

EDUCATION/LICENSES/TRAINING	\$1,283	\$2,200	(\$917)	\$10,421	\$26,400	(\$15,979)
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This favorable year to date variance is due to fewer conferences attended than budgeted.

STATEMENTS	\$70	\$0	\$70	\$123,049	\$145,200	(\$22,151)
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In 2024, we began eDelivery of annual statements. The number of statements requiring mailing (instead of e-delivery) is approximately 30% less than what was budgeted, resulting in this favorable variance.

BANK FEES	\$4,442	\$17,000	(\$12,558)	\$165,844	\$204,000	(\$38,156)
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This favorable year to date variance is due to adjustments made for BNY custody fees that were over accrued in 2023.