

this division;

(b) Whether any form of earnings not enumerated in this division is to be included in compensation.

Decisions of the board made under this division shall be final.

(M) "Superannuate" means both of the following:

(1) A former teacher receiving from the system a retirement allowance under section 3307.58 or 3307.59 of the Revised Code;

(2) A former teacher receiving a benefit from the system under a plan established under section 3307.81 of the Revised Code, except that "superannuate" does not include a former teacher who is receiving a benefit based on disability under a plan established under section 3307.81 of the Revised Code.

For purposes of sections 3307.35 and 3307.353 of the Revised Code, "superannuate" also means a former teacher receiving from the system a combined service retirement benefit paid in accordance with section 3307.57 of the Revised Code, regardless of which retirement system is paying the benefit.

(N) "STRS defined benefit plan" means the plan described in sections 3307.50 to 3307.79 of the Revised Code.

(O) "STRS defined contribution plan" means the plans established under section 3307.81 of the Revised Code and includes the STRS combined plan under that section.

(P) "Faculty" means the teaching staff of a university, college, or school, including any academic administrators.

Sec. 3307.131. Any action brought against the state teachers retirement system or the state teachers retirement board or its officers, employees, or board members in their official capacities shall be brought in the appropriate court in Franklin county, Ohio.

Sec. 3307.15. (A) The members of the state teachers retirement board shall be the trustees of the funds created by section 3307.14 of the Revised Code. The board shall have full power to invest the funds. The board and other fiduciaries shall discharge their duties with respect to the funds solely in the interest of the participants and beneficiaries; for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the system; with care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims; and by diversifying the investments of the system so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

To facilitate investment of the funds, the board may establish a partnership, trust, limited liability company, corporation, including a corporation exempt from taxation under the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as amended, or any other legal entity authorized to transact business in this state.

(B) In exercising its fiduciary responsibility with respect to the investment of the funds, it shall be the intent of the board to give consideration to investments that enhance the general welfare of the state and its citizens where the investments offer quality, return, and safety comparable to other investments currently available to the board. In fulfilling this intent, equal consideration shall also be

given to investments otherwise qualifying under this section that involve minority owned and controlled firms and firms owned and controlled by women, either alone or in joint venture with other firms.

The board shall adopt, in regular meeting, policies, objectives, or criteria for the operation of the investment program that include asset allocation targets and ranges, risk factors, asset class benchmarks, time horizons, total return objectives, and performance evaluation guidelines. In adopting policies and criteria for the selection of agents with whom the board may contract for the administration of the funds, the board shall comply with sections 3307.152 and 3307.154 of the Revised Code and shall also give equal consideration to minority owned and controlled firms, firms owned and controlled by women, and ventures involving minority owned and controlled firms and firms owned and controlled by women that otherwise meet the policies and criteria established by the board. Amendments and additions to the policies and criteria shall be adopted in regular meeting. The board shall publish its policies, objectives, and criteria under this provision no less often than annually and shall make copies available to interested parties.

When reporting on the performance of investments, the board shall comply with the performance presentation standards established by the ~~association for investment management and research~~ CFA institute.

(C) All bonds, notes, certificates, stocks, or other evidences of investments purchased by the board shall be delivered to the treasurer of state, who is hereby designated as custodian thereof, or to the treasurer of state's authorized agent, and the treasurer of state or the agent shall collect the principal, interest, dividends, and distributions that become due and payable and place them when so collected into the custodial funds. Evidences of title of the investments may be deposited by the treasurer of state for safekeeping with an authorized agent, selected by the treasurer of state, who is a qualified trustee under section 135.18 of the Revised Code. The treasurer of state shall pay for the investments purchased by the board on receipt of written or electronic instructions from the board or the board's designated agent authorizing the purchase and pending receipt of the evidence of title of the investment by the treasurer of state or the treasurer of state's authorized agent. The board may sell investments held by the board, and the treasurer of state or the treasurer of state's authorized agent shall accept payment from the purchaser and deliver evidence of title of the investment to the purchaser on receipt of written or electronic instructions from the board or the board's designated agent authorizing the sale, and pending receipt of the moneys for the investments. The amount received shall be placed into the custodial funds. The board and the treasurer of state may enter into agreements to establish procedures for the purchase and sale of investments under this division and the custody of the investments.

(D) No purchase or sale of any investment shall be made under this section except as authorized by the board.

(E) Any statement of financial position distributed by the board shall include the fair value, as of the statement date, of all investments held by the board under this section.

Sec. 3307.35. (A) As used in this section and section 3307.352 of the Revised Code, "other system retirant" means either of the following:

(1) A member or former member of the public employees retirement system, Ohio police and fire pension fund, school employees retirement system, state highway patrol retirement system, or

Cincinnati retirement system who is receiving from a system of which the retiree is a member or former member age and service or commuted age and service retirement, a benefit, allowance, or distribution under a plan established under section 145.81 or 3309.81 of the Revised Code, or a disability benefit;

(2) A person who is participating or has participated in an alternative retirement plan established under Chapter 3305. of the Revised Code and is receiving a benefit, allowance, or distribution under the plan.

(B) Subject to this section and section 3307.353 of the Revised Code, a superannuate or other system retiree may be employed as a teacher.

(C) A superannuate or other system retiree employed in accordance with this section shall contribute to the state teachers retirement system in accordance with section 3307.26 of the Revised Code and the employer shall contribute in accordance with sections 3307.28 and 3307.31 of the Revised Code. Such contributions shall be received as specified in section 3307.14 of the Revised Code. A superannuate or other system retiree employed as a teacher is not a member of the state teachers retirement system, does not have any of the rights, privileges, or obligations of membership, except as provided in this section, and is not eligible to receive health, medical, hospital, or surgical benefits under section 3307.39 of the Revised Code for employment subject to this section.

(D) The employer that employs a superannuate or other system retiree shall notify the state teachers retirement board of the employment not later than the end of the month in which the employment commences. Any overpayment of benefits to a superannuate by the retirement system resulting from an employer's failure to give timely notice may be charged to the employer and may be certified and deducted as provided in section 3307.31 of the Revised Code.

(E) On receipt of notice from an employer that a person who is an other system retiree has been employed, the state teachers retirement system shall notify the state retirement system of which the other system retiree was a member of such employment.

(F) A superannuate or other system retiree who has received an allowance or benefit for less than two months when employment subject to this section or section 3305.05 of the Revised Code commences shall forfeit the allowance or benefit for any month the superannuate or retiree is employed prior to the expiration of such period. The allowance or benefit forfeited each month shall be equal to the monthly amount the superannuate or other system retiree is eligible to receive under a single lifetime benefit plan of payment described in division (A) of section 3307.60 of the Revised Code. Contributions shall be made to the retirement system from the first day of such employment, but service and contributions for that period shall not be used in the calculation of any benefit payable to the superannuate or other system retiree, and those contributions shall be refunded on the superannuate's or retiree's death or termination of the employment. Contributions made on compensation earned after the expiration of such period shall be used in calculation of the benefit or payment due under section 3307.352 of the Revised Code.

For purposes of this division, "employment" does not include uncompensated volunteer work if the position is different from the superannuate's or other system retiree's position with the employer by which the superannuate or retiree was employed at the time of retirement.

(G) On receipt of notice from the Ohio police and fire pension fund, public employees retirement system, ~~or school employees retirement system~~, or Cincinnati retirement system of the re-

employment of a superannuate, the state teachers retirement system shall not pay, or if paid shall recover, the amount to be forfeited by the superannuate in accordance with section 145.38, 742.26, or 3309.341 of the Revised Code or any requirement of the Cincinnati retirement system.

(H) If the disability benefit of an other system retirant employed under this section is terminated, the retirant shall become a member of the state teachers retirement system, effective on the first day of the month next following the termination, with all the rights, privileges, and obligations of membership. If the retirant, after the termination of the retirant's disability benefit, earns two years of service credit under this retirement system or under the public employees retirement system, Ohio police and fire pension fund, school employees retirement system, or state highway patrol retirement system, the retirant's prior contributions as an other system retirant under this section shall be included in the retirant's total service credit, as defined in section 3307.50 of the Revised Code, as a state teachers retirement system member, and the retirant shall forfeit all rights and benefits of this section. Not more than one year of credit may be given for any period of twelve months.

(I) This section does not affect the receipt of benefits by or eligibility for benefits of any person who on August 20, 1976, was receiving a disability benefit or service retirement pension or allowance from a state or municipal retirement system in Ohio and was a member of any other state or municipal retirement system of this state.

(J) The state teachers retirement board may make the necessary rules to carry into effect this section and to prevent the abuse of the rights and privileges thereunder.

Sec. 3307.354. The state teachers retirement board may establish a plan under which any contributions described in section 3307.352 of the Revised Code are invested at the direction of a superannuate or other system retirant in accordance with investment options established by the board.

If the board establishes a plan, the state teachers retirement system shall transfer a superannuate's or other system retirant's contributions to the plan.

Sec. 3307.42. (A) Except as provided in section 3307.373 of the Revised Code, the granting to any person of an allowance, annuity, pension, or other benefit under the STRS defined benefit plan, or the granting of a benefit under an STRS defined contribution plan, pursuant to an action of the state teachers' retirement board vests a right in such person, so long as the person remains the beneficiary of any of the funds established by section 3307.14 of the Revised Code, to receive the allowance, annuity, pension, or benefit at the rate fixed at the time of granting the allowance, annuity, pension, or benefit. Such right shall also be vested with equal effect in the beneficiary of a grant heretofore made from any of the funds named in section 3307.14 of the Revised Code.

(B)(1) The state teachers retirement system may suspend the benefit of a person receiving a benefit under section 3307.58 or 3307.59 of the Revised Code, a disability benefit under section 3307.63 or 3307.631 of the Revised Code, a survivor benefit under section 3307.66 of the Revised Code, any payment under section 3307.352 of the Revised Code, a benefit under section 3307.60 of the Revised Code as a beneficiary, or a benefit under an STRS defined contribution plan under either of the following circumstances:

(a) The retirement system has good cause to believe that the person receiving benefits is incapacitated and no other person or entity has legal authority to act or receive benefits on the person's behalf.