

Summary of Concerns

STRS has been targeted for the past four years by a private investment entity (QED) led by Seth Metcalf and Jonathan Tremmel, as well as by leadership of the Ohio Retired Teachers Association (ORTA). Their collective efforts have resulted in what is essentially a hostile takeover of a public pension system by private interests.

2020

In spring 2020, then-STRS board member Bob Stein directed STRS investment staff to connect with Tremmel on an investment proposal. Tremmel asserted that STRS was not properly calculating performance, benchmarks, and investment costs. He also claimed to have AI-based trading strategies that would fix STRS's "problems." Matt Worley, STRS's director of alternative investments at that time, provided information to Tremmel explaining why his calculations of STRS performance, benchmarks, and costs were incorrect. Additionally, Worley vetted Tremmel and his newly formed company (QED) and, following several phone calls and email exchanges over the course of two months, determined they were not suitable for STRS:

- Tremmel had less than 5 years overall investment experience.
- QED was not registered as a broker-dealer or investment adviser, did not have any existing clients or track record, and did not own the technology to facilitate its proposed strategy.

In July 2020, Seth Metcalf, former deputy treasurer for State Treasurer Josh Mandel, contacted Bill Neville, who had recently been named STRS Executive Director, to request that STRS give QED another look. (Neville had interacted with Metcalf briefly when Metcalf was at the Treasurer's office and Neville was STRS's Chief Legal Officer.) Neville responded that QED would have to follow STRS's standard process for vetting investment proposals. Metcalf also contacted Worley, who reiterated that QED did not meet STRS's investment criteria.

In fall 2020, board member Wade Steen began raising concerns about STRS performance, benchmarks, and costs that mirrored Tremmel's claims. Steen also began pushing STRS investment staff and the board's external investment consultant (Callan) to find "new ways to make more money."

In December 2020, Steen issued a series of written requests on STRS letterhead to STRS staff, Callan, and CEM Benchmarking, a third-party data aggregator that provides investment cost benchmarking to the board (see [December 5 Memos I-IV](#)). While the documents were sent under Steen's name, metadata shows these requests were authored by Tremmel.

- Requests to staff sought information about staff compensation, STRS board elections, and CEM Benchmark reports related to investment costs.

- Request to CEM sought copies of all data STRS had sent to CEM for all years during which CEM had prepared reports.
- Requests to Callan sought information about Callan's qualifications, processes for evaluating service providers, and views on exploring new investment technologies - and included a series of inaccuracies and mischaracterizations consistent with Tremmel's prior claims.

Callan expressed concerns to internal staff about the scope, tone, and timing of Steen's request (see Outlook item: FW: follow up with John Morrow email) but did provide a response to Steen (see Callan Response No 2 to Wade Steen 2020.12.09).

During this time, Tremmel and Metcalf communicated with then-board member Bob Stein and STRS staff, stressing that STRS needed QED strategies to improve performance and requesting an allocation of \$25-\$45 billion in STRS assets.

On December 17, 2020, then-board member Yoel Mayerfeld sent then-board member Bob Stein a memo on STRS letterhead describing a partnership with "OhioAI" (see Outlook item: FW: with Mayerfeld email and attached memo). The memo, which purports to be from the STRS board's Investment Committee, states that board members have consulted with experts they deem prudent to assist in their due diligence, and requests that the STRS board delegate to the investment committee authority over all matters regarding a potential partnership with OhioAI. Then-board members Bob Stein, Wade Steen, and Yoel Mayerfeld are 3 of the 5 investment committee members. Board member Hunt, also an investment committee member, indicated he never received the draft memo. Metadata shows the memo was last authored by Seth Metcalf (i.e., a principal of the partnership about which due diligence allegedly had been performed by the committee members).

Following additional requests from Stein, STRS senior management suggested that Cliffwater, the board's outside consultant for alternative investments, evaluate QED. By this time, members of senior management, including John Morrow (CIO) and Neville, were concerned about the attention board members Stein, Steen, and Mayerfeld were giving the investment proposal, given QED's obvious lack of qualifications, and believed that securing external review would help to alleviate any suggestion that staff was biased against the proposal. Tremmel and Metcalf required that Cliffwater sign an NDA prohibiting Cliffwater from sharing its findings with STRS staff or any other party outside the STRS board.

2021

On January 7, 2021, Metcalf sent an NDA to STRS Legal, but STRS did not execute it (see Outlook item: QED NDA).

On February 18, 2021, Cliffwater shared its findings with the board and strongly recommended against pursuing business with QED to form a partnership called OhioAI (see Cliffwater Due Diligence Review of QED February 2021), citing, among other reasons:

- Lack of clients or assets
- Lack of experience or track record
- Lack of peer investors employing similar strategies
- Level of risk associated with strategy, including regulatory concerns

Following Cliffwater's presentation, the Board did not pursue the opportunity with QED. On March 17, 2021, Metcalf sent an email to STRS staff withdrawing QED's interest in pursuing business with STRS (see [Outlook item: FW: QED status](#)).

On February 23, 2021, STRS received a public records request from former Ohio Attorney General Marc Dann, on behalf of Ted Siedle, who was retained by the Ohio Retired Teachers Association (ORTA) to perform a forensic audit" of STRS. ORTA has been critical of the STRS board and staff since July 2017, when the board, acting on the advice of its actuary, voted to reduce the annual cost of living adjustment (COLA) for retiree pensions to zero to reduce unfunded liabilities as required under Ohio law.

- After launching a GoFundMe page soliciting donations from STRS retirees and members, ORTA paid Siedle \$75,000 to conduct a "forensic audit." Siedle, an attorney who has worked independently for over three decades, claims to be the world's leading pension expert. Siedle is not a CPA, accountant, or auditor, nor was he retained by any authority with legal or fiduciary oversight of the system.
- March through May 2021, STRS provided thousands of pages of information to Siedle. Additionally, STRS sought clarification from Siedle on several of his requests, which were overly broad. Siedle did not respond to any requests for clarification. He subsequently filed three separate lawsuits against STRS related to the public record requests, two of which were dismissed. The third is awaiting a decision by the 10th District Court of Appeals.

On April 1, 2021, Dr. Rudy Fichtenbaum, a candidate for STRS board running on the platform of restoring an annual COLA, posted an article on social media claiming that STRS misrepresents its investment performance - consistent with Tremmel's claims (see [Screen Shot 2021-04-01](#)). In May 2021, Fichtenbaum was elected to the STRS board.

On May 19, 2021, board member-elect Fichtenbaum posted an article on social media wrongly claiming that STRS was misrepresenting its performance and costs and backdating benchmarks - consistent with Tremmel's claims (see [Approval of the Performance-Based Incentive Program for Fiscal 2022](#)). Director Neville provided Fichtenbaum a detailed response explaining why Fichtenbaum's understanding was incorrect. Fichtenbaum did not respond further.

On May 31, 2021, Bob Stein resigned without explanation from the STRS board, just one month after having won reelection for another 4-year term. Stein would later indicate in a letter to the Ohio Ethics Commission that he had resigned from the board so he could

further explore the QED strategy (see Stein 11-16-21).

In early June 2021, Siedle released the results of his "forensic audit," based solely on information he had received through public records requests. The report made a series of claims about investment performance, benchmarks and costs, similar to those made by Tremmel.

On June 17, 2021, board member Wade Steen posted a letter on social media accusing staff of denying his requests for information and referencing Siedle's request for anyone with information regarding "the STRS fraud" to contact the FBI. He further accused staff of obstructing attempts to share with the board a "solution" that would allow for the restoration of COLA and a reduction in employee and employer contribution rates (see Steen June 17 letter). Steen's posts made several misstatements about STRS costs and performance, consistent with Tremmel's claims. The STRS Board chair and vice-chair requested that Steen identify the solution he referenced and how staff was obstructing it, as well as what information he was being denied.

On June 28, 2021, board member-elect Fichtenbaum posted an article on social media providing a high-level description of the investment strategy previously pitched by Tremmel, including use of special technology, but did not mention Tremmel or QED (see Fichtenbaum post-How STRS OH Can Restore the COLA and Reduce Employee Contributions). Instead, the article attributed the strategy to Steen and claimed it would earn STRS an additional \$4 billion annually, allowing the restoration of a permanent COLA and a reduction in the employee contribution rate. The strategy involved "passive investing" through an index and partnering with a large bank (later revealed to be Goldman Sachs), which would pose minimal counterparty risk because the bank would be "too big to fail." The article also claimed the strategy had been used for 20 years by the Healthcare of Ontario Pension Plan (HOOPP).

STRS investment staff was familiar with the use of similar strategies on a much smaller scale but was not aware they could achieve anywhere near the results suggested by Fichtenbaum.

In July 2021, Metcalf contacted Neville to request another meeting. On July 7, 2021, Neville and Worley (now CIO of STRS) met with Tremmel and Metcalf.

- Tremmel and Metcalf claimed to have support of two members of the STRS board's investment committee.
- Tremmel shared a presentation outlining their strategy and named Goldman Sachs as the large bank that agreed to partner with QED and STRS.
- Tremmel and Metcalf claimed they would need \$65 billion in assets to fully implement strategy.

Neville and Worley did not agree to move forward with strategy.

Following the meeting, STRS investment staff contacted Goldman Sachs to better understand its role in the strategy and to make clear that QED was not authorized to act on behalf of STRS. Goldman shared a slide deck presentation, which they had previously provided to Tremmel, whom they described as one of many investment consultants who routinely seek information about Goldman's strategies. A slide in Goldman's deck matched one of the slides in Tremmel's deck, which had not cited Goldman as the source of the information or strategy. Goldman explained that they offer their strategies to a variety of counterparties but had not agreed to any type of special arrangement with QED.

On July 14, 2021, board member Wade Steen posted a letter on social media claiming STRS miscalculates its performance, costs, and benchmarks-consistent with Tremmel claims (see Steen July 14 letter).

- Steen included a flowchart that claimed STRS was committing fraud in the calculation of its performance and investment staff incentives. Steen described the chart as his analysis, but the chart's metadata later showed it was authored by Seth Metcalf.
- Steen claimed that he and Fichtenbaum had a technology-based solution that would allow for restoration of COLA, reduce employee contributions from 14% to 4%, and lower the minimum retirement age, but did not reference QED or the role of Metcalf.
- Steen requested a "special meeting" to discuss his proposal and stated he would not tolerate interference from staff or the board chair.

At this point, it became apparent that QED had convinced ORTA and board member-elect Fichtenbaum that STRS could reinstitute a permanent, ongoing COLA (which would add at least \$20 billion in liabilities to the system) *and* dramatically reduce the contribution rate for active teachers {which would add billions more in liabilities) by adopting the QED strategy – which had never been tested with any client or pension system. One could assume that if QED's strategy were capable of such a feat, pension systems would be lining up at QED's door and that by now Tremmel and Metcalf would have a flourishing business with billions in assets under management. They do not. In fact, they have no clients to date and appear to have focused all their energy on their board connections at STRS.

One could also speculate that board members Fichtenbaum and Steen had other incentives to promote QED and/or viewed the outlandish promises of QED as justification for the board to adopt ongoing permanent COLAs, regardless of whether QED could actually deliver on its promises. Through their coordination, QED would secure a lucrative arrangement with STRS, which would make millions for those connected to it, and ORTA members would receive COLAs, regardless of their impact on the system.

On August 4, 2021, the board chair responded to Steen's July 14 letter, explaining why the premise of Steen's (Metcalf's) chart was inaccurate and again asking Steen to explain how staff was obstructing his attempts to present his investment solution (see Re response requested by Board Leadership in letter dated 6.22.21). The board chair also denied

Steen's request for a "special meeting" but added his proposal to the agenda for the regularly scheduled board meeting in September {later moved to November at Steen's request due to an outside conflict}.

In August 2021, STRS released a response to Siedle's "forensic report" which refuted Siedle's assertions. At the August board meeting, Neville presented STRS's response in public session, with support from senior staff and the board's investment consultants.

- Following the STRS response, ORTA encouraged members to submit complaints of fraud to the Ohio Auditor of State (AOS).
- John Damschroder wrote a series of columns critical of STRS, citing Wade Steen's chart (actually prepared by Metcalf) as evidence of fraud that must be investigated by AOS.

On October 11, 2021, AOS notified STRS of a special audit, citing complaints from STRS members related to the Siedle report.

On October 25, 2021, Steen and Fichtenbaum called board chair Rob McFee to discuss their investment presentation for the November board meeting {see Notes from 10 25 21 meeting with Steen fichtenbaum}. According to McFee's contemporaneous notes:

- Steen and Fichtenbaum shared that they were making a business proposal for STRS to partner with QED to form a new partnership called OhioAI (i.e., the same proposal that had already been vetted and rejected by the board's investment consultant, Cliffwater}.
- Fichtenbaum shared that partners would include Tremmel, Metcalf, Stein, and a large bank. STRS would own 25%.
- Steen and Fichtenbaum wanted to divide the proposal into two parts: (1) public session overview delivered by Steen, Fichtenbaum, and former board member Stein, and (2) executive session pitch by Tremmel and Metcalf, excluding all STRS staff (except Executive Director Neville and Chief Legal Officer Wideman) and board consultants.
- Strategy would direct \$65 billion to QED and generate an additional \$4 billion annually.
- Claimed that Canadian pension system HOOPP uses this strategy, and QED would hire members of HOOPP staff to help implement the necessary technology.

On October 26, 2021, board chair McFee had a call with former board member Stein (see strs notes). According to McFee's contemporaneous notes:

- Stein touted Tremmel's credentials and claimed that board consultant Cliffwater lied about QED.
- Stein claimed that Rob Goobie, an employee at HOOPP, had signed a commitment

letter to join QED and bring his team with him.

- OhioAI would generate \$100 million annually to be put into Ohio elections – would turn Ohio blue, or at least purple. Wouldn't have to worry about interference from the legislature.

On November 9, 2021, Steen and Fichtenbaum provided a slide deck to McFee for use at the November meeting (see [09_RR_Retreat_2021.11.18_v2 \(Board Presentation\)](#)). The cover page was titled "Index+" and showed pictures and bios of board members Fichtenbaum and Steen (noting Steen's qualifications as an investment expert appointed by the governor) and former board member Stein, but did not mention QED or its principals. A later slide mentioned QED by name but offered no description of the entity or the roles of Tremmel or Metcalf. The concept of board members pitching an investment service on behalf of a third party was unprecedented since the board follows an oversight model and board members are not experts in alternative investments or experienced in managing billions in assets. Moreover, the pitch had already been vetted and rejected by the board's investment consultant, and Metcalf had informed STRS that QED was withdrawing its proposal. Any contact between QED and board members Fichtenbaum and Steen was outside the purview of the board as a whole.

On November 15, former board member Stein sought an opinion from the Ohio Ethics Commission that his participation in the pitch to the Board would not violate ethics laws (previously referenced above). On November 17, the Ethics Commission responded that they did not have sufficient time to evaluate his request, but based on the potential for a conflict, they would advise against his participating (see [Stein 11-17-21](#)). Stein chose not to follow the Ethics Commission's advice.

On November 18, 2021, board members Steen, Fichtenbaum, and former board member Stein pitched QED to the board (see board meeting transcript: [Investment-Proposal-Closed-Captioning](#)):

- Stated that proposal would require \$65 billion to generate \$4 billion but could do initial test run of \$250 million and ramp up.
- Steen stated he would propose a motion "requesting the Ohio attorney general to appoint special counsel to negotiate a business partnership named OhioAI between the State Teachers Retirement System and QED."
- When pressed, Steen and Fichtenbaum stated they did not know who owned QED or substantive details about the arrangement. Board Chair McFee reminded them that Tremmel and Metcalf had been identified as the principals and that QED had previously failed internal and external due diligence.

Fichtenbaum also indicated that he first started talking to QED when he was running for the board. Stated differently, QED pitched (and apparently sold) their proposal to Fichtenbaum while he was a board candidate. Nonetheless, Fichtenbaum did not make any public mention of his support of QED until he was pressed to do so at the November 2021 board

meeting.

Following the presentation, the board did not take action to pursue an opportunity with QED.

Neither Tremmel nor Metcalf attended the meeting or provided any materials in support of their proposal. Rather, responsibility for pitching their proposal fell solely on one former and two current board members, none of whom had the requisite expertise or background to explain the proposal or provide details. The inference was that their endorsement as board members and/or investment experts was sufficient grounds to override the analysis and conclusions of the board's external investment consultant.

Following the board meeting, board members McFee, Carrethers, and Herrington expressed concerns about the QED presentation and questioned whether current and former board members should be pitching services of a third party that had previously been vetted and rejected by the board. STRS Legal submitted a confidential inquiry to the Ohio Ethics Commission and shared information with the Ohio Attorney General's office (and have continued to provide additional information and updates to both entities).

On December 8, 2021, John Damschroder wrote a column critical of QED, reporting that, when interviewed, Rob Goobie denied having any intention of leaving HOOPP or joining QED (see [Damschroder Article \(12-8-21\)](#)). STRS senior staff and legal were concerned that Steen, Fichtenbaum, and Stein appeared to have misrepresented key elements of the strategy: who would own it, support it, and what role a large bank (presumably Goldman Sachs) would play.

On December 29, 2021, Columbus Dispatch reporter Laura Bischoff posted a column (see [Dispatch Article - Metcalf](#)) in which she interviewed Metcalf, who accused "the Neville administration" of "intentionally misrepresenting QED's solution to cover up its own misdeeds and because the solution could save money by reducing STRS staff headcount." Metcalf also accused STRS of using "fake" benchmarks, a theme that Fichtenbaum would repeat again and again – and which has been roundly refuted by both AOS (see the AOS Special Audit of STRS) and the board's investment consultants. The article quoted Steen as saying the QED proposal "still has merit" and he is "going to keep evaluating it. And I hope it's not dead." The article also stated that Steen and Metcalf know each other through church and Franklin County GOP politics.

2022

In January 2022, ORTA released a video called "Cliffwatergate" (link to video: [Cliffwatergate \(January 25, 2022\) \(youtube.com\)](#)) in which Fichtenbaum claimed that Cliffwater's due diligence report had lied about QED. Setting aside that QED has no clients, track record, or personnel, Fichtenbaum concluded that Cliffwater sabotaged QED because it feared that QED's imminent success would put Cliffwater out of business. The absurdity of this argument, considering that Cliffwater has billions in assets under management and

QED does not have a single client to date, prompted frequent STRS critic John Damschroder to write, "The hypocrisy of the grandiose Cliffwatergate tape is so blatant to anyone who understands the proposal, it threatens to end the effectiveness of ORTA just as it is gathering power." (see [Damschroder article 2-2-22](#)). More concerning, Fichtenbaum's willingness to go to such lengths to defend QED revealed that the level of communication and coordination among ORTA, QED, and Fichtenbaum had only increased since Fichtenbaum and Steen pitched QED to the board.

In early 2022, Mark Hill, Secretary-Treasurer of the Ohio Education Association (OEA), provided Neville screenshots of an electronic conversation Hill had with Tremmel, in which Tremmel pushed for OEA to support QED (see [Signal Chat](#)). It's our understanding that prior to the November 2021 board meeting, QED pitched its proposal to OEA, ORTA, the Ohio Federation of Teachers (OFT), and the Healthcare & Pension Advocates for STRS (HPA).

In early 2022, Fichtenbaum released a series of communications alleging misconduct by STRS – consistent with Tremmel's claims. STRS responded to each claim, explaining why they were inaccurate or misleading. Fichtenbaum also increased his calls for indexed-based investing – a necessary step in implementing QED's "Index+" solution.

In April 2022, a new entity called Fixmypension.org began mass dissemination of emails and physical mailings attacking the three STRS board members up for reelection, each of whom did not support QED.

- Allegations by Fixmypension.org are consistent with Tremmel's false claims about the system's performance, benchmarks, and costs.
- No information is publicly available about Fixmypension.org, and the entity did not file any campaign finance expense reports with the Secretary of State's office as required by statute.
- In May 2022, all three incumbent board members were defeated by ORTA-backed board members.

At this point it became clear that ORTA and QED had shifted to a new strategy for getting QED in the door at STRS: replace board members and staff with those who would support their proposal. To accomplish this, QED would help ORTA engineer and fund campaigns to change the makeup of the STRS board into a majority who support benefit enhancements at all cost, in exchange for getting the board's vote to steer business their way. To assist in its efforts, it is our understanding that ORTA retained the help of Communications Counsel, a PR firm, and High Bridge Consulting, a lobbyist. With professional assistance, ORTA released a series of social media postings, press releases and mass emails critical of Neville, senior staff, and those STRS board members that opposed QED. Many of these claims were included in (or subsequently added to) AOS's special audit of STRS. STRS staff and board consultants spent considerable time and resource addressing and correcting false claims. As discussed in more detail below, every claim of fraud or

misconduct was debunked by AOS.

- ORTA also has another incentive to replace STRS board members and staff: The current ORTA president (Dean Dennis) is a named plaintiff in a class-action lawsuit against STRS, claiming the STRS board did not have authority to reduce the COLA to zero in 2017. Replacing incumbent board members with those critical of the prior board action could undermine STRS's defense and force it to settle and/or agree to reinstate the COLA, regardless of the merits. A retroactive reinstatement of COLA would personally benefit the two ORTA-endorsed retiree board members, as well as ORTA leadership and members – and impose at least \$20 billion in additional liability on the system, jeopardizing its fiscal integrity.

In July through December 2022, AOS sent STRS a series of questions related to claims of fraud made against STRS by Seth Metcalf, QED, Fichtenbaum, and Steen.

In September 2022, STRS received the first of what would become hundreds of public records requests from an anonymous party called uhohspgo. The requests, which continue to this day and total well over 500, ask for job descriptions, personnel files, badge swipes, paystubs, calendars, ID photos, and hosts of other information about all STRS senior staff and other key personnel. They also ask for communications by Neville and others with the Ohio Ethics Commission, the governor's office, and the AG. It quickly became clear that the requests were intended to uncover who may have submitted information to the Ethics Commission and other oversight bodies, and to intimidate such parties from taking any such further action.

Although the group was anonymous, public records shared by STRS were soon disseminated by ORTA-related parties on social media. Moreover, the lawyerly tone of certain requests, as well as the types of information requested, suggest many of them are being penned by Metcalf. Metadata on a recent PDF posting of salary information gathered by uhohspgo lists Metcalf as author (see [STRS Investment Staff-2023-Raises](#)). One can presume that certain STRS board members are aware of who is behind this barrage of requests, although none have acknowledged so publicly.

Over the past two years, STRS has also received numerous public records requests from a handful of named ORTA members. The requests are often nasty in tone, and the STRS Records Manager responsible for responding to them has received numerous threats that she will be fired once the "new administration" comes to power. One such requestor (Tom Curtis) inadvertently copied STRS on a communication in which he forwarded STRS records to Tremmel and Fichtenbaum—in the same email—showing that Fichtenbaum was continuing to interact with QED (see [Curtis, Tom request and REVISED request re board minutes 2020-2022 9-7-22](#)).

In December 2022, AOS released its special audit report, finding no fraud or data manipulation as claimed by ORTA and QED. Moreover, the report did not find support for any of the substantive claims made by Siedle in his "forensic audit." An appendix to the

report listed AOS meetings with Steen and Fichtenbaum (undisclosed to the entire board), and with Metcalf and an ORTA representative. Whatever claims of fraud and wrongdoing Metcalf, Fichtenbaum, Steen, and ORTA made against the system were all deemed false, inaccurate or misleading. Nonetheless, STRS staff spent considerable time and resource defending itself from allegations that had previously been refuted, often by external consultants and other independent third parties.

In late December 2022, AOS informed STRS counsel that it had additional questions regarding a chart Steen had sent to AOS on 12/18, claiming that STRS was engaged in fraud (see Steen-Metcalf Fee Diagram). This was the same chart Steen had included in his letter from 7-14-21. Metadata revealed the chart had been authored by Metcalf, a fact Steen did not disclose to AOS or the STRS board. After gaining a better understanding of the misinformation in the chart, AOS concluded that its allegations were without merit.

The willingness of board members to make claims of fraud against the system, time and time again, even when prior allegations were shown to be false, reinforced concerns among senior staff and legal that such claims were being fueled by ulterior motives. While Steen and Fichtenbaum are quick to accuse staff of being too conflicted to evaluate QED (arguing that their investment solution will eliminate jobs for investment staff), they appear not to recognize—or simply don't care—that QED's interest in securing business with STRS also creates a conflict. QED's entire pitch is built on the notion that STRS is corrupt, ineffective and wasteful – and that only QED can fix it. Thus, every claim it makes against STRS serves to bolster its own position. And while STRS staff and board consultants have legal and fiduciary duties to the system that would keep them in check if they put their own interests ahead of the system's, QED and other outside entities have no such duty. They are free to make whatever claims suit their purpose, without consequence. Moreover, that such claims have been passed off as the independent work and analysis of Steen and Fichtenbaum conceals these conflicts and distorts any meaningful analysis of their veracity.

At a higher level, senior staff and legal were concerned that steps certain board members were taking to conceal the roles of Metcalf and Tremmel in developing their materials and talking points and in shaping their positions suggested a level of ongoing communication and coordination that, at a minimum, was in direct conflict with their fiduciary duties to the system.

2023

In early 2023, Governor DeWine's office requested attendance records for Wade Steen, the governor's appointee to the board. Steen had missed all or parts of several meetings because he accepted a job in 2022 with Cleveland Metroparks, which holds monthly board meetings on the same day as STRS board meetings. The governor's office was also aware of Steen's role in actively promoting QED.

In February 2023, ORTA representative Robin Rayfield told the Ohio Department of Education (ODE) that he had "grave concerns" about ODE's current appointee to the STRS

board (ODE's appointee does not support QED). Rayfield also made a series of false allegations about STRS based on Tremmel's claims. In March 2023, Rayfield specifically lobbied ODE to replace its representative to the STRS board.

In March and April 2023, a new ORTA-endorsed candidate campaigned against the STRS board incumbent, who had not supported QED. An entity called "Save Ohio STRS" launched a website similar to Fixmypension.org and disseminated a series of emails and social media posts, and mailed out thousands of large (8x12) glossy postcards (presumably at considerable expense) attacking STRS with false claims and supporting the ORTA-endorsed candidate (see Fixmypension – Postcards1&2). A win by the ORTA-endorsed candidate would give the ORTA-branded "reform board members" a 6-5 majority – enough to vote out director Neville and replace him with a director who could replace CIO Worley with someone supportive of QED.

- Tom Curtis, a STRS retiree active with ORTA (see reference above re sharing records with Tremmel and Fichtenbaum), claims to run Save Ohio STRS. Based on the sophistication of Save Ohio STRS messaging (website, mass emails and printed campaign materials), one can presume that Curtis has received considerable funding and other assistance in his efforts.
- Like Fixmypension.org before it, Save Ohio STRS appears not to have filed any campaign finance expense reports as required by statute, nor did Curtis file any reports under his own name.
- In May 2023, the ORTA-endorsed candidate won the election.

On May 5, 2023, one day before STRS board election results were announced, the governor's office announced it was replacing Wade Steen on the board. The governor's office cited both Steen's attendance and his support of a certain investment proposal.

Following the governor's decision, ORTA stepped up its attack on STRS, with one member accusing STRS staff of "ratting out" Wade Steen. Personal attacks on director Neville and other members of STRS staff also increase on social media. Uhohtspgo submitted series of requests seeking information about contacts between STRS and the governor's office.

On June 6, 2023, Steen filed suit to be reinstated to his board seat. In the days leading up to the filing, ORTA announced it was launching a "Pension Defense Fund" to raise money to pay Steen's legal fees, and Steen attended an ORTA-sponsored meeting where he thanked ORTA and retirees for their financial support. In all, ORTA raised over \$40,000 to cover Steen's legal fees. The actions of ORTA and Steen concerned STRS legal for several reasons:

- What would motivate a voluntary investment expert appointee to a retirement board—whose personal work schedule directly conflicts with the board's schedule—to go to such lengths to seek reinstatement to an unpaid position that was already two-thirds of the way through its final term (presumably a governor who sought

removal would not renew for an additional term)?

- What would motivate ORTA to take such measures to finance Steen's legal fees? Would ORTA expect anything in return?
- Would Steen's acceptance of donations violate state ethics laws that prohibit public officials from accepting contributions from individuals that do business with, or are involved in matters before, the agency for which the official serves? Would Steen's ongoing coordination with ORTA—and obvious debt to ORTA and its members for covering his legal fees—impair Steen's ability to act independently and impartially in his role as board member?

In summer 2023, director Neville announced that STRS would close its childcare center, which had been a source of attack by ORTA and the reform board members for being a "lavish perk" for STRS associates. The decision was met with much dismay and anger by both STRS and non-STRS childcare parents. Several parents spoke during public participation at the August, September, and October board meetings (see board videos posted online). Their comments were directed at Neville, accusing him of closing the center to suck up to the board. One speaker, a Columbus police officer, launched into a verbal attack on Neville that caused board member Herrington to express concern for the safety of STRS staff and board members.

- Following public participation at the August meeting, several ORTA-backed board members abruptly changed positions and expressed their support for the childcare center. In light of their previous positions, one could surmise that they saw childcare as an issue that could be used against Neville.

In September 2023, STRS received several childcare related public records requests, purportedly from childcare parents, using a variation of "uhoh" that was clearly a play on the name of the ORTA-connected anonymous group responsible for hundreds of harassing public records requests during the previous thirteen months.

In November 2023, STRS board members and the Chief Legal Officer received an anonymous letter via U.S. mail, purportedly from STRS staff, making a series of broad, unsupported claims of improper conduct by Neville.

2024

February 2024, the law firm engaged by the AG's office completed its investigation of the claims against Neville and presented its findings to the board in executive session. The firm's publicly available executive summary concluded:

In short, we find the accusations contained in the anonymous letter largely without merit, and therefore, doubt those allegations were based on direct knowledge. Rather, the letter strikes us as one perhaps composed by a person or persons who heard second and third-hand anecdotes from a variety of sources.

Based on the active use of false accusations, misinformation and personal attacks employed by Metcalf and ORTA against STRS over the past three years, it is hard not to question whether those parties were involved in orchestrating the anonymous complaint against Neville. Sensationalistic statements like "we fear for our safety" are consistent with those previously used by ORTA/Metcalf. So too was their effective use of media – note that Colleen Marshall released a detailed article referencing portions of the anonymous letter and containing additional color commentary just minutes after the board announced its decision. Compare the wcmh4 article to that posted by the Columbus Dispatch. Clearly, wcmh4 had the inside scoop, with perhaps professional outside assistance on wording. Moreover, the anonymous letter erroneously referred to the STRS "board of directors" and used the term "Ohio STRS" instead of "STRS Ohio." No internal staff would say "Ohio STRS" – but note the entity headed by Curtis calls itself "Save Ohio STRS."

In March 2024, Save Ohio STRS began posting and disseminating mass communications attacking STRS leadership and promoting the ORTA-endorsed candidate currently running for the active teacher seat. The communications are of professional quality and do not appear to be the work of Curtis alone. To date, Save Ohio STRS has not filed any campaign expense information for either 2023 or 2024.

To be clear, board candidates are free to campaign and adopt positions as they see fit. The concern is whether QED and ORTA are working in concert to support candidates and board members who will further their agenda, and the conflicts such actions create as QED continues to pitch its services behind the scenes to select board members.

In summary, the extent to which certain current and former board members have for several years actively supported QED, a company that roundly failed due diligence by the board's investment consultant, seems in clear violation of their fiduciary duties. Moreover, the tactics they have employed—misrepresentations about the system, its investments and performance; personal attacks on staff and other board members; apparent failure to disclose campaign activities and expenses—raise questions of legality that potentially jeopardize the legitimacy, independence and authority of the entire board. At a minimum, this is not how fiduciaries to a public pension system operate. The sustained coordination among QED, ORTA leadership, and certain STRS board members suggests there is far more going on outside the purview of the board and those entities responsible for system oversight. Viewing their actions and interactions in total, the parties look, act, and operate like business partners acting in concert to achieve the same objective.

Because, by their own admission, several of these board members conduct STRS-related business primarily on non-STRS devices (e.g., home computers, cell phones, private social media forums and email accounts), any meaningful review of their activities will require involvement from those with proper investigative authority. Left unchecked, their actions will provide a clear roadmap for how private interests can commandeer a public pension system.