



**Bureau of Workers'  
Compensation**

30 W. Spring St.  
Columbus, OH 43215-2256

Governor **Mike DeWine**  
Administrator/CEO **Stephanie McCloud**

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September 23, 2021

Governor Mike DeWine  
Riffe Center, 30th Floor  
77 South High Street  
Columbus, OH 43215-6117

Dear Governor DeWine:

In accordance with section 4123.446 (B) of the Ohio Revised Code, the Bureau of Workers' Compensation (BWC) respectfully submits its annual minority business enterprise investment report.

Background

As a result of the BWC Board of Directors decision in June 2017 to change the State Insurance Fund (SIF) Minority-Owned and/or Women-Owned (MWBE) allocated portfolio from an active management MWBE strategy to a passive management MWBE strategy, the BWC Investment Division issued an RFP for MWBE Passive Index Management Services. After reviewing the two eligible RFP respondents, RhumbLine Advisers (based in Boston, MA) was approved on August 25, 2017 by the BWC Board of Directors as the exclusive finalist passive index manager of the MWBE Large Cap U.S. Equity Passive Indexed mandate for the SIF. This mandate is targeted for a 1% allocation within the SIF portfolio. RhumbLine Advisers was initially funded on December 1, 2017 as a passive MWBE investment manager for the SIF portfolio that totaled approximately \$251 million allocated to Large Cap U.S. Equities. In efforts to increase utilization of the SIF MWBE program, BWC further invests all current dividend income (approximately \$4.4 million in Fiscal Year 2021) back into the SIF MWBE mandate while remaining consistent within the SIF Investment Policy Statement guidelines.

Fiscal Year Ending June 30, 2021 Results

For the Fiscal Year 2021 period ending June 30, 2021, the MWBE passive U.S. equity program performance return for the SIF portfolio was +40.77% net of fees vs. the Russell Top 200 benchmark index of +40.81%.

For the period from its inception date of December 1, 2017 through June 30, 2021, the SIF MWBE passive program has provided an annualized return of +17.96% net of fees vs. the Russell Top 200 benchmark index of +18.02%.

COVID-19

As a part of the Ohio BWC SIF employer special cash dividend programs (nearly \$8 billion to Ohio employers throughout 2020) to ease the negative economic impact of COVID-19 on Ohio's economy and business community, cash redemptions totaling \$175 million were made in Fiscal Year 2021 from the RhumbLine Russell Top 200 passive equity account. As a result, the SIF BWC MWBE program net investment asset value is \$246 million representing 1.3% of the total SIF investment assets for Fiscal Year 2021 period ending June 30, 2021.

Sincerely,

Stephanie McCloud  
Administrator/CEO  
Ohio Bureau of Workers' Compensation

cc: General Assembly via Legislative Services Commission