



February 2, 2010

Governor Ted Strickland
Statehouse
Columbus, Ohio 43215

RE: Minority Business Enterprise Report

Dear Governor Strickland:

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

In Fiscal Year 2009, all of the Bureau of Workers' Compensation's (BWC) bond and stock asset class mandates were **passively** managed to benchmark indexes by external investment management firms. Virtually all minority or women-controlled investment management firms engage in **active** management of client investment assets. No minority or women-controlled investment management firms managed BWC's investment assets during Fiscal Year 2009.

Throughout Fiscal Year 2010, the BWC Board of Directors will attend several education sessions including **active** investment management and minority or women-controlled investment management firms. These education sessions are a precursor to the initiation of active management for any approved investment asset classes of the BWC. For any investment asset classes approved, the BWC investment policy states that fair consideration will be given in the management of its investment assets to **all** qualified investment managers.

BWC investment services are procured through a board-approved and audited Request for Proposal (RFP) process. This process includes issuance of an advertised RFP with evaluation teams comprised of BWC investment personnel and the BWC investment consultant. Investment managers are recommended for approval to the BWC Board's Investment Committee by the evaluation team. The full Board of Directors then votes to approve or disapprove the Investment Committee's recommendation. The BWC's Statement of Investment Policy and Guidelines (IPS) governs all steps in the approval process.

Sincerely,

Marsha P. Ryan
Administrator

CC: General Assembly via Legislative Services Commission