THE
ADVISOR
Quarterly Newsletter of the Oklahoma Teachers Retirement System

OKLAHOMA TEACHERS RETIREMENT SYSTEM

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New Rule Effective July 1, 2013

Requirements for Creditable Service

The Oklahoma Teachers Retirement System (OTRS) is changing the method of awarding service credit. Currently, service credit is awarded based upon the number of days worked. Beginning July 1, 2013, service credit earned will be based upon the percentage of the employment contract that is completed.

Each employer will certify and provide OTRS the full-time equivalent (FTE) for each position, and for each employee. Fractional service credit will be awarded for less than full-time employment performed during the contract year. No longer will 120 days worked equate to one year of service credit. Please refer to the examples below.

Example I — Full Service Credit

A classroom teacher enters into a full-time employment contract representing 180 days. If the teacher fulfills the terms of their contract by working and being compensated for 180 days during the school year, they will receive one (1) year of service credit (180/180 = 1). The same

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OTRS Welcomes New Board Members

Dr. Greg Winters was born and raised in Mangum, Oklahoma. He graduated with a Bachelor of Science degree in Industrial Education from Southwestern Oklahoma State University. He later received his Masters in Public School Administration from the University of Central Oklahoma. Dr. Winters continued with post graduate studies at the University of Oklahoma, ultimately receiving his doctorate from Oklahoma State University.

Dr. Winters just completed his 38th year in education. He served as a teacher, coach, principal and assistant superintendent. He is currently the Superintendent of Canadian Valley Technology Center.

Dr. Winters resides in Piedmont with his wife Mary. Together they have three children, and three grandchildren.

Dr. Phillip Lewis is Dean of the College of Professional Studies at Oklahoma Christian University. Dean Lewis received a Bachelor of Science from Abilene Christian University, Master of Arts from the University of Denver, and Doctor of Education from the University of Houston. He has authored 15 textbooks, monographs, and training manuals.

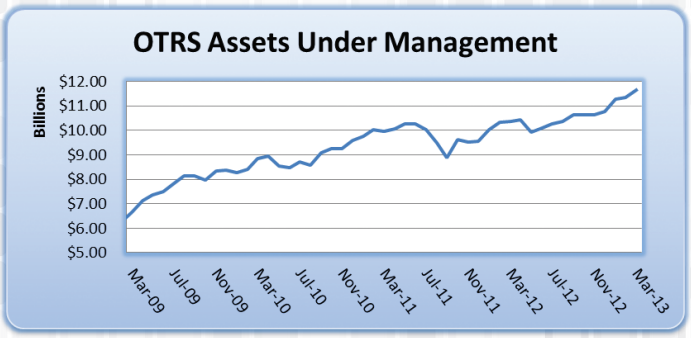
Dr. Lewis has received many honors during his career. He was named Oklahoma State University's "Teacher of the Year" by the Oklahoma Education Association and "Ambassador of Goodwill for the State of Oklahoma" by the Governor's office.

He also is a member of the Southwest Business Deans Association and the Christian Business Faculty Association.

Dr. Lewis is married to Dr. Marilyn Lewis. They have two children and three grandchildren.

First Quarter Investment Recap

Continued strength of global equity markets in the first quarter of 2013 provided a boost to the total assets of the System. The OTRS domestic equity portfolio had a 12.55% return and the international equity portfolio had a 4.52%. Equity returns coupled with better than benchmark performance in the high yield fixed income and real estate sectors helped the System earn a total return of 7.86%.



The Oklahoma Teachers Retirement System forged into 2013 riding strong. The steady, broad based asset growth that continued to provide a tail wind for the Fund in the first quarter. Fiscal year-to-date (since July 1st, 2012), the Fund has experienced an impressive 16.28%, outperforming the benchmark by 2.16%. The Fund's diversified asset allocation yielded more than $1 Billion in asset growth for the first quarter of 2013, and raised our since inception annualized rate of return to 9.49%.

Important Notice

*In May 2011, Governor Fallin signed House Bill 1086 which requires all payments disbursed from state agencies to be processed solely by electronic payment. As a result, beginning **July 1, 2013**, we will no longer be allowed to issue paper checks.*

As of **July 1, 2013**, OTRS will make all payments either by direct deposit or to a pre-paid debit card that will be issued in the client's name. This will include monthly benefit payments, survivor benefit payments, and payments to clients who are withdrawing their funds and terminating membership.

This new method will ensure the security of all payments to our clients and their beneficiaries.

Have You Moved?

We find that changing one's address is normally the last item to check off the list for those in the process of moving. OTRS consistently seeks to update our clients' contact information.

If you are currently employed and actively contributing to OTRS, the only permanent method used to update your address is through your payroll officer. Please submit the change with your employer to ensure the change occurs in our system. The change will be effective when your next retirement contribution is submitted to OTRS.

If you are no longer employed or retired, you may visit our website (www.ok.gov/trs) to obtain the necessary form available to submit at your convenience.

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method applies to members working under a 220 or 260 day contract.

Example II — Partial Service Credit

A classroom teacher enters into a full-time employment contract representing 180 days. This teacher completes and is compensated for 120 days. This teacher will receive .67 year of service credit (120/180 = .67). Again, this method also applies to members working under a 220 or 260 day contract. As before, partial service credit may be combined with existing partial years to total 180, 230, or 260 days.

As always, you will receive one year of service credit for 120 days of unused sick leave. Beginning August 1, 2012, a partial year of service is awarded for anything less than 120 days of unused sick leave. The partial year awarded for unused sick leave days will be added to total years of service credit and used in the retirement benefit formula.

Less than 120 days of unused sick leave may also be combined with a partial year of service credit to fulfill the 100% contracted requirement.

Oklahoma Teachers Retirement System

Post Office Box 53524
Oklahoma City OK 73152-3524

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Have Questions? Need Help?

Here's how you can get in touch with us:
In person: Oliver Hodge Building, 5th Floor, 2500 N. Lincoln Blvd., Oklahoma City
On the phone: 1-877-738-6365 or 405-521-2387
On the web: www.ok.gov/TRS or facebook.com/okTRS

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Creating a High-Performance Culture

By James R. Wilbanks, Ph.D.
Executive Director
Oklahoma Teachers Retirement System

Today we hear a lot about measurement, analytics, metrics, dashboards, and key performance indicators. But what does this mean to you, our client? Measuring our performance allows us to know if we are effectively responding to your needs.

In January 2009, we began measuring our performance. The management team set goals and assigned responsibility and accountability for achieving key metrics and targets. As a result, we can identify our strengths and weaknesses, and recognize trends. It allows us to plan and allocate our resources accordingly so that we can continue to deliver the service levels our clients deserve.

Performance metrics have helped us measure how well we fulfill our mission. We use these metrics every day to ensure we are living up to our expectations, which are lofty since our vision is to be world-class revitalization role model.