Winter 2010 Volume 2 Issue 1

The Advisor

Quarterly Newsletter of the Oklahoma Teachers Retirement System

Oklahoma Teachers Retirement System

Board of Trustees

Chair
James E. Smith

Vice Chair
Michael L. Simpson

Secretary
R.A. "Dick" Neptune

Members
Sherrie L. Barnes
Michael Clingman
Cathy A. Conway
Odilia M. Dank
Bruce DeMuth
Sandy Garrett
Richard Gorman
Galeard W. Roper
Billie C. Stephenson
Gary L. Trennepohl

Executive Secretary
James R. Wilbanks, Ph.D.

Assistant Executive Secretary
Joe Ezzell, CPA

Secretary Treasurer
Edward Romero

Oklahoma Teachers Retirement Welcomes New Board Members

Odilia M. Dank

Billie C. Stephenson

Gary L. Trennepohl, Ph.D.

The Oklahoma Teachers Retirement System is pleased to introduce our three newest Board members: Odilia M. Dank of Oklahoma City, Billie C. Stephenson of Marlow, and Gary L. Trennepohl, Ph.D. of Tulsa.

As an educator, Odilia worked in the metropolitan public school system as a teacher, junior high school and high school counselor. She retired after 28 years of service.

Ms. Dank was elected to the Oklahoma House of Representatives in November 1994 and served until November 2006. For the 2005 and 2006 legislative sessions, Odelia served as the Chairwoman of the House Common Education Committee. She is currently working in the private sector and spends her free time with her two grandchildren, reading, knitting and playing bridge.

During her extensive career in education, Billie Stephenson taught Kindergarten, Transitional First Grade, First, Second, Third and Sixth Grades. In 1988, she was selected as Lawton Public Schools Teacher of the Year.

"I have always loved teaching, and seeing children learn brings great joy to me" said Stephenson. Billie retired from public education in 2001, but

(continued on Pg.2)

(continued from Pg. 1)
not from teaching. She currently teaches Sunday School at her local church and will travel to Ecuador this summer to teach Vacation Bible School. Her hobbies include reading, gardening and traveling.

Starting his academic career in 1977, Dr. Trennepohl has held faculty and administrative appointments at Texas A&M University, The University of Missouri-Columbia and Arizona State University.

In 1995, Dr. Trennepohl became the Dean of the College of Business at Oklahoma State University and in 1999, assumed the position as the President of the new OSU-Tulsa campus.

He recently returned to a full-time faculty position as Professor of Finance, and holds the President's Council Endowed Chair in Finance at Oklahoma State University.

To help his students understand both theory and practice, Dr. Trennepohl regularly interacts with the business community. He has served as a consultant to pension funds, corporations, and college endowment funds.

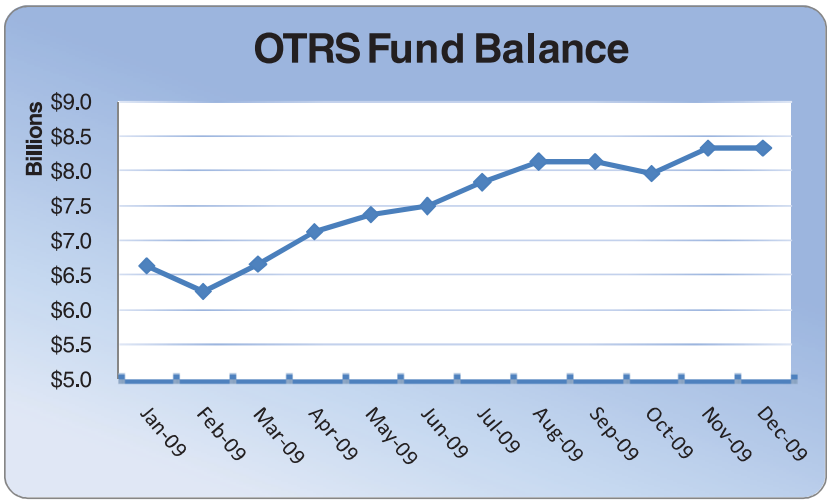
He and his wife have two children and two grandchildren.

Investment Market Update

In 2009, the financial markets made a much needed recovery from 2008 lows. For the calendar year 2008, the broad markets saw a precipitous decline of over 27 percent. For the same time period the Fund realized a correspondingly steep decline of over 25 percent.

However, in the second and third quarters of 2009, the System's investments made a rapid recovery returning over 85 percent of the value lost in 2008.

The Fund has also realized excellent results over the entire 12 months ended December 2009. Over that time period, through the use active investment management, a tactical allocation to high-yield fixed income and thoughtful rebalancing to strategic asset allocation targets, the Fund realized a 24.92 percent return.



The rate of unemployment is probably the most important measurement of the strength of the financial markets. In November the forecast of unemployment dropped to 10.00 percent, from 10.28 percent in October. While this number is still historically high, it does signal a strengthening in economic fundamentals.

Despite the positive indicators and the recovery in the financial markets, OTRS' management continues to harbor concerns regarding the sustainability of a long-run appreciation in the financial markets.

Is Your Beneficiary Designation Current?

Your beneficiary is entitled to certain benefits upon your death so it is imperative that you keep this designation current.

If you die while you are still actively employed, your beneficiary will receive your accumulated contributions and interest, plus an $18,000 death benefit.

Each retired member has a $5,000 death benefit that is paid to their named beneficiary.

If you haven't named a beneficiary or have not updated your designation since a divorce or death of a previously named beneficiary, your benefits may be paid to your estate.

If you want to make a change, you may download a form from our website at www.ok.gov/trs, or contact us at 405.521.2387, or 877.738.6365 (toll free).

Steps to Retirement-Retiring Right!

If you are considering retiring this year, the time to start the process is now. To make this transition as smooth as possible, we offer the following guidelines to help you plan for a successful retirement.

Six months before retirement

- Select the date when you want to retire and request an estimate
- Purchase any eligible service credit

Two-Three months before retirement

- Return signed retirement estimate with proof of birth
- A retirement packet will be mailed to you and you must complete and return all necessary forms
- Submit Forms 80 & 82 to your payroll office for completion
- Meet with insurance coordinator

One month before retirement

- Signed and notarized contract must be on file. All documents must be in our office or postmarked no later than the 1st day of the month preceding the month of retirement.

If you'd like personal benefit counseling, contact our office to schedule an appointment with one of our Retirement Benefit Analysts.

Oklahoma Teachers Retirement System
Post Office Box 53524
Oklahoma City, OK 73152-3542

STANDARD
U.S. POSTAGE
PAID
Oklahoma
City, OK
Permit No. 61

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

Printed by DCS-Central Printing and issued by Oklahoma Teachers Retirement System. 155,000 copies were printed at a cost of $16,450.00. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

The Final Word: Supporting our Mission

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

Accomplishing the goals of our Mission Statement through our Mission Action Plan (MAP) has been a top priority of staff during the past several months. Today we are happy to report on several of our successes since the MAP went into effect last fall.

- Identified and corrected various critical data and security needs which ultimately saved the agency $76,600 annually while decreasing the risk of a data breach
- Implemented operational efficiencies resulting in a reduction in staff and budgetary savings to the System of $498,000 annually
- Improved response time for Retirement Estimate to within 24 hours 97.5% of the time
- Upgraded equipment in Information Center to decrease the wait time for clients that call the System and to increase number of calls answered
- Significantly reduced our postage and paper costs through our efforts to "Go Green" by utilizing email and our website for information distribution

By remaining focused, working diligently, and following the MAP, we will continue to grow our list of "successes" which will ultimately result in outstanding customer service and a better System for each of our clients.