



OKLAHOMA TEACHERS

RETIREMENT SYSTEM

BOARD OF TRUSTEES

REGULARLY SCHEDULED
MEETING

APRIL 27, 2011

9:00 AM

MEETING MATERIALS

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TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
Investment Committee Meeting
Tuesday, April 26, 2011 – 1:00 PM
Via Conference Call

AGENDA

- 1. CALL TO ORDER**
- 2. DISCUSSION AND POSSIBLE ACTION ON INTERNATIONAL EQUITY**
- 3. DISCUSSION AND POSSIBLE ACTION ON FRANKLIN PARK COMMITMENT RECOMMENDATIONS**
- 4. QUESTIONS AND COMMENTS FROM TRUSTEES**
- 5. ADJOURNMENT**

TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
Regular Board Meeting
Wednesday, April 27, 2011 – 9:00 AM
TRS Administration Board Room
2500 N. Lincoln Blvd., 5th Floor, Oklahoma City, OK

AGENDA

- 1. ROLL CALL FOR QUORUM**
- 2. DISCUSSION AND POSSIBLE ACTION ON APPROVAL OF MINUTES FOR THE MARCH 23, 2011 BOARD MEETING**
- 3. PRESENTATION BY INVESTMENT MANAGER(S):**
 - A. Frontier Capital Management
 - B. Wellington Management Company
- 4. DISCUSSION AND POSSIBLE ACTION ON INVESTMENT CONSULTANT MONTHLY REPORT**
- 5. DISCUSSION AND POSSIBLE ACTION ON MANAGER STATUS SUMMARY REPORT**

The Board of Trustees may elect to make any changes to the status of any manager based on the information available at the Board meeting
- 6. DISCUSSION AND POSSIBLE ACTION ON INVESTMENT COMMITTEE REPORT**
- 7. DISCUSSION AND POSSIBLE ACTION ON RENEWAL OF CONTRACT FOR EXTERNAL AUDITOR**
- 8. DISCUSSION AND POSSIBLE ACTION ON RENEWAL OF CONTRACT FOR LEGAL SERVICES WITH THE OFFICE OF ATTORNEY GENERAL**
- 9. DISCUSSION AND POSSIBLE ACTION ON REVIEW OF BOARD ADMINISTRATION**
- 10. DISCUSSION AND POSSIBLE ACTION ON LEGAL REPORT**
- 11. DISCUSSION AND POSSIBLE ACTION ON EXECUTIVE DIRECTOR REPORT**
 - A. Service Dashboard
 - B. Client Status Update
 - C. Legislative Update
 - D. FY-2011 Budget
 - E. Other Items for Discussion
- 12. QUESTIONS AND COMMENTS FROM TRUSTEES**
- 13. NEW BUSINESS**
- 14. ADJOURNMENT**

**MEETING MINUTES
MARCH 23, 2011
BOARD OF TRUSTEES
TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**

The regularly scheduled meeting of the Board of Trustees of the Teachers' Retirement System of Oklahoma was called to order by Michael Simpson, Chairman, at 9:04 A.M., in the Administration Board Room, 5th Floor, Oliver Hodge Education Building, 2500 N. Lincoln Blvd., OKC, OK. The meeting notice and agenda was posted in accordance with 25 O.S. Section 311(A)(11).

TRUSTEES PRESENT:

Michael Simpson, *Chairman*
Gary Trennepohl, *Vice-Chairman*
Bruce DeMuth, *Secretary*
Sherrie Barnes
Cathy Conway

Odilia Dank
Jill Geiger
Richard Gorman
Galeard Roper*
Billie Stephenson

TRUSTEES ABSENT:

Preston Doerflinger
Dick Neptune

James Smith

TRS STAFF PRESENT:

James R. Wilbanks, *Executive Director*
Josh Richardson, *Internal Auditor*
Dixie Moody, *Client Services Director*
Edward Romero, *Secretary/Treasurer*

Joe Ezzell, *Assistant Executive Director*
Nick Pointer, *Investment Analyst*
Kim Bold, *Human Resources Director*
Becky Wilson, *Executive Assistant*

LEGAL COUNSEL PRESENT:

Regina Switzer, *Assistant Attorney General*

INVESTMENT CONSULTANT PRESENT:

Greg Weaver, *Gregory W. Group*

Douglas J. Anderson, *Gregory W. Group*

OTHERS PRESENT:

Norman Cooper, *OK Retired Educators Assoc*
Wayne Maxwell, *Retired Professional OK Educators*

Charles Barnes, *Okmulgee Public Schools*

**Denotes either late arrival or early departure*

ITEM 1 - ROLL CALL FOR QUORUM: Chairman Simpson called the Board meeting to order and asked for a poll to determine if a quorum was present. Trustees responding were as follows: Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson. Mr. Roper joined the meeting immediately following the roll call.

ITEM 2 - MEETING MINUTES: Chairman Simpson asked if there were any changes to the meeting minutes. Ms. Stephenson stated that she was not in attendance at the meeting on February 23, 2011, as listed in the meeting minutes. A motion was made by Ms. Conway with a second made by Mr. DeMuth to approve the February 23, 2011 meeting minutes as amended. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

ITEM 3 - PRESENTATIONS BY INVESTMENT MANAGERS: Advisory Research and Epoch Investment Partners, Investment Managers, were present to give respective presentations to the Board.

A break was taken from 9:50 a.m. to 9:55 a.m.

ITEM 4 – INVESTMENT CONSULTANT MONTHLY REPORT: Greg Weaver and Douglas Anderson of Gregory W. Group, Investment Consultants to the Board, gave the Board their monthly report. No action was necessary.

A break was taken from 10:43 a.m. to 10:53 a.m.

ITEM 5 – MANAGER STATUS SUMMARY REPORT: Greg Weaver and Douglas Anderson of Gregory W. Group, Investment Consultants to the Board, gave the Board the Manager Status Summary Report. After discussion, a motion was made by Ms. Conway with a second made by Mr. DeMuth to put Brandes and Capital Guardian on notice for performance until June 30, 2011. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

ITEM 6 – INVESTMENT COMMITTEE REPORT: Nick Pointer, OTRS Investment Analyst, gave the Board a brief overview of the Investment Committee Meeting. After discussion, the Investment Committee recommended JP Morgan be retained as the OTRS Custodian and Securities Lending Agent. The recommendation carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

ITEM 7 – CONTRIBUTION RATE FOR GRANT MATCHING FUNDS FOR FY-2012: Dr. Wilbanks gave a brief presentation to the Board on the Contribution Rate for Grant Matching Funds for FY-2012. After discussion, a motion was made by Mr. Roper with a second made by Dr. Trennepohl to set the Federal and State Matching Rate at 7% for Contributions. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

ITEM 8 – ETHICAL AND FIDUCIARY CONDUCT POLICY: Dr. Wilbanks gave a brief presentation to the Board on the changes to the Ethical and Fiduciary Conduct Policy in the OTRS Trustee Policy Manual. After discussion, a motion was made by Ms. Conway with a second made by Ms. Stephenson to accept the amendment to the Recusal Section on page 32 by inserting language regarding Ex Officio members. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

A motion was also made by Ms. Conway with a second made by Ms. Geiger to strike “or vote” from the language on 3E under Oklahoma Ethics Commission Rules on page 27. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

ITEM 9 – LEGAL REPORT: Regina Switzer, Assistant Attorney General and legal counsel to the Board, gave the legal report to the Board. No action was necessary.

ITEM 10 – EXECUTIVE DIRECTOR REPORT: Dr. Wilbanks gave his report to the Board. A motion was made by Mr. DeMuth with a second made by Mr. Roper to approve the Executive Director Report. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

ITEM 11 – THIRD PARTY TRAVEL EXPENSES: Dr. Wilbanks informed the Board that Dr. Trennepohl had been asked to speak at a conference in May 2011 and OTRS Policy states third party travel expenses must be approved by the Board. A motion was made by Mr. Roper with a second made by Mr. DeMuth to approve the third party payment for travel for Board Trustee, Dr. Trennepohl. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

ITEM 12 – QUESTIONS AND COMMENTS FROM TRUSTEES: Ms. Conway commented on the OTRS Regional Seminar held in Ardmore and what a great job Dixie Moody did presenting. She also thanked the OTRS Staff who have worked at the Regional Seminars this Spring.

ITEM 13 - NEW BUSINESS: There was no further business from the Board.

ITEM 14 - ADJOURNMENT: There being no further business, a motion was made by Mr. DeMuth with a second made by Ms. Conway to adjourn. The meeting was adjourned at 12:21 p.m. Trustees present at adjournment were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Ms. Geiger; Mr. Gorman; Mr. Roper; Ms. Stephenson; Dr. Trennepohl; and Chairman Simpson.

BOARD OF TRUSTEES, TEACHERS’ RETIREMENT SYSTEM OF OKLAHOMA

BY: _____
Michael Simpson, Chairman

ATTEST:

BY: _____
Bruce DeMuth, Secretary

Certified correct minutes, subject to approval of the Board of Trustees of the Teachers’ Retirement System of Oklahoma, will be available at its next regularly scheduled meeting on April 27, 2011.

BY: _____
Becky Wilson, Executive Assistant to the Executive Director

March 2011 - Market Performance Update

Modest Gains Cap the First Quarter



Equity Total Returns

Index	Last Month	Last Year	Last 3 Years	Last 5 Years
Dow Jones Industrial Average	0.9	16.5	3.1	4.9
NASDAQ (prc chg only)	0.0	16.0	6.9	3.5
S&P 500 cap weighted	0.0	15.6	2.4	2.6
S&P 500 equal weighted	0.8	21.0	8.1	5.0
S&P Mid Cap	2.5	27.0	10.0	6.1
S&P Small Cap	3.0	25.3	8.4	3.7
S&P REIT	-1.5	24.2	2.0	1.3
Russell 1000 Growth	0.1	18.3	5.2	4.3
Russell 1000 Value	0.4	15.2	0.6	1.4
Russell Mid Cap Growth	1.6	26.6	7.6	4.9
Russell Mid Cap Value	1.4	22.3	6.6	4.0
Russell 2000 Growth	3.8	31.0	10.2	4.3
Russell 2000 Value	1.4	20.6	6.8	2.2
Russell Top 200	-0.3	13.6	1.3	2.3
Russell 1000	0.3	16.7	3.0	2.9
Russell Mid Cap	1.5	24.3	7.3	4.7
Russell 2500	2.3	26.1	8.9	4.4
MSCI World Ex US	-2.0	12.1	-1.7	2.5
MSCI World Ex US Growth	-1.2	14.2	-1.7	3.1
MSCI World Ex US Value	-2.7	10.0	-1.8	1.8
MSCI EAFE	-2.2	10.9	-2.5	1.8
MSCI Emerging Markets	5.9	18.8	4.6	11.0

Domestic equity markets moved slightly higher during March, ending the first quarter with nice gains. Performance varied widely among market segments during the month. Developed market international equities moved lower compared to emerging markets, which closed almost 6% higher. Fixed income was roughly flat.

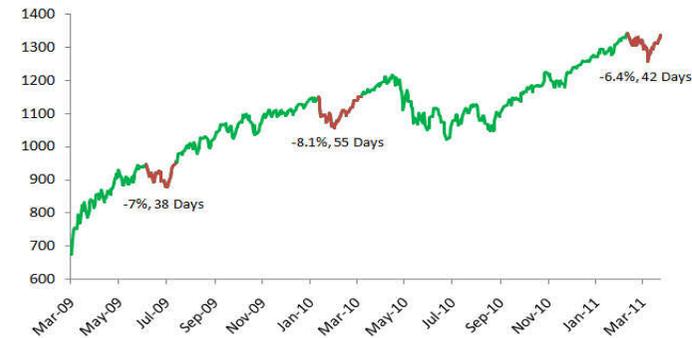
Looking back over the trailing year, domestic equity markets were solidly higher, far outpacing international equities. For the year, small caps led domestic equities higher than mid caps and large caps. Small cap growth led all sectors. International equities earned double digit gains, albeit lower than their domestic counterparts.

Fixed income investors earned modest returns for the trailing year period. Cash earned practically nothing while Long Term Treasuries posted a 7% gain for the year.

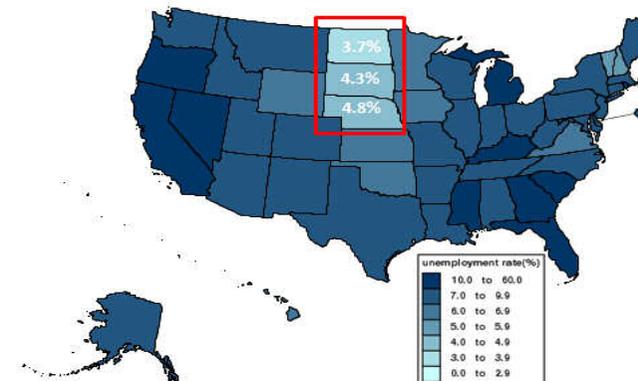
Bond Total Returns

Index	Last Month	Last Year	Last 3 Years	Last 5 Years
BC T-Bills	0.0	0.2	0.5	2.1
BC Long Treasury	0.0	7.3	4.0	6.3
BC US Agg	0.1	5.1	5.3	6.0

S&P 500 Since Bull Market Began on 3/9/09



Unemployment Rates By State: February 2011



Oklahoma Teachers' Retirement System

Investment Manager Profile – As of March 31, 2011



Manager	Location	Structure	Investment Mandate	Portfolio Size	Status	Management Fee
Frontier Capital Management	Boston, MA	Wholly-owned by AMG	Mid Cap Growth Equity	\$351,614,269	In Compliance	0.56%
Wellington Management	Boston, MA	Privately Held	Mid Cap Growth Equity	\$333,824,197	In Compliance	0.45%

Manager	Last Month	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Since Inception
Frontier Capital Management <i>Russell Mid Cap Growth</i>	2.3 1.6	7.8 7.9	24.7 26.6	9.8 7.6	8.3 4.9	- 6.9	9.8 8.4 <i>Inception: 10.2006</i>
Wellington Management <i>Russell Mid Cap Growth</i>	1.6 1.6	9.9 7.9	28.0 26.6	10.1 7.6	6.5 4.9	10.8 6.9	11.0 8.1 <i>Inception: 9.1998</i>

Manager	Management Philosophy	Represented By:
Frontier Capital Management	Bottom-up selection of growth stocks that isolates investments through company contacts, industry research, and competitive analysis.	Stephen Knightly President, Portfolio Manager Christopher Scarpa, Assistant Portfolio Manager
Wellington Management	Fundamental individual selection of high quality mid cap growth stocks selling at attractive valuations.	Frank Boggan, Senior Vice President, Portfolio Manager Alexander Grant, Vice President, Relationship Manager

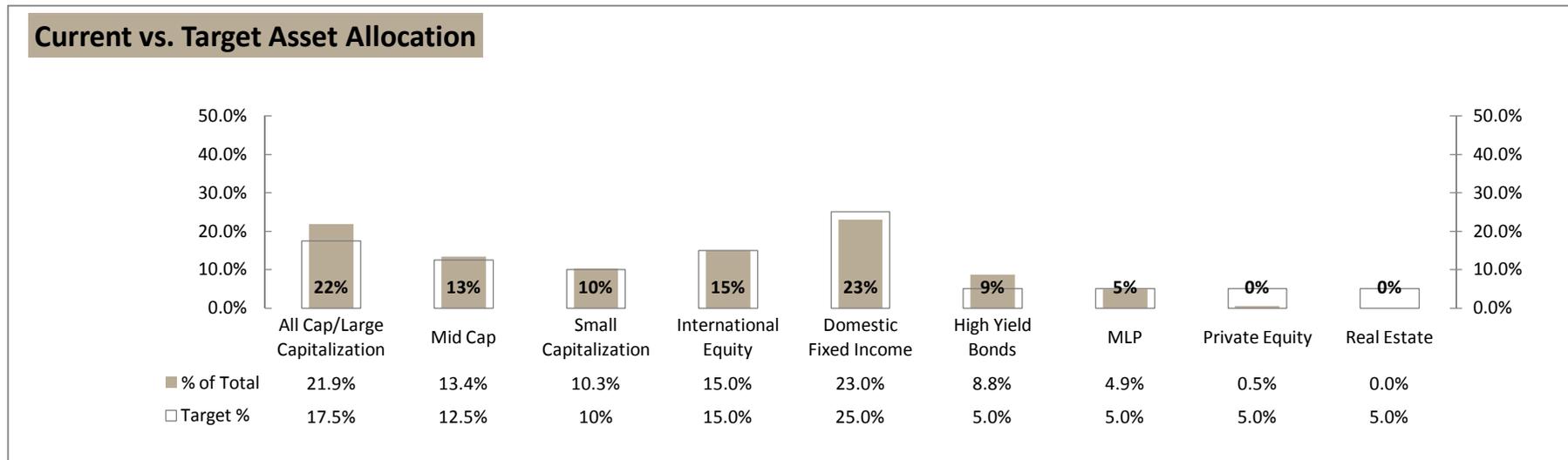
Oklahoma Teachers' Retirement System

Monthly Asset Allocation Review

As of March 31, 2011



Asset Class	Total Market Value	Percentage of Total	Target Percentage	Action?*
All Cap/Large Cap	2,204,827,845	21.9%	17.5%	Yes
Mid Cap	1,351,323,716	13.4%	12.5%	No
Small Cap	1,040,673,524	10.3%	10.0%	No
Total Domestic Equity	4,596,825,085	45.6%	40.0%	Yes
International Equity	1,508,639,844	15.0%	15.0%	No
Fixed Income (excludes OBP)	2,322,157,453	23.0%	25.0%	No
High Yield Bonds	883,680,726	8.8%	5.0%	Yes
MLP	498,590,511	4.9%	5.0%	No
Private Equity	50,119,938	0.5%	5.0%	Yes
Real Estate	-	0.0%	5.0%	Yes
Cash	65,280,669	0.6%	0.0%	Yes



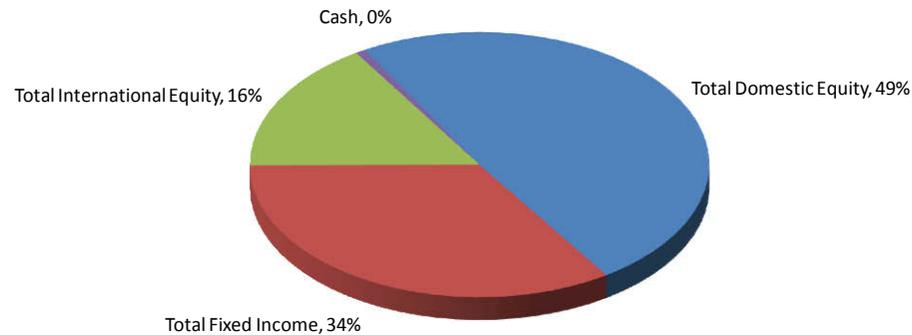
*Action is suggested when the allocation falls outside of 90% to 110% of its target allocation.

Oklahoma Teachers' Retirement System Composites and Total Fund
Performance Summary as of March 31, 2011



	Market Value	2.47 Last Month	Last Quarter	Fiscal Year to Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Index Since Inception	Inception Date
Total Domestic Equity	4,596,825,085	1.4	7.0	33.9	19.8	6.2	3.6	6.3	10.6	9.0	3.31.90
<i>S&P 500</i>		0.0	5.9	30.6	15.6	2.4	2.6	3.3			
Total All Cap Equity	826,683,863	1.2	8.1	33.8	18.6	4.7	-	-	3.7	3.1	9.30.06
<i>Russell 3000</i>		0.5	6.4	32.4	17.4	3.4	4.1	7.1			
Total Large Cap Equity	1,378,143,981	-0.1	4.7	26.3	12.8	0.8	0.8	4.3	9.3	8.7	1.31.95
<i>S&P 500</i>		0.0	5.9	30.6	15.6	2.4	2.6	3.3			
Total Mid Cap Equity	1,351,323,716	2.3	8.6	41.1	25.6	10.3	6.0	9.4	9.6	8.9	11.30.98
<i>Russell MidCap</i>		1.5	7.6	37.9	24.3	7.3	4.7	8.5			
Total Small Cap Equity	1,040,673,524	2.5	6.8	35.5	23.5	11.1	5.0	8.4	9.2	6.6	1.31.98
<i>Russell 2000</i>		2.6	7.9	39.6	25.8	8.6	3.3	7.9			
Total International Equity	1,508,639,844	-1.0	4.1	27.3	12.9	-0.5	3.2	6.8	9.7	5.2	1.31.96
<i>MSCI ACWI ex-US</i>		-2.2	3.4	28.6	10.9	-2.5	1.8	5.8			
Total Fixed Income (excludes High Yield)	2,322,157,453	0.2	1.1	3.5	8.0	7.5	7.6	6.4	7.4	7.1	3.31.90
<i>Barclays Aggregate</i>		0.1	0.4	1.6	5.1	5.3	6.0	5.6			
Master Limited Partnerships	498,590,511	0.4	-	-	-	-	-	-	2.3	2.8	2.28.2011
<i>Alerian MLP Index</i>		-0.6	6.0	28.8	33.0	20.0	16.6	17.3			
High Yield Fixed Income	883,680,726	0.5	4.2	15.3	15.1	-	-	-	27.0	30.8	2.28.2009
<i>ML High Yield II</i>		0.4	3.9	14.3	14.2	12.7	9.0	8.4			
Cash	65,280,669	-	-	-	-	-	-	-	-	-	
<i>91 Day T-bill</i>		0.0	0.0	0.1	0.2	0.5	2.2	-			
Total Fund	10,075,593,538	0.6	4.8	22.7	15.5	6.3	5.3	7.3	9.5	9.4	11.30.91
<i>Allocation Index</i>		0.1	4.3	23.0	14.3	4.4	4.3	6.3	9.4		11.30.91
<i>Actuarial Assumption</i>		0.6	4.3	1.9	8.0	8.0	8.0	8.0	8.1		11.30.91

Composite Allocation by Asset Class



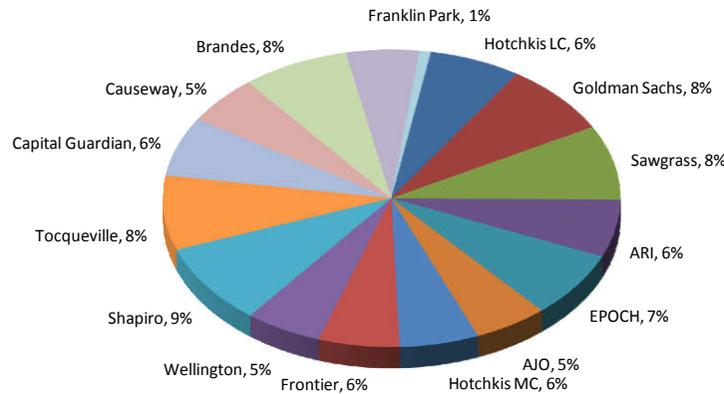
Oklahoma Teachers' Retirement System Equity Portfolios

Performance Summary as of March 31, 2011



	Market Value	Last Month	Last Quarter	Fiscal Year to Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Index Since Inception	Inception Date
Hotchkis & Wiley Large Cap	396,853,324	-0.1	5.7	30.5	15.0	2.3	-1.0	6.6	10.4	9.6	3.31.90
Russell 1000 Value		0.4	6.5	29.6	15.2	0.6	1.4	4.5			
Goldman Sachs	481,334,401	-1.1	2.1	24.0	10.2	3.8	3.5	2.2	9.7	8.4	3.31.90
Sawgrass	499,956,256	0.8	6.8	26.0	13.9	2.8	-	-	3.7	5.5	6.30.06
Russell 1000 Growth		0.1	6.0	34.0	18.3	5.2	4.3	3.0			
Advisory Research	383,766,610	2.0	8.1	31.3	18.7	4.9	-	-	2.5	3.1	9.30.06
EPOCH	442,917,253	0.4	8.0	36.1	18.6	4.5	-	-	4.8	3.1	9.30.06
Russell 3000		0.5	6.4	32.4	17.4	3.4	4.1	7.1			
Russell 3000 Value		0.5	6.5	30.0	15.6	1.1	1.4	4.9			
Capital Guardian	397,815,992	0.6	3.1	26.7	13.5	-1.5	2.3	-	10.0	12.6	4.30.03
Causeway Capital	327,220,288	0.0	5.4	31.6	14.7	0.3	3.7	-	12.2	12.6	4.30.03
Brandes	466,257,608	-3.8	3.6	22.9	7.7	-1.7	1.6	7.6	11.4	5.4	1.31.96
Thornburg	317,345,956	0.3	4.6	30.9	18.8	2.3	7.5	-	9.0	6.1	11.30.05
MSCI EAFE GD		-2.2	3.4	28.6	10.9	-2.5	1.8	5.8			
MSCI ACWI Ex US		-0.2	3.4	29.2	13.2	-0.9	3.6	7.4			
Wellington	333,824,197	1.6	9.9	45.7	28.0	10.1	6.5	10.8	11.0	8.1	8.31.98
Frontier Capital	351,614,269	2.3	7.8	38.6	24.7	9.8	8.3	-	9.8	8.4	5.31.02
Russell MidCap Growth		1.6	7.9	41.0	26.6	7.6	4.9	6.9			
AJO Partners	321,363,310	2.6	9.5	38.5	25.0	7.3	4.6	9.4	10.1	8.4	8.31.98
Russell MidCap		1.5	7.6	37.9	24.3	7.3	4.7	6.6			
Hotchkis & Wiley Mid Cap	344,521,940	2.5	7.4	42.1	24.9	14.5	4.4	-	13.3	10.9	7.31.02
Russell MidCap Value		1.4	7.4	35.2	22.3	6.6	4.0	-			
Shapiro Capital Management	541,649,028	2.0	7.1	37.8	23.2	14.6	8.6	12.6	10.0	8.0	1.31.98
Tocqueville	499,024,496	3.0	6.4	33.0	23.8	9.6	4.2	10.1	10.1	9.5	10.31.00
Russell 2000 Value		1.4	6.6	34.9	20.6	6.8	2.2	9.0			
Russell 2000		2.6	7.9	39.6	25.8	8.6	3.3	7.9			
Franklin Park Private Equity	50,119,938	-	-	-	-	-	-	-	-	-	9.30.08

Equity Portfolio Allocation by Manager



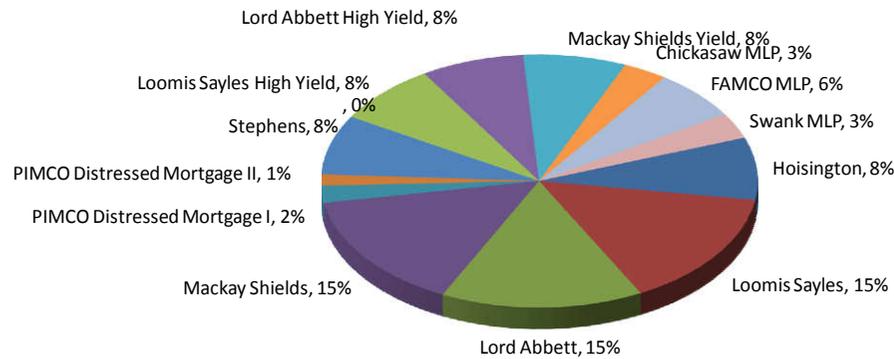
Oklahoma Teachers' Retirement System Fixed Income Portfolios

Performance Summary as of March 31, 2011



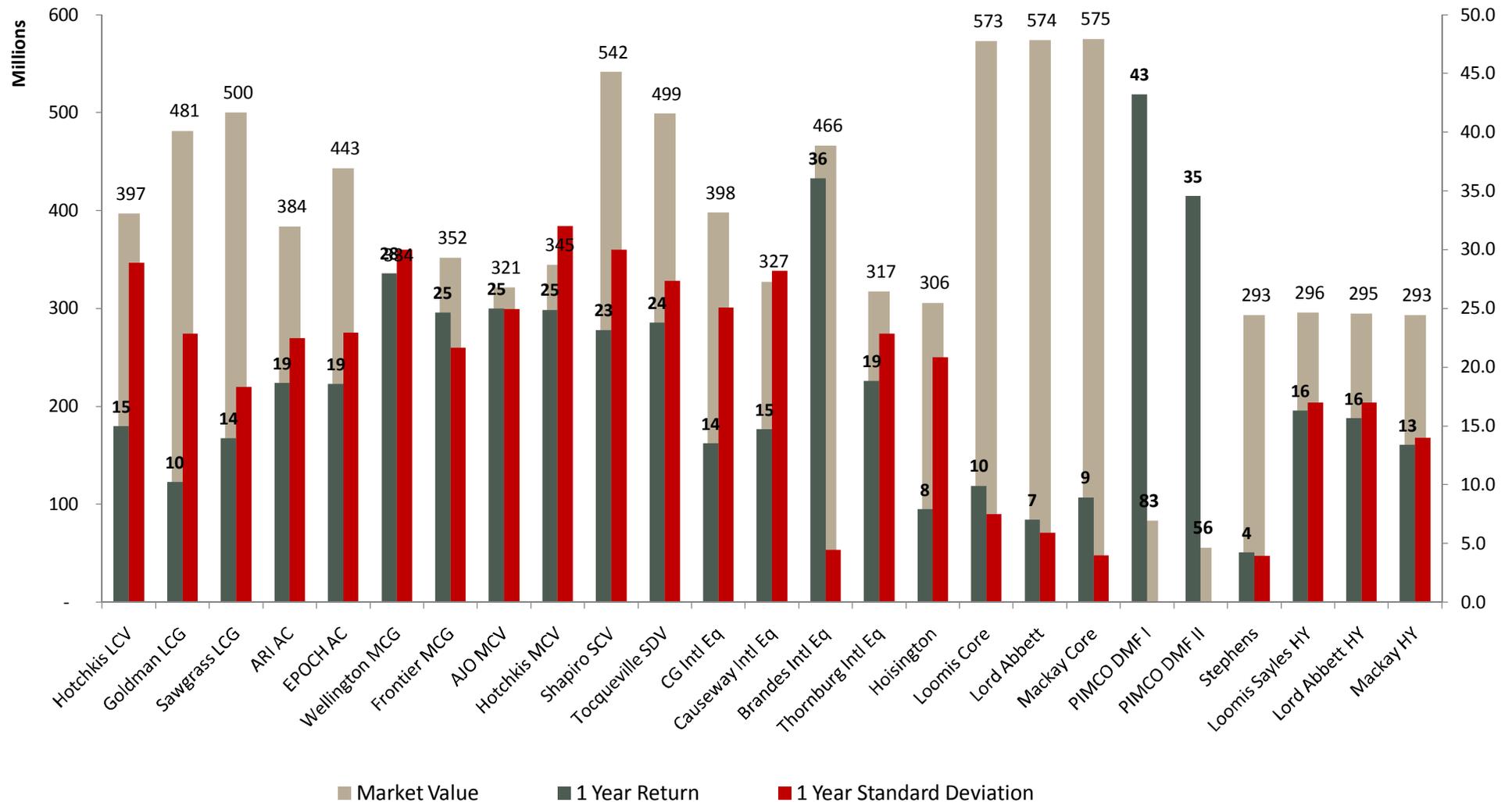
	Market Value	Last Month	Last Quarter	Fiscal Year to Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Index Since Inception	Inception Date
Hoisington	305,761,851	0.0	-2.0	-7.9	7.9	3.3	6.0	-	5.9	5.0	10.31.04
Loomis Sayles	573,014,472	0.2	1.9	6.9	9.9	10.8	9.7	7.0	7.2	6.1	7.31.99
Lord Abbett	574,223,294	0.3	1.2	3.9	7.0	8.1	7.5	-	6.3	5.0	10.31.04
Mackay Shields	575,049,693	0.3	2.3	6.9	8.9	8.4	7.8	-	6.5	5.0	10.31.04
PIMCO Distressed Mortgage I	83,058,784	0.1	5.4	28.2	43.2	-	-	-	10.3	6.0	5.31.08
PIMCO Distressed Mortgage II	55,686,913	0.0	7.1	30.7	34.6	-	-	-	48.9	5.7	12.31.08
PIMCO BRAVO	10,705,379	-	-	-	-	-	-	-	-	-	3.31.11
Stephens	293,196,089	-0.1	0.1	1.4	4.2	5.1	6.8	-	5.4	5.0	10.31.04
<i>Barclays Aggregate</i>			0.1	0.4	1.6	5.1	5.3	6.0	5.6		
Loomis Sayles High Yield	295,857,878	0.7	4.8	17.5	16.3	-	-	-	29.4	30.8	2.28.09
Lord Abbett High Yield	294,757,273	0.4	4.3	15.9	15.7	-	-	-	27.6	30.8	2.28.09
Mackay Shields Yield	293,065,575	0.4	3.5	12.4	13.4	-	-	-	24.0	30.8	2.28.09
<i>Merrill Lynch High Yield II</i>			0.4	3.9	14.3	14.2	12.7	9.0	8.4		2.28.09
Chickasaw Capital MLP	125,135,152	0.1	-	-	-	-	-	-	2.2	2.8	2.28.2011
FAMCO MLP	247,852,380	0.3	-	-	-	-	-	-	1.2	2.8	2.28.2011
Swank MLP	125,602,978	0.8	-	-	-	-	-	-	2.5	2.8	2.28.2011
<i>Alerian MLP Index</i>			-0.6	6.0	28.8	33.0	20.0	16.6	17.3		

Fixed Income Portfolio Allocation by Manager



Oklahoma Teachers' Retirement System Risk/Return Comparison

Performance Summary as of March 31, 2011



Oklahoma Teachers' Retirement System

Estimated Net of Management Fee Performance Summary

As of March 31, 2011



Portfolio	Market Value	Estimated Fee	Last Month	Last Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Year Annualized	Since inception	Index Since inception	Inception Date
Hotchkis & Wiley	396,853,324	0.33	-0.1	5.6	14.7	1.9	-1.3	6.3	10.1	8.0	3.31.90
<i>Russell 1000 Value</i>			0.4	6.5	15.2	0.6	-	-	-		
Goldman Sachs	481,334,401	0.27	-1.1	2.0	9.9	3.5	3.2	1.9	9.5	6.6	3.31.90
Sawgrass	499,956,256	0.36	0.8	6.8	13.6	-	-	-	3.4	5.5	6.30.06
<i>Russell 1000 Growth</i>			0.1	6.0	18.3	5.2	4.3	3.0			
Advisory Research	383,766,610	0.34	2.0	8.0	18.3	4.5	-	-	2.1	3.1	9.30.06
EPOCH	442,917,253	0.44	0.4	7.9	18.1	4.0	-	-	4.4	3.1	9.30.06
<i>Russell 3000</i>			0.5	6.4	17.4	3.4	3.2	3.4			
AJO Partners	321,363,310	0.55	2.6	9.3	24.4	6.8	4.0	8.9	9.6	8.4	8.31.98
Wellington	333,824,197	0.45	1.6	9.8	27.6	9.7	6.1	10.4	10.6	8.1	8.31.98
Frontier Capital Management	351,614,269	0.56	2.2	7.7	24.1	9.2	7.8	-	9.3	8.4	5.31.02
Hotchkis & Wiley Mid Cap	344,521,940	0.50	2.5	7.3	24.4	14.0	3.9	-	12.8	10.9	7.31.02
<i>Russell MidCap</i>			1.5	7.6	24.3	7.3	4.7	6.6			
Shapiro Capital Management	541,649,028	0.71	1.9	6.9	22.5	13.9	7.9	11.8	9.3	8.0	1.31.98
Tocqueville	499,024,496	0.66	2.9	6.3	23.1	9.0	3.5	-	9.4	8.3	9.30.00
<i>Russell 2000</i>			5.5	13.6	32.6	7.8	3.8	7.1			
Franklin Park	50,119,938	-	-	-	-	-	-	-	-	-	9.30.08
<i>S&P 500 + 4.0%</i>			0.1	6.9	19.6	6.4	6.6	7.3			
Capital Guardian	397,815,992	0.41	0.5	3.0	13.1	-1.9	1.9	-	9.9	12.6	4.30.03
Causeway Capital	327,220,288	0.38	-0.1	5.3	14.3	0.0	3.3	-	11.8	12.6	4.30.03
Brandes	466,257,608	0.40	-3.8	3.5	7.3	-2.1	1.2	7.2	11.0	5.4	1.31.96
Thornburg	317,345,956	0.52	0.2	4.5	18.3	1.8	-	-	8.4	6.1	11.30.05
<i>MSCI EAFE GD</i>			-2.2	3.4	10.9	-2.5	1.8	5.8			
<i>MSCI ACWI Ex US</i>			-0.2	3.4	13.2	-0.9	3.6	7.4			
Hoisington	305,761,851	0.15	0.0	-2.1	7.8	3.1	5.8	-	5.8	5.0	10.31.04
Loomis Sayles	573,014,472	0.15	0.2	1.8	9.8	10.7	9.6	6.8	7.1	6.1	7.31.99
Lord Abbett	574,223,294	0.17	0.3	1.2	6.9	7.9	7.3	-	6.1	5.0	10.31.04
Mackay Shields	575,049,693	0.21	0.3	2.2	8.7	8.2	7.6	-	6.3	5.0	10.31.04
PIMCO Distressed Mortgage I	83,058,784	0.25	0.1	5.4	43.0	-	-	-	10.1	6.0	5.31.2008
PIMCO Distressed Mortgage II	55,686,913	0.25	0.0	7.1	34.3	-	-	-	48.6	5.7	12.31.2008
Stephens	293,196,089	0.16	-0.1	0.1	4.1	4.9	6.6	-	5.2	5.0	10.31.04
<i>Barclays Aggregate</i>			0.1	0.4	5.1	5.3	6.0	5.6			
Loomis Sayles High Yield	295,857,878	0.50	0.6	4.7	15.8	-	-	-	28.9	30.8	2.28.09
Lord Abbett High Yield	294,757,273	0.38	0.4	4.2	15.3	-	-	-	27.2	30.8	2.28.09
Mackay Shields High Yield	293,065,575	0.45	0.4	3.4	13.0	-	-	-	23.5	30.8	2.28.09
<i>ML High Yield II</i>			-0.6	6.0	13.8	20.0	16.6	17.3			
Chickasaw MLP	125,135,152	0.80	0.1	-	-	-	-	-	-	17.6	
FAMCO MLP	247,852,380	0.50	0.2	-	-	-	-	-	-	17.6	
Swank MLP	125,602,978	0.45	0.8	-	-	-	-	-	-	17.6	
<i>Alerian MLP Index</i>			-0.6	6.0	28.8	33.0	20.0	16.6			
Total Fund	10,075,593,538	0.33	0.6	4.7	15.2	5.9	5.0	6.9	9.2	9.4	11.30.91
<i>Allocation Index</i>			0.1	4.3	14.3	4.4	4.3	6.3	9.4		
<i>Actuarial Assumption</i>			0.6	4.3	8.0	8.0	8.0	8.0	8.0		

Oklahoma Teachers' Retirement System

Manager Status Summary

As of March 31, 2011



Manager	% of Total Portfolio	Mandate	Status	Reason - Date of Most Recent Change (term)
Domestic Equity				
Goldman Sachs	5%	Large Cap Growth Equity	In Compliance	
Sawgrass	5%	Large Cap Growth Equity	On Alert	Performance - December 2010 (June, 2011)
Hotchkis & Wiley	4%	Large Cap Value Equity	In Compliance	
Advisory Research	4%	All Cap Equity	In Compliance	
EPOCH	4%	All Cap Equity	In Compliance	
AJO Partners	3%	Mid Cap Equity	In Compliance	
Frontier Capital Management	3%	Mid Cap Growth Equity	In Compliance	
Hotchkis & Wiley	3%	Mid Cap Value Equity	In Compliance	
Wellington	3%	Mid Cap Growth Equity	In Compliance	
Shapiro Capital Management	5%	Small Cap Value Equity	In Compliance	
Tocqueville	5%	Small Cap Value Equity	In Compliance	
Franklin Park	0%	Private Equity	In Compliance	
International Equity				
Brandes	5%	International Value Equity	On Notice	Performance - March 2011 (June 2011)
Capital Guardian	4%	International Growth Equity	On Notice	Performance - March 2011 (June 2011)
Causeway Capital	3%	International Value Equity	In Compliance	
Thornburg	3%	International Value Equity	In Compliance	
Fixed Income				
Hoisington	3%	Fixed Income	In Compliance	
Loomis Sayles	6%	Fixed Income	In Compliance	
Lord Abbett	6%	Fixed Income	In Compliance	
Mackay Shields	6%	Fixed Income	In Compliance	
Stephens	3%	Fixed Income	In Compliance	
Loomis Sayles - High Yield	3%	High Yield Fixed Income	In Compliance	
Lord Abbett - High Yield	3%	High Yield Fixed Income	On Alert	Personnel Changes - December 2010 (June 2011)
Mackay Shields - High Yield	3%	High Yield Fixed Income	In Compliance	
Chickasaw	1%	MLPs	In Compliance	
Famco	2%	MLPs	In Compliance	
Swank	1%	MLPs	In Compliance	

Monthly Investment Analysis

Frontier Capital Management
Wellington Management

Portfolio Returns

	3 Months	1 Year	3 Year	5 Year	10 Year
Frontier	7.81%	24.65%	9.78%	8.34%	--
Russell 3000	7.85%	26.60%	7.63%	4.93%	--
Frontier Alpha	--	(1.02%)	3.52%	3.87%	

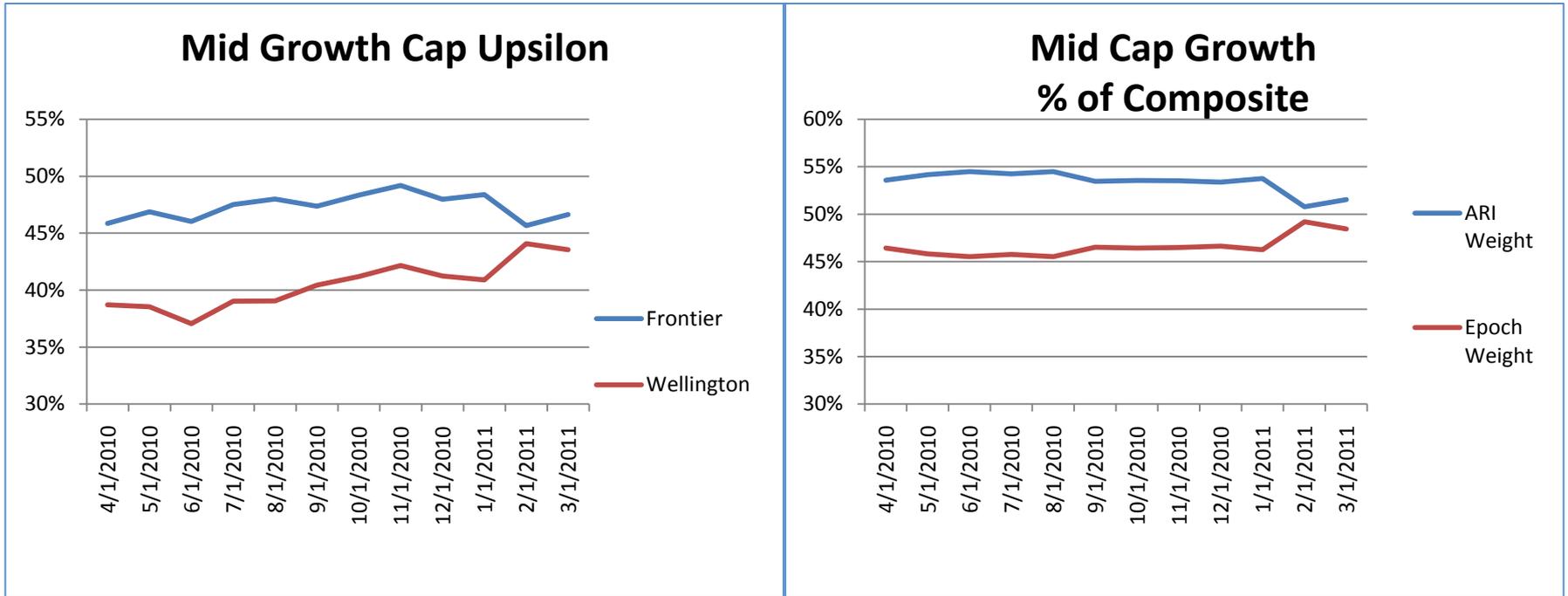
	3 Months	1 Year	3 Year	5 Year	10 Year
Wellington	9.89%	28.00%	10.10%	6.54%	10.83%
Russell 3000	7.85%	26.60%	7.63%	4.93%	6.94%
Wellington Alpha	--	(2.43%)	1.64%	1.31%	4.12%

Portfolio Statistics

Portfolio Correlations			
	Frontier	Wellington	Russell 3000
Frontier	1.00%		98.98%
Wellington	95.28%	1.00%	97.98%

3 Year Risk Statistics		
	Frontier	Wellington
Beta	0.81	1.12
Sharpe Ratio	1.48	1.11
Treynor Ratio	0.11	0.09

Manager Upsilon



*Upsilon measures the percentage of each managers underlying portfolio holdings that is not overlapped by the other manager. Measure is most relevant when compared to the portfolio's actual percentage of the composite.

April 7, 2011

Board of Trustees
Teachers' Retirement System of Oklahoma
Oklahoma City, OK 73118

This letter is to explain our understanding of the arrangements for the services we are to perform for the Teachers' Retirement System of Oklahoma (OTRS) for the year ending June 30, 2011. We ask that you either confirm or amend this understanding.

We will perform an audit of OTRS' governmental activities, business type activities, aggregate discretely presented component units, each major fund, and aggregate remaining fund information, as applicable, as of and for the year ending June 30, 2011, which collectively comprise the basic financial statements. We understand that these financial statements will be prepared in accordance with accounting principles generally accepted in the United States of America. The objective of an audit of financial statements is to express an opinion on those statements.

We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of the Board of Trustees are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

We will conduct the audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable rather than absolute, assurance about whether the financial statements are free of material misstatement whether caused by error, fraudulent financial reporting, or misappropriation of assets. Accordingly, a material misstatement, whether caused by error, fraudulent financial reporting, or misappropriation of assets, may remain undetected. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of abuse is subjective; therefore, Government Auditing Standards do not expect us to provide reasonable assurance of detecting abuse.

We will also communicate to the Board of Trustees (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, (b) any fraud, illegal acts, violations of provisions of contracts or grant agreements, and abuse that come to our attention (unless they are clearly inconsequential), (c) any disagreements with management and other serious difficulties encountered in performing the audit, and (d) various matters related to the entity's accounting policies and financial statements.

In addition to our reports on the financial statements, we will also issue a report titled: Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.

Our reports on internal control will include any significant deficiencies and/or material weaknesses of which we became aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with the requirements of the standards identified above. Our reports on compliance will address material errors, fraud; violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed by contracts; and any state or federal grant, entitlement of loan program questioned costs of which we become aware, consistent with the requirements of the standards identified above.

If circumstances arise relating to the conditions of the records, the availability of sufficient, competent evidential matter, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, misappropriation of assets, or noncompliance which in our professional judgment prevent us from completing the audits or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express opinions or issue reports, or withdrawal from the engagements.

Management is responsible for the financial statements, including the selection and application of accounting policies, adjusting the financial statements to correct material misstatements, and for making all financial records and related information available to us. Management is responsible for providing us with a written management representation letter confirming certain representations made during the course of our audit of the financial statements and affirming to us that it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and to the opinion units of the financial statements.

Management is responsible for establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge.

Management is responsible for identifying and ensuring that the entity complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

Management is also responsible for (a) making us aware of significant vendor relationships where the vendor is responsible for program compliance, (b) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings, and a corrective action plan, and (c) report distribution including submitting the reporting package(s).

The Board of Trustees is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting the entity.

The Board of Trustees is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting them. We will also determine that certain matters related to the conduct of the audits are communicated to the Board of Trustees including 1) fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, 2) illegal acts that come to our attention (unless they are clearly inconsequential), 3) disagreements with management and other serious difficulties encountered in performing the audits, and 4) various matters related to OTRS accounting policies and financial statements.

The working papers for these engagements are the property of Cole and Reed, P.C. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. General Accounting Office shall have access to the audit working papers upon their request; and that we shall maintain the working papers for a period of at least three years after the date of the reports, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested workpapers will be provided under the supervision of Cole and Reed, P.C. audit personnel and at a location designated by our Firm.

During the course of our engagements, we may accumulate records containing data which should be reflected in your books and records. Management will determine that all such data, if necessary, will be so reflected. Accordingly, you will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by OTRS personnel, including the preparation of schedules and analyses of accounts, will be coordinated with Edward Romero. The timely and accurate completion of this work is an essential condition to our completion of the audits and issuance of our audit reports.

Our fees are based on the time required by the individuals assigned to the engagements, plus direct expenses. Interim billings will be submitted as work progresses and as expenses are incurred. Our fees for the services described in this letter are estimated to be \$46,100, unless the scope of the engagement is changed, the assistance which OTRS has agreed to furnish is not provided, or unexpected conditions are encountered, in which case we will discuss the situation with you before proceeding. All other provisions of this letter will survive any fee adjustment.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client. Accordingly, management agrees to compensate Cole and Reed, P.C. for any additional costs incurred as a result of the employment of a partner or professional employee of Cole and Reed, P.C.

In the event we are requested or authorized by OTRS or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements, management of OTRS so long as we are not a party to the proceeding in which the information is sought, will reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

This letter constitutes the complete and exclusive statement of agreement between Cole & Reed, P.C. and OTRS, superseding all proposals, oral or written, and all other communication, with respect to the terms of the engagement between the parties.

In accordance with *Government Auditing Standards*, a copy of our most recent peer review report is enclosed, for your information.

If this letter defines the arrangements as you understand them, please sign and date the enclosed copy, and return it to us. We appreciate your business.

Very truly yours,

Mike Gibson

Digitally signed by Mike Gibson
DN: cn=Mike Gibson, o=Cole & Reed, ou,
email=mgibson@coleandreed.com,
c=US
Date: 2011.04.07 13:19:39 -05'00'

For the Firm

Confirmed on behalf of Teachers' Retirement System of Oklahoma:

James Wilbanks
Executive Secretary

Date



CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

SYSTEM REVIEW REPORT

August 11, 2010

To the Shareholders of
Cole & Reed, P.C.
and the National Peer Review Committee.

We have reviewed the system of quality control for the accounting and auditing practice of Cole & Reed, P.C. (the firm) applicable to the non-SEC issuers in effect for the year ended April 30, 2010. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Cole & Reed, P.C. applicable to non-SEC issuers in effect for the year ended April 30, 2010, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Cole & Reed, P.C. has received a peer review rating of pass.

Brady, Martz & Associates, PC.

BRADY, MARTZ & ASSOCIATES, P.C.
401 Demers Avenue Suite 300 P.O. Box 14296
Grand Forks, ND 58208-4296 (701) 775-4685 Fax (701) 795-7498

OTHER OFFICES: Minot and Bismarck, ND
Thief River Falls, MN

Chapter 7 – Board Organization and Administration

Administration of Meetings

1. In the absence of specific Board policy, the procedural conduct of Board and committee meetings is committed to the sound discretion of the Chair using Robert’s Rules of Order as a procedural reference.
2. The concurrence of the majority of the members of the Board shall be necessary for the Board or one of its committees to take an action.
3. A quorum of the Board shall consist of the majority of its 13 members. It shall in all circumstances require the presence of 7 members of the Board constitute a quorum. In determining whether a quorum is present, vacant positions on the Board shall not affect the required number of members to attain quorum. A Trustee is “present” for purposes of calculating the necessary number of votes for an action when that member is physically present in the meeting room.
4. A quorum of a Committee of the Board shall consist of the majority of its members. In determining whether a quorum of the Committee is present, vacant positions on the committee shall not be considered. A Board or committee member is “present” for purposes of calculating the necessary number of votes for an action when that member is physically present in the meeting room.
5. In the absence of the Chair, the Vice-chair shall assume all responsibilities and authority of the Chair.
6. If, during the course of a meeting, it comes to the attention of the Chair that a member is apparently temporarily absent from the meeting, the Chair may in his or her own discretion and without benefit of a motion cause the meeting to be recessed until the member returns or such other time that the Chair is satisfied that the meeting may continue.

Notice of Meetings

The Board shall comply with the provisions of the Oklahoma Open Meeting Act. Any gathering of a quorum of this Board or a committee thereof where business is to be transacted or discussed shall be noticed pursuant to the provisions of the Oklahoma Open Meetings Act. This requirement does not apply to informal gatherings such as conferences and social activities provided that no official business is discussed. The regular Board and Committee meeting schedule is prepared by staff and approved by the Board in November each year for the next calendar year. After approval of the regular Board meeting schedule, it shall be submitted to the Secretary of State’s Office in accordance with the Oklahoma Open Meetings Act. Agendas for regular meetings of the Board or its Committees shall be posted at least 48 hours prior to the meeting in accordance with the Oklahoma Open Meetings Act. Other, shorter notice requirements may be applicable in special situations under the Act.

Agendas

1. All agenda items shall be identified initially as either action items or informational items. The Board Chair or Committee Chair is responsible for time management of the applicable body.
2. All items on Board and Committee agendas shall be supported by concise, easily accessible information.
3. All Trustees shall receive in advance of any meeting copies of all Committee agendas and supporting information.
4. Following each Committee meeting, the Committee Chair, in consultation with staff, will prepare a brief summary of Committee actions to be presented to Trustees in a report to be given at the open or closed session of the Board meeting as appropriate.

Minutes

The Board chair shall have an opportunity to review the minutes prior to distribution to other Trustees and preferably within three weeks following the meeting. The minutes will reflect the deliberative discussions of the board and its committees, the decisions reached, and the action taken.

Executive Session Policy

The Board shall limit the business it conducts in executive session to those matters specifically authorized by the Oklahoma Open Meetings Act. Pursuant to the Act, matters properly considered in executive session include the following:

1. The appointment, employment, evaluation of performance, or dismissal of a public employee.
2. Matters pertaining to the recruitment, appointment, employment, or removal of the Executive Director.
3. To deliberate on proposed decisions relating to benefit appeals.
4. To confer with, or receive advice from, legal counsel regarding pending litigation, when discussion in open session concerning those matters would prejudice the position of the Board in the litigation.

Executive sessions of the Board and its committees shall be limited to Trustees and only those other persons who are required by the Board.

Administrative Hearings Policy

Applicability

This policy applies to hearings before the Board where it has rejected or seeks to modify the Proposed Decision rendered by an Administrative Law Judge (ALJ) and has decided to hear the matter itself on the written record and has further decided to take additional evidence.

Scope of Review

In many instances the Board limits its review to the administrative record of the hearing before the ALJ. However, in those instances where the Board has decided to consider the taking of additional evidence, the Board will confine this evidence to newly discovered documentary evidence which could not, with reasonable diligence, have been discovered and produced at the hearing.

Evidence

If the Committee has made the decision to take additional evidence, the parties shall exchange such evidence and lodge a copy with the Secretary of the Board no later than 10 business days prior to the date of the meeting of the Board at which the matter will be considered. Such evidence shall be accompanied by a complete, clear, and legible copy of any such documentary evidence and a statement which shows:

1. Good cause exists as to why the evidence could not, with reasonable diligence, have been discovered and produced at the original administrative hearing;
2. The evidence to be introduced is relevant to the resolution of some material issue in the administrative appeal; and
3. The evidence is admissible and relevant to the matters at issue.

The Board will determine at the time of its meeting, whether or not the new evidence will be considered.

Procedure for Hearing before the Board

1. In accordance with the Oklahoma Open Meeting Act, all administrative appeal hearings on the record will be held in Open Session.
2. Respondent, having the burden of proof, will present his or her argument first. Each named Respondent, if more than one is involved in an appeal, will be allowed 15 minutes to present his/her argument. The Legal Counsel representing Oklahoma Teachers Retirement System will then have 15 minutes to present the organization's position.
3. Each side shall, thereafter, have 10 minutes for rebuttal, which shall be strictly confined to rebutting the opposition's previously asserted arguments.

4. Thereafter, the Board may move into Executive Session for deliberation. Upon returning from Executive Session, the Board may elect to take a final action.
5. A final administrative decision/order will be prepared and served by certified mail on Respondent(s).

Election of Officers

1. The election of the Board Chair, Vice-Chair, and Secretary shall be held at the regularly scheduled Board meeting in June of each calendar year. Intervening elections may be called by a 2/3rd majority of the Board. In determining the 2/3rd majority, vacant positions on the Board shall not be considered.
2. The election of the Board Chair, Vice-Chair, and Secretary shall be by majority vote of the Board with a run-off to be held in the event that no candidate receives a majority of the first ballot.

Committees

1. Committee assignments and chairs shall be appointed by the Board Chair annually at the July Board meeting and at such other times as vacancies occur. The Chair's appointments shall be set forth on the agenda as a separate item. Alternate members may be appointed on an as-needed basis by the Chair.
2. All Trustees are encouraged to attend Committee meetings, but only Committee members may vote.

Charters

The following charters are attached:

1. Audit Committee
2. Investment Committee

Audit Committee Charter

Purpose

The Audits and Risk Management Committee has been established to assist the Oklahoma Teachers' Retirement Board in fulfilling its fiduciary oversight responsibilities for the:

1. Internal Audit Process,
2. System of Internal Control,
3. Financial Reporting Process,
4. System of Risk Management,
5. External Audit of the Financial Statements, and
6. Engagements with Other External Firms.

Authority

The Audit Committee shall have the authority to recommend to the Board for action:

1. The appointment of and provision for the compensation of, and oversee the work of the independent certified public accounting firm employed by Oklahoma Teachers Retirement System to audit the financial statements.
2. The retention of consultants, experts, independent counsel, and accountants to advise the Committee on any of its responsibilities or to assist in the conduct of an investigation.
3. Requests to provide oversight of audit and investigation activities of financial, ethical, and/or fraud matters.
4. All Committee actions must be ratified or adopted by the Board to be effective.

Composition

The Committee shall be composed of a minimum of three (3) members, appointed by the Chair of the Board.

Meetings

The Committee will meet at least four times a year, with authority to convene additional meetings as determined by the Committee Chair in consultation with the Board Chair.

Responsibilities

The Audits Committee shall have responsibility for the following:

1. Designating at least one member as the “audit committee financial expert,” as defined by the Securities and Exchange Commission. The member’s knowledge should include an understanding of generally accepted accounting principles for public pension funds issued by the Governmental Accounting Standards Board. If a financial expert is not available on the Committee, an experienced professional will be selected possessing the qualities listed in the Securities and Exchange Commission (SEC)’s “Audit Committee Financial Expert” definition. Candidates for this non-voting position will be recommended by Oklahoma Teachers Retirement System Executive Management and approved by the Board Chair.
2. Overseeing the reporting and integrity of all financial information reporting.
3. Providing the policy and framework for an effective system of enterprise-wide risk management, and providing the mechanisms for periodic assessment of the system of risk management.
4. Overseeing the assessment of internal administrative and accounting controls by both the external independent financial statement auditor and internal auditors.
5. Ensuring management maintains an effective system of internal controls and provides the mechanisms for periodic assessment of the system of internal controls.
6. Overseeing the appointment and work of the Internal Auditor and the work of the Internal Audit Division.
7. Serving as the primary liaison and providing the appropriate forum for handling all matters related to audits, examinations, compliance, investigations or inquiries of the Oklahoma State Auditor and other appropriate State or Federal agencies.
8. Ensuring the independence of the external auditor and approve all auditing, other attestations services and pre-approve non-audit services performed by an external audit firm.
9. Reporting to the Board on all activities, findings and recommendations of the Committee.
10. Provide an open avenue of communication between internal audit, the external auditors and the Committee and Board.

Investment Committee Charter

Purpose

The Investment Committee has been established by the Oklahoma Teachers Retirement System Retirement Board to administer all matters relating to the investment of the Fund's assets and investment management. The Committee is charged to administer the Fund's assets for the exclusive purpose of providing benefits to the participants and their beneficiaries within the system; and to maximize the financial stability of the Funds in an efficient and cost effective manner. The Committee members will carry out their duties with the care, skill, prudence, and diligence of a prudent person acting in a similar institutional investment Trustee capacity, and strive to follow sound policies and procedures that enhance good, fair, and open decision making. The Committee's core objective is to diversify the investments so as to minimize the risk of loss and to maximize the rate of return, in accordance with the Board's overall objective of promoting the best interests for Oklahoma Teachers Retirement System, its Clients, retirees, and beneficiaries.

Authority

The Investment Committee shall have the authority to recommend to the Board for action:

1. All matters relating to the investment portfolio including, but not limited to, strategic asset allocation, any tactical changes to the strategic asset allocation; pursuing new asset categories, and changes to investment policy.
2. The engagement of investment advisors, consultants, managers and counsel as necessary; to assist the Board in carrying out its responsibilities.
3. The Committee will not consider any proposed investment that has not gone through the System's due diligence process and been reviewed by the System's professional staff.
4. All Committee actions must be ratified or adopted by the Board to be effective.

Composition

The Committee shall be composed of a minimum of three (3) members, appointed by the Chair of the Board.

Meetings

The Committee will meet at least four times a year, with authority to convene additional meetings as determined by the Committee Chair in consultation with the Board Chair.

Responsibilities

The Investment Committee shall have responsibility for the following:

1. Determining the Fund's overall investment objectives, risk tolerance and performance standards in accordance with the Oklahoma Constitution and the Teachers' Retirement Law.
2. Determining the asset allocation of the Fund, including consideration of asset classes and sub-classes not currently utilized in the Fund.
3. Determining the overall Fund Investment Policy as well as asset class and program investment policies.
4. Monitoring the performance of the investment portfolio as a whole as well as the performance of each asset class, including the performance of internal and external investment managers, and reviewing periodic reports from investment staff as well as external consultants, advisors, and investment managers
5. Determine appropriate levels of staff delegation with respect to investment transactions in the various asset classes of the Fund.
6. Determine and ensure compliance with the System's corporate governance policies in an effort to protect Oklahoma Teachers Retirement System assets through the pursuit of good governance and operational accountability.
7. Determining the relative amount of internal and external management.
8. Monitoring the direct and indirect costs of each asset category.
9. Determining and ensuring compliance with the appropriate reporting standards and time horizons.
10. Identifying and discussing potential legislation related to investments.
11. Ensuring that Oklahoma Teachers Retirement System investments are made in conformance with applicable investment policies and investment resolutions.

REPORT OF LEGAL COUNSEL

Teachers' Retirement System of Oklahoma

April 27, 2011

LITIGATION

1. OTRS vs. Delphi Corp., Federal Class Action Litigation

Issues: OTRS is represented by securities counsel, Nix, Patterson & Roach, of Dangerfield, Texas. Nix, Patterson has previously been approved as class action securities counsel for the state of Oklahoma by the Oklahoma Attorney General.

Status: OTRS and the State of Mississippi retirement fund were named co-lead plaintiffs. Pleadings were final in federal court, Detroit, Michigan. In September 2005, Delphi filed for Chapter 11 bankruptcy protection. Along with all other class action members in the federal civil action, OTRS was an unsecured creditor in the bankruptcy action. Delphi requested mediation for itself and certain officers and directors on July 23, 2007. A proposed settlement agreement was approved by OTRS trustees on August 22, 2007. The proposed settlement against Delphi was approved in the class action case on January 11, 2008, and the Bankruptcy Court approved the settlement and plan of confirmation on January 17, 2008. Hearings continue for Delphi to exit their bankruptcy court case. The Auditor's Settlement became effective June 26, 2008. A final settlement is pending.

Status: Proof of Claim filed for OTRS; Awaiting funding of Delphi's bankruptcy settlement.

2. Lionel M. Raff, et al vs. The Teachers' Retirement System of Oklahoma and Oklahoma State University, Class Action Petition

Issues: Plaintiffs, Lionel M. Raff and Mark G. Rockley, on behalf of themselves and all others similarly situated, claim that for numerous years they have been employed as professors at OSU. The professors contributed to both TRS and to TIAACREF as a part of their retirement program. They allege OSU significantly reduced their contributions to TIAA. Further, they allege that TRS has through the years made misrepresentations, or 'tricked' the professors, regarding the low base retirement option and subsequent TRS calculations that determine retirement. The professors allege that salary caps imposed by TRS rules and statutes are arbitrary and capricious and in violation of due process and equal protection; and, further, such salary caps are a breach of contract between OSU, TRS and the plaintiff professors.

Status: The case was filed in Oklahoma County District Court, October 4, 2001, Case No. CJ-2001-7651. The Attorney General's office is providing legal representation to OSU and OTRS in this matter through senior litigation counsel, Assistant Attorney General, Scott Boughton. Scott has represented OTRS in complex litigation cases many times in the past. Motion for Summary Judgment by Defendants, OTRS and OSU, and a Motion To Certify Class by Plaintiffs, is pending before Judge Nancy L. Coats. Settlement discussions continue. The Court has taken under advisement the issue of dismissing OTRS and may rule on that issue separately from the legal issues regarding OSU.

3. American Home Mortgage Investment Corporation

Issues: TRS is represented by securities counsel, Bernstein, Litowitz, Berger & Grossman LLP (BLB&G) of New York, New York. BLB&G has previously been approved as a class action securities counsel for the State of Oklahoma by the Oklahoma Attorney General. From time to time, the law firm reviews stock losses and recommends to the Attorney General that legal action be taken to recover certain egregious state fund losses. To this case, the firm recommended that TRS pursue lead plaintiff status to pursue the American Home Mortgage case.

TRS trustees approved the recommendation of BLB&G to seek lead plaintiff status at its meeting on September 26, 2007, and has joined with the Oklahoma Police Pension & Retirement System, to be named co-lead plaintiff. A hearing was held the week of January 21, 2008. On March 19, 2008, TRS and Police Pension were named lead plaintiffs. A mediation conference is was held in New York on January 16, 2009, and a proposed settlement was approved by the Trustees on February 4, 2009, April 29, 2009, and May 27, 2009. Motion for Approval of Class Action Settlement filed January 6, 2010. Court has approved settlements. Claims deadline was March 1, 2010.

Status: Claims processing pending.

4. MBIA, INC.

Issues: TRS is represented by securities counsel, Bernstein, Litowitz, Berger & Grossman LLP (BLB&G) of New York, New York. BLB&G has previously been approved as a class action securities counsel for the State of Oklahoma by the Oklahoma Attorney General. From time to time, the law firm reviews stock losses and recommends to the Attorney General that legal action be taken to recover certain egregious state fund losses. To this case, the firm recommended that TRS pursue lead plaintiff status to pursue MBIA, Inc.

TRS trustees approved the recommendation of BLB&G to seek lead plaintiff status at its meeting on January 23, 2008. TRS filed its motion for lead plaintiff status on March 11, 2008. The Court appointed TRS Lead Plaintiff on June 30, 2008. A complaint was filed on October 17, 2008. Defendants filed a Motion to Dismiss on March 17, 2009. TRS filed an Opposition to the Motion to Dismiss. Hearing on Motion to Dismiss was held on March 5, 2010. On March 31, 2010, the Court issued an opinion that substantially denied Defendant's Motion to Dismiss. MBIA filed a Motion to Dismiss and Second Amended Complaint, and on October 8, 2010, BLB&G filed its opposition.

Status: Court response pending.

5. MoneyGram International, Inc.

Issues: OTRS is represented by securities counsel, Nix, Patterson& Roach, of Dangerfield, Texas. Nix, Patterson has previously been approved as class action securities counsel for the state of Oklahoma by the Oklahoma Attorney General. TRS voted to seek lead plaintiff status at its April 2008 meeting. TRS filed its motion on May 27, 2008, and was named lead plaintiff. A complaint was filed on October 3, 2008. MoneyGram filed their motion to dismiss on January 13, 2009. TRS filed a response on February 9, 2009. Oral arguments were held on March 11, 2009. The Court denied the motion to dismiss on May 20, 2009.

Nix, Patterson filed Lead Plaintiff Initial Disclosures on July 10, 2009. AG's office assisted Nix, Patterson in compiling discovery responses. Nix, Patterson completed first discovery response - due July

31, 2009. Brief in support of motion for Class Certification filed on August 21, 2009. Reply memorandum filed in support of motion for Class Action on January 22, 2010. Mediation process began late January, 2010. Settlement approved by TRS on February 24, 2010. The Court approved the settlement in all respects on June 17, 2010.

Status: Claims filing period pending.

6. Medtronic, Inc.

Issues: TRS is represented by securities counsel, Bernstein, Litowitz, Berger & Grossman LLP (BLB&G) of New York, New York. BLB&G has previously been approved as a class action securities counsel for the State of Oklahoma by the Oklahoma Attorney General. From time to time, the law firm reviews stock losses and recommends to the Attorney General that legal action be taken to recover certain egregious state fund losses. To this case, the firm recommended that TRS pursue lead plaintiff status to pursue Medtronic, Inc.

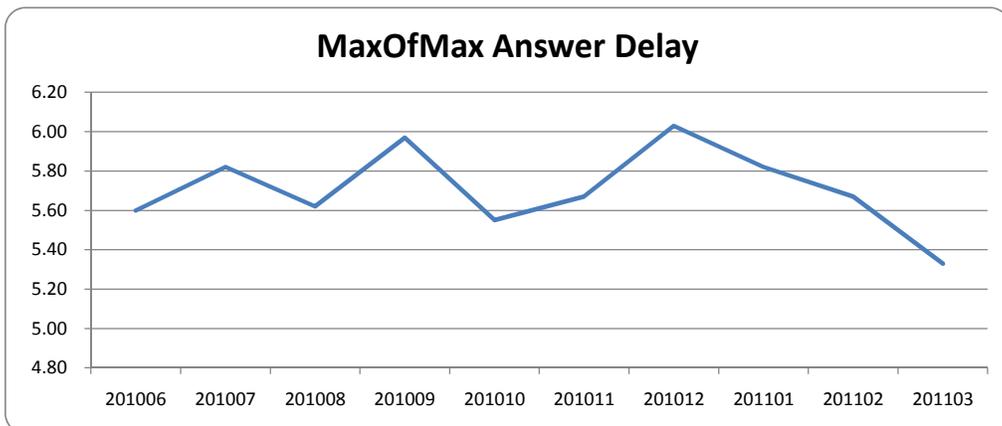
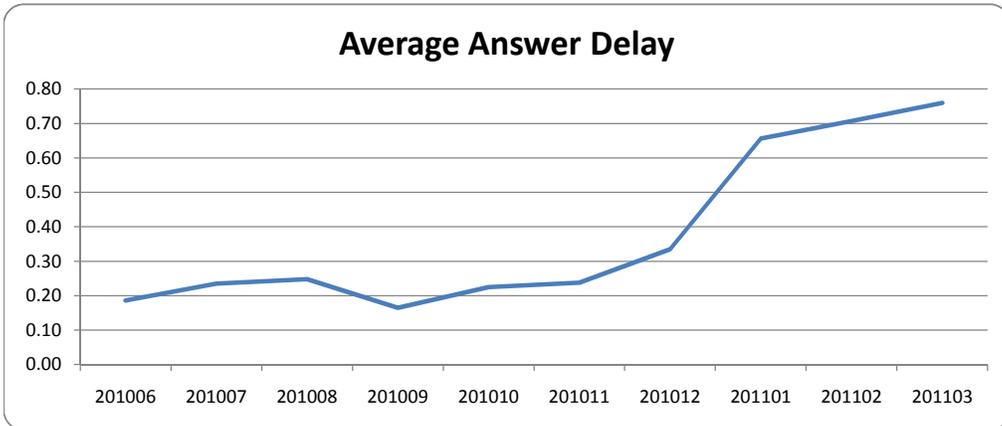
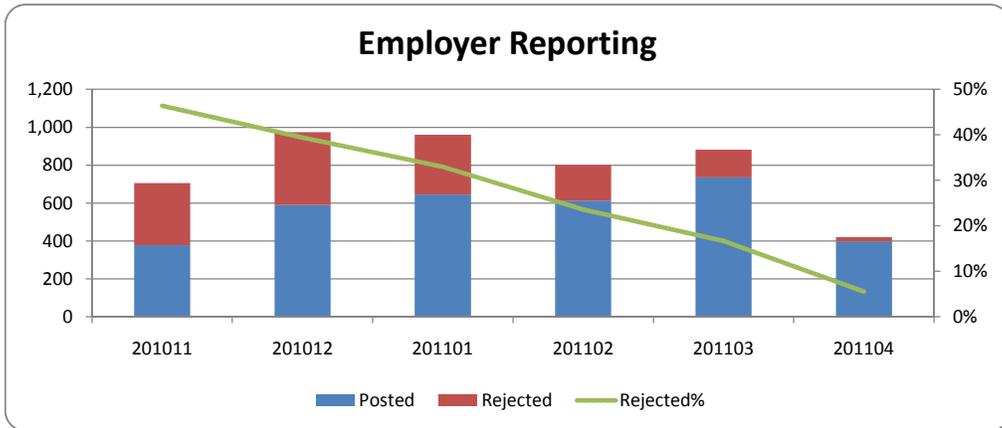
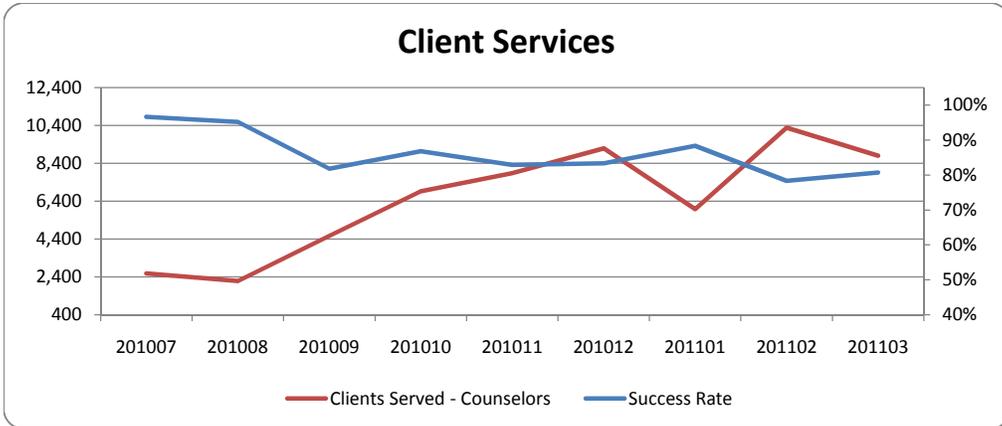
TRS trustees approved the recommendation of BLB&G to seek lead plaintiff status at its meeting on February 4, 2009, and to seek co-lead plaintiff status with Oklahoma Firefighters Pension Fund. Danske Investment Management Als, and Union Asset Management Holding AG on March 25, 2009. The court approved the co-lead plaintiffs on April 21, 2009. BLB&G filed an amended complaint August 21, 2009. BLB&G filed response to Defendant's Motion to Dismiss on or about November 19, 2009. On February 3, 2010, Defendant's Motion to Dismiss was substantially denied. Early mediation was conducted on June 24-25.

Status: Discovery ongoing.

ADMINISTRATIVE

There are no Administrative matters at this time.

Dashboard





OKLAHOMA TEACHERS RETIREMENT SYSTEM

Client Status Update Report

April 7, 2011

Regular Retirement

Clients Recommended:	65
Monthly Pay:	\$100,720.13

Disability Retirement

Clients Recommended for Regular Disability	7
Clients Recommended for Social Security Disability	4
Clients Not Recommended for Disability Retirement	0

Retirement Payroll Termination

Payroll Changes	(\$-39,103.03)
Deceased	6
Retirement Cancelled	0
Return To Teaching	0

*Client Status Update Report - Finance Division
March 31, 2011*

Board Meeting April 27, 2011

<i>Cash Basis</i>	March 2010	March 2011		
<i>Monthly Contributions:</i>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2011</u>	<u>\$ Change</u>	<u>% Change</u>
Member Deposits	\$25,481,451.03	\$36,235,326.80	\$10,753,875.77	42.20%
Employer Contributions	35,916,603.92	35,857,242.90	(59,361.02)	-0.17%
State Revenue	<u>9,142,377.69</u>	<u>11,048,074.38</u>	<u>1,905,696.69</u>	<u>20.84%</u>
Total Retirement Receipts	70,540,432.64	83,140,644.08	12,600,211.44	17.86%
 <i>Monthly Distributions:</i>				
Retirement Benefits	74,430,991.81	79,776,576.61	5,345,584.80	7.18%
Withdrawals and Death Benefits	<u>3,770,770.88</u>	<u>3,135,485.23</u>	<u>(635,285.65)</u>	<u>-16.85%</u>
Total Benefit Payments	<u>78,201,762.69</u>	<u>82,912,061.84</u>	<u>4,710,299.15</u>	<u>6.02%</u>
Net (Receipts - Payments)	<u>(\$7,661,330.05)</u>	<u>\$228,582.24</u>	<u>\$7,889,912.29</u>	<u>-102.98%</u>
	Year to Date	Year to Date		
<i>Year to Date Contributions:</i>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2011</u>	<u>\$ Change</u>	<u>% Change</u>
Member Deposits	\$213,069,166.06	\$197,192,326.85	(\$15,876,839.21)	-7.45%
Employer Contributions	282,582,949.03	280,989,134.86	(1,593,814.17)	-0.56%
State Revenue	<u>166,330,232.17</u>	<u>178,607,016.14</u>	<u>12,276,783.97</u>	<u>7.38%</u>
Total Retirement Receipts	661,982,347.26	656,788,477.85	(5,193,869.41)	-0.78%
 <i>Year to Date Distributions:</i>				
Retirement Benefits	676,959,264.15	728,813,723.61	51,854,459.46	7.66%
Withdrawals and Death Benefits	<u>33,118,960.11</u>	<u>36,118,623.46</u>	<u>2,999,663.35</u>	<u>9.06%</u>
Total Benefit Payments	710,078,224.26	764,932,347.07	54,854,122.81	7.73%
Net (Receipts - Payments)	<u>(\$48,095,877.00)</u>	<u>(\$108,143,869.22)</u>	<u>(\$60,047,992.22)</u>	<u>124.85%</u>

**DISABILITY RETIREMENT AS PROVIDED BY
70 O.S. 17-105 SOCIAL SECURITY DISABILITY
APRIL 7, 2011**

	MEMBER NAME	RETIREMENT NUMBER	SSA EFFECTIVE DATE	RETIREMENT DATE
1.	TRACEY L BUIE		02/01/2011	April 2011
2.	TERI E HUDSON		12/01/2009	April 2011
3.	SHERRY L YELDELL		06/01/2005	April 2011
4.	GOLDIE M MAXWELL		11/01/2010	April 2011

RETIREMENT PLANNING CONSULTANT

APRIL 7, 2011

DATE PREPARED

DISABILITY RETIREMENT NOT RECOMMENDED

APRIL 7, 2011

MEMBER NAME/COMMENTS

SEX/AGE

DATE OF BIRTH

NONE

RETIREMENT PLANNING CONSULTANT

APRIL 7, 2011

DATE PREPARED

DISABILITY RETIREMENT RE-EVALUATED
APRIL 7, 2011

RETIREMENT NUMBER	MEMBER NAME	SEX/AGE	DATE OF BIRTH	COMMENTS
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NONE

RETIREMENT PLANNING CONSULTANT

APRIL 7, 2011

DATE PREPARED

MEDICAL BOARD REPORT

APRIL 7, 2011

The Medical Board of the Teachers' Retirement System of Oklahoma met in the Board Room of the Teachers' Retirement System, located in the Oliver Hodge Building, 2500 North Lincoln Boulevard, 5th floor, Oklahoma City, Oklahoma 73105.

BOARD MEMBERS PRESENT:

George R. Jay, M.D.

Dathan Jay, M.D.

Joseph Harroz, M.D.

OTHERS PRESENT:

Anthony W Gilliard, Retirement Planning Consultant

The following member's applications for Disability Retirement were presented and the Medical Board's action is noted beneath each name:

	MEMBER NAME/COMMENTS	SEX/AGE
1.	BENJAMIN R CAWLEY <i>DISABILITY RETIREMENT RECOMMENDED</i>	F-52
2.	LINDA S BILLINGSLEY <i>DISABILITY RETIREMENT RECOMMENDED</i>	F-60
3.	KEITH E CUMBIE <i>DISABILITY RETIREMENT RECOMMENDED</i>	M-51
4.	GEORGIA J HICKS <i>DISABILITY RETIREMENT RECOMMENDED</i>	F-59
5.	STEVEN M INGHAM <i>DISABILITY RETIREMENT RECOMMENDED</i>	M-58
6.	GAIL L PENDLEY <i>DISABILITY RETIREMENT RECOMMENDED</i>	F-61

RETIREMENT PLANNING CONSULTANT

APRIL 7, 2011

DATE PREPARED

TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
RECOMMENDATIONS FOR RETIREMENT
APRIL 1, 2011

Retirement Number	Name	Age	Plan	Annuity	Tax Shelter	Total Payment
76170	MARY ANN E WETZEL	67	Opt.2	641.35		2058.68
76171	JERRY D CARROLL	70	Opt.2	434.22		5199.35
76172	ELGENIA FRENCH	60	Opt.2	14.12		4085.84
76173	WILLIE D BOWLER	56	Opt.2	367.01		907.35
76174	EDDIE W ALEXANDER	70	Opt.2	195.07		718.81
76175	CARLOTTA J ALVSTAD	67	Opt.1	192.61		619.87
76176	CONSTANCE L BATTISTE	62	Opt.1	155.22		597.48
76177	TIMOTHY H BAUGHMAN	63	Opt.1	552.58		1854.85
76178	GLYNIS K BEAUCHAMP	59	Opt.2	158.33		418.07
76179	JOHN C BLACK	70	Opt.3	859.85		2346.67
76180	JAMES R BROWN	59	Max.	319.51		1446.87
76181	FRANCES Y BRUFF	52	Opt.4	495.69		2135.04
76182	DAVID V BUNCH	58	Opt.1	553.13		2009.80
76183	BILLYE J CLARK	66	Max.	698.52		3221.44
76184	MARIE COTTON	66	Max.	64.46		162.90
76185	SUSAN E CROMER	54	Opt.1	472.95		2461.45
76186	VICKIE D DESCHER	57	Max.	113.91		463.54
76187	GEORGIA G DWORSHAK	55	Max.	146.13		350.31
76188	MARY W EWALT	62	Opt.2	250.11		1015.93
76189	REBECCA N FELTS	56	Opt.4	691.94		5105.95
76190	GAYLE A FOX	62	Opt.2	361.65		1469.26
76191	SUSAN K GEISERT	55	Opt.2	183.65		435.99
76192	SUSAN I GOLDEN	66	Max.	50.06		137.22
76193	ROBERT H GREEN	56	Opt.2	693.92		1845.89
76194	LINDA C HALE	59	Opt.4	225.68		604.98
76195	ROXANNA S HAMILTON	65	Opt.3	250.35		781.71
76196	VIRGINIA L HELTON	63	Max.	324.54		1317.40
76197	DEANNE E HEMANN	61	Opt.1	211.97		1041.20
76198	THERESA D HIRSCH	60	Max.	759.44		3148.00
76199	CAROLYN S HOLMES	61	Opt.2	558.21		2905.36
76200	JUDY J HOLMES	68	Max.	148.78		453.00
76201	WYOTA S JOHNSON	66	Opt.1	50.00		136.14
76202	PAMELA R KELLEHER	62	Opt.1	376.77		1397.57
76203	PATRICIA A KELLETT	62	Opt.1	78.47		320.98
76204	DONALD E KELLEY	62	Max.	154.08		535.93
76205	EDDIE L LEWIS	69	Opt.2	92.68		253.09
76206	RICHARD A LONGLEY	63	Max.	787.47		2782.45
76207	DONNA G LOVELL	62	Max.	39.68		187.55
76208	NATHAN R LOVELL	62	Max.	55.31		162.49
76209	CYNTHIA J LOVETT	58	Max.	357.06		1047.98

TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
RECOMMENDATIONS FOR RETIREMENT
APRIL 1, 2011

Retirement Number	Name	Age	Plan	Annuity	Tax Shelter	Total Payment
76210	JOYCE A LOWREY	64	Max.	809.01		3332.61
76211	JAMES P LYNCH	59	Opt.2	354.68		1541.58
76212	PAMELA K MCCONAHAY	56	Opt.2	545.48		2393.39
76213	RACHEL A MCCOY	62	Opt.2	161.86		719.07
76214	DERRAL D MCDONALD	61	Max.	238.38		948.07
76215	CAROL F MESSER	66	Max.	421.36		7704.97
76216	PATSY A MILBURN	61	Max.	47.98		129.61
76217	GILDARDO J MORALES	62	Opt.2	187.04		709.12
76218	CURTIS H MORGAN	61	Max.	139.26		416.96
76219	KATHYE L NEW	57	Opt.1	405.08		1642.02
76220	LINDA F PAYNE	58	Opt.3	139.02		613.16
76221	ALBERT C PRUCHA III	63	Opt.2	216.61		709.93
76222	LOU A SCOTT	56	Max.	49.74		252.48
76223	KERMET E SHEPPARD	62	Opt.2	174.01		524.30
76224	WILLIAM W SMART	57	Max.	321.44		969.48
76225	JAMES P SMITH	63	Opt.2	171.89		475.30
76226	VIRGLE L SMITH JR	62	Opt.2	494.21		1596.09
76227	KAREN M SPENCER	58	Max.	659.58		2931.86
76228	SANDRA E SWANK	70	Max.	409.45		1553.93
76229	RICHARD T SWINDLE	64	Opt.1	90.69		522.85
76230	YOHANNES TESFAI	59	Opt.1	125.11		403.83
76231	LARRY D TODD	56	Opt.2	248.68		1151.55
76232	DENNIS N WEBER	62	Opt.2	463.24		1705.32
76233	KELLY V WHITELEY	58	Opt.2	252.82		1287.23
76234	CHERYL A WOODS	56	Max.	448.94		1879.00
D3229	TRACEY L BUIE	42	Dis.	155.98		640.18
D3230	KEITH E CUMBIE	51	Dis.	100.37		1728.92
D3231	TERI E HUDSON	51	Dis.	306.89		1339.30
D3232	CONNIE S KENNEDY	55	Dis.	331.94		1331.19
D3233	GAIL L PENDLEY	61	Dis.	102.31		264.60
D3234	JERRY W STUDEBAKER	54	Dis.	272.87		876.26
D3235	SHERRY L YELDELL	54	Dis.	91.03		281.58
Total				22,073.43	0.00	100,720.13

TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
RECOMMENDATIONS FOR RETIREMENT
APRIL 1, 2011

Retirement Number	Name	Age	Plan	Annuity	Tax Shelter	Total Payment
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THIS IS TO CERTIFY THE 65 REGULAR MEMBERS, 0 SPECIAL RETIREES,
AND 7 DISABLED MEMBERS LISTED ON THIS REPORT HAVE MET THE REQUIRE-
MENTS FOR RETIREMENT UNDER THE TEACHERS' RETIREMENT LAW, AND THE
MONTHLY ALLOWANCE OPPOSITE EACH NAME IS THE AMOUNT CALCULATED BY THE
ACTUARY UNDER THE PLAN OF RETIREMENT SELECTED BY THE MEMBER. I
RECOMMEND THESE MEMBERS BE APPROVED FOR RETIREMENT ON A MONTHLY
BASIS IN THE AMOUNTS SHOWN AND THE FIRST RETIREMENT CHECKS BE MAILED
APRIL 30, 2011

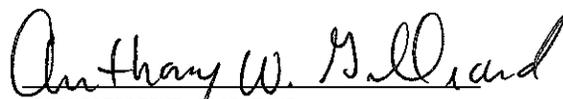
Ret-No	Name		Area	Term	Amount-Due	Option	Benefit-Amt
23868	ORINGA	MCGUIRE	ALVA		Continued	OP-2 BENEF	588.34
24101	ERMA	THOMAS	DURANT		Continued	OP-3 BENEF	989.90
24718	LOLA	OWENS	TULSA		Continued	OP-3 BENEF	398.49
24813	HARRY	THOMPSON	CALUMET	DEATH	5,000.00	OPTION-2	-1,890.84
24813	MARGARET	THOMPSON	CALUMET		Continued	OP-2 BENEF	1,890.84
24967	DOROTHY	MCLEMORE	LAWTON		Continued	OP-2 BENEF	1,641.36
27908	PEGGY	THOMPSON	MIAMI		Continued	OP-2 BENEF	1,772.96
28318	JOAN	DORSCH	TULSA		Continued	OP-2 BENEF	2,694.89
28747	BILLYE	GRAY	WEATHERFORD		Continued	OP-2 BENEF	2,566.33
29024	FLOYD	PEAK	OKLAHOMA CITY	DEATH	5,000.00	OPTION-3	-2,340.90
29024	BARBARA	PEAK	OKLAHOMA CITY		Continued	OP-3 BENEF	1,170.45
29873	WILDA	WHITE	ANADARKO		Continued	OP-2 BENEF	1,291.70
30241	CLYDENA	BROWN	MIDWEST CITY		Continued	OP-3 BENEF	421.40
32271	MILDRED	WOOD	SAYRE		Continued	OP-2 BENEF	1,676.93
34028	PHYLLIS	FAW	NORMAN		Continued	OP-2 BENEF	1,755.89
36014	LORETTA	AUTRY	OKLAHOMA CITY		Continued	OP-3 BENEF	891.71
37310	EDITH	WARD	LEFLORE		Continued	OP-3 BENEF	1,051.00
39316	SARA	DAVIS	NORMAN		Continued	OP-2 BENEF	2,503.07
41675	CAROLYN	BARRIGER	APACHE	DEATH	5,000.00	OPTION-2	-1,234.79
41675	CARLYN	BARRIGER	APACHE		Continued	OP-2 BENEF	1,234.79
42695	DOLORES	RITTER	TULSA		Continued	OP-3 BENEF	1,002.64
42697	BOB	ROBERTSON	CRESCENT	DEATH	5,000.00	OPTION-2	-1,721.35
42697	CAROLYN	ROBERTSON	CRESCENT		Continued	OP-2 BENEF	1,721.35
43745	WILLIAM	CONNOR	OKLAHOMA CITY		Continued	OP-2 BENEF	2,614.92
44626	NORMAGENE	NICHOLS	BRISTOW		Continued	OP-2 BENEF	435.50
50689	HUBERT	LANGLEY	IDABEL	DEATH	5,000.00	OPTION-2	-1,818.91
50689	SUE	LANGLEY	IDABEL		Continued	OP-2 BENEF	1,818.91
55012	VINCENT	LETTA	NORMAN		Continued	OP-3 BENEF	741.71

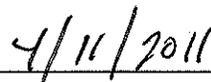
Ret-No	Name		Area	Term	Amount-Due	Option	Benefit-Amt
55737	SUSI	JENNINGS	OKLAHOMA CITY		Continued	OP-2 BENEf	1,564.12
56217	JERRY	EARLS	BLAIR		Continued	OP-2 BENEf	450.56
60103	CHERRY	WHIPPLE	TULSA		Continued	OP-2 BENEf	1,006.80
61493	KIMBERLY	NUSSER	STROUD		Continued	OP-2 BENEf	1,560.40
62842	SHIRLEY	BURNETT	NORMAN		Continued	OP-2 BENEf	1,241.89
64187	JUDY	ROWLEY	ENID		Continued	OP-3 BENEf	1,157.16
64308	SARAH	WILLIAMS	TISHOMINGO		Continued	OP-2 BENEf	771.90
66768	MICHAEL	WATSON	LOCUST GROVE	DEATH	5,000.00	OPTION-2	-1,104.94
66768	MARY	WATSON	LOCUST GROVE		Continued	OP-2 BENEf	1,104.94
74355	SHEILA	TIARKS	OKLAHOMA CITY		Continued	OP-2 BENEf	2,255.79
76069	EMILY	GUI	NORMAN		Continued	OP-2 BENEf	1,412.82
76070	JAY	DOUGLAS	CHANDLER		Continued	OP-2 BENEf	2,579.84

Ret-No	Name	Area	Term	Amount-Due	Option	Benefit-Amt
D2769	SANDRA	GOETZE	STILLWATER	Continued	OPTION-2	1,233.46

TOTALS:

Payroll-Chg	39,103.03
Deceased	6
Retirement Canceled	0
Return To Teaching	0
Continued - Max Ben	0
Continued - Option1	0
Continued - Option2	26
Continued - Option3	9
Continued - Option4	0
Continued - Disable	0


ADMINISTRATIVE ASSISTANT


DATE PREPARED

Composite List

Bill Portfolio



20 Bills On Report

HB1002

Paraphrase: HB1002, by Rep. Randy McDaniel, R-Edmond and Sen. Mike Mazzei, R-Tulsa, removes reference to the Reserve for Investment Fluctuations Fund and the Membership Annuity Reserve Fund from the list of assets under the Teachers' Retirement System. It also removes language directing an amount sufficient to pay a retired member's annuity benefit for a two-year period to be transferred from the Teachers' Savings Fund to the Retirement Benefit Fund and the transfer of an amount equal to one year's annuity benefit to be transferred each succeeding year. The measure also removes language regarding composition of the Reserve for Investment Fluctuations Fund and the Membership Annuity Reserve Fund. It directs the employer of each TRS member to submit all required school reports and employer and employee contributions of each member to TRS for payroll periods ending during the calendar month within 10 days of the last day of each month. (Amended by House, Amended by Senate, Stricken Title, Emergency Measure)

Comments: OTRS Cleanup Bill - Finance

Effective Date: 07/01/2011 **Emergency:** Yes

Principal Authors: McDaniel, Randy (H); Mazzei, Mike (S)

Status: In Committee - Conference **Status Date:** 04/25/2011

Committee(1): Conf Com on Insurance & Economic Development (H)

HB1007

Paraphrase: HB1007, by Rep. Randy McDaniel, R-Edmond and Sen. Mike Mazzei, R-Tulsa, creates the Pension Funding Accountability Act of 2011. It directs the Department of Education each month to transfer the monies apportioned to the Teachers' Retirement System Dedicated Revenue Revolving Fund to TRS. (Amended by House)

Comments: Redirects OTRS dedicated revenue through State Department of Education so that it may be counted as education spending for per-pupil calculations.

Effective Date: 08/25/2011 **Emergency:** No

Principal Authors: McDaniel, Randy (H); Mazzei, Mike (S)

Status: Governor Action - Signed **Status Date:** 04/18/2011

HB1010

Paraphrase: HB1010, by Rep. Randy McDaniel, R-Edmond and Sen. Mike Mazzei, R-Tulsa, modifies language related to members of the Uniform Retirement System for Justices and Judges whose initial service is performed on or after Jan. 1, 2012, directing benefits to be provided for a member who serves eight years or longer and reaches age 67 or who serves 10 years or longer and reaches age 62. It decreases from 4 to 2 percent of a member's average monthly salary the benefit to be paid to a member. (Amended by House, Amended by Senate, Stricken Title,

Committee Substitute)

Comments: Changing retirement eligibility and benefit multiplier in Judge's retirement plan.

Effective Date: 01/01/2012 **Emergency:** No

Principal Authors: McDaniel, Randy (H); Mazzei, Mike (S)

Status: General Order - Senate **Status Date:** 04/05/2011

HB1181

Paraphrase: HB1181, by Rep. Scott Martin, R-Norman, Rep. Earl Sears, R-Bartlesville, Sen. Clark Jolley, R-Edmond, and Sen. David Myers, R-Ponca City, modifies language related to the Oklahoma State Employees Deferred Savings Incentive Plan. (Emergency Measure)

Comments: Shell bill

Effective Date: 09/01/2011 **Emergency:** No

Principal Authors: Martin, Scott (H); Sears, Earl (H); Jolley, Clark (S); Myers, David (S)

Status: Second Reading - Referred to House Committee **Status Date:** 02/08/2011

Committee(1): Appropriations & Budget (H)

HB1189

Paraphrase: HB1189, by Rep. Scott Martin, R-Norman, Rep. Earl Sears, R-Bartlesville, Sen. Clark Jolley, R-Edmond, and Sen. David Myers, R-Ponca City, modifies language related to full-time-equivalent employee limits, changing reference from the State Insurance Fund to CompSource Oklahoma. (Amended by House, Amended by Senate, Stricken Title)

Comments: Shell bill

Effective Date: 07/01/2011 **Emergency:** Yes

Principal Authors: Martin, Scott (H); Sears, Earl (H); Jolley, Clark (S); Myers, David (S)

Status: Second Reading - Referred to House Committee **Status Date:** 02/08/2011

Committee(1): Appropriations & Budget (H)

HB1207

Paraphrase: HB1207, by Rep. Jason Murphey, R-Guthrie and Sen. Anthony Sykes, R-Moore, creates the Oklahoma Innovation, Efficiency and Accountability Act of 2011. It allows state agencies to accept an electronic signature for any license or permit, if the use of an electronic signature does not create a significant risk to the integrity of the license or permit. The bill directs the Office of State Finance to maintain a website providing public access to the documentation of the disbursement by state agencies of federal American Recovery and Reinvestment Act funds in a searchable format, to be available for export in standardized formats. It requires agency budget request forms for appropriated state agencies, except the Oklahoma State Regents for Higher Education and institutions within the State System of Higher Education, to include a detailed listing of all employees and resources dedicated to providing financial services. It directs the Office of State Finance director by Jan. 1 to publish a financial services cost performance assessment to

document each agency's cost for providing financial services. It directs those appropriated agencies ranking in the bottom 10 percent to enter into a contract with OSF to provide shared financial services, if the OSF director agrees and the contract results in a cost savings. The measure also recodifies statutory language related to agencies, boards and commissions using the portal system for license application. It also clarifies language related to the use of electronic signatures, prohibiting that they be used for driver license renewal applications. It allows employees to share leave time if approved by the appointing authority. (Amended by House, Amended by Senate, Stricken Title)

Comments: Oklahoma Innovation, Efficiency and Accountability Act of 2011

Effective Date: 11/01/2011 **Emergency:** No

Principal Authors: Murphey, Jason (H); Sykes, Anthony (S)

Status: General Order - Senate **Status Date:** 04/07/2011

HB1223



Paraphrase: HB1223, by Rep. Mark McCullough, R-Sapulpa and Sen. Anthony Sykes, R-Moore, creates the Legal Services Reform Act, establishing procedures by which an agency may retain a private attorney or law firm. It states that if the attorney general is unable to represent the agency for good cause to be determined at the discretion of the attorney general, a private attorney may be retained. It requires an agency to undertake a request for proposal. The bill requires the contracting agency on its website to post a conspicuous statement that within 120 days after the contract award, any person may obtain a copy of the RFP and the identity of all to whom the RFP was transmitted, and it requires the information to remain accessible for three years after the contract has been awarded. It directs the agency to make available the identity of the vendor awarded the contract, a description of the services to be performed, the projected total payments, the actual payments once made and the date of the contract. The measure requires the state, at the conclusion of any legal proceeding for which outside counsel was hired on a contingency-fee basis, to receive from the counsel a statement of the hours worked, expenses incurred, aggregate fee amount and a breakdown of the hourly rate based on hours worked divided into fee recovered less expenses. It prohibits the state from incurring fees and expenses in excess of \$1,000 per hour for legal services. The measure states that contracts entered into under the Legal Services Reform Act are not subject to the Oklahoma Central Purchasing Act, and the RFP process for outside counsel is subject to the discretion of the chief executive officer of the agency or a designee. (Amended by House, Amended by Senate, Stricken Title)

Comments: Legal Services Reform Bill

Effective Date: 11/01/2011 **Emergency:** No

Principal Authors: McCullough, Mark (H); Sykes, Anthony (S)

Status: General Order - Senate **Status Date:** 04/07/2011

HB1304



Paraphrase: HB1304, by Rep. David Derby, R-Owasso and Sen. Clark Jolley, R-Edmond, directs all information technology assets of all state-appropriated agencies to be transferred to the

Information Services Division of the Office of State Finance and the chief information officer effective July 1, 2011. It also transfers all employees of each agency with job titles and duties related to information technology to be transferred to the Information Services Division by July 1, 2011. It states legislative intent that the division ensure employees retain benefits and pay. The bill further directs all monies from appropriations, fees or licenses that are for the operations and maintenance of information technology assets transferred to OSF to be transferred to the Information Services Division. It directs the division to succeed any contractual rights, easement rights, lease rights and responsibilities related to the information technology assets. The bill directs the state auditor and inspector to determine the amount of funds from available budgetary resources from each appropriated state agency that should be transferred to the Information Services Division. It authorizes the director of OSF to coordinate and administer the funds transfer. It states that from the effective date of the bill through July 1, 2011, each appropriated state agency is prohibited from spending or encumbering more than the funds budgeted for that period for information technology assets and employees without approval of the state auditor and inspector. The bill also allows extraordinary costs incurred by the state auditor for the review to be subtracted from monies transferred to OSF. It also directs all appropriated and nonappropriated agencies effective July 1, 2011, to use certain information technology services and systems operated and maintained by OSF, including: data service center of the divisions, networking services, communication or intercommunication systems, electronic mail systems and data and network security systems. It also directs appropriated and nonappropriated agencies by July 1, 2011, to exclusively use certain programs, software and processes provided through the Integrated Central Financial System, also known as CORE, including: payroll, employee leave system, human resources and accounts payable and receivable. (Amended by House, Amended by Senate, Stricken Title)

Comments: OSF IT Consolidation Bill

Effective Date: // **Emergency:** No

Principal Authors: Derby, David (H); Jolley, Clark (S)

Status: General Order - Senate **Status Date:** 04/07/2011

HB1648

Paraphrase: HB1648, by Rep. Tom Newell, R-Seminole and Sen. Steve Russell, R-Oklahoma City, removes language that allows a member of the Teachers' Retirement System who is absent from teaching service because of an election or appointment as a local, state or national education association officer to be allowed to retain his/her membership in the system upon payment of a contribution. (Amended by Senate, Committee Substitute)

Comments: Eliminates Education Association participation in OTRS as of January 1, 2012. Existing members are grand-fathered after amendment in Senate Committee.

Effective Date: 01/01/2012 **Emergency:** No

Principal Authors: Newell, Tom (H); Russell, Steve (S)

Status: Senate Amendments - Pending **Status Date:** 04/12/2011

HB2004

Paraphrase: HB2004, by Rep. Joe Dorman, D-Rush Springs and Sen. Ralph Shortey, R-Oklahoma City, allows the beneficiary or beneficiaries of death benefits up to \$18,000 issued under the Teachers' Retirement System to elect to disclaim such benefits and transfer them to a licensed funeral director or lawfully recognized business entity licensed as a funeral service. It requires a qualified disclaimer to be in writing and be irrevocable and an unqualified refusal to accept all or a portion of the benefit. (Emergency Measure)

Comments: OTRS Cleanup - providing that tax liability transfer to the funeral home when a beneficiary assigns the death benefit to a funeral home.

Effective Date: 07/01/2011 **Emergency:** Yes

Principal Authors: Dorman, Joe (H); Shortey, Ralph (S)

Status: General Order - Senate **Status Date:** 04/11/2011

HB2132

Paraphrase: HB2132, by Rep. Kris Steele, R-Shawnee and Sen. Brian Bingman, R-Sapulpa, creates the Truth in Funding Act. The bill removes cost of living adjustments for the definition of "non-fiscal retirement bills." The bill also removes provisions requiring an actuarial analysis of cost of living adjustments and adds language that provides that a retirement bill have a fiscal impact will be considered only if the Legislature provides the funding determined by the legislative actuary in an amount equal to or exceeding the annual normal cost of the retirement system resulting from the bill being enacted. The bill also provides that no retirement will adopt a cost-of-living actuarial assumption or cause an assumption to be included in any actuarial valuation. The bill also prohibits a bill from taking effect if the State Board of Equalization determines that any retirement bill having a fiscal impact does not have concurrent funding. The bill also provides that the bill may not be administered by the retirement system. (Amended by Senate, Emergency Measure, Committee Substitute)

Comments: Requires Legislature to provide funding in order to grant a COLA.

Effective Date: 07/01/2011 **Emergency:** Yes

Principal Authors: Steele, Kris (H); Bingman, Brian (S)

Status: Senate Amendments - Read **Status Date:** 04/20/2011

SB0194

Paraphrase: SB0194, by Sen. David Myers, R-Ponca City and Rep. Steven Vaughan, R-Ponca City, modifies retirement options under the Teachers Retirement System. It states that if a spouse is designated as the beneficiary under options 2 or 3 and the spouse dies after the member's effective date of retirement and the member subsequently remarries, the member may make a one-time, irrevocable election per each subsequent marriage within one year of the marriage to reselect option 2 or 3 and name the new spouse as the designated beneficiary. The bill requires a medical examination to prove the member's good health before he/she may change options. (Amended by House, Amended by Senate, Emergency Measure, Committee Substitute)

Comments: Allows naming a new joint annuitant if client elected Option 2 or 3 original spouse

dies and client remarries. Requires medical exam.

Effective Date: // **Emergency:** Yes

Principal Authors: Myers, David (S); Vaughan, Steven (H)

Status: H General Order **Status Date:** 03/31/2011

SB0305

Paraphrase: SB0305, by Sen. Brian Crain, R-Tulsa and Rep. Glen Mulready, R-Tulsa, modifies language related to flexible benefit allowances. It states that beginning Jan. 1, 2012, a flexible benefit allowance shall be an amount equal to the HealthChoice qualified high-deductible health plan premium, the HealthChoice dental plan premium, the HealthChoice disability plan premium and the HealthChoice basic life insurance plan premium offered to state employees. For participants who elect to include a dependent, the bill requires an additional amount equal to 75 percent of the HealthChoice qualified high-deductible plan premium for each dependent category. It states that if a participant elects the HealthChoice qualified high-deductible health plan, the benefit allowance shall include an additional amount equal to one-twelfth of the individual annual deductible, or one-twelfth of the family annual deductible if the participant elected to include dependents. It requires the allowance to be placed in a health savings account administered by the Office of State Finance. It requires the office to contract with a provider to administer the health savings accounts. It prohibits any employer or employee contributions for the health savings account being remitted to the office from being subject to any assessment of administrative fees. It also prohibits any eligible dependents of active state employees who are employed by an education entity and are provided a financial incentive not to participate in the school-district-sponsored cafeteria plan from being eligible to receive the dependent benefit allowance. It prohibits the use of benefits to perform abortions or related services. The bill also directs the Oklahoma State and Education Employees Group Insurance Board to contract for plan year 2012 with a vendor that offers a Web-based health care cost containment program that incorporates doctor-patient mutual accountability incentives for the purpose of conducting a pilot project to test a program's value proposition that offers financial incentives to both the health care provider and the patient. (Amended by House, Amended by Senate, Stricken Title, Committee Substitute)

Comments: Changes state employee flexible benefit allowance.

Effective Date: // **Emergency:** No

Principal Authors: Crain, Brian (S); Mulready, Glen (H)

Status: H General Order **Status Date:** 04/14/2011

SB0347

Paraphrase: SB0347, by Sen. Mike Mazzei, R-Tulsa and Rep. Randy McDaniel, R-Edmond, requires that any municipal officer or employee forfeit their retirement benefits upon final conviction of or pleading guilty or nolo contendere to a felony for bribery, corruption, forgery or perjury or any other crime related to their office or employment. The bill exempts from the forfeiture of their retirement benefits officers or employees who receive a deferred sentence but requires that benefit not begin prior to completion of the deferred sentence. The bill also establishes that the forfeiture will not include the officer or employee's contributions to the retirement system or benefits that are

vested at the time of the effective date of the law. The bill requires that the forfeiture continue until the conviction or guilty plea is reversed by the highest appellate court to which the officer or employee may appeal. The bill also requires the prosecuting attorney to notify the retirement system in which the officer or employee is enrolled and requires the retirement system to immediately suspend all benefit and to notify the officer or employee of their right to a hearing to review whether the conviction or plea meets the qualifications for forfeiture. The bill permits the retirement system to investigate, gather court documents and contact prosecutors to determine if a conviction or plea meets the qualifications for forfeiture. The bill applies to municipal retirement system and the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System and the Oklahoma Public Employees Retirement System. (Amended by House, Amended by Senate, Committee Substitute)

Comments: OPERS municipal employees forfeiture of benefit upon conviction of certain crimes.

Effective Date: // **Emergency:** Yes

Principal Authors: Mazzei, Mike (S); McDaniel, Randy (H)

Status: House Amendments - Read **Status Date:** 04/07/2011

SB0377

Paraphrase: SB0377, by Sen. Mike Mazzei, R-Tulsa and Rep. Randy McDaniel, R-Edmond, modifies the definition of "normal retirement age" to raise the normal retirement age from 62 to 65 for teachers in the Oklahoma Teachers Retirement System on or after Nov. 1, 2011. (Amended by House, Committee Substitute)

Comments: Changing retirement eligibility to age to 65 for members joining OTRS on or after November 1, 2011. The rule of 90, whereby a member may retire when the sum of their age and years of service equals 90, will not apply for these new members of OTRS.

Effective Date: 11/01/2011 **Emergency:** No

Principal Authors: Mazzei, Mike (S); McDaniel, Randy (H)

Status: H General Order **Status Date:** 03/31/2011

SB0541

Paraphrase: SB0541, by Sen. Anthony Sykes, R-Moore and Rep. Jason Murphey, R-Guthrie, creates the Oklahoma Innovation, Efficiency and Accountability Act of 2011. It requires any entity organized within the executive department of state government which is responsible for licensing to utilize a portal system allowing a link to a web-based application and renewal application for any license or permit issued by the agency. It authorizes the acceptance of electronic signatures for applications. It clarifies that the electronic signature provision does not apply to driver license renewal applications. The bill also requires appropriated state agencies to submit to the director of the Office of State Finance, as part of their annual budget request, a detailed listing of all employees and resources dedicated to the provision of financial services including but not limited to procurement, payroll, accounts receivable and accounts payable. It provides an exemption for the Oklahoma State Regents for Higher Education and any institutions within the Oklahoma State System of Higher Education. It also requires appropriated agencies to submit a certification that

following the effective date of the bill and prior to July 1, 2011, no expenditure will have been made or funds encumbered for the purchase, lease-purchase, lease or rental of any computers, software, telecom, information technology hardware, firmware or information technology services without the prior written approval of the state comptroller or his/her designee. The bill directs the director of state finance to publish a financial services cost performance assessment, which shall document each appropriated state agency's cost for providing financial services including but not limited to procurement, payroll, accounts receivable and accounts payable. It requires any appropriated state agencies ranking in the bottom 10 percent of the cost performance assessment to enter into a contract with the Office of State Finance for the provision of shared financial services provided that the director determines and documents that the contractual agreement will result in cost savings to the appropriated state agency. It directs the director to compile and publish a report documenting the cost savings resulting from shared services contracts. The measure also recodifies statutory language regarding agencies' use of the portal system for licensing and permitting. (Amended by House, Amended by Senate, Committee Substitute)

Comments: Oklahoma Innovation, Efficiency and Accountability Act of 2011

Effective Date: 11/01/2011 **Emergency:** No

Principal Authors: Sykes, Anthony (S); Murphey, Jason (H)

Status: House Amendments - Read **Status Date:** 04/25/2011

SB0577



Paraphrase: SB0577, by Sen. Bill Brown, R-Broken Arrow and Rep. Randy McDaniel, R-Edmond, states that effective Sept. 8, 2009, the Oklahoma Police Pension Retirement System is in compliance with the Internal Revenue Code of 1986 as it applies to the system if the system complies with a reasonable and good faith interpretation certain provisions. It allows nonspouse beneficiaries to roll over benefits to an IRA account. (Emergency Measure)

Comments: Police Pension IRS Compliance Bill

Effective Date: // **Emergency:** Yes

Principal Authors: Brown, Bill (S); McDaniel, Randy (H)

Status: Signed & Transmitted to Governor **Status Date:** 04/25/2011

SB0782



Paraphrase: SB0782, by Sen. Mike Mazzei, R-Tulsa and Rep. Randy McDaniel, R-Edmond, extends from Nov. 1 to Dec. 1 the date by which the legislative actuary must complete an actuarial investigation of a retirement bill having a fiscal impact. (Amended by House, Stricken Title, Committee Substitute)

Comments: Gives legislative actuary more time to study impact when proposal is a legislative fiscal retirement bill - Title 62 Shell Bill.

Effective Date: 11/01/2011 **Emergency:** Yes

Principal Authors: Mazzei, Mike (S); McDaniel, Randy (H)

Status: House Amendments - Read **Status Date:** 04/19/2011

SB0788



Paraphrase: SB0788, by Sen. Don Barrington, R-Lawton and Rep. Don Armes, R-Faxon, modifies language related to the Oklahoma Firefighters Pension and Retirement System to comply with Internal Revenue Code. (Amended by House, Emergency Measure, Committee Substitute)

Comments: Firefighters Pension IRS Compliance Bill

Effective Date: // **Emergency:** Yes

Principal Authors: Barrington, Don (S); Armes, Don (H)

Status: House Amendments - Read **Status Date:** 04/25/2011

SB0891



Paraphrase: SB0891, by Sen. Mike Mazzei, R-Tulsa and Rep. Randy McDaniel, R-Edmond, requires public school districts that employ retired members of the Teachers' Retirement System to pay an amount equal to employee contributions for active members. It also allows schools to hire retired teachers as part-time employees. (Amended by House, Amended by Senate, Committee Substitute)

Comments: Post-retirement return to work employer contribution increase from 9.5% to 16.5% (8.55% to 15.55% for HE), effective July 1, 2012.

Effective Date: 07/01/2012 **Emergency:** Yes

Principal Authors: Mazzei, Mike (S); McDaniel, Randy (H)

Status: House Amendments - Read **Status Date:** 04/25/2011

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Chart I

**FY 2010 and FY 2011 Actual Expenses
9 Month Year to Date Comparison**

Object of Expenditure	9 Month YTD FY 2010 Actual Expenses	9 Month YTD FY 2011 Actual Expenses	Increase (Decrease) Amount	Increase (Decrease) Percentage
Personal Services				
Salary and Longevity Pay Expenses	1,797,399	1,619,685	(177,714)	-9.9%
Taxes, Benefits, and Other Expenses	852,485	832,029	(20,456)	-2.4%
Subtotal Personal Services	2,649,884	2,451,714	(198,170)	-7.5%
Professional Services				
Investment Manager Expenses	15,268,867	16,592,799	1,323,932	8.7%
Investment Consultant Expenses	592,924	585,000	(7,924)	-1.3%
Investment Custodian Expenses	0	0	0	~
Pension Commission Expenses	30,445	28,815	(1,630)	-5.4%
Investment Related Expenses	15,892,236	17,206,614	1,314,378	8.3%
Legal Services - Attorney General	37,186	38,498	1,312	3.5%
Legal Services - Special Projects	13,738	12,793	(945)	-6.9%
Administrative Hearings	0	0	0	~
Actuarial Services	67,580	98,759	31,179	46.1%
Auditing Services	44,800	44,800	0	0.0%
Medical Hearings	7,200	4,650	(2,550)	-35.4%
Miscellaneous Services	12,529	134,078	121,549	970.1%
Subtotal Professional Services	183,033	333,578	150,545	82.3%
Subtotal Investment and Professional Services	16,075,269	17,540,192	1,464,923	9.1%
Travel and Per Diem Expenses				
Non-Employee Travel Expenses	44,761	49,522	4,761	10.6%
Employee Travel Expenses	37,958	41,730	3,772	9.9%
Subtotal Travel and Per Diem Expenses	82,719	91,252	8,533	10.3%
Administrative Expenses				
Miscellaneous Administrative Expenses	305,199	220,699	(84,500)	-27.7%
Rent Expenses	126,313	142,123	15,810	12.5%
Maintenance and Repair Expenses	6,494	1,786	(4,708)	-72.5%
Specialized Supplies and Material Expenses	5,974	4,795	(1,179)	-19.7%
Office Supplies and Materials Expenses	14,901	30,236	15,335	102.9%
Office Furniture & Equipment Expenses	45,764	3,326	(42,438)	-92.7%
Subtotal Administrative Expenses	504,645	402,965	(101,680)	-20.1%
Information Technology Expenses				
Professional Services	11,000	530,319	519,319	4721.1%
Travel and Per Diem Expenses	90	128	38	42.2%
Miscellaneous Administrative Expenses	40,608	31,493	(9,115)	-22.4%
Rent Expenses	6,664	5,284	(1,380)	-20.7%
Maintenance and Repair Expenses	19,122	18,635	(487)	-2.5%
Office Supplies and Materials Expenses	11,747	13,899	2,152	18.3%
Office Furniture and Equipment Expenses	14,959	8,388	(6,571)	-43.9%
Subtotal Information Technology Expenses	104,190	608,145	503,955	483.7%
Total Expenses	19,416,707	21,094,268	1,677,561	8.6%
Totals Investment Expenses Only	15,892,236	17,206,614	1,314,378	8.3%
Totals Information Technology Capital Expenses Only	104,190	608,145	503,955	483.7%
Totals ex Investment and IT Capital Expenses	3,420,281	3,279,509	(140,772)	-4.1%

Chart II
**FY 2011 Budget to Actual Expenses
9 Month Year to Date Comparison**

Object of Expenditure	9 Month YTD FY 2011 Budget	9 Month YTD FY 2011 Actual Expenses	Increase (Decrease) Amount	Increase (Decrease) Percentage
Personal Services				
Salary and Longevity Pay Expenses	1,881,038	1,619,685	(261,353)	-16.1%
Taxes, Benefits, and Other Expenses	960,185	832,029	(128,156)	-15.4%
Subtotal Personal Services	2,841,223	2,451,714	(389,509)	-15.9%
Professional Services				
Investment Manager Expenses	22,920,113	16,592,799	(6,327,314)	-38.1%
Investment Consultant Expenses	526,500	585,000	58,500	10.0%
Investment Custodian Expenses	1,125,000	0	(1,125,000)	~
Pension Commission Expenses	45,000	28,815	(16,185)	-56.2%
Subtotal Investment Expenses	24,616,613	17,206,614	(7,409,999)	-43.1%
Legal Services - Special Projects	45,000	12,793	(32,207)	-251.8%
Legal Services - Attorney General	41,250	38,498	(2,752)	-7.1%
Administrative Hearings	750	0	(750)	~
Auditing Services	33,750	44,800	11,050	24.7%
Actuarial Services	93,750	98,759	5,009	5.1%
Medical Hearings	15,000	4,650	(10,350)	-222.6%
Miscellaneous Services	85,500	134,078	48,578	36.2%
Subtotal Professional Services	315,000	333,578	18,578	5.6%
Subtotal Investment and Professional Services	24,931,613	17,540,192	(7,391,421)	-42.1%
Travel and Per Diem Expenses				
Non-Employee Travel Expenses	58,500	49,522	(8,978)	-18.1%
Employee Travel Expenses	55,425	41,730	(13,695)	-32.8%
Subtotal Travel and Per Diem Expenses	113,925	91,252	(22,673)	-24.8%
Administrative Expenses				
Miscellaneous Administrative Expenses	453,476	220,699	(232,777)	-105.5%
Rent Expenses	153,375	142,123	(11,252)	-7.9%
Maintenance and Repair Expenses	16,125	1,786	(14,339)	-802.9%
Specialized Supplies and Material Expenses	6,000	4,795	(1,205)	-25.1%
Office Supplies and Material Expenses	33,308	30,236	(3,072)	-10.2%
Office Furniture and Equipment Expenses	103,350	3,326	(100,024)	-3007.3%
Subtotal Administrative Expenses	765,634	402,965	(362,669)	-90.0%
Information Technology Expenses				
Professional Services	1,147,500	530,319	(617,181)	-116.4%
Travel and Per Diem Expenses	33,750	127	(33,623)	-26474.8%
Miscellaneous Administrative Expenses	30,000	31,493	1,493	4.7%
Rent Expenses	37,500	5,284	(32,216)	-609.7%
Maintenance and Repair Expenses	46,875	18,635	(28,240)	-151.5%
Office Supplies and Material Expenses	26,250	13,899	(12,351)	-88.9%
Office Furniture and Equipment Expenses	39,750	8,388	(31,362)	-373.9%
Subtotal Information Technology Expenses	1,361,625	608,145	(753,480)	-123.9%
Total Expenses	30,014,019	21,094,268	(8,919,751)	-42.3%
Totals Investment Expenses Only	24,616,613	17,206,614	(7,409,999)	-43.1%
Totals Information Technology Capital Expenses Only	1,361,625	608,145	(753,480)	-123.9%
Totals ex Investment and IT Capital Expenses	4,035,782	3,279,509	(756,273)	-23.1%