OKLAHOMA TEACHERS RETIREMENT SYSTEM

BOARD OF TRUSTEES

REGULARLY SCHEDULED MEETING

SEPTEMBER 25, 2013

MEETING MATERIALS

OKLAHOMA TEACHERS RETIREMENT SYSTEM

OTRS GENERAL INFORMATION – Year Ended June 30, 2013

Client Types

Active	87,778	Avg. Salary $44,713
Retirees	52,716	Avg. Benefit $15,713
Inactive	17,251	Avg. Refund Due $3,777
Total	**157,745**	

Employers by Type

K12	565
Regional University	23
Comprehensive University	3
Career Tech	28
Other - Agencies	18

FINANCIAL SUMMARY

Actuarial Information – Year Ended June 30, 2012

Assets	$10,195 million
Unfunded Liability	8,398 million
Funded Ratio	54.8%
Funding Period (years)	22

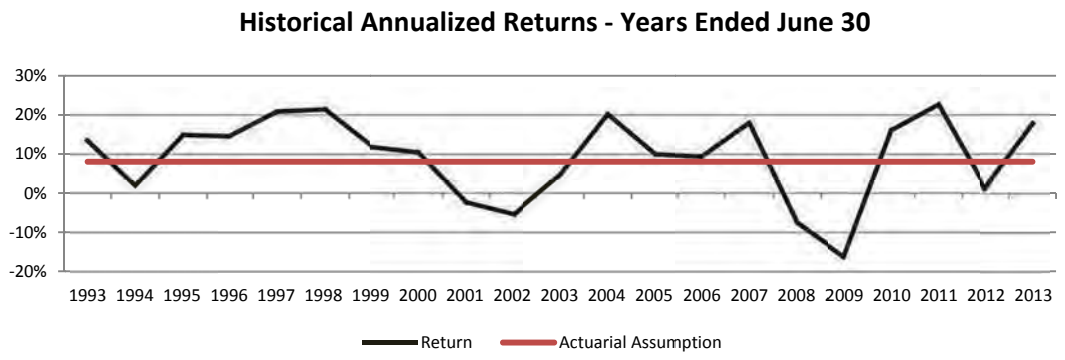
Financial Information – Year Ended June 30, 2012

Revenues	Annual	Percent
Member Contributions	303,709,132	30%
State Contributions	300,268,927	30%
Employer Contributions	412,727,304	40%
	Total Earnings	**1,016,705,363**
Expenses		
Withdrawals/Death Benefits	44,863,309	4%
Benefit Payments	1,081,467,471	96%
	Total Expenditures	**1,126,30,780**

INVESTMENT INFORMATION – Year Ended June 30, 2013

Period	1 Year	3 Year	5 Year	10 Year	Inception
Performance	17.42%	13.98%	7.72%	8.84%	9.44%
Assumption	8%	8%	8%	8%	8%
Over/(Under)	9.8%	5.98%	(.28%)	.84%	1.44%

Returns



ASSET ALLOCATION – Quarter Ended Q1 2013

Asset Class	Policy %	Current %	Over/Under
All Cap Domestic Equity	7.00%	6.52%	-0.48%
Large Cap Domestic Equity	10.00%	16.06%	6.06%
Mid Cap Equity	13.00%	14.19%	1.19%
Small Cap Equity	10.00%	10.02%	0.02%
Large Cap Int'l Equity	11.50%	11.46%	-0.04%
Small Cap Int'l Equity	6.00%	6.21%	0.21%
Private Equity	5.00%	2.11%	-2.89%
Real Estate	7.00%	4.32%	-2.68%
Master Limited Partnerships	7.00%	5.98%	-1.02%
Opportunistic Fixed Income	0.00%	1.19%	1.19%
Core Fixed Income	17.50%	15.72%	-1.78%
High Yield Fixed Income	6.00%	5.76%	-0.24%
Cash	0.00%	0.47%	0.47%

Summary	Policy%	Current%	Over/Under
Equity	57.50%	64.46%	6.96%
Fixed Income	23.50%	22.67%	-0.83%
Other	19.00%	12.88%	-6.12%

Investment Fees

Manager Fees	$47.12 million	43 basis points
Investment Consultant	$701,000	<1 basis points
Private Equity Consultant	$2.32 million	2 basis point

TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
Regular Board Meeting
Wednesday, September 25, 2013 – 9:00 AM
Renaissance Tulsa Hotel & Convention Center
6808 South 107th East Avenue
Tulsa, Oklahoma 74133

AGENDA

1. **ROLL CALL FOR QUORUM**

2. **DISCUSSION AND POSSIBLE ACTION ON APPROVAL OF MINUTES FOR THE AUGUST 26 – 28, 2013 BOARD MEETING**

3. **PRESENTING MANAGERS OVERVIEW**

4. **PRESENTATION BY INVESTMENT MANAGER(S):**
   A. PIMCO
   B. MacKay Shields

5. **DISCUSSION AND POSSIBLE ACTION ON INVESTMENT CONSULTANT MONTHLY REPORT**

6. **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

7. **DISCUSSION AND POSSIBLE ACTION ON INVESTMENT COMMITTEE REPORT**

8. **DISCUSSION AND POSSIBLE ACTION ON AUDIT COMMITTEE REPORT**

9. **DISCUSSION AND POSSIBLE ACTION ON 2013-2014 BOARD STRATEGIC PLAN**

10. **DISCUSSION AND POSSIBLE ACTION ON ETHICS AND COMPLIANCE HOTLINE PROVIDER**

11. **DISCUSSION AND POSSIBLE ACTION ON TRUSTEE POLICY MANUAL – GOVERNANCE COMMITTEE CHARTER**

12. **ANNOUNCEMENT OF GOVERNANCE COMMITTEE ASSIGNMENTS**

13. **DISCUSSION AND POSSIBLE ACTION TO RESOLVE INTO EXECUTIVE SESSION PURSUANT TO TITLE 25 O.S. 2011 § 307 (B)(4) FOR THE PURPOSE OF CONFIDENTIAL COMMUNICATIONS BETWEEN THE BOARD OF THE TEACHERS RETIREMENT SYSTEM AND ITS ATTORNEY CONCERNING POTENTIAL ACTION RELATED TO A PENDING INVESTIGATION, CLAIM OR ACTION REGARDING INTERNAL PERSONNEL POLICIES AND PROCEDURES.**
    A. Vote to convene into executive session
    B. Vote to return to open session

14. **DISCUSSION AND POSSIBLE ACTION TO RESOLVE INTO EXECUTIVE SESSION PURSUANT TO TITLE 25 O.S. 2011 § 307(B)(1) FOR THE PURPOSE OF CONFIDENTIAL COMMUNICATIONS BETWEEN THE TRUSTEES CONCERNING THE EMPLOYMENT OF THE EXECUTIVE DIRECTOR.**
    A. Vote to convene into executive session
    B. Vote to return to open session

TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
Regular Board Meeting
Wednesday, September 25, 2013 – 9:00 AM
Renaissance Tulsa Hotel & Convention Center
6808 South 107th East Avenue
Tulsa, Oklahoma 74133

AGENDA (Continued)

15. DISCUSSION AND POSSIBLE ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSIONS

16. DISCUSSION AND POSSIBLE ACTION ON CLIENT SERVICES REPORT
- A. Performance Metrics
- B. Client Status Update

17. DISCUSSION AND POSSIBLE ACTION ON FINANCE REPORT
- A. Cash Flow Report

18. DISCUSSION AND POSSIBLE ACTION ON MIGRATION REPORT

19. DISCUSSION AND POSSIBLE ACTION ON EXECUTIVE DIRECTOR REPORT
- A. Proposed Fiscal Year 2015 Budget
- B. Legislative Update

20. QUESTIONS AND COMMENTS FROM TRUSTEES

21. NEW BUSINESS

22. ADJOURNMENT

MEETING MINUTES
AUGUST 26-28, 2013
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 James Dickson, Chairman, August 26, 2013, at 12:10 P.M., in the University A Room at Embassy Suites Hotel & Conference Center in Norman, OK. The meeting notice and agenda was posted in accordance with 25 O.S. Section 311(A)(11).

TRUSTEES PRESENT:
James Dickson, *Chair*
William Peacher, *Vice*-Chair
Beth Kerr*, *Secretary*
Vernon Florence
Roger Gaddis
Jill Geiger*
Stewart Meyers, Jr.
Gary Trennepohl*
Greg Winters*

TRUSTEES ABSENT:
Sherrie Barnes
Phillip Lewis
Jonathan Small
Billie Stephenson

TRS STAFF PRESENT:
James R. Wilbanks, *Executive Director,*
Grant Soderberg, *Investment Associate,*
Kim Bold, *Director of Human Resources*
Rocky Cooper, *Director of Information Technology*
Lisa Giles, *Interim Recording Secretary*
Joe Ezzell, *Assistant Executive Director*
Josh Richardson, *Director of Strategic Initiatives*
Dixie Moody, *Director of Client Services*
Riley Shaull, *Comptroller*

LEGAL COUNSEL PRESENT:
Julie Ezell, *Assistant Attorney General*

INVESTMENT CONSULTANT PRESENT:
Greg Weaver, *Gregory W. Group*
Douglas J. Anderson, *Gregory W. Group*

OTHERS PRESENT:
Gene Hopper*, *Hopper & Associates*
Norman Cooper*, *OK Retired Educators Assoc.*
Wayne Maxwell*, *Retired Professional Oklahoma Educators*
Chancen Flick*, *Oklahoma Education Association*

**Denotes either late arrival or early departure*

ITEM 1 - ROLL CALL FOR QUORUM: Chairman Dickson called the Board meeting to order and asked for a poll to determine if a quorum was present. Trustees responding were as follows: Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr, Mr. Meyers; Mr. Peacher; and Chairman Dickson.

A break for lunch was taken from 12:15p.m. to 1:14 p.m.

ITEM 2 - DISCUSSION ON DEVELOPMENT OF OTRS STRATEGIC PLAN: Chairman Dickson welcomed the staff of Oklahoma Teachers Retirement System and Gene Hopper to the meeting. Ms.

Hopper facilitated discussion by the staff of the Oklahoma Teachers Retirement System and Trustees. No action was necessary.

A break was taken from 3:00 p.m. to 3:45 p.m.

At 5:50 p.m., Chairman Dickson recessed the meeting until 8:30 a.m. on Tuesday, August 27, 2013

AUGUST 27, 2013

ITEM 1 - ROLL CALL FOR QUORUM: The Board meeting reconvened at the call of Chairman Dickson, at 8:32 A.M., Tuesday, August 27, 2013. Chairman Dickson asked for a poll to determine if a quorum was present. Trustees responding were as follows: Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr, Mr. Meyers; Mr. Peacher; Dr. Trennepohl; and Chairman Dickson.

ITEM 3 – DISCUSSION ON DEVELOPMENT OF OTRS STRATEGIC PLAN: Ms. Hopper continued to facilitate the discussion.by the staff of the Oklahoma Teachers Retirement System and Trustees. No action was necessary.

A break was taken from 10:06 a.m. to 10:22 a.m.

A break for lunch was taken from 11:59 a.m. to 1:10 p.m.

A break was taken from 3:30 p.m. to 3:50 p.m.

At 5:05 p.m., Chairman Dickson recessed the meeting until 9:00 a.m. on Wednesday, August 28, 2013

ITEM 1 – ROLL CALL FOR QUORUM: The Board meeting reconvened at the call of Chairman Dickson, at 9:04 A.M., Wednesday, August 28, 2013. Chairman Dickson asked for a poll to determine if a quorum was present. Trustees responding were as follows: Mr. Florence; Mr. Gaddis; Ms. Kerr, Mr. Meyers; Mr. Peacher; Dr. Trennepohl; Dr. Winters and Chairman Dickson.

ITEM 5 - MEETING MINUTES: Chairman Dickson asked if there were any changes to the meeting minutes. A motion was made by Dr. Winters with a second made by Mr. Meyers to approve the July 24, 2013 meeting minutes. The motion carried by a unanimous voice vote. Trustees responding were Mr. Florence; Mr. Gaddis; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Trennepohl; Dr. Winters and Chairman Dickson.

ITEM 6 – PRESENTING MANAGERS OVERVIEW: Greg Weaver and Douglas Anderson of Gregory W. Group, Investment Consultants to the Board, gave the Board an overview of Loomis, Sayles & Co. and Lord Abbett & Co., presenting managers to the Board. No action was necessary.

ITEM 7 – PRESENTATION BY INVESTMENT MANAGERS: Loomis, Sayles & Co. and Lord Abbett & Co. were present to give respective presentations to the Board. Each company addressed questions and discussion followed. No action was necessary.

A break was taken from 10:14 a.m. to 10:27 a.m.

ITEM 8 – INVESTMENT CONSULTANT MONTHLY REPORT: Greg Weaver and Douglas Anderson, Investment Consultants to the Board, gave the Board their monthly report. No action was necessary.

ITEM 9 – MANAGER STATUS SUMMARY REPORT: Greg Weaver and Douglas Anderson, Investment Consultants to the Board, provided brief discussion. No action was necessary.

ITEM 10 – INVESTMENT CONSULTANT QUARTERLY REPORT: Greg Weaver and Douglas Anderson, Investment Consultants to the Board, gave the Board their quarterly report. No action was necessary.

ITEM 11 - INVESTMENT CONSULTANT QUARTERLY 403(B) REPORT: Greg Weaver and Douglas Anderson, Investment Consultants to the Board, gave the Board their quarterly 403(b) report. No action was necessary.

ITEM 12 - INVESTMENT COMMITTEE REPORT: Bill Peacher, Chairman of the Investment Committee, brought a motion from the Investment Committee recommending the Board authorize OTRS investment staff to hire the finalist to provide the MSCI EAFE international index that submitted the lower final fee bid. The motion carried by a unanimous voice vote. Trustees responding were Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Trennepohl; Dr. Winters and Chairman Dickson.

ITEM 13 – AUDIT COMMITTEE REPORT: Mr. Meyers, Chairman of the Audit Committee, presented Stinnett & Associates, Internal Auditor Consultants. Results and issues were discussed and actions to be addressed include the draft of a code of ethics; establishing a hotline to report fraud, waste and abuse; and draft a template of the Trustee self- assessment evaluation. It was recommended that a template be provided to the Board to begin accommodations of this report. It was suggested that legal counsel should be involved in monitoring and follow-up. A motion was made to approve the audit report by the Audit committee. The motion carried by a unanimous voice vote. Trustees responding were Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Trennepohl; Dr. Winters and Chairman Dickson.

A break was taken for lunch from 11:58 a.m. to 12:22 p.m.

ITEM 14 – TRUSTEE POLICY MANUAL: The agency's mission and vision statements were reviewed and approved with the following corrections. The vision statement should be edited to read "We have educated and informed clients who have confidence in Oklahoma Teachers Retirement's ability to provide their benefits." Change the case to lower case in statement containing "world class revitalization role model". The motion to approve was made by Dr. Trennepohl and second made by Mr.Florence. Trustees responding to the voice vote were Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Trennepohl; Dr. Winters and Chairman Dickson.

ITEM 15 – ATTORNEY GENERAL'S OPINION: Legal advisor, Julie Ezell, led discussion on the Attorney General's opinion regarding consolidated school districts. The Board requested the staff to seek necessary legislative steps to address issues raised by the opinion. No action was necessary.

ITEM 16 – EXECUTIVE DIRECTOR REPORT: Dr. Wilbanks gave his report to the Board, including the client status update and reported these updates will be submitted by agency Directors in the future. Upcoming recommended conferences are scheduled during the months of September and

October. Dr. Wilbanks distributed necessary registration information to be completed by the Board. A motion was made by Dr. Trennepohl with a second made by Mr. Florence to approve the Executive Director Report. The motion carried by a unanimous voice vote. Trustees responding were Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Trennepohl; Dr. Winters and Chairman Dickson.

ITEM 17 – QUESTIONS AND COMMENTS FROM TRUSTEES: There were no questions or comments from the Trustees.

ITEM 18 – NEW BUSINESS: There was no new business presented for discussion.

ITEM 19 – ADJOURNMENT: There being no further business, a motion was made by Dr. Trennepohl with a second made by Mr. Meyers to adjourn. The meeting was adjourned at 1:32 p.m. Trustees present at adjournment were Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Trennepohl; Dr. Winters and Chairman Dickson.

BOARD OF TRUSTEES, TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA

BY: _____
James Dickson, Chairman

ATTEST: _____

BY: _____
Elizabeth Kerr, 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 September 25, 2013.

BY: _____
Lisa Giles, Interim Recording Secretary

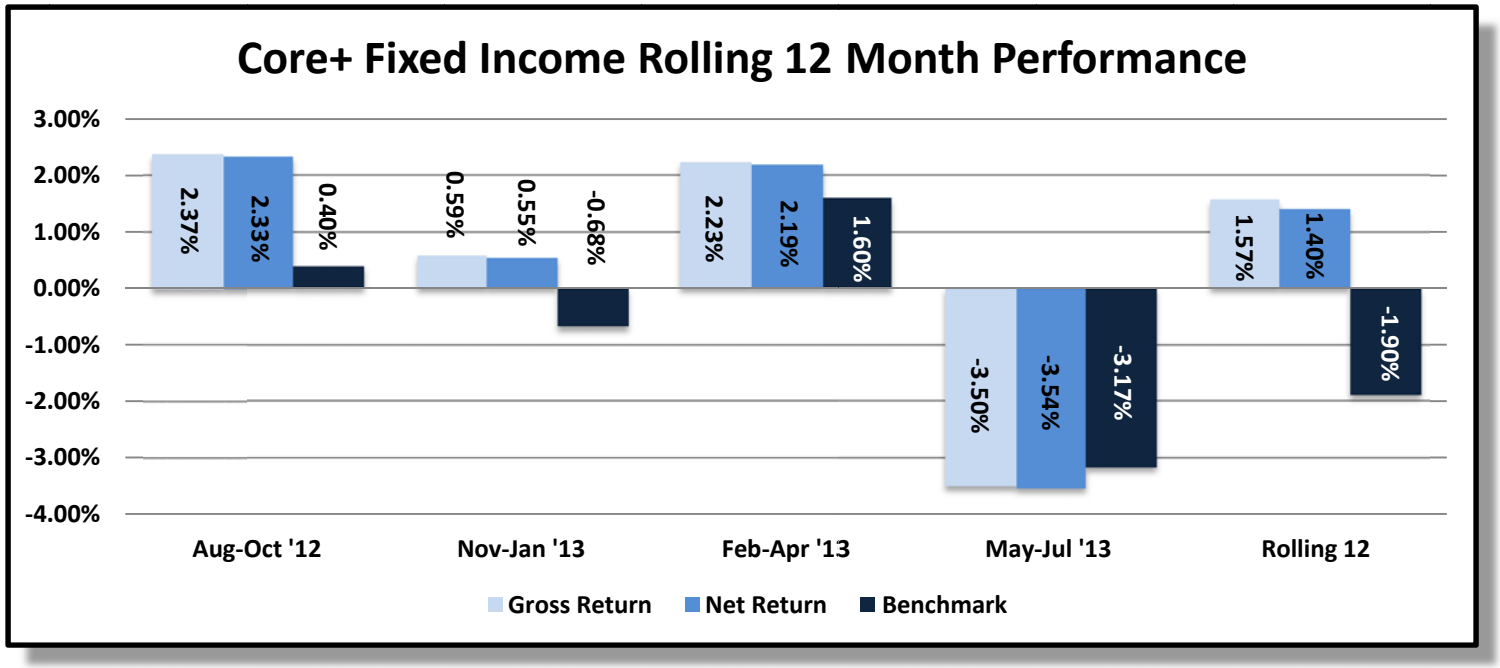
Oklahoma Teacher Retirement System Core+ Fixed Income

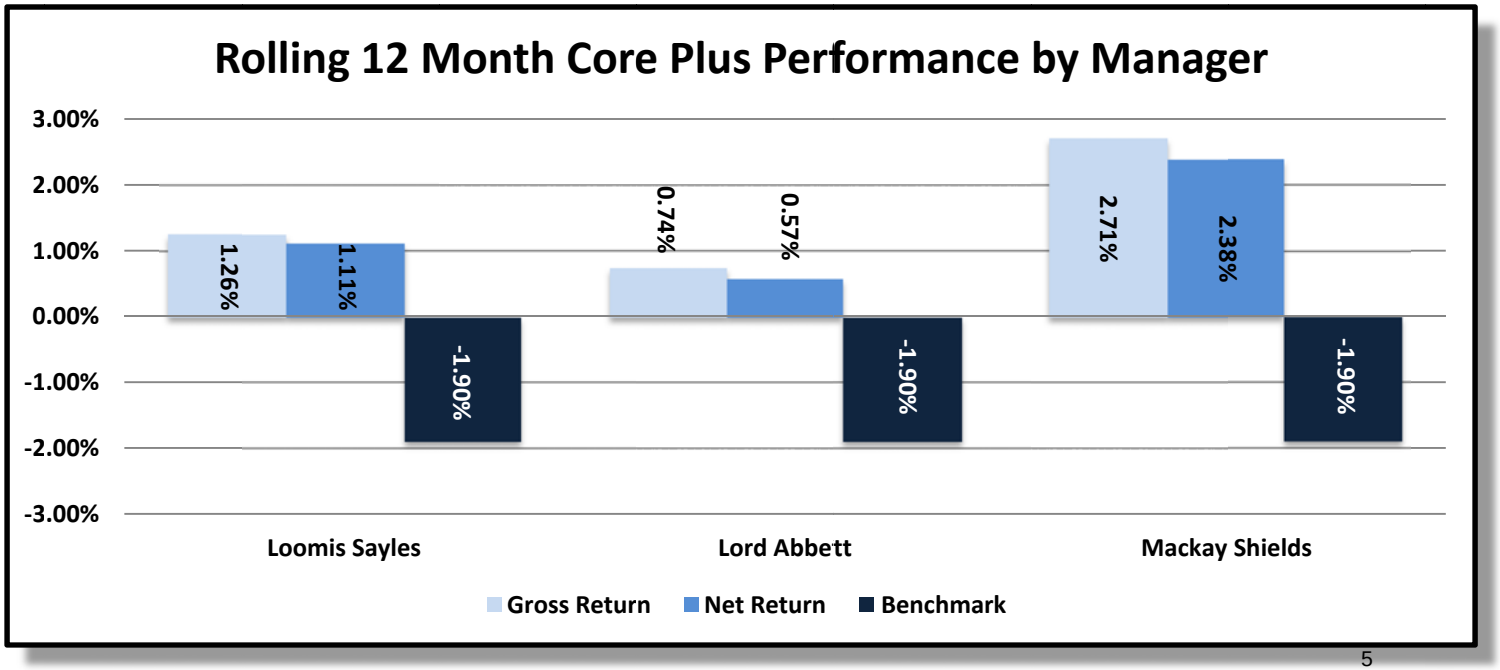
- **Managers:** Three Active Managers
- **Core AUM:** $ 1,790,394,676
- **Total Annual Fees:** $ 784,228

The OTRS Core+ Fixed Income portfolio had a **1.40%** net of fee return for the rolling 12 month, which outperformed the systems Core Fixed Income benchmark (Barclays Capital Ag.) return of **-1.90%** by **3.30%.**

Mackay Shields produced the highest return for the rolling 12 month period, finishing with a net of fee return of **2.38%** and outperformed the benchmark by **4.28**%.

Lord Abbett produced the lowest return for the rolling 12 month period, finishing with a net of fee return of **0.57%.** However, Lord Abbett still outperformed the benchmark by **2.47%.**





Oklahoma Teacher Retirement System PIMCO DMF I, DMF II, BRAVO I, BRAVO II

Oklahoma Teachers Retirement System

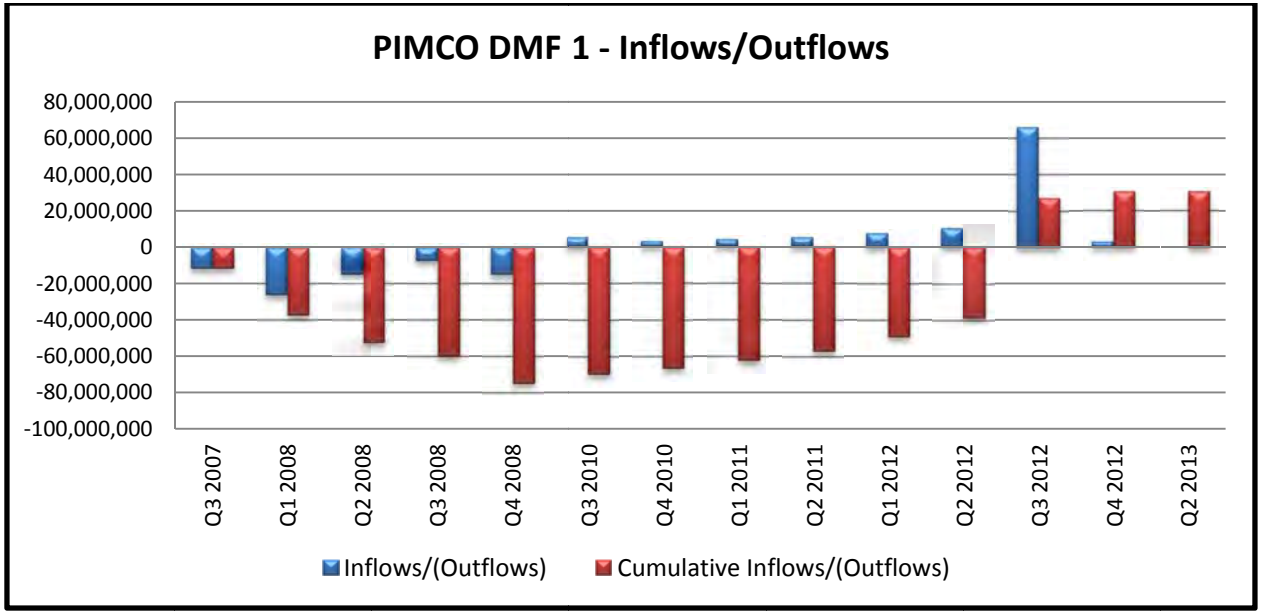
- **Portfolio Managers**: Mariko Boswell
- **Headquarters**: Newport Beach, CA
- **Date Hired**: 2008
- **Investment Mandate**: Non-Core

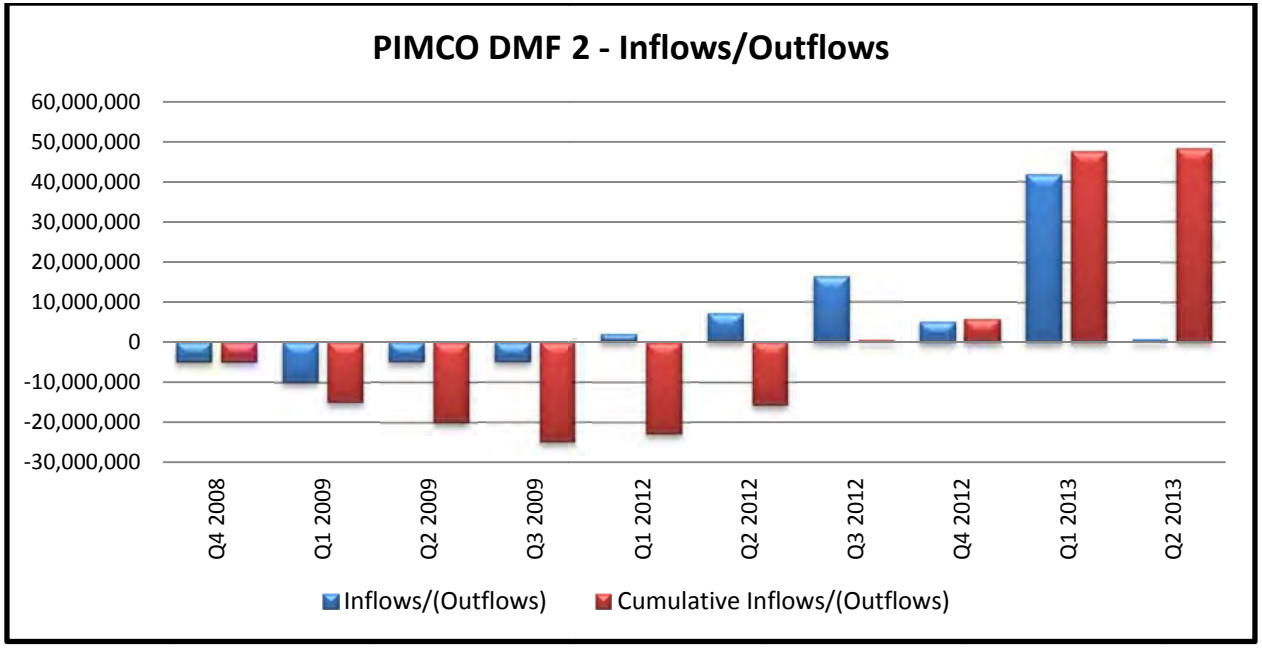
DMF I had a final distribution to investors in April 2013 with a net IRR of 9.0%. **DMF II** is scheduled to have a final distribution to investors by the end of 2013 with the net IRR for the Fund currently at 35.4%.

BRAVO I and II are opportunistic funds with a focus on residential and commercial mortgage real estate related assets. The funds seek to capitalize on the continued deleveraging and re-regulation of the financial system, with a particular focus on bank disposition of assets for non-economic reasons. In addition, the Funds will also seek to invest in assets which may benefit from the gradual recovery taking place in the U.S. housing market.

BRAVO I has called 95.8% of capital to date with the investment period ending in January 2014. As of June 30, the since inception net IRR for the Fund is +30.1%, with a multiple of 1.45x on invested capital. The portfolio is comprised of approximately 55% residential exposure, 41% commercial exposure and 4% in special situations opportunities.

BRAVO II has raised $2.5 billion to date and will hold subsequent closings through early 2014. Based on current demand, we expect the total fund size to be between $3.7 - $4.3 billion. To date, approximately 10% of capital has been called with investments ranging from complex structured credit to residential master planned communities and commercial real estate assets. The Fund has a robust investment pipeline in place with a 3-year investment window to deploy capital.





Oklahoma Teacher Retirement System Mackay Shields

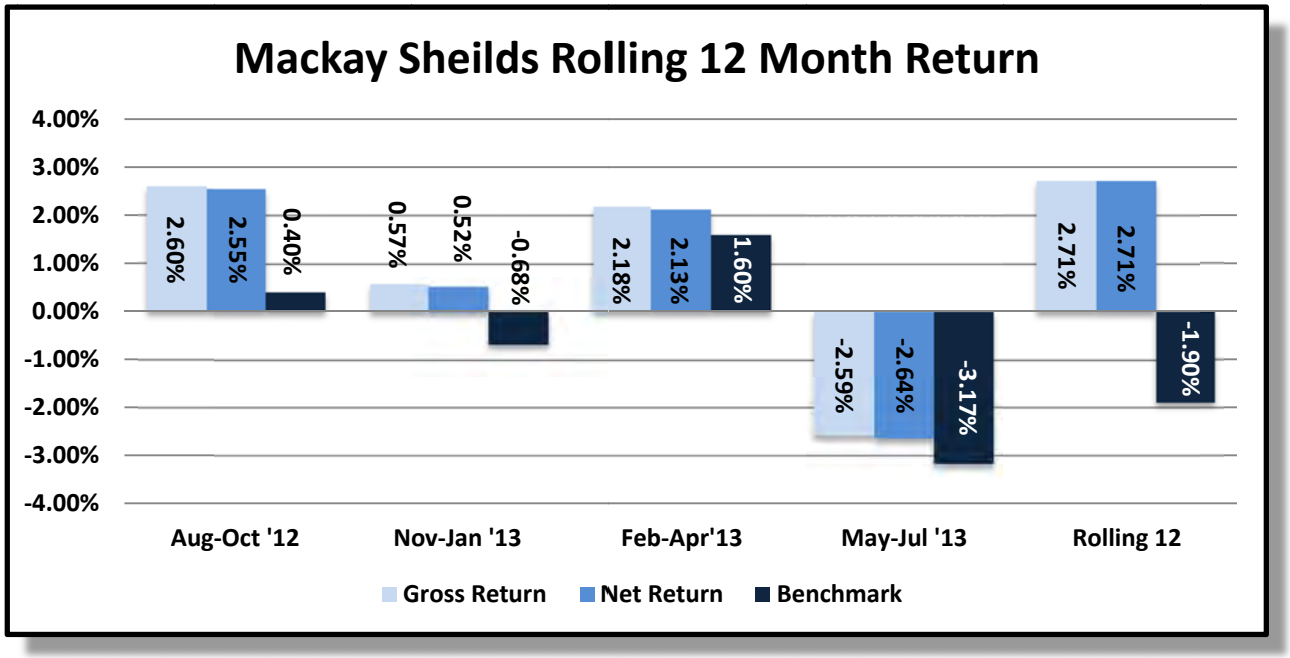
Oklahoma Teachers Retirement System

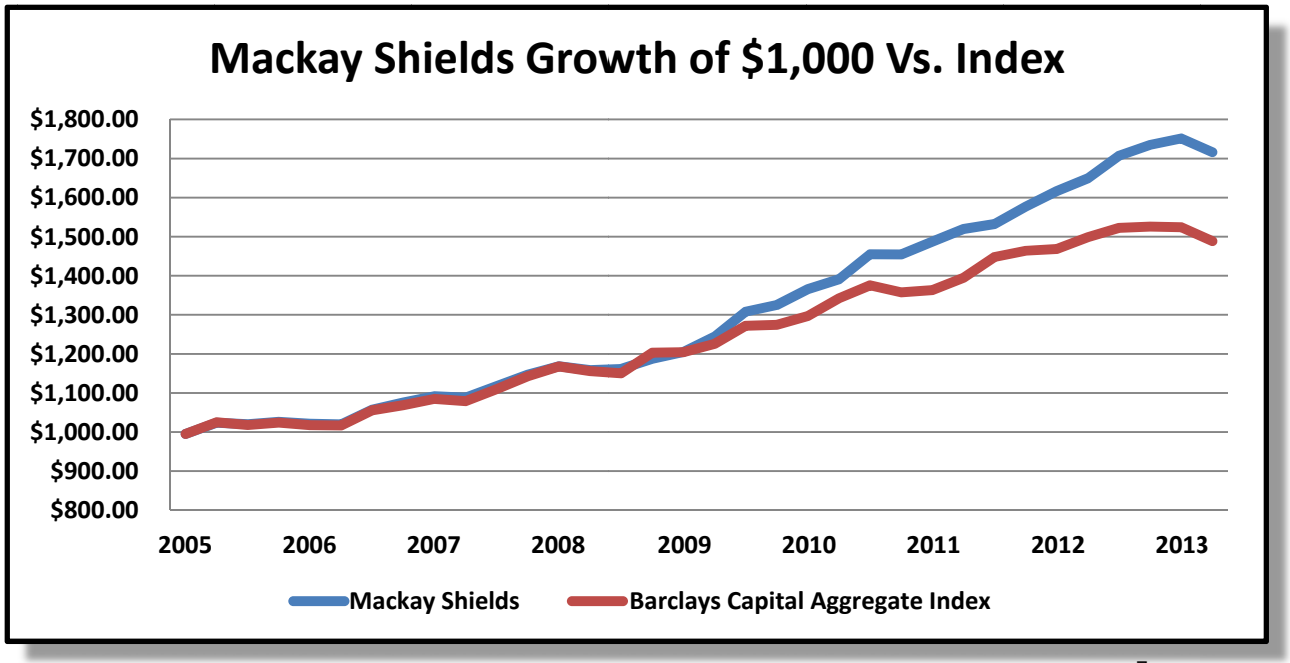
- **Portfolio Managers**: Lou Cohen
- **Headquarters**: New York, NY
- **Date Hired**: 2005
- **Investment Mandate**: Core+

OTRS Strategy AUM: $599,017,952.44 (July)

During the course of the year (and over this current cycle) we have maintained our base case scenario of slow to moderate domestic economic growth with possible tail risk stemming from Europe, and to a lesser extent, China. Highly stimulative and accommodative monetary policies around the globe would support a continued compression in credit spreads, as would strong corporate fundamentals. In the Teachers' Retirement System of Oklahoma's Core Plus portfolio we have optimized our risk budget, as governed by the investment guidelines, such that we have been able to maintain a high yield exposure near the upper band of our limits (currently 35%). From an interest rate perspective, the front-end of the US Treasury yield curve afforded us the opportunity to implement an inexpensive hedging policy whereby we have reduced the portfolio's interest rate risk by selling front-end (2-year maturity) US Treasury future contracts. This has allowed us to be long credit risk (which we favor) and short interest rate risk (which we want to minimize) in the current environment.

-- Mackay Sheilds Comment





August 2013 - Market Performance Update

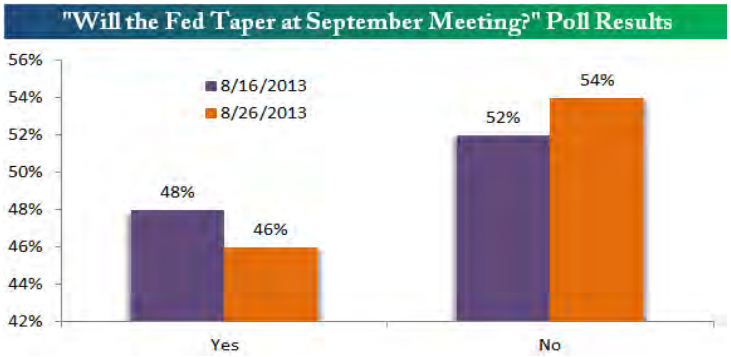
Stocks and Bonds Move Lower in Late Summer Trading

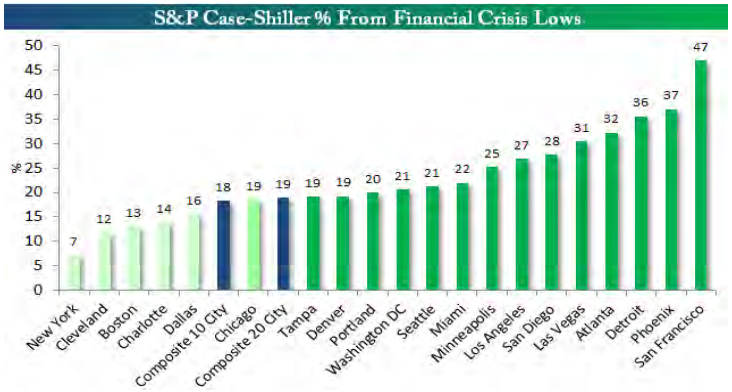
Equity Total Returns

Index	Last Month	Last Year	Last 3 Years	Last 5 Years
Dow Jones Industrial Average	-4.1	16.1	17.0	8.1
NASDAQ (prc chg only)	-1.0	17.1	19.3	8.7
S&P 500 cap weighted	-2.9	18.7	18.4	7.3
S&P 500 equal weighted	-2.8	25.6	20.1	10.5
S&P Mid Cap	-3.8	23.7	19.7	9.4
S&P Small Cap	-2.4	26.7	22.6	9.5
S&P REIT	-7.0	0.6	12.8	5.1
Russell 1000 Growth	-1.7	16.4	19.2	8.4
Russell 1000 Value	-3.8	23.1	18.2	6.7
Russell Mid Cap Growth	-1.9	24.0	20.3	9.1
Russell Mid Cap Value	-3.5	25.4	19.1	8.9
Russell 2000 Growth	-2.0	28.1	22.6	9.0
Russell 2000 Value	-4.4	24.4	18.4	6.9
Russell Top 200	-2.8	17.8	18.3	7.0
Russell 1000	-2.8	19.8	18.7	7.6
Russell Mid Cap	-2.7	24.9	19.7	9.1
Russell 2500	-3.2	26.0	20.5	9.1
Russell 2000	-3.2	26.3	20.5	8.0
MSCI World Ex US	-1.3	16.9	8.7	1.5
MSCI World Ex US Growth	-1.4	16.0	9.1	1.3
MSCI World Ex US Value	-1.2	17.8	8.3	1.5
MSCI EAFE	-1.3	18.7	9.3	1.6
MSCI Emerging Markets	-1.7	0.5	1.1	1.9

Bond Total Returns

Index	Last Month	Last Year	Last 3 Years	Last 5 Years
BC T-Bills	0.0	0.1	0.1	0.2
BC Long Treasury	-0.8	-12.7	3.0	6.5
BC US Agg	-0.5	-2.5	2.6	4.9





Economic uncertainty dominated trading during August as both bonds and stocks moved lower. International markets moved lower in U.S. Dollar terms. However, international equities outperformed domestic equities.

Growth stocks outperformed value by notable margins during the quarter. Trailing year returns remained very strong. Trailing five year returns are still improving modestly. Larger companies outperformed smaller ones by a small margin during the month.

Fixed income returns struggled again as the risk of imminent tapering of Federal Reserve bond buying kept bond holders anxious. Bond investors continue to have a difficult time adjusting to a rising interest rate environment. Second quarter GDP growth was revised from 1.7% to 2.5% while unemployment measures produced a mixed reading.

sources: Barclay's Capital, Bespoke Investment Group and Fact Set.

Manager Profile - Mackay Shields Core Plus

Oklahoma Teachers Retirement System

Asset Class:	Core Plus Fixed Income
Status:	In Compliance
Portfolio Size:	$564,736,675
Inception Date:	11/1/2004
Initial Funding:	$244,000,000
Subsequent Funding:	N/A
Annual Management Fee:	0.21%
Location:	New York, New York
Structure:	Wholly-owned by New York Life
Portfolio Management Team:	Lou Cohen Michael Kimble Taylor Wagenseil Dan Roberts
Represented by:	Lou Cohen Kirk Kashevaroff Steven Buckley

Notes:

MacKay Shields manages diversified bond portfolios for their clients using a fundamentally based process. The process focuses bottom-up research on sectors and individual bonds. The firm has skill in the selection of non-Treasury issues, including high yield bonds.

The fund has provided strong returns since inception.

Founded:	1938
AUM:	$77 billion
Core Plus AUM:	$5.7 billion

Return Profile	Since Inception	Last 5 Years	Last 3 Years	Last Year	Last Quarter	Last Month
Mackay Shields	6.4	8.1	6.2	1.6	-1.6	-0.3
Barclays Capital Aggregate	4.6	4.9	2.6	-2.5	-1.9	-0.5

Risk Characteristics	Avg. Number of Issues	Credit Quality	Yield to Maturity	Modified Duraiton	Time to Maturity	Average Coupon
Mackay Shields	380	BBB	3.1%	3.1	6.8	5.4%
Barclays Capital Aggregate	-	A	-	5.1	-	4.0%

As of August 31, 2013

Manager Profile - PIMCO

Oklahoma Teachers Retirement System

Asset Class:	Opportunistic Fixed Income
Status:	In Compliance
Combined Portfolio Size:	$145,852,405
Inception Date: (DMF II)	12/1/2008
Inception Date: (BRAVO)	3/31/2011
Inception Date: (BRAVO II)	4/1/2013
Initial Funding: (DMF II)	$25,000,000
Initial Funding: (DMF BRAVO)	$100,000,000
Initial Funding: (DMF BRAVO II)	$7,500,000
Annual Management Fee:	1.36% - 1.50%
Location:	Newport Beach, California
Structure:	Privately Held
Portfolio Management Team:	Dan Ivascyn
	Scott Simon
Represented by:	Jennifer Bridwell
	Rick Fulford
	Marico Boswell

Notes:

PIMCO was hired to manage three opportunistic fixed income portfolios. The portfolios focus their investments in distressed and/or overlooked areas of the fixed income markets. The DMF fund, invests in pools of distressed mortgages. The BRAVO funds (I&II), invests in debt and potentially equity instruments related to U.S. and foreign bank recapitalizations. All three funds are private equity style funds that were offered after the financial crisis of 2007-2009.

DMF 2 has performed best. The BRAVO II fund was funded in March of 2013.

PIMCO is an extremely large and stable organization. These funds have had stable management teams since they were hired.

Return Profile	Since Inception	Last 5 Years	Last 3 Years	Last Year	Last Quarter	Last Month
PIMCO BRAVO	25.3	-	-	37.0	2.3	-
PIMCO BRAVO II	-0.7	-	-	-	-0.7	-
BC Aggregate Bond Index		*4.9*	*2.6*	*-2.5*	*-1.9*	*-0.5*
BC Long Treasury Index		*6.5*	*3.0*	*-12.7*	*-5.7*	*-0.8*
91 Day T-bills		*0.2*	*0.1*	*0.1*	*0.0*	*0.0*

Risk Characteristics	Duration
PIMCO BRAVO	2.5
PIMCO BRAVO II	2.0
BC Aggregate Bond Index	5.1
BC Long Treasury Index	-

PIMCO data of as June 30, 2013.

Monthly Asset Allocation Review

Oklahoma Teachers Retirement System

Asset Class	Total Market Value	Current Percentage	New Target Percentage	Difference	Notes
All Cap/Large Cap	2,687,807,006	22.5%	17.0%	5.5%	Excess allocation bound for Private Equity
Mid Cap	1,676,104,221	14.0%	13.0%	1.0%	
Small Cap	1,183,848,351	9.9%	10.0%	-0.1%	
Total Domestic Equity	**5,547,759,579**	**46.4%**	**40.0%**	6.4%	
Large Cap International Equity	1,334,817,412	11.2%	**11.5%**	-0.3%	
Small Cap International Equity	724,273,384	6.1%	**6.0%**	0.1%	
Total International Equity	**2,059,090,796**	**17.2%**	**17.5%**	**-0.3%**	
Core Fixed Income	**1,943,663,996**	**16.3%**	**17.5%**	**-1.2%**	
High Yield Bonds	702,823,548	5.9%	6.0%	-0.1%	
MLPs	735,764,000	6.2%	7.0%	-0.8%	
Private Equity	258,983,768	2.2%	5.0%	-2.8%	
Real Estate	530,077,146	4.4%	7.0%	-2.6%	
Opportunistic Assets	152,595,435	1.3%	0.0%	1.3%	
Total Non-Core Assets	**2,380,243,898**	**19.9%**	**25.0%**	**-5.1%**	
Cash	**15,194,032**	**0.1%**	**0.0%**	0.1%	
Composite	**11,945,991,623**	**100.0%**	**100.0%**	**0.0%**	

As of August 31, 2013

Total Fund + Class Composite Summary

As of August 31, 2013

Oklahoma Teachers Retirement System

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
Total Fund (Gross of Fees)	**11,945,991,623**	**12/1/1991**	**21.8**	**9.5**	**8.6**	**8.2**	**13.7**	**16.9**	**2.5**	**1.0**	**-1.6**
Total Fund (Net of Fees)				**9.1**	**8.2**	**7.8**	**13.3**	**16.5**	**2.1**	**0.9**	**-1.7**
Allocation Index				*9.2*	*7.6*	*6.7*	*13.0*	*13.4*	*1.6*	*0.3*	*-1.7*
Actuarial Assumption				*8.0*	*8.0*	*8.0*	*8.0*	*8.0*	*6.6*	*1.9*	*0.6*
Total Domestic Equity	**5,547,759,579**	**4/1/1990**	**23.4**	**10.6**	**8.8**	**8.5**	**19.6**	**26.5**	**3.6**	**2.9**	**-2.6**
S&P 500	***46.4%***			*9.2*	*7.1*	*7.3*	*18.4*	*18.7*	*2.0*	*0.7*	*-2.9*
Total All Cap Equity	**776,887,636**	**9/1/2006**	**7.0**	**6.0**	**-**	**7.5**	**18.1**	**22.0**	**2.7**	**1.9**	**-2.4**
Russell 3000	***6.5%***			*5.9*	*-*	*7.6*	*18.9*	*20.3*	*2.5*	*1.2*	*-2.8*
Total Large Cap Active Equity	**912,611,418**	**1/1/1995**	**18.7**	**10.0**	**7.6**	**7.5**	**20.3**	**25.8**	**3.6**	**2.6**	**-2.2**
S&P 500	***7.6%***			*9.1*	*7.1*	*7.3*	*18.4*	*18.7*	*2.0*	*0.7*	*-2.9*
Total Mid Cap Equity	**1,676,104,221**	**11/1/1998**	**14.8**	**9.8**	**11.2**	**11.0**	**22.1**	**30.5**	**4.6**	**4.2**	**-2.7**
Russell Mid Cap	***14.0%***			*9.2*	*10.1*	*9.1*	*19.7*	*24.9*	*3.0*	*1.7*	*-2.7*
Total Small Cap Equity	**1,183,848,351**	**2/1/1998**	**15.6**	**9.0**	**9.2**	**8.1**	**17.2**	**30.2**	**4.1**	**3.5**	**-2.5**
Russell 2000	***9.9%***			*7.0*	*8.8*	*8.0*	*20.5*	*26.3*	*3.6*	*3.1*	*-3.2*
Total International Equity	**2,059,090,796**	**2/1/1998**	**15.6**	**9.0**	**8.7**	**3.4**	**10.5**	**20.1**	**4.2**	**0.5**	**-1.2**
MSCI ACWI ex-US	***17.2%***			*-*	*8.3*	*1.5*	*6.9*	*13.0*	*2.9*	*-1.5*	*-1.4*
Core Fixed Income *(ex- High Yield)*	**1,943,663,996**	**4/1/1990**	**23.4**	**7.3**	**6.3**	**7.7**	**4.9**	**-1.9**	**-0.4**	**-2.6**	**-0.5**
Barclays Aggregate	***16.3%***			*6.7*	*4.8*	*4.9*	*2.6*	*-2.5*	*-0.4*	*-1.9*	*-0.5*
Master Limited Partnerships	**735,764,000**	**2/28/2011**	**2.5**	**17.5**	**-**	**-**	**-**	**26.9**	**-1.6**	**1.4**	**-2.4**
Alerian MLP Index	***6.2%***			*11.9*	*-*	*-*	*-*	*16.7*	*-3.0*	*0.1*	*-2.5*
High Yield Fixed Income	**702,823,548**	**2/1/2009**	**4.6**	**16.3**	**-**	**-**	**9.8**	**8.1**	**0.7**	**-2.0**	**-0.8**
ML High Yield II	***5.9%***			*-*	*-*	*-*	*9.6*	*7.6*	*1.2*	*-1.4*	*-0.6*
Core Real Estate	**530,077,146**	**4/1/2011**	**2.4**	-	-	-	-	-	-	-	-
NCREIF	***4.4%***			*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Cash	**15,194,032**	**4/1/1990**	**23.4**	-	-	-	-	-	-	-	-
91 Day T-bill	***0.1%***			*-*	*1.7*	*0.2*	*0.1*	*0.1*	*0.0*	*0.0*	*0.0*

Equity Portfolios Summary
As of August 31, 2013

Oklahoma Teachers Retirement System

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
Hotchkis & Wiley Large Cap	**476,455,713**	**4/1/1990**	**23.4**	10.8	7.8	10.1	21.1	31.9	3.4	2.7	-2.5
Russell 1000 Value	***4.0%***			*9.8*	*7.6*	*6.7*	*18.2*	*23.1*	*1.4*	*0.5*	*-3.8*
Sawgrass	**436,155,705**	**7/1/2006**	**7.2**	7.2	-	8.3	20.0	19.7	3.9	2.5	-1.8
Russell 1000 Growth	***3.7%***			*7.3*	*-*	*8.4*	*19.2*	*16.4*	*3.5*	*1.5*	*-1.7*
ARI All Cap	**389,830,711**	**9/1/2006**	**7.0**	5.1	-	8.0	17.7	21.5	2.2	1.7	-2.8
Russell 3000 Value	***3.3%***			*4.2*	*-*	*6.7*	*18.2*	*23.2*	*1.4*	*0.6*	*-3.8*
EPOCH All Cap	**387,056,925**	**9/1/2006**	**7.0**	6.7	-	7.0	18.4	22.5	3.2	2.2	-1.9
Russell 3000 Value	***3.2%***			*4.2*	*-*	*6.7*	*18.2*	*23.2*	*1.4*	*0.6*	*-3.8*
NT Cap Weighted Passive	**498,089,818**	**4/1/2012**	**1.4**	14.3	-	-	-	18.6	2.0	0.6	-2.9
S&P 500 Cap Weighted	***4.2%***			*13.5*	*7.1*	*7.3*	*18.4*	*18.7*	*2.0*	*0.7*	*-2.9*
SSGA Eq Weighted Passive	**500,218,135**	**4/1/2012**	**1.4**	17.9	**-**	**-**	**-**	25.5	2.6	1.4	-2.8
S&P 500 Equal Weighted	***4.2%***			*-*	*9.7*	*10.5*	*20.1*	*25.6*	*2.6*	*1.5*	*-2.8*
Frontier Capital	**430,100,602**	**6/1/2002**	**11.3**	9.7	11.1	9.5	19.6	22.8	4.7	2.9	-2.4
Russell Mid Cap Growth	***3.6%***			*8.7*	*9.4*	*9.1*	*20.3*	*24.0*	*4.2*	*2.9*	*-1.9*
Wellington Management	**378,300,939**	**9/1/1998**	**15.0**	10.1	9.8	8.0	18.0	31.2	5.7	5.1	-1.7
Russell Mid Cap Growth	***3.2%***			*8.4*	*9.4*	*9.1*	*20.3*	*24.0*	*4.2*	*2.9*	*-1.9*
AJO Partners	**427,105,545**	**8/1/1998**	**15.1**	10.5	10.5	10.0	22.1	27.2	3.6	2.5	-3.2
Russell MidCap	***3.6%***			*8.7*	*10.1*	*9.1*	*19.7*	*24.9*	*3.0*	*1.7*	*-2.7*
Hotchkis & Wiley Mid Cap	**440,597,136**	**8/1/2002**	**11.1**	14.2	12.8	16.8	28.4	40.6	4.5	6.2	-3.3
Russell MidCap Value	***3.7%***			*10.9*	*10.4*	*8.9*	*19.1*	*25.4*	*1.6*	*0.4*	*-3.5*
Shapiro Capital Management	**529,487,222**	**2/1/1998**	**15.6**	10.1	12.6	11.7	19.6	30.3	4.0	3.1	-2.2
Russell 2000	***4.4%***			*8.1*	*8.8*	*8.0*	*20.5*	*26.3*	*3.6*	*3.1*	*-3.2*
Geneva Capital	**169,448,821**	**6/1/2013**	**0.2**	6.4	-	-	-	-	6.3	7.6	-0.5
Russell 2000 Growth	***1.4%***			*4.8*	*-*	*-*	*-*	*-*	*5.5*	*4.8*	*-2.0*
Wasatch Advisors	**163,683,547**	**6/1/2013**	**0.2**	1.3	-	-	-	-	3.8	3.0	-2.7
Russell 2000 Growth	***1.4%***			*4.8*	*-*	*-*	*-*	*-*	*5.5*	*4.8*	*-2.0*
Cove Street Capital	**92,019,000**	**6/1/2013**	**0.2**	1.6	-	-	-	-	3.1	1.2	-4.0
Russell 2000 Value	***0.8%***			*1.3*	*-*	*-*	*-*	*-*	*1.7*	*1.3*	*-4.4*
Frontier Capital	**132,103,815**	**6/1/2013**	**0.2**	-1.2	-	-	-	-	2.5	1.1	-4.5
Russell 2000 Value	***1.1%***			*1.3*	*-*	*-*	*-*	*-*	*1.7*	*1.3*	*-4.4*
Neumeier Poma	**97,105,947**	**6/1/2013**	**0.2**	7.7	-	-	-	-	4.4	5.1	-2.9
Russell 2000 Value	***0.8%***			*1.3*	*-*	*-*	*-*	*-*	*1.7*	*1.3*	*-4.4*
Brandes - Terminated	**534,128**	**2/1/1996**	**17.6**	-	-	-	-	-	-	-	-
MSCI ACWI Ex US	***0.0%***			*-*	*8.3*	*1.5*	*6.9*	*13.0*	*2.9*	*-1.5*	*-1.4*
Causeway Capital	**474,066,764**	**5/1/2003**	**10.3**	10.4	9.3	4.5	11.7	18.9	3.6	0.0	-1.8
MSCI ACWI Ex US	***4.0%***			*9.6*	*8.3*	*1.5*	*6.9*	*13.0*	*2.9*	*-1.5*	*-1.4*
International Transition Account	***417,900,225***	**2/1/1996**	**17.6**	-	-	-	-	-	-	-	-
MSCI ACWI Ex US	***3.5%***			*-*	*8.3*	*1.5*	*6.9*	*13.0*	*2.9*	*-1.5*	*-1.4*
Thornburg	**442,309,617**	**12/1/2005**	**7.8**	6.5	-	3.8	8.7	14.4	3.4	-1.0	-1.7
MSCI ACWI Ex US	***3.7%***			*4.2*	*8.3*	*1.5*	*6.9*	*13.0*	*2.9*	*-1.5*	*-1.4*
ARI Small Cap International	**180,643,815**	**12/1/2011**	**1.8**	*18.0*	-	-	-	*22.7*	*4.1*	*1.4*	*0.2*
MSCI EAFE Small Cap	***1.5%***			*17.1*	*10.0*	*5.5*	*12.1*	*24.4*	*6.0*	*2.1*	*-0.1*
Epoch Small Cap International	**180,498,626**	**12/1/2011**	**1.8**	*17.0*	-	-	-	*23.8*	*6.6*	*4.1*	*-0.1*
MSCI EAFE Small Cap	***1.5%***			*17.1*	*10.0*	*5.5*	*12.1*	*24.4*	*6.0*	*2.1*	*-0.1*
Wasatch Small Cap International	**182,317,588**	**12/1/2011**	**1.8**	*28.8*	-	-	-	*32.4*	*5.7*	*0.8*	*-0.4*
MSCI EAFE Small Cap	***1.5%***			*17.1*	*10.0*	*5.5*	*12.1*	*24.4*	*6.0*	*2.1*	*-0.1*
Wellington Small Cap International	**180,813,354**	**12/1/2011**	**1.8**	*24.8*	-	-	-	*31.2*	*5.9*	*3.8*	*0.3*
MSCI EAFE Small Cap	***1.5%***			*17.1*	*10.0*	*5.5*	*12.1*	*24.4*	*6.0*	*2.1*	*-0.1*

Fixed Income Portfolios Summary

As of August 31, 2013

Oklahoma Teachers Retirement System

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
Loomis Sayles	**558,960,104**	**8/1/1999**	**14.1**	7.0	7.6	9.6	5.9	-0.3	-0.6	-3.2	-1.1
Barclays Aggregate	***4.7%***			*5.7*	*4.8*	*4.9*	*2.6*	*-2.5*	*-0.4*	*-1.9*	*-0.5*
Lord Abbett	**564,990,848**	**11/1/2004**	**8.8**	6.1	-	7.3	4.7	-0.2	-0.2	-2.4	-0.5
Barclays Aggregate	***4.7%***			*4.6*	*-*	*4.9*	*2.6*	*-2.5*	*-0.4*	*-1.9*	*-0.5*
Mackay Shields	**564,736,675**	**11/1/2004**	**8.8**	6.4	-	8.1	6.2	1.6	0.4	-1.6	-0.3
Barclays Aggregate	***4.7%***			*4.6*	*-*	*4.9*	*2.6*	*-2.5*	*-0.4*	*-1.9*	*-0.5*
Hoisington	**254,976,217**	**11/1/2004**	**8.8**	7.4	-	7.4	2.9	-16.5	-3.3	-6.7	-0.7
Barclays Aggregate	***2.1%***			*4.6*	*-*	*4.9*	*2.6*	*-2.5*	*-0.4*	*-1.9*	*-0.5*
Stephens	***152***	***11/1/2004***	**8.8**	*4.6*	*-*	*4.5*	*1.9*	*-1.2*	*-0.1*	*-1.0*	*-0.4*
Barclays Aggregate	***0.0%***			*4.6*	*-*	*4.9*	*2.6*	*-2.5*	*-0.4*	*-1.9*	*-0.5*
Loomis Sayles High Yield	**231,796,210**	**2/1/2009**	**4.6**	16.2	-	-	8.5	7.7	-0.4	-4.1	-1.3
Merrill Lynch High Yield II	***1.9%***			*18.0*	*-*	*-*	*9.6*	*7.6*	*1.2*	*-1.4*	*-0.6*
Lord Abbett High Yield	**233,560,881**	**2/1/2009**	**4.6**	17.3	-	-	11.1	9.9	1.4	-1.2	-0.7
Merrill Lynch High Yield II	***2.0%***			*18.0*	*-*	*-*	*9.6*	*7.6*	*1.2*	*-1.4*	*-0.6*
Mackay Shields High Yield	**237,466,457**	**2/1/2009**	**4.6**	15.4	-	-	9.6	6.8	1.1	-0.9	-0.5
Merrill Lynch High Yield II	***2.0%***			*18.0*	*-*	*-*	*9.6*	*7.6*	*1.2*	*-1.4*	*-0.6*

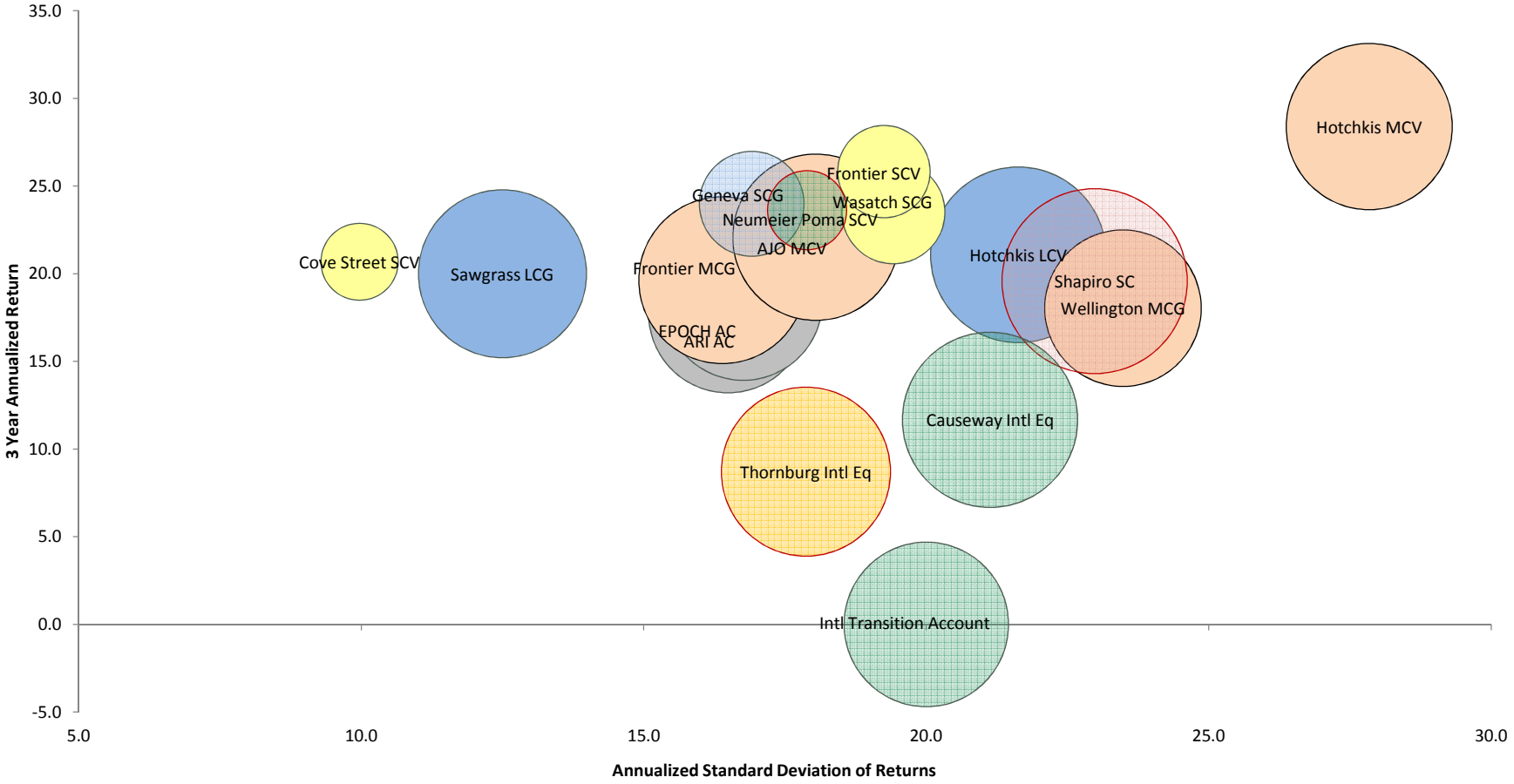
Non-Traditional Portfolios Summary

As of August 31, 2013

Oklahoma Teachers Retirement System

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
Chickasaw Capital MLP	**209,676,037**	**2/28/2011**	**2.5**	23.9	-	-	-	33.7	-1.7	0.7	-2.0
Alerian MLP Index	***1.8%***			*13.0*	-	-	-	*16.7*	*-3.0*	*0.1*	*-2.5*
Cushing MLP Management	**186,326,368**	**2/28/2011**	**2.5**	17.6	-	-	-	31.2	-0.7	1.6	-1.5
Alerian MLP Index	***1.6%***			*13.0*	-	-	-	*16.7*	*-3.0*	*0.1*	*-2.5*
FAMCO MLP	**339,761,595**	**2/28/2011**	**2.5**	13.5	-	-	-	20.8	-1.9	1.7	-3.1
Alerian MLP Index	***2.8%***			*13.0*	-	-	-	*16.7*	*-3.0*	*0.1*	*-2.5*
Legacy Private Equity Portfolio	**72,455,119**	**10/1/2008**	**4.9**	-	-	-	-	-	-	-	-
Franklin Park Private Equity	**186,528,649**	**4/1/2010**	**3.4**	-	-	-	-	-	-	-	-
Total Private Equity %	***2.2%***										
AEW Real Estate	**176,850,639**	**5/1/2011**	**2.3**	-	-	-	-	-	-	-	-
NCREIF - OEDCE	***1.5%***			-	-	-	-	-	-	-	-
Heitman Real Estate	**185,778,492**	**5/1/2011**	**2.3**	-	-	-	-	-	-	-	-
NCREIF - OEDCE	***1.6%***			-	-	-	-	-	-	-	-
L&B Real Estate	**167,448,015**	**4/1/2011**	**2.4**	-	-	-	-	-	-	-	-
NCREIF - OEDCE	***1.4%***			-	-	-	-	-	-	-	-
PIMCO Distressed Mortgage II	**38,748**	**12/1/2008**	**4.8**	-	-	-	-	-	-	-	-
Barclays Aggregate	***0.0%***			-	-	-	-	-	-	-	-
PIMCO BRAVO	**138,422,405**	**3/31/2011**	**2.4**	-	-	-	-	-	-	-	-
Barclays Aggregate	***1.2%***			-	-	-	-	-	-	-	-
PIMCO BRAVO II	**7,391,252**	**3/31/2013**	**0.4**	-	-	-	-	-	-	-	-
Barclays Aggregate	***0.1%***			-	-	-	-	-	-	-	-

Three Year Risk/Return Review - Equity Portfolios

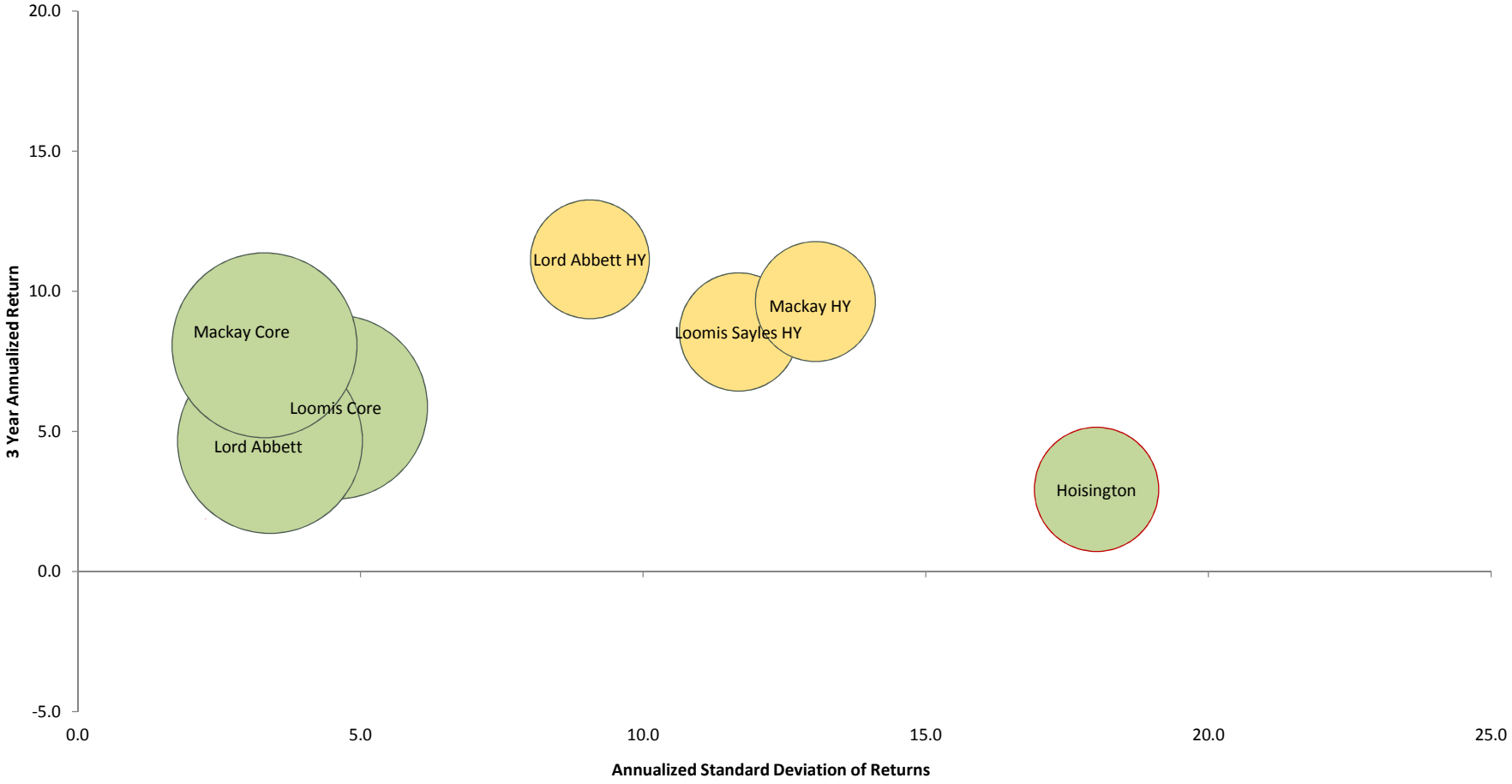


1Actual OTRS results used when available, compsoite when necessary.

As of August 31, 2013

Gregory W Group

Three Year Risk/Return Review - Fixed Income Portfolios



1Actual OTRS results used when available, compsoite when necessary.

As of August 31, 2013

Gregory W Group

September Manager Status Report

Material Status

Manager	Mandate	Strategy	AUM	% of Portfolio	Current Status	Reason for Status Change	Status Change Effective Date	Date of Last Review	Date of Next Review	Expectations
Stephens Capital Management	Fixed Income	Duration Management	$ 292,139,349	2.51%	Terminated	Performance	March 2013	March 2013	N / A	Transition the Portfolio and re-allocate within fixed income.
Epoch Investment Partners	Domestic Equity	All Cap Value	$ 366,403,912	3.14%	Alert	Organizational Issues	October 2012	June 2013	December 2013	A smooth transition through the change in ownership with no material impact on portfolio construction and investment philosophy.
Epoch Investment Partners	International Equity	Small Cap Value	$ 102,030,612	0.88%	Alert	Organizational Issues	October 2012	June 2013	December 2013	A smooth transition through the change in ownership with no material impact on portfolio construction and investment philosophy.
Wellington Management	Domestic Equity	Mid Cap Value	$ 336,758,907	2.89%	Alert	Performance	October 2012	June 2013	September 2013	A positive trend in fund performance relative to the benchmark

Hotline Provider Comparison			
Firm	**Set-Up Charge**	**Annual Fee**	**Comments**
Ethical Advocate	$500	$3,500	Capped at 50 calls annually
Report It	$575	$2,400	Up to 36 calls, additional $30 per call after that
Lighthouse	$0	$585	Telephone script optimization for $300 annually, website form changes subject to $100 per hour programming fee
Navex Global/Ethics Point	$1,950	$2,300	Issues can be redirected immediately

Governance Committee Charter

Purpose

The Governance Committee has been established to assist the Oklahoma Teachers' Retirement Board in fulfilling its fiduciary oversight responsibilities for the administration and adoption of internal governance principles and policies, and the monitoring thereof, including:

1. A comprehensive internal Ethics Policy
2. The Code of Conduct
3. Trustee Education Policy
4. Travel Expense Policy
5. The Employee Handbook
6. The Board of Trustees Policy Manual
7. The Board Governance and Board Administration Policies
8. Board Self-evaluation
9. Succession Planning
10. Organizational processes and accountabilities

Authority

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

1. All matters relating to the internal process and accountabilities of the OTRS.
2. Amendments to, or updates of: the Ethics Policy, the Code of Conduct, the Trustee Education Policy, the Travel Expense Policy, the Employee Handbook, the Board of Trustees Policy Manual, and the Board Governance and Board Administration Policies.
3. Requests to provide oversight of investigation activities involving a Board Member, employee, or other person acting relationship to the OTRS, or an internal personnel matter, policy, or procedure.
4. Process and procedures for Board Self-evaluation.
5. Amendments and updates to the internal succession plan.
6. 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.

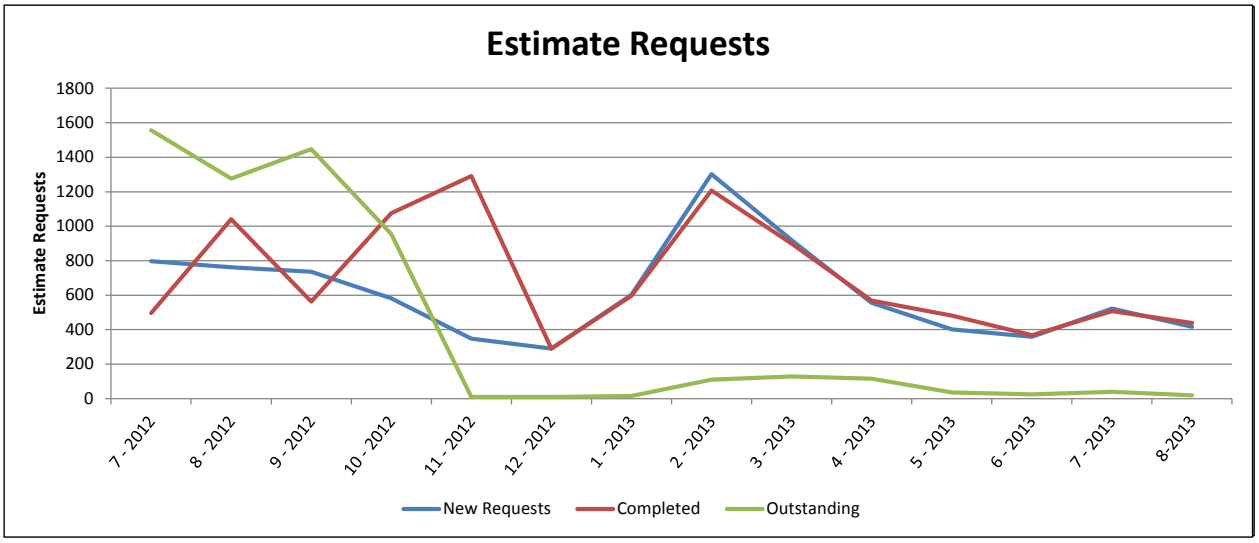
Meetings

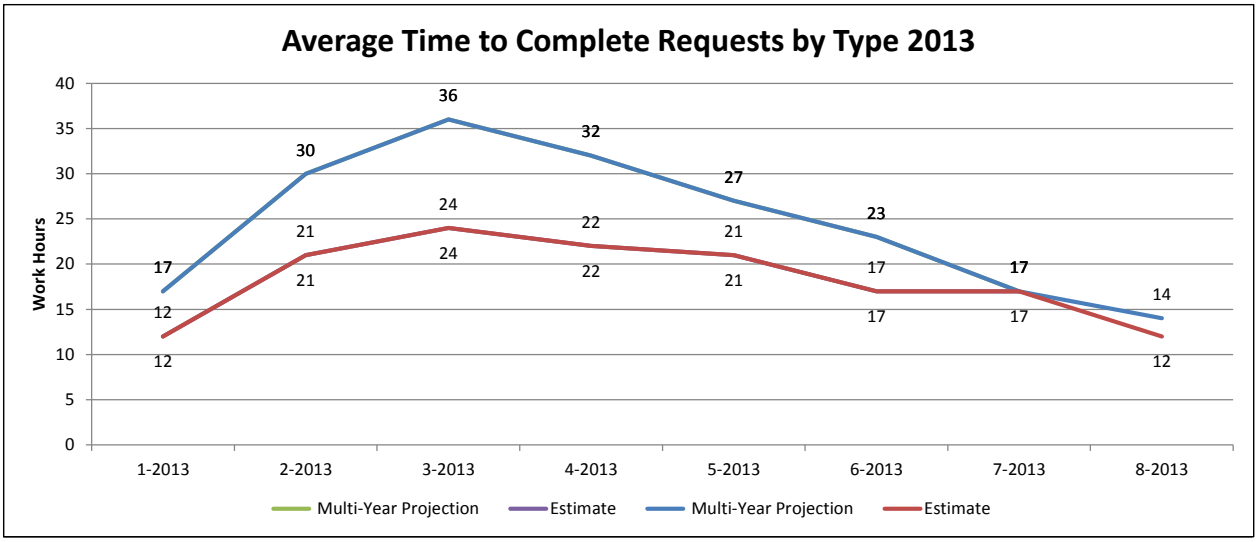
The Committee will meet at least four times a year, with authority to convene additional meetings as determined by the Committee Chair in consultation with the Board Chair.

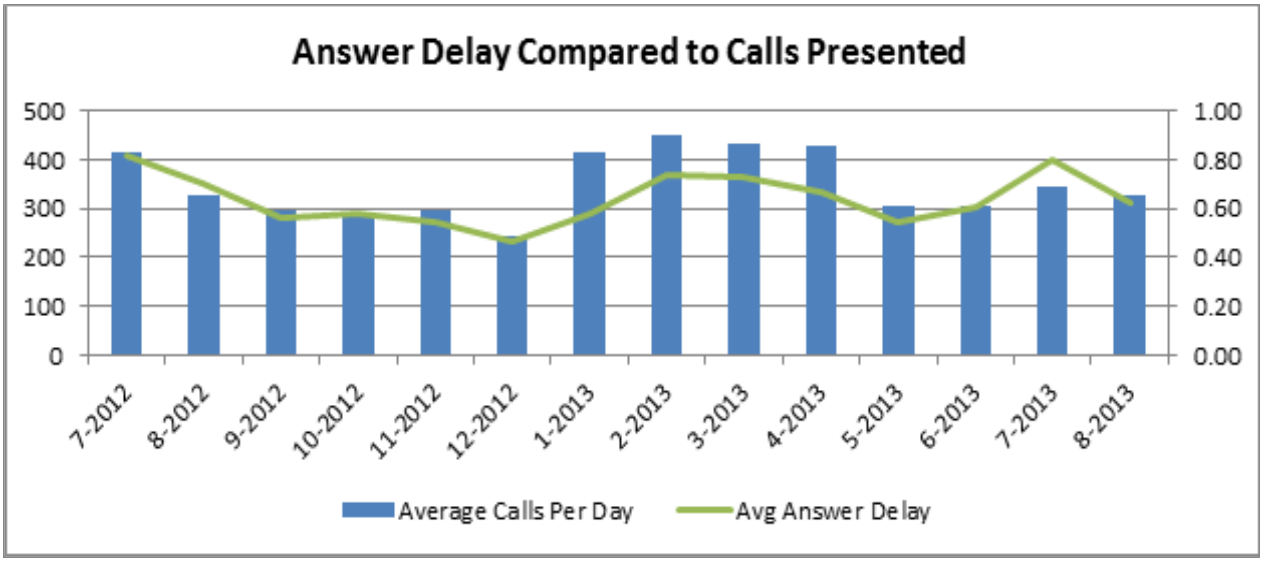
Responsibilities

The Governance Committee shall have responsibility for the following:

1. Ensuring and monitoring global compliance with the OTRS Ethics Policy, the Code of Conduct, the Employee Handbook, and Board of Trustees Policy Manual, and other internal policies as delegated by the Board.
2. Initiating and monitoring a yearly review of internal succession planning.
3. Provide oversight and conduction of, when necessary, investigation activities involving a Board Member, employee, or other person acting relationship to the OTRS, or an internal personnel matter, policy, or procedure, as delegated by the Board or Board Chair.
4. Assessing and monitoring internal organizational processes and accountabilities (that are not of an audit or investment nature), as delegated by the Board or Board Chair.
5. Initiating and providing oversight for the Board Self-evaluation process.


Estimate Requests
Estimate Requests
1800
1600
1400
1200
1000
800
600
400
200
0
7 - 2012
8 - 2012
9 - 2012
10 - 2012
11 - 2012
12 - 2012
1 - 2013
2 - 2013
3 - 2013
4 - 2013
5 - 2013
6 - 2013
7 - 2013
8-2013
New Requests
Completed
Outstanding


Average Time to Complete Requests by Type 2013
Work Hours
40
35
30
25
20
15
10
5
0
36
30
32
27
23
17
17
14
24
21
22
21
17
12
24
21
22
21
17
17
12
12
1-2013
2-2013
3-2013
4-2013
5-2013
6-2013
7-2013
8-2013
Multi-Year Projection
Estimate
Multi-Year Projection
Estimate


Answer Delay Compared to Calls Presented
500
400
300
200
100
0
1.00
0.80
0.60
0.40
0.20
0.00
7-2012
8-2012
9-2012
10-2012
11-2012
12-2012
1-2013
2-2013
3-2013
4-2013
5-2013
6-2013
7-2013
8-2013
Average Calls Per Day
Avg Answer Delay

Oklahoma Teachers Retirement System

Monthy Retirement Status Report - September 2013

New Retirements	Count	
Type		Benefit Total
Disability	7	$7,521.36
Normal	198	$343,158.62
Total	205	$350,679.98
Terminated Retirements	22	$23,680.32
Net Change	183	$326,999.66

NORMAL RETIREMENTS

9/1/2013

Client #	Client Name			Estimate Ret. Date	Retirement Number	Benefit
Q0124229	STANLEY		ADDY	9/1/2013	098978	$2,144.11
Q0301449	KATHY	J	ANDERSON	9/1/2013	098956	$271.34
Q0086513	CAROLYN	G	ANDREWS	9/1/2013	098979	$986.17
Q0129208	CARRIE	L	ARMENTROUT	9/1/2013	098957	$2,808.67
Q0182098	DANITA	E	ARROWSMITH	9/1/2013	098980	$1,397.52
Q0028684	PATRICIA	A	ATKINSON	9/1/2013	098981	$1,181.45
Q0223243	DONALD	R	BAKER	9/1/2013	098927	$3,237.03
Q0285364	JACK	L	BAKER	9/1/2013	098982	$632.34
Q0063396	E	E	BARTGIS	9/1/2013	098983	$1,426.33
Q0205577	MARSHA	L	BARTLING	9/1/2013	098929	$1,949.81
Q0028719	PATRICIA	D	BLAES	9/1/2013	098958	$900.96
Q0260516	LUIS	J	BLANCO	9/1/2013	098984	$2,671.61
Q0284042	DON	R	BLEHM	9/1/2013	098985	$306.24
Q0090741	BRIAN	C	BOGGS	9/1/2013	098922	$2,636.32
Q0104446	JERRY	A	BRAGG	9/1/2013	098986	$655.68
Q0042842	DONNA	K	BRIDGMAN	9/1/2013	098959	$691.37
Q0128996	LISA	R	BROWN	9/1/2013	098953	$2,262.67
Q0204198	LONIA	W	BROWN	9/1/2013	098960	$2,438.90
Q0219074	KAREN		BROWN	9/1/2013	098987	$1,014.90
Q0216746	WILLIAM	S	BRULE	9/1/2013	098988	$1,248.32
Q0180581	NANCY		BUCKLIN	9/1/2013	098961	$1,981.40
Q0143564	JONNA	J	BUNYAN	9/1/2013	098962	$4,085.92
Q0120226	JULIA	M	BURNS	9/1/2013	098963	$1,500.45
Q0032246	DIXIE	L	BUSBY	9/1/2013	098964	$4,213.22
Q0230108	MARY	E	CALLIES	9/1/2013	099101	$2,228.60
Q0085165	JEAN	M	CARROLL	9/1/2013	098989	$939.64
Q0250597	THOMAS	L	CASTLE	9/1/2013	098990	$1,381.91
Q0301757	ELVERT		CELESTINE	9/1/2013	098991	$273.88
Q0127612	DIANE	M	CERNY	9/1/2013	098992	$2,137.09
Q0181694	CAROLYN		CHATIGNY	9/1/2013	098993	$536.11
Q0103546	LINDA	F	CHEBAHTAH	9/1/2013	098994	$223.41
Q0004723	JOHN	J	CHIODO	9/1/2013	098892	$2,795.74
Q0160093	JOHN	I	CHIPMAN	9/1/2013	098965	$366.23
Q0007021	MICHAEL		CHRISTIE	9/1/2013	098995	$567.77
Q0219275	CATHY	A	CONWAY	9/1/2013	098996	$2,075.18
Q0164287	MYRNA	K	CORVIN	9/1/2013	098955	$3,181.12
Q0045972	KATHRYN	E	COURTNEY	9/1/2013	098997	$255.06
Q0244809	ANN	E	COVINGTON	9/1/2013	098998	$1,086.42
Q0140436	MARILYN	J	CRINER	9/1/2013	098999	$1,537.90
Q0047180	DAN	F	CRISWELL	9/1/2013	099000	$1,755.52
Q0089498	SHARON	A	DAMRON	9/1/2013	098897	$1,924.44
Q0122374	DIANNA	L	DARK	9/1/2013	099002	$2,205.89
Q0224716	LAWRENCE	E	DE BAULT	9/1/2013	098966	$1,657.87
Q0186127	CYNTHIA	A	DETRICK	9/1/2013	098967	$1,551.36
Q0100715	LARRY	K	DUFFY	9/1/2013	099003	$5,133.14
Q0065454	RICHARD	C	DUNAWAY	9/1/2013	099004	$1,716.62
Q0233056	LAURA	H	DUNN	9/1/2013	098968	$1,567.70
Q0030685	DEBORAH	J	EASTMAN	9/1/2013	099005	$3,093.45

NORMAL RETIREMENTS

9/1/2013

Client #	Client Name			Estimate Ret. Date	Retirement Number	Benefit
Q0063969	BRADLEY	H	ELLIS	9/1/2013	098944	$4,203.42
Q0042558	EDDY	L	EMERSON	9/1/2013	099006	$506.63
Q0118638	JOAN	D	EVERETT	9/1/2013	099007	$1,351.60
Q0048213	JUDITH	L	FAGAN	9/1/2013	098969	$2,816.12
Q0087169	RODGER		FASSIO	9/1/2013	098970	$2,816.44
Q0065597	DEBORAH	K	FONTANA	9/1/2013	099008	$1,324.16
Q0121690	KATHY	A	FORMAN	9/1/2013	099009	$3,328.89
Q0164366	JAMES	E	FOSTER	9/1/2013	098886	$2,814.85
Q0255412	LINDA	J	FOULKS	9/1/2013	099010	$248.63
Q0070386	RHONDA	F	FOX	9/1/2013	099011	$2,417.33
Q0145303	CAROL		FRAZIER	9/1/2013	099012	$662.41
Q0126374	LAUREN	S	FULFORD	9/1/2013	099013	$2,032.87
Q0227852	RONDA	R	GAMSTER	9/1/2013	099055	$539.39
Q0071379	KATHY	L	GARDENHIRE	9/1/2013	099056	$2,502.22
Q0239772	DAVID	W	GARRISON	9/1/2013	099057	$2,825.42
Q0027633	MARY	A	GEENEN	9/1/2013	099058	$1,195.90
Q0281718	TERESA	S	GENTRY	9/1/2013	099059	$672.69
Q0164617	SHERYL	D	GEWIN	9/1/2013	098931	$2,271.33
Q0123988	FANNIE	M	GIBSON-GILES	9/1/2013	099060	$2,922.74
Q0163402	FLORIAN	A	GIZA	9/1/2013	098907	$705.99
Q0205470	CHESTER	L	GLENN	9/1/2013	099061	$490.97
Q0104897	CAMELLA	K	GOINS	9/1/2013	099063	$754.90
Q0160119	ROBERT	E	GRAALMAN	9/1/2013	099098	$2,402.62
Q0196183	JANICE	K	GRAVES	9/1/2013	098952	$593.88
Q0229871	DEBRA	S	GRAY	9/1/2013	098916	$1,549.62
Q0303241	CANDICE	S	GRIFFIN	9/1/2013	099062	$235.35
Q0127239	BRENDA		HALL	9/1/2013	099064	$1,696.23
Q0206980	LEAH	J	HALLMARK	9/1/2013	098930	$2,286.39
Q0108978	PHYLLIS		HAMMONS	9/1/2013	099065	$1,850.65
Q0218280	MARY	L	HANSON-HOLLIS	9/1/2013	098920	$1,528.52
Q0164310	TAWANNA	J	HARJO	9/1/2013	099066	$316.49
Q0032913	WILLIAM	H	HARRIS	9/1/2013	098938	$3,459.76
Q0048154	EARL	W	HARTFIELD	9/1/2013	099067	$932.59
Q0162330	CONNIE	J	HAYLES	9/1/2013	099068	$2,088.48
Q0218177	FRANCES	A	HAYS	9/1/2013	099069	$485.47
Q0009927	JANET	M	HENDERSON	9/1/2013	099070	$3,062.58
Q0183013	SARAH	O	HENSON	9/1/2013	099071	$2,473.24
Q0086418	GARY		HEYD	9/1/2013	099072	$779.18
Q0233753	BARBARA	S	HIMES	9/1/2013	099073	$232.34
Q0067100	IVA	L	HOBSON	9/1/2013	098901	$1,774.98
Q0066129	GERRY	A	HOLLAND	9/1/2013	099074	$583.33
Q0030120	PHILIP	D	HOLLEY	9/1/2013	098943	$3,691.09
Q0162987	CAROLYN		HOLT	9/1/2013	099075	$276.14
Q0278797	GERALDINE		HUDSON	9/1/2013	099076	$152.12
Q0205147	GREG		JACKSON	9/1/2013	099077	$2,964.89
Q0164876	KAREN		JOBE	9/1/2013	099078	$2,065.08
Q0085774	MICHAEL	L	KALLAM	9/1/2013	099079	$1,273.04
Q0162683	BOBBE		KEDDINGTON	9/1/2013	098926	$4,632.36

NORMAL RETIREMENTS

9/1/2013

Client #	Client Name			Estimate Ret. Date	Retirement Number	Benefit
Q0049214	JULIE	M	KELLY	9/1/2013	099080	$538.16
Q0204419	DEBBIE	G	KILMER	9/1/2013	099081	$222.24
Q0160263	STEPHEN	B	KING	9/1/2013	099082	$1,814.40
Q0067832	JEFF		KIRBY	9/1/2013	098909	$1,491.81
Q0195787	WALTER	H	LAMIRAND	9/1/2013	099083	$3,171.70
Q0203616	BRENDA	C	LEGIER	9/1/2013	098939	$721.91
Q0087207	SHARRON	L	LEWIS	9/1/2013	098924	$1,884.68
Q0050872	VICKI	L	LITTLE	9/1/2013	098921	$1,863.45
Q0064076	SUSAN	M	LOBSINGER	9/1/2013	099084	$580.67
Q0162259	CARL	L	LYTLE	9/1/2013	099085	$214.97
Q0214389	VIRGIL	A	MADDOX	9/1/2013	098932	$2,237.99
Q0122399	RICK	D	MAHAFFEY	9/1/2013	098900	$3,917.63
Q0034420	MICHELLE	E	MARCUM	9/1/2013	099086	$308.71
Q0017292	MARJORIE	M	MARCY	9/1/2013	098911	$2,991.55
Q0108900	RAYMOND	P	MARKLEY	9/1/2013	098899	$1,787.86
Q0025326	DALE	M	MARONEK	9/1/2013	098894	$3,058.31
Q0282674	LENDALL	A	MARTIN	9/1/2013	098898	$728.93
Q0158451	WILLIAM	K	MARTIN	9/1/2013	098941	$3,245.90
Q0287170	SHARON	S	MATLOCK	9/1/2013	099087	$204.47
Q0065990	PHYLLIS		MCCLURE	9/1/2013	099088	$1,198.65
Q0231128	PAMELA	K	MCDONALD	9/1/2013	099089	$504.55
Q0048370	JAMES	W	MCGAVIC	9/1/2013	098893	$1,068.51
Q0048622	GAYLA	M	MCHENRY	9/1/2013	098912	$638.98
Q0037517	JAMES	W	MCKETHAN	9/1/2013	098903	$2,488.14
Q0013617	DANIEL	L	MCNEILL	9/1/2013	098918	$2,996.80
Q0046418	KATHY		MEIER	9/1/2013	098905	$2,706.71
Q0125850	JO	A	MELOY	9/1/2013	098940	$1,520.69
Q0180523	THERESA	A	MENNECKE	9/1/2013	098936	$3,659.17
Q0165626	DOUGLAS	P	MONTGOMERY	9/1/2013	098934	$2,152.69
Q0083618	MELVA	D	MOORE	9/1/2013	098915	$287.08
Q0181600	MARY	A	MOORE	9/1/2013	099090	$5,652.81
Q0167783	JAMES	B	MORRIS	9/1/2013	098942	$2,009.93
Q0162747	STEVEN	D	MUNSON	9/1/2013	099091	$2,310.51
Q0103719	ANITA	S	NEAL	9/1/2013	098935	$1,507.63
Q0188253	COBY		NEHER	9/1/2013	098937	$2,225.73
Q0107825	LEAH	D	NELLIS	9/1/2013	099092	$2,712.32
Q0026778	DAVID	L	NIXON	9/1/2013	099093	$987.23
Q0046454	LU	D	OVERMON	9/1/2013	098933	$1,801.17
Q0004580	DAVID	W	PARKE	9/1/2013	098913	$2,043.31
Q0222919	VERA	M	PARKER	9/1/2013	098925	$506.03
Q0200648	PATTY	A	PARKER	9/1/2013	099094	$1,669.41
Q0146553	PATTIE	L	PARKS	9/1/2013	099095	$2,369.94
Q0035588	MAXANN		PETERSON	9/1/2013	098917	$1,488.72
Q0141355	CAROL	L	PHOENIX	9/1/2013	099096	$258.06
Q0035608	EARLEAN		POWERS	9/1/2013	098904	$2,887.69
Q0103795	ROSE	A	QUAID	9/1/2013	099097	$1,584.65
Q0009562	REGINALD	W	RAMEY	9/1/2013	098971	$3,246.50
Q0163760	DIXIE	K	RANALLO	9/1/2013	099014	$3,035.01

NORMAL RETIREMENTS

9/1/2013

Client #	Client Name			Estimate Ret. Date	Retirement Number	Benefit
Q0048427	KARLA	S	REDBIRD	9/1/2013	099015	$1,786.24
Q0084184	DARRYEL	L	REIGH	9/1/2013	098896	$4,047.15
Q0088711	DEBBIE	L	ROBERTSON	9/1/2013	098972	$1,833.10
Q0107929	SANDRA	V	RUCQUOY	9/1/2013	099016	$1,928.95
Q0069767	NEDRA	J	SANDERS	9/1/2013	099017	$1,703.43
Q0142688	BEVERLY	A	SAUER	9/1/2013	099018	$750.00
Q0225859	GLENDA	A	SCHERLER	9/1/2013	099019	$1,736.00
Q0139297	VALENTINE	F	SCHOTT	9/1/2013	099020	$1,962.59
Q0085896	CAROL	J	SECOR	9/1/2013	098974	$652.19
Q0222499	ROSA		SEPULVEDA	9/1/2013	099021	$360.41
Q0051182	CYNTHIA	D	SHIRLEY	9/1/2013	099022	$754.63
Q0050046	JANEY	A	SIMMONS	9/1/2013	099023	$548.02
Q0287069	MICHAEL	E	SKINNER	9/1/2013	099024	$158.34
Q0230416	JAMES	H	SLEEZER	9/1/2013	099025	$2,601.16
Q0159767	JANE	R	SMITH	9/1/2013	098908	$408.30
Q0280324	TERESA		SNEED	9/1/2013	099026	$136.46
Q0046640	KENNETH	R	SPARKMAN	9/1/2013	098914	$449.05
Q0247978	SUE	A	SPARKS	9/1/2013	098895	$2,146.95
Q0253340	KARL		SPRINGER	9/1/2013	099027	$8,208.03
Q0145653	VICKI	J	STACKS	9/1/2013	099028	$2,999.45
Q0247382	WANDA	L	STEPHENS	9/1/2013	099029	$2,093.40
Q0198568	BARBARA	A	STIDHAM	9/1/2013	099030	$2,582.41
Q0050504	JO	L	STROUP	9/1/2013	098977	$309.41
Q0082984	LINDA		TAPP	9/1/2013	099031	$509.25
Q0108210	DUNCAN	W	TAYLOR	9/1/2013	098877	$2,926.97
Q0069611	DERRYL	M	TAYLOR	9/1/2013	099032	$2,316.23
Q0045307	LARRY		THOMAS	9/1/2013	099033	$5,237.51
Q0065490	CYNTHIA	L	THOMPSON	9/1/2013	099034	$380.97
Q0019595	DAVID	R	THOMPSON	9/1/2013	099035	$3,268.00
Q0140449	MARGARET	L	TURNER	9/1/2013	099036	$389.65
Q0004981	DONALD	J	TURTON	9/1/2013	098928	$2,604.03
Q0061829	ILA	S	VALENCIA	9/1/2013	099037	$431.94
Q0232572	DOROTHY	M	VAUGHN	9/1/2013	098923	$1,142.29
Q0101302	BARBARA		WADE	9/1/2013	099038	$1,034.20
Q0294157	PAMELA		WAGNER	9/1/2013	099039	$315.86
Q0121338	MARGARET	J	WATTERS	9/1/2013	099040	$1,838.15
Q0225917	RON		WEBB	9/1/2013	098910	$1,643.71
Q0253374	BRENDA	J	WEBB	9/1/2013	099041	$1,500.85
Q0105964	KATHRYN		WELLS	9/1/2013	099042	$1,672.97
Q0066742	CHARLES	M	WILLIAMS	9/1/2013	098902	$1,990.44
Q0067842	BENNY	N	WILLIAMS	9/1/2013	099043	$1,035.36
Q0159302	JOE	M	WILLIAMS	9/1/2013	099044	$855.47
Q0254441	PEGGY	L	WILLIAMSON	9/1/2013	099045	$287.20
Q0288410	BEVERLY	A	WILSON	9/1/2013	099046	$1,088.74
Q0086102	CATHERINE	A	WIRSICH	9/1/2013	099099	$1,746.68
Q0082786	MARILYN		WISDOM	9/1/2013	099047	$730.20
Q0105856	DEBRA	S	WISE	9/1/2013	099048	$2,534.29
Q0243584	DIXIE	K	WISHNUCK	9/1/2013	099049	$182.20

NORMAL RETIREMENTS

9/1/2013

Client #	Client Name			Estimate Ret. Date	Retirement Number	Benefit
Q0065572	PAMELIA	R	WITTENMYER	9/1/2013	098906	$3,084.63
Q0004812	ALICE	P	WOODFORD	9/1/2013	099050	$2,978.14
Q0166197	BUANITA	J	WOODS	9/1/2013	099051	$2,213.47
Q0046740	LILLIE	M	ZAHEER	9/1/2013	099052	$1,753.34
Q0070987	DAWN		ZOSCHKE	9/1/2013	099053	$184.11
Q0010284	BECKY	L	ZWICK	9/1/2013	099054	$996.04
TOTAL						**$343,158.62**

Disability Retirements

September 2013

Client #	Client Name			Estimate Ret. Date	Retirement Number	Benefit
Q0090262	MICHAEL	L	BAIRD	9/1/2013	D098948	$1,628.51
Q0123144	SHARON		COX	9/1/2013	D098950	$1,271.38
Q0072540	CATHLEEN	N	JONES	9/1/2013	D098951	$1,023.02
Q0164673	GAIL	P	LATIMER	9/1/2013	D098945	$1,924.10
Q0148850	SHARON	K	PARKS	9/1/2013	D098949	$470.00
Q0147451	RITA	A	SMITH	9/1/2013	D098947	$181.08
Q0146404	CHRISTINE		WILSON	9/1/2013	D098946	$1,023.27
TOTAL						**$7,521.36**

Terminations
September 2013

Termination	Retire. #	Annuitant Name	Death	Termination	Benefit
Deceased	024365	WANDA L BARESEL	08/28/2013	09/01/2013	$998.60
Deceased	036384	GERALD W BOYD	08/10/2013	09/01/2013	$1,264.44
Deceased	025431	PATRICIA J CUPLIN	08/26/2013	09/01/2013	$803.74
Deceased	025432	PATRICIA J CUPLIN	08/26/2013	09/01/2013	$369.65
Deceased	021962	MARY L DANIEL	08/04/2013	09/01/2013	$482.35
Deceased	D01676	LINDA L FULLER	08/24/2013	09/01/2013	$646.43
Deceased	022930	BARBARA A GREY	08/28/2013	09/01/2013	$913.90
Deceased	D01095	GERALD R HICKS	08/23/2013	09/01/2013	$2,176.55
Deceased	024274	ELSIE M LANG	08/17/2013	09/01/2013	$1,714.82
Deceased	064069	REUBEN D LEWIS SR	08/23/2013	09/01/2013	$1,939.55
Deceased	060172	GUY T LOGSDON	08/22/2013	09/01/2013	$2,125.86
Deceased	049964	JESSIE M LOVELESS	08/27/2013	09/01/2013	$523.95
Deceased	054726	JEANNE LOWELL	08/26/2013	09/01/2013	$1,990.22
Deceased	021199	BETTY B MCLEOD	08/26/2013	09/01/2013	$828.42
Deceased	024877	JESSA L MONIGOLD	08/15/2013	09/01/2013	$868.21
Deceased	028066	JESSA L MONIGOLD	08/15/2013	09/01/2013	$834.96
Deceased	026277	EDITH H MYERS	08/22/2013	09/01/2013	$1,480.48
Deceased	038609	ESEL S NORRIS	08/27/2013	09/01/2013	$1,395.16
Deceased	046622	IVAN L PECK	08/16/2013	09/01/2013	$434.78
Deceased	030990	ROSE M STOKES	08/31/2013	09/01/2013	$1,193.82
Deceased	042388	PHYLLIS O SUMMERS	08/13/2013	09/01/2013	$447.99
Deceased	016123	BERTHA M URQUHART	08/13/2013	09/01/2013	$246.44
Total					**$23,680.32**

Teachers' Retirement System of Oklahoma
Cash Flow Report - Finance Division
August 31, 2013

Board Meeting September 25, 2013

Cash Basis	August 2012	August 2013		
Monthly Contributions:	Fiscal Year 2013	Fiscal Year 2014	$ Change	% Change
Member Deposits	$16,980,990.78	$14,316,036.22	($2,664,954.56)	-15.69%
Employer Contributions	20,109,525.46	12,662,923.23	(7,446,602.23)	-37.03%
State Revenue	21,837,348.19	22,647,428.07	810,079.88	3.71%
Total Retirement Receipts	58,927,864.43	49,626,387.52	(9,301,476.91)	-15.78%
Monthly Distributions:				
Retirement Benefits	91,733,667.19	98,988,583.04	7,254,915.85	7.91%
Withdrawals and Death Benefits	4,122,844.25	3,730,989.83	(391,854.42)	-9.50%
Total Benefit Payments	95,856,511.44	102,719,572.87	6,863,061.43	7.16%
Net (Receipts - Payments)	($36,928,647.01)	($53,093,185.35)	($16,164,538.34)	43.77%

	Year to Date	Year to Date		
Year to Date Contributions:	Fiscal Year 2013	Fiscal Year 2014	$ Change	% Change
Member Deposits	$38,550,178.46	$38,709,693.11	$159,514.65	0.41%
Employer Contributions	50,077,641.21	51,235,300.47	1,157,659.26	2.31%
State Revenue	51,170,679.36	51,565,938.21	395,258.85	0.77%
Total Retirement Receipts	139,798,499.03	141,510,931.79	1,712,432.76	1.22%
Year to Date Distributions:				
Retirement Benefits	191,794,290.96	200,589,759.60	8,795,468.64	4.59%
Withdrawals and Death Benefits	8,204,269.47	7,871,354.08	(332,915.39)	-4.06%
Total Benefit Payments	199,998,560.43	208,461,113.68	8,462,553.25	4.23%
Net (Receipts - Payments)	($60,200,061.40)	($66,950,181.89)	($6,750,120.49)	11.21%

OKLAHOMA TEACHERS RETIREMENT SYSTEM

Agency Totals
Budget Request Program
Fiscal 2014

Object of Expenditure	Approved FY 2014 Budget	Requested FY-2015 Budget	Increase (Decrease) Budget	Increase (Decrease) Percentage
Personal Services				
Salary and Longevity Pay Expenses	2,063,928	2,107,680	43,752	2.1%
Taxes, Benefits, and Other Expenses	1,133,600	1,159,778	26,178	2.3%
Subtotal Personal Services	**3,197,528**	**3,267,458**	**69,930**	**2.2%**
Professional Services				
Investment Manager Expenses	40,000,000	44,000,000	4,000,000	10.0%
Investment Consultant Expenses	702,000	702,000	0	0.0%
Investment Custodian Expenses	75,000	75,000	0	0.0%
Pension Commission Expenses	60,000	60,000	0	0.0%
Subtotal Investment Expenses	**40,837,000**	**44,837,000**	**4,000,000**	**9.8%**
Legal Services - Special Projects	50,000	50,000	0	0.0%
Legal Services - Attorney General	55,000	55,000	0	0.0%
Administrative Hearings	1,000	1,000	0	0.0%
Auditing Services	245,000	245,000	0	0.0%
Actuarial Services	150,000	150,000	0	0.0%
Medical Hearings	10,000	10,000	0	0.0%
Management Consulting	70,000	70,000	0	0.0%
Marketing Consulting	50,000	50,000	0	0.0%
Miscellaneous Services	60,250	60,250	0	0.0%
Subtotal Professional Services	**691,250**	**691,250**	**0**	**0.0%**
Subtotal Professional Services	**41,528,250**	**45,528,250**	**4,000,000**	**9.6%**
Travel and Per Diem Expenses				
Non-Employee Travel Expenses	51,600	51,600	0	0.0%
Employee Training	39,300	39,300	0	0.0%
Employee Travel Expenses	98,768	98,768	0	0.0%
Subtotal Travel and Per Diem Expenses	**189,668**	**189,668**	**0**	**0.0%**
Administrative Expenses				
Postage	255,000	255,000	0	0.0%
Telecommunication Services	40,000	40,000	0	0.0%
Printing and Binding Contracts	90,000	90,000	0	0.0%
Informational Services	45,000	45,000	0	0.0%
Rent and Maintenance	252,900	252,900	0	0.0%
Office Supplies	36,400	36,400	0	0.0%
Equipment	0	0	0	0.0%
Buildings-Purch, Construction Repair	10,000	10,000	0	0.0%
Miscellaneous Administrative Expenses	40,900	40,900	0	0.0%
Subtotal Administrative Expenses	**770,200**	**770,200**	**0**	**0.0%**
Data Processing Expenses				
Professional Services	1,555,000	1,555,000	0	0.0%
Travel and Per Diem Expenses	0	0	0	0.0%
Rent and Maintenance	4,000	4,000	0	0.0%
Office Supplies	22,485	22,485	0	0.0%
Equipment	90,765	90,765	0	0.0%
Miscellaneous Administrative Expenses	0	0	0	0.0%
Subtotal Data Processing Expenses	**1,672,250**	**1,672,250**	**0**	**0.0%**
Total Expenses	**47,357,896**	**51,427,826**	**4,069,930**	8.6%
Totals Investment Expenses Only	**40,837,000**	**44,837,000**	**4,000,000**	9.8%
Totals Data Processing Expenses Only	**1,672,250**	**1,672,250**	**0**	0.0%
Totals ex Investment and Data Processing Expenses	**4,848,646**	**4,918,576**	**69,930**	1.4%