

**MEETING MINUTES  
JANUARY 27, 2010  
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 Smith, Chairman, at 9:02 A.M., in the Administration Board Room, 5<sup>th</sup> Floor, Oliver Hodge Education Building, 2500 N. Lincoln Blvd, OKC, OK. The meeting notice and agenda was posted in accordance with 25 O.S. 2001 Section 311(9).

**TRUSTEES PRESENT:**

James Smith, *Chairman*

Michael Simpson, *Vice-Chairman*

Dick Neptune, *Secretary*

Sherrie Barnes

Cathy Conway

Odilia Dank

Bruce DeMuth\*

Richard Gorman

Galeard Roper\*

Billie Stephenson

Gary Trennepohl

**TRUSTEES ABSENT:**

Michael Clingman

Sandy Garrett

**TRS STAFF PRESENT:**

James R. Wilbanks, *Executive Secretary*

Joe Ezzell, *Assistant Executive Secretary*

Kim Bold, *Director of Human Resources\**

Josh Richardson, *Internal Auditor\**

Nick Pointer, *Investment Associate\**

Sharron Coffman, *Director of Client Services*

Karen Yost, *Assistant to the Executive Secretary and Board of Trustees*

Becky Wilson, *Replacement of Karen Yost, Executive Assistant to the Executive Secretary*

**LEGAL COUNSEL PRESENT:**

Regina Switzer, *Assistant Attorney General*

**INVESTMENT CONSULTANT PRESENT:**

Gregory T. Weaver, *gregory.w.group*

Douglas J. Anderson, *gregory.w.group*

**OTHERS PRESENT:**

Norman Cooper, *Oklahoma Retired Educators Association*

Chuck Callahan, *JP Morgan*

Eric Boeckman, *E-Capitol News Network*

*\*Denotes either late arrival or early departure*

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

**ITEM 2 - DECEMBER 16, 2009 MEETING MINUTES:** A motion was made by Ms. Conway with a second made by Dr. Trennepohl to approve the December 16, 2009 minutes as presented. The motion carried by a unanimous voice vote.

**ITEM 3 - PRESENTATIONS BY INVESTMENT MANAGERS:** Capital Guardian and Causeway Capital, Investment Managers, were present to give respective presentations to the Board.

*A break was taken from 9:45 to 9:50 a.m. and 10:45 to 10:55 a.m.*

**ITEM 4 - INVESTMENT REPORTS:**

- A. Gregory Weaver and Douglas Anderson of gregory.w.group, Investment Consultants to the Board, gave the Board their monthly report.
- B. After discussion, a motion was made by Mr. Neptune with a second made by Ms. Conway to continue the “on alert” status for Advisory Research Inc. and Capital Guardian until June 2010. The motion carried by a unanimous voice vote of the Board.
- C. After discussion, a motion was made by Ms. Conway with a second made by Mr. Neptune to grant an exception to the MacKay Shields portfolio. Trustees responding yes to the vote were: Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Mr. Gorman; Mr. Neptune; Mr. Roper; Mr. Simpson; Ms. Stephenson; Chairman Smith. Trustees responding no to the vote: Dr. Trennepohl. Chairman Smith declared the motion to have passed.
- D. No action was necessary.
- E. After discussion on Investment Guidelines, no action was necessary.

**ITEM 5 - LEGAL REPORT:** Regina Switzer, Assistant Attorney General and legal counsel to the Board, gave the legal report to the Board. There was no action necessary on the report.

*A break for lunch was taken from 11:40 a.m. to 12:10 p.m.*

**ITEMS 6 AND 7 – STRUCK FROM THE AGENDA DUE TO INCORRECT STATUTORY REFERENCE**

**ITEM 8 - INVESTMENT CONSULTANT RFP:** After discussion, a motion was made by Mr. DeMuth with a second made by Mr. Roper to retain gregory.w.group as the Board Investment Consultants. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Mr. Gorman; Mr. Neptune; Mr. Roper; Mr. Simpson; Ms. Stephenson; Dr. Trennepohl; and Chairman Smith.

**ITEM 12 - EXECUTIVE SESSION REGARDING THE EXECUTIVE SECRETARY OF THE TEACHERS’ RETIREMENT SYSTEM OF OKLAHOMA:**

- A. A motion was made by Mr. Simpson with a second made by Ms. Conway to enter into Executive Session at 12:30 p.m. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Mr. Gorman; Mr. Neptune; Mr. Roper; Mr. Simpson; Ms. Stephenson; Dr. Trennepohl; and Chairman Smith.
- B. A motion was made by Mr. Roper with a second made by Ms. Stephenson to return to Open Session at 1:25 p.m. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Mr. Gorman; Mr. Neptune; Mr. Roper; Mr. Simpson; Ms. Stephenson; Dr. Trennepohl; and Chairman Smith.

**ITEM 13** - No action was necessary from the Executive Session.

*Mr. DeMuth and Mr. Roper both left the meeting immediately following the Executive Session*

**ITEM 9 - BOARD OF TRUSTEES POLICY MANUAL:** After discussion, a motion was made by Mr. Neptune with a second made by Mr. Simpson to adopt the Board of Trustees Policy Manual. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. Gorman; Mr. Neptune; Mr. Simpson; Ms. Stephenson; Dr. Trennepohl; and Chairman Smith.

**ITEM 10 - ADOPTION OF PERMANENT RULES:** After discussion, a motion was made by Ms. Conway with a second made by Dr. Trennepohl to adopt the Permanent Rules. The motion carried by a unanimous voice vote. Trustees responding were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. Gorman; Mr. Neptune; Mr. Simpson; Ms. Stephenson; Dr. Trennepohl; and Chairman Smith.

**ITEM 11 - EXECUTIVE SECRETARY REPORT:** Dr. Wilbanks gave his report to the Board, stating he would be glad to answer any questions the Board may have. A motion was made by Ms. Conway with a second by Ms. Stephenson to approve the Executive Secretary Report. The motion was carried by a unanimous voice vote.

**ITEM 14 - QUESTIONS AND COMMENTS FROM TRUSTEES:** Chairman Smith recognized Karen Yost, Executive Assistant to the Executive Secretary and the Board of Trustees, for a job well done and wished her well on her retirement. The Board presented Karen with a gift and a reception was held in her honor immediately following the meeting.

**ITEM 15 - NEW BUSINESS:** There was no further business from the Board.

**ITEM 16 - ADJOURNMENT:** There being no further business, a motion was made by Mr. Simpson with a second made by Ms. Stephenson to adjourn. The meeting was adjourned at 1:54 p.m. Trustees present at adjournment were Ms. Barnes; Ms. Conway; Ms. Dank; Mr. Gorman; Mr. Neptune; Mr. Simpson; Ms. Stephenson; Dr. Trennepohl; and Chairman Smith.

*The next regularly scheduled meeting of the Board of Trustees of the Teachers' Retirement System of Oklahoma will be Wednesday, February 24, 2010 at 9:00 a.m. in the TRS Administration Board Room.*

**BOARD OF TRUSTEES, TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**

**BY:** \_\_\_\_\_  
**Chairman, James E. Smith**

**ATTEST:**

**BY:** \_\_\_\_\_  
**Dick Neptune, 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 February 24, 2010.

**BY:** \_\_\_\_\_  
**Becky Wilson, Executive Assistant to the Executive Secretary**