

MINUTES
NOVEMBER 18, 2009 MEETING
BOARD OF TRUSTEES
TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA

This regularly scheduled meeting of the Board of Trustees of the Teachers' Retirement System of Oklahoma was called to order by James Smith, Chairman, at 9:04 A.M., in the Administration Board Room, 5th Floor, Oliver Hodge Education Building, 2500 North Lincoln Boulevard, Oklahoma City, Oklahoma. The agenda/meeting notice 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
Michael Clingman*
Cathy Conway*

Odilia Dank*
Bruce DeMuth
Richard Gorman
Galeard Roper
Billie Stephenson

TRUSTEES ABSENT:

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**
Debra Schmitt, *TRS Client Services Manager**
Karen Yost, *Assistant to the Executive Secretary and Board of Trustees*

ACTUARIAL CONSULTANT PRESENT:

Chris Conradi, *Gabriel, Roeder, Smith & Company*
Mark Randall, *Gabriel, Roeder, Smith & Company*
Brad Stewart, *Gabriel, Roeder, Smith & Company*

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:

Erin Boeckman, *e-Capitol*
Andrew Brown, *Oklahoma State University**
Brooke Chapman, *Oklahoma State University**
Norman Cooper, *Oklahoma Retired Educators Association*
Reagan Deaver, *Oklahoma State University**
Andrew Enfer, *Oklahoma State University**
Neil Kleinberg, *JP Morgan/Chase*
Brandon Lane, *Oklahoma State University**
Landen McJilton, *Oklahoma State University**
Wayne Maxwell, *P.O.E.*
Alec Trudd, *Oklahoma State University**

**Denotes either late arrival or early departure.*

1. BOARD POLL 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. Barnes; Mr. DeMuth; Mr. Gorman; Mr. Neptune; Mr. Roper; Mr. Simpson; Ms. Stephenson; and Chairman Smith.

2. MINUTES of the October 28, 2009, Board Meeting APPROVED

A motion was made by Mr. Gorman with a second made by Mr. Roper to approve the minutes as presented. The motion carried by a unanimous voice vote.

3. PRESENTATION BY INVESTMENT MANAGERS:

3.A. Presentation by Investment Manager(s): Loomis, Sayles and Company and MacKay Shields were present and made their respective presentations to the Board.

A break was taken from 9:49 to 9:56.

4. INVESTMENT REPORTS AND RECOMMENDATIONS:

4.A. Investment Consultant Monthly Report: Gregory Weaver and Douglas Anderson of gregory.w.group, investment consultant to the Board, gave the Board their monthly report.

4.B. Manager Status Summary: Organizational Changes at Chase Investment Counsel: Following discussion, a motion was made by Ms. Conway with a second made by Mr. Neptune to terminate Chase Investment Counsel, re-allocating those funds equally between Sawgrass Asset Management and Goldman Sachs. The motion carried by a unanimous vote of the Board.

4.B. Status of Hotchkis & Wiley: After consideration, a motion was made by Mr. Roper with a second made by Ms. Conway to change the status of both Hotchkis & Wiley's Large-Cap and Mid-Cap portfolios in "Compliance". The motion carried by a unanimous vote of the Board.

4.C. Renewal of Manager Contracts: A motion was made by Mr. Roper with a second made by Mr. DeMuth to remove Chase Investment Counsel from consideration and renew all other managers, as listed. The motion carried by a unanimous vote of the Board.

5. gregory.w.group 3rd QUARTER EXECUTIVE SUMMARY: Greg Weaver and Doug Anderson of gregory.w.group, investment consultant to the Board, made their quarterly report to the Board.

A break for lunch was taken from 11:34 to 11:50

6. ACTUARIAL REPORT FROM GABRIEL, ROEDER, SMITH & COMPANY: Chris Conradi, Mark Randall and Brad Stewart with Gabriel, Roeder, Smith & Company (GRS) were present and made the actuarial valuation to the Board. After consideration, a motion was made by Mr. DeMuth with a second made by Mr. Simpson to approve the June 30, 2009, actuarial valuation as presented by GRS. The motion carried by a unanimous vote of the Board.

7. FIDUCIARY LIABILITY COVERAGE: Regina Switzer, Assistant Attorney General and legal counsel to the Board, referred to the material in the Board packet and gave the Board a report. No action was necessary on this item.

8. 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 this report.

9. PROMULGATION OF PERMANENT RULES:

A. 715:10-13-1; 175:10-13-5; 715:10-17-7; 715:10-17-12 - amended; 715:10-19-1; 715:10-19-2; 715:10-19-3; 715:10-19-4; 715:10-19-5; 715:10-19-7; 715:10-19-9; 715:10-19-11; 715:10-19-12; 715:10-19-13; and 715:10-19-8 - permanent; and 715:10-21-1; 715:10-21-2 - revoked

After discussion a motion was made by Mr. DeMuth with a second made by Mr. Neptune for adoption. The motion carried by a unanimous vote of the Board

10. SCHEDULE FOR 2010: A. Board of Trustees Meeting Schedule; B. Investment Committee Meeting Schedule; and C. Manager Presentation Schedule

After discussion, the Board approved the schedules with the following changes, September's meeting will be on the 22nd and December's meeting will be on the 15th. A motion was made by Mr. Roper with a second made by Mr. DeMuth for approval. The motion carried by a unanimous vote of the Board.

11. DASHBOARD REPORT: Dr. Wilbanks referred the Board to the material in the Board packet and made his report on the activity in the Client Services Department.

12. EXECUTIVE SECRETARY REPORT:

12. A. & B.: Client Status update; Other Items for discussion: 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 Mr. DeMuth with a second made by Mr. Simpson to approve the Executive Secretary Report. The motion carried by a unanimous voice vote. (*Mr. Clingman left after the vote.*)

13. QUESTIONS AND COMMENTS FROM TRUSTEES:

There were no further questions or comments from the Board.

14. NEW BUSINESS:

There was no new business before the Board.

15. ADJOURNMENT:

There being no further business before the Board, a motion was made by Mr. DeMuth with a second made by Mr. Roper to adjourn. The meeting was adjourned at 1:15 p.m. Trustees present at adjournment were as follows: Ms. Barnes; Ms. Conway; Ms. Dank; Mr. DeMuth; Mr. Gorman; Mr. Neptune; Mr. Roper; Mr. Simpson; Ms. Stephenson; and Chairman Smith.

The next regularly scheduled meeting of the Board of Trustees of the Teachers' Retirement System of Oklahoma will be:

WEDNESDAY – December 16, 2009

Board Meeting begins December 16, 2009 at 9:00 a.m.

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 December 16, 2009.

BY: _____
Karen A. Yost, Assistant to the Executive Secretary and the Board of Trustees