

Oklahoma Senate Committee on Appropriations
2015-16 Performance Report
Oklahoma Teachers' Retirement System

Agency Mission Statement

We collect, protect and grow assets to provide a secure retirement income for public education employees.

Lead Administrator

Tom Spencer, Executive Director
2500 N. Lincoln Blvd., 5th Floor
Oklahoma City, OK 73105
Tom.Spencer@trs.ok.gov

Governance

The Teachers' Retirement System of Oklahoma (TRS) is governed by a 14 member Board of Trustees. These trustees are a mixture of ex officio members, and appointees by the Governor, President Pro Tempore of the Senate and the Speaker of the House of Representatives. Two of the Governor's appointees are subject to Senate confirmation. One member is a nonvoting member selected by a retired member association. All appointed members serve 4 year terms.

The Board of Trustees is the chief policy making entity of TRS and have the exclusive power to select investment managers of the System and decide the size of each manager's mandate. The Board hires the Executive Director and the General Counsel, and the Executive Director selects all other personnel.

Governance Accountability

The Board generally meets on the fourth Wednesday day of each month to conduct business. There are several months in which the Board meets on the third Wednesday. There is an attendance policy for Trustees.

Modernization Efforts

TRS is close to finishing a “client portal” which will increase our clients’ ability to transact business via the Internet. This will include access to documents such as an annual statement and replacement tax documents such as 1099s. There will be a benefit estimate feature. The client will have the ability to change addresses and other information on the client portal.

TRS installed a new phone system in 2014 to better serve our clients through its Information Center. The new system captures much more caller data to measure wait times, and number of calls routed.

TRS is expanding its client pre-retirement seminars. TRS benefit consultants travel to these sessions several times per year so that clients can feel comfortable that they know what benefit they will get and will be comfortable in picking the right retirement options for them.

Core Mission

TRS is the oldest statewide pension system and is also the largest in terms of membership and assets. TRS is a “customer service” agency and it must deliver service in the form of education, benefit calculation and the prompt payment of pension benefits, death benefits, other survivor benefits and withdrawals. At the same time it is one of the largest financial institutions in the State of Oklahoma. The Board, staff and its outside investment experts are charged with the highest fiduciary duty to its clients in managing about \$14 billion for the sole benefit of its participants. It takes thoughtful analysis and good financial controls.

Private Alternatives

TRS is a great example of using primarily private and public sector partners in its operations. No TRS funds are managed internally. TRS hires many of the best and most talented money managers in the U.S. and globally. All of its I.T. services are provided by OMES and a private vendor. The administrative cost of TRS per member is one of the lowest in the nation.