



NYSTRS RESOURCE

SUMMER
2009

INFORMATION FOR RETIRED MEMBERS OF THE
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM



In Memoriam: Iris Wolfson



Iris Wolfson

It is with deep regret we announce the passing of long-time Board Member Iris Wolfson, a public accountant from Westbury. She was first elected to the Retirement Board in 1992 and had served as its vice president since 2006.

Ms. Wolfson was elected to the NYSTRS Board by the New York State Board of Regents on the recommendation of the New York State School Boards Association. She chaired the Retirement Board's Audit & Accounting Committee and also served on the Finance, Executive, Board Governance, Personnel & Planning, Proxy, and Retired Members committees.

A graduate of New York University, she served the state School Boards Association for 30 years as treasurer and eight years as a director. She was also a Nassau BOCES Board Member and previously was a member of the Hicksville School Board. She was past president of the Nassau-Suffolk School Boards Association.

On a national level, Ms. Wolfson served as a delegate to the National Council on Teacher Retirement and chaired its Resolutions Committee. She also held posts with the National School Boards Association and was a member of the Council of Institutional Investors.

It is not yet known who will take Ms. Wolfson's place on the 10-member NYSTRS Retirement Board. ■

The Numbers Tell It All:

NYSTRS PENSION FUND IS SECURE

"How can you tell us not to worry about our pension when the economic news is so bad?"

That was the reaction we received from some members in response to newsletter articles, Web headlines and other System communications issued recently attempting to reassure them their NYSTRS benefits are secure. Based on what members see and hear in the media, the encouraging words seem strange.

Despite all the negative economic news, the fact is NYSTRS retired member benefits are safe and secure. Some facts to consider:

- The present value of all future benefits payable to retired members of this System is approximately \$50 billion. This total is substantially less than the approximately \$70 billion in total assets held by the Retirement System.
- The Retirement System's funded ratio was 106.6% as of June 30, 2008, the most recent figure available. While the ratio as of June 30, 2009, will decrease, the System will remain extremely well funded. According to the National Association of State Retirement Administrators (NASRA), we are one of the best funded retirement systems in the nation.

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A Redesign for 2009

We hope you enjoy the new look of this newsletter! We've added pages, changed the binding, and attempted to enhance the readability of the text. While we were at it, we gave it a new paint job as well.

Our aim is to educate and inform you in a format that meets your needs and expectations. We believe this redesign helps accomplish those goals, but only you can tell us if that's the case.

Please share your thoughts about *Resource* by e-mailing us at media@nystrs.state.ny.us or writing the Public Information Office. Our address is 10 Corporate Woods Drive, Albany, NY, 12211-2395. ■



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NYSTRS RESOURCE

NYS Teachers' Retirement System
10 Corporate Woods Drive
Albany, NY 12211-2395

OFFICE HOURS

Monday - Friday: 8:30 a.m. - 4:15 p.m.
Summer Hours:
Mon. - Thurs.: 8 a.m. - 4:15 p.m.
Friday: 8 a.m. - 12:30 p.m.

WEB SITE

www.nystrs.org

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2009 BENEFIT PAYMENT DATES

July 31	Oct. 30
Aug. 31	Nov. 30
Sept. 30	Dec. 31

The Fiscal Fitness of Your NYSTRS Pension

You may have seen or heard that public employee pensions are "too expensive" and should be replaced. The non-profit National Institute on Retirement Security (NIRS) is among the many groups that do not agree.

Your defined benefit (DB) pension, NIRS argues, actually makes good fiscal sense for employers. Likewise, the retirement benefits funded by these plans are good for the economy, so everyone benefits.

NIRS recently completed a series of studies designed to measure the cost and impact of DB plans throughout the country. For employers, the Washington, D.C.-based group concluded DB plans deliver better "bang for the buck" than Defined Contribution (DC) plans, such as 401(k) plans. According to the report, over the course of a member's working life, "the embedded economic efficiencies of DB plans make them nearly half the cost of DC plans."

To prove the point, an example was cited of a 62-year-old with a target retirement benefit of \$26,684. Under the DB plan, annual contributions of 12.5% of payroll would be required and \$355,000 would need to be set aside by age 62. In contrast, the DC plan would require annual contributions of 22.9% of payroll and \$550,000 would need to be set aside by age 62. As stated in the report, "The DB plan can do more with less, providing the same benefit for nearly \$200,000 less per participant."

Here's how: DC plans are individual focused and, in order to ensure she/he does not outlive retirement savings, the individual must save enough to live to a very old age — typically 95 to 100. By contrast, a DB plan pools the contributions of many people, with a goal of saving enough for an average life expectancy for each member of the plan. An average life expectancy, which actuaries calculate with a high degree of accuracy, is much lower than 95 to 100 — meaning it is necessary to set aside significantly less per DB plan member.

Another significant advantage to DB plans is they historically achieve higher investment returns than individual DC accounts. This consistent pattern of higher returns is attributed to the ability of a DB plan to professionally manage assets at significantly lower fees. Higher returns translate into lower contributions toward retirement. The NIRS model shows an annual return of just 1% more results in a cost savings of 26% during a person's career.

Economic Stimulants

Just as NYSTRS members count on their retirement benefits, state and local economies depend on pension dollars. DB retirees receive consistent, "recession-proof" incomes that are typically spent locally, NIRS points out.

In its report "Pensionomics: Measuring the Economic Impact of State and Local Pension Plans," NIRS found state and local pension benefit expenditures in 2006 were nearly \$151.7 billion nationwide — an economic stimulus that supported more than 2.5 million American jobs. Those same benefits supported over \$57 billion in tax revenue at the local, state and federal level.

The numbers are equally impressive here in New York. Of the more than 136,000 retired members and beneficiaries to whom NYSTRS provides services, approximately 75% live in New York State — meaning most of the nearly \$5 billion paid out annually in benefits are poured back into the state economy.

NIRS found benefit payments "may be especially important in stabilizing local economies during economic downturns, because ... pension income is guaranteed, so retirees need not worry about reducing spending with every dip in the stock market."

For more on the reports cited here, visit NIRS' Web site at www.nirsonline.org. ■

COLA Will Be 1.0%

The consumer price index (CPI) may have declined, but your benefit payments are on the rise by 1.0%.

New York law requires an annual cost-of-living adjustment (COLA) for eligible retirees receiving a state-issued public pension. A key factor used in the COLA calculation is the CPI, so many may question how the COLA can increase if the CPI declined.

It is because state law mandates a minimum increase of 1.0% annually. So, beginning with September 2009 payments and continuing through August 2010, an eligible retired member with an annual benefit of \$18,000 or more will receive a monthly increase (before withholdings for federal income tax) of \$15.

Generally, the COLA is calculated by taking 50% of the March-to-March Consumer Price Index increase (rounded up to the next higher one-tenth of 1.0%) and multiplying it by the first \$18,000 of the retirement benefit. This calculation is irrelevant in this case, however, as the CPI actually *decreased* from March 2008 to March 2009, dropping 0.38%.

To be eligible for a COLA, you must either be:

- ✓ 62 and retired at least five years; or,
- ✓ 55 and retired at least 10 years; or,
- ✓ A retiree receiving a NYSTRS disability benefit for at least five years (regardless of age); or,
- ✓ A surviving spouse of an eligible retiree receiving a lifetime benefit. (*The spouse receives an increase of one-half the retiree's COLA.*)

Those eligible for the COLA after September will receive an adjustment when first eligible.

When the COLA beginning in September is factored in, the cumulative maximum monthly increase since the state's COLA legislation took effect in 2001 is \$192. ■

Change Your Address Online

IF YOU ARE A SNOW BIRD WHO HAS RETURNED TO YOUR NORTHEAST NEST, DO NOT FORGET TO NOTIFY NYSTRS.

Doing so will ensure you continue to receive important benefit information on a timely basis.

The easiest and fastest way for you to update your address with us is through the MyNYSTRS function of our Web site at www.nystrs.org. Simply login to your MyNYSTRS account and select the "My Tools" tab; then select "Change Address."

If you haven't created your personal MyNYSTRS account yet, do so now. It's quick and easy to do, and provides you with 24-hour access to your benefit information as well as several self-service tools.

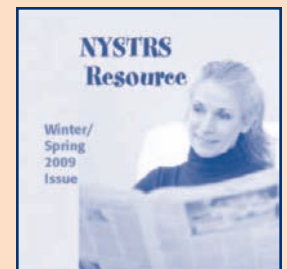
You can also update your contact information with us by mailing us a completed *Member Name/Address Change* (GRE-50) form. You can print it from the Forms page of our Web site or request a copy by calling our Hotline at (800) 782-0289. ■

Did You Know... THIS NEWSLETTER IS ALSO AVAILABLE IN AUDIO FORMAT AT NO ADDITIONAL COST?

If you would prefer to receive a narrated version on Compact Disc (CD), subscribe by calling (800) 348-7298, Ext. 2941, or writing us at:

NYSTRS Public Information Office
10 Corporate Woods Drive
Albany, NY 12211-2395

Please Note: If you already receive the audio edition of *Resource*, you do not need to contact us. ■



NYSTRS Receives Honors

NYSTRS' recently redesigned Web site and the 2008 edition of the System's annual report received high honors in a recent international competition.

The International Academy of Visual Arts awarded NYSTRS with two 2009 Silver Communicator Awards in a competition held this past spring. The Awards of Distinction, equivalent to being named first runner-up, were granted to the Web site in the category of Structure and Navigation, and to the annual report in the category of Government Publications.

"The Academy reviewed more than 7,000 total entries, so to receive two second-place awards is an outstanding accomplishment," NYSTRS Board President R. Michael Kraus said. "The fact that the majority of the work done on both projects was handled by in-house staff is a testament to the quality of

THE
COMMUNICATOR
AWARDS



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Search Our Unclaimed Funds Database

\$1.7 MILLION... THAT IS HOW MUCH THE RETIREMENT SYSTEM HELD IN UNCLAIMED FUNDS ON APRIL 1, 2009.

If you think that is a large number, try \$6.8 million. That is how much NYSTRS held in abandoned accounts as of that date.

Combined that is \$8.5 million the System essentially holds onto for former members. The money belongs to these people or their estates, and it is just waiting to be claimed. These funds do not earn interest and, per statute, NYSTRS is unable to add the contributions of ceased members to its general fund.

A common excuse for not claiming the funds is it is "too much work" for what may end up being only a small amount. While that may be true for some, consider that of the 1,440 unclaimed accounts maintained as of April 1, exactly **one-third** of them were for amounts exceeding \$1,000.

If that still is not large enough to convince you, consider that 174 of these accounts held amounts in excess of \$3,000. It takes all your fingers and toes to count the number of people who have not claimed \$7,000 or more. One account holds in excess of \$11,000.

The Retirement System makes every effort to track down the owners of these unclaimed and abandoned accounts, which generally result from memberships that cease. Correspondence is sent to these members at all addresses on file with the System and newer addresses are researched. Abandoned accounts are reviewed annually and those with promising leads receive additional investigative attention.

Despite these efforts, there remain almost 9,000 abandoned or unclaimed accounts, so we are asking for your assistance. Matching a member, beneficiary or estate to a lapsed account may be only a few



clicks away.

Visit the Unclaimed Funds page at www.nystrs.org and search for family, friends or colleagues who are former NYSTRS members. While you are at it, search for yourself! If you find your name or the name of someone you know, please have that person (or the trustee of the person's estate) call us at (800) 348-7298, Ext. 6090.

In these challenging economic times, stumbling upon some long-forgotten funds could prove to be a blessing. Please help us clear the coffers and possibly improve the finances of someone you know. Search our Unclaimed Funds database. ■

Pension Fund Is Secure... *from page 1*

- The funds needed to meet our retirement payroll are readily available from interest and dividends earned on our holdings, as well as easily converted liquid assets such as U.S. treasuries, government-backed bonds and high-quality securities with short-term maturities. Currently, we need only a portion of the monies available to us in these highly liquid assets and cash equivalents to meet our payroll.
- Every month, staff reviews cash flow needs for the next 12 months to ensure there is sufficient funding in each of those months to pay promised benefits. If necessary, asset allocation adjustments are made to meet this monthly payroll.

Despite the facts, some are quick to say, "Yes, but you have lost billions of dollars in recent months. Why are you not talking about that?"

It is true the assets of the Retirement System have declined substantially during this significant market downturn. Specifically, our total net assets decreased from \$95.8 billion as of June 30, 2008, to \$68.3 billion as of March 31, 2009.

We emphasize again, however, that our funded ratio was 106.6% as of our most recent valuation — meaning actuarially there were sufficient assets to pay all promised benefits owed to retirees and their beneficiaries, as well as the accrued benefits of active members.

Ultimately, it will be necessary to increase the Employer Contribution Rate — a percentage of payroll charged to employers annually in order to properly fund the Retirement System — to ensure we will be able to fund the benefits accruing for our active members. However, because most of these liabilities will not come due for many years to come, there will be sufficient time to adequately fund these future obligations.

As has always been the case, we invest assets in the most prudent manner possible in order to achieve optimum long-term returns with an appropriate level of risk. It is exactly this long-term investment approach that helps us tolerate the volatility of the capital markets we are currently experiencing.

So we reiterate: Although the news about the state of our economy can be sobering, please know that your Teachers' Retirement System pension remains safe. ■

MyNYSTRS Gets a Fresh New Look

A NEW AND IMPROVED DESIGN WAS RECENTLY INCORPORATED INTO OUR WEB SITE'S MyNYSTRS AREA. NEW SELF-SERVICE TOOLS REQUESTED BY MEMBERS ARE COMING SOON.

The System redesigned MyNYSTRS — the area of www.nystrs.org where registered users can review their membership and benefit information, schedule appointments, soon sign up for an electronic version of this newsletter and much more — to mirror the look and feel of other areas of the System's Web site. This will make it easier to locate and review information specific to you. When complete, personal data will be at your fingertips in a secure environment that is more streamlined and user friendly.

One of the newest features is a green initiative designed to save paper and get information to members faster than ever before. MyNYSTRS members can soon elect to receive *Resource* via e-mail as soon

as it becomes available. The new electronic delivery method will eliminate the need for the paper version, cut down on clutter around the house and be good for the environment.

Other online self-service tools include a change of address function and an appointment scheduler.

More tools allowing you to transact NYSTRS business electronically are being developed and will be added in the coming months. Our goal with these new features is to make your online experience with NYSTRS quick, convenient and productive.

If you don't already have a MyNYSTRS account, take a tour by clicking the MyNYSTRS button on our home page and selecting "Retired Member Tour" on the next page.



Our Vision
To be the best public retirement system, continuously working to exceed customer expectations.

Login

Username:

Password:

Can't Remember Your Login Information?

Forgot Username
Forgot Password
Reset Account

Don't Have a MyNYSTRS Account?

Registering is quick and easy. Register now to access your personal NYSTRS information.



Welcome to MyNYSTRS
Keeping track of your personal Retirement System benefit information and planning for retirement has never been easier, thanks to MyNYSTRS. Not familiar with the self-service tools of MyNYSTRS? Take a tour to see just how helpful they are:
Active Member Tour | Retired Member Tour.

Routine Security Maintenance Performed
Ensuring that your data is secure is a top priority for NYSTRS. To that end, routine system maintenance is performed, which may cause some portions of MyNYSTRS to be unavailable between the hours of 10 p.m. Saturdays and 6 a.m. Sundays, and 8 a.m.-noon on the first Sunday of the month. We apologize for any inconvenience.

 Have Questions?
Contact Us

 Explore MyNYSTRS:
Active Member Tour
Retired Member Tour

All data presented on this Web site is subject to audit, verification and re-computation, and is provided as a convenience to you. It is not meant to constitute a representation binding on the Retirement System. Any error contained on this Web site is subject to correction in accordance with Education Law Section 525 and the practices of the System.

NYSTRS Receives Honors... *from page 3*

the people who work here, and their emphasis on and dedication to customer service. On behalf of the Retirement System Board, we applaud our staff for their accomplishments."


The Web site recognition is particularly satisfying because the redesign was undertaken to enhance members' online experiences. To be honored for structure and navigation affirms the site's ease of use.

You can share your opinion of our Web site by taking a brief online survey. Access the survey from the homepage by choosing the "Take a Survey" button, or from any other page by selecting the icon resembling a piece of paper and a pencil.

While there, sign up for a MyNYSTRS account. Some 45,000 active and retired members are already enjoying the benefits of this members-only service, which allows 24-7 access to information specific to you. Self-service tools are regularly added to this area as well, allowing registered users to transact System business from the comfort of their homes. ■

Now is the time to join the nearly 25,000 members aged 55 or older that have already discovered the convenience of an online account. Registering takes just minutes and allows you access to your information on your schedule. ■

Why MyNYSTRS?

-  Retirement application tracking.
-  Report address changes online.
-  Benefit payment history.
-  E-newsletters.  Coming Soon!

Your Info on Your Schedule.

MyNYSTRS

New Web Site Seeks to Answer Retirement Questions



Retirees looking to stretch those retirement dollars a little further may find inspiration and some good advice on a new Web site. The National Endowment for Financial Education (NEFE), a Colorado-based non-profit, recently launched www.decumulation.org to help retirees and those about to leave work "optimize (their) retirement paycheck by making wise decisions." The site asks and answers questions like:

- "How long should I continue working?"
- "How should I use my employer pension?"
- "When should I start collecting Social Security?"

One recommendation: Take steps to protect yourself from inflation by setting aside some of your benefit payment as soon as you begin collecting. Doing so will ensure you have a cushion should you ever need it.

Other topics discussed include insurance, retirement planning, reverse mortgages, debt and fraud.

The site also tackles Social Security issues. A common question is when to start collecting those benefits, since eligibility for full benefits depends on your year of birth. General guidelines are offered, as well as suggestions on what to do if health, tax or other issues factor into your decision.

For more information, visit www.decumulation.org or www.nefe.org. ■

Money \$aving Tips

Will Rogers once observed, "The quickest way to double your money is to fold it and put it back in your pocket."

Decades later, that sage bit of counsel from the American humorist and cowboy philosopher still rings true. For those seeking modern-day practical advice, it may be worth investigating on the Web.

One Web site aimed at helping retirees make better financial decisions for the short term and long term is www.aarp.org/money. AARP offers a wide range of articles and ideas for managing your money. From personal finance to estate planning, the site covers financial issues of primary importance to those 50 and older.

Articles recently found under the Personal Finance tab included "10 Smart and Fun Things to Do with Your Money," "Fabulously Frugal" and "50 Thrifty Ideas." In the Retirement section, topics covered included deciding when to retire and how to scale back spending in retirement.

If you like lists, the Consumer Federation of America (CFA) has a big one: "66 Ways to Save Money." The list can be found in various formats on the cleverly named www.66ways.org Web site.

Among the many suggestions:

- Save up to \$100 a year on gas by keeping your car engine tuned and your tires properly inflated.
- Earn the highest return with little or no risk by considering certificates of deposit or U.S. Savings Bonds.
- Instead of a brand name drug, ask your physician and pharmacist about a less expensive generic or over-the-counter alternative.

If you'd prefer to get your advice



from the masses — or perhaps share some wisdom of your own — try Google Tip Jar at www.google.com/tipjar. Unveiled in March, this handy community tool from the Internet giant allows anyone with advice on any number of topics to post their suggestions. Readers can then weigh in on the advice offered by posting their comments.

Google started the site by collecting hundreds of ideas from around the Web on topics including finance, food, cars, shopping and family. Viewers read and rate the tips offered, and the "wisdom of the crowds" determines where in any given list an idea falls. The higher the rating, the higher in the list the tip will appear.

Among the most popular posts during a recent visit:

- Save on postage by paying bills online.
- Never pay checking account fees. If the bank charges one, ask them to reverse the fee. If they won't, take your business elsewhere.
- Leaking electricity from electronics costs Americans millions annually. Either unplug electronics when not in use, or plug them into a power strip that can be switched off.

For links to other Web sites of potential interest, select the Retiree Resources tab from the Retiree page at www.nystrs.org. ■

Board Meeting Highlights — JANUARY 29, 2009

- ◆ **Acknowledged** and thanked Board President Joseph P. McLaughlin for his 18 years of service as a NYSTRS trustee and wished him well on his pending retirement.
- ◆ **Elected** R. Michael Kraus as president of the Board and Iris Wolfson as vice president.
- ◆ **Considered** a private equity investment in Hellman & Friedman Capital Partners VII L.P., and authorized the System to invest up to \$200 million in that fund, subject to the satisfactory completion of due diligence.
- ◆ **Ratified** the following action taken by the Retirement Board's Finance Committee since the previous Board meeting:
 - Authorization to join with its venture partner SL Green Realty Corp. to market for sale the office building at 919 Third Ave. in New York City.
- ◆ **Ratified** the following action taken by the Executive Director since the previous Board meeting:
 - Approval of a seven-year, \$43 million first mortgage financing covering a portfolio of grocery-anchored retail centers located in Charlottesville, VA (Hollymead Town Center); Manassas, VA (Signal Hill Shopping Center); and, Jacksonville, FL (John's Creek Center).
- ◆ **Ratified** the following actions of the Retirement Board taken by mail vote since the previous Board meeting:
 - Authorization for the creation of internally managed funds tracking the S&P 100, S&P 500 and S&P 600 Indices.
 - Authorization for the renewal of an investment consultant contract for the 2009 calendar year.
- ◆ **Renewed** the agreement with Barclays Global Investors to manage a portion of the System's portfolio as an enhanced passive international equity manager, for one year, effective March 15, 2009.
- ◆ **Renewed** the agreement with Black Rock Financial Management Inc. to manage a portion of the System's assets in Commercial Mortgage Backed Securities (CMBS), for one year, effective April 3, 2009.
- ◆ **Renewed** the agreement with ING Clarion Capital to manage a portion of the System's assets in CMBS, for one year, effective March 30, 2009.
- ◆ **Renewed** the agreement with Iridian Asset Management L.L.C. to manage a portion of the System's portfolio as an active domestic large capitalization equity manager, for one year, effective April 1, 2009.
- ◆ **Renewed** the agreement with JP Morgan Fleming Asset Management to manage a portion of the System's portfolio as a core international equity manager, for one year, effective March 14, 2009.
- ◆ **Renewed** the agreement with Pyramis (Fidelity) Management Trust Company to manage a portion of the System's portfolio as a core international equity manager, for one year, effective February 28, 2009.
- ◆ **Renewed** the agreement with Wellington Management Company L.L.P. to manage a portion of the System's portfolio as a benchmark agnostic international equity manager, for one year, effective March 1, 2009 and placed the company on the System's watch list.
- ◆ **Renewed** the agreement with Capital Guardian Trust Co. to manage a portion of the System's portfolio as an active international equity manager, for one year, effective May 1, 2009.
- ◆ **Renewed** the agreement with StepStone Group L.L.C. to serve as the System's private equity consultant, for one year, effective February 1, 2009.
- ◆ **Authorized** the Executive Director to terminate the System's agreement with Citigroup Alternative Investments L.L.C. to manage a portion of the System's portfolio in an international (non-U.S.) real estate investment strategy, and further authorized reallocation of the funds it manages to other System managers that invest using the same strategy.
- ◆ **Approved** a change to the System's Investment Policy Manual allowing covered call options to be written on securities earmarked to be sold as part of portfolio rebalancing or enhancing of portfolio yield.
- ◆ **Authorized** the Executive Director to renew the System's membership in the National Coalition on Health Care for the year ending Dec. 31, 2009.
- ◆ **Authorized** the Executive Director to renew the System's membership in the Council of Institutional Investors for the year ending Dec. 31, 2009.
- ◆ **Accepted** changes to the Internal Audit Department charter.
- ◆ **Honored** Sandra Sorell (*Continual Contribution to Excellence*) and Matthew Warner (*Significant Contribution for the Year*) as NYSTRS' 2008 Excellence Award winners. ■

NYSTRS Board Meeting Highlights — APRIL 29, 2009



- ◆ **Renewed** the agreement with Adelante Capital Management LLC to manage a portion of the System's portfolio by actively investing in real estate investment trusts (REITs) and real estate operating companies (REOCs) securities, for one year, effective July 1, 2009.
- ◆ **Renewed** the agreement with Cohen & Steers Capital Management Inc. to manage a portion of the System's portfolio by actively investing in REIT and REOC securities, for one year, effective July 1, 2009.
- ◆ **Renewed** the agreement with Cohen & Steers Capital Management Inc. to manage a portion of the System's portfolio by actively

investing in REIT and REOC securities in an income-oriented account, for one year, effective July 1, 2009.

- ◆ **Renewed** the agreement with RREEF America LLC to manage a portion of the System's portfolio by actively investing in REIT and REOC securities, for one year, effective July 1, 2009.
- ◆ **Ratified** the following actions taken by the Retirement Board's Finance Committee since the previous Board meeting:
 - An investment of up to \$100 million in Credit-Suisse Seasoned Primaries III L.P.
 - An investment of up to \$100 million in Lexington Capital Partners VII L.P.
 - An investment of up to \$100 million in Parish Capital III L.P.
 - An investment of up to the Euro equivalent of \$50 million in Parish Capital Europe II L.P.
- ◆ **Ratified** the acquisition of up to \$25 million of the preferred shares issued by the Donohue

Schriber Realty Group Inc., as approved by the Executive Director since the previous Board meeting.

- ◆ **Accepted** the Retirement System's operating budget and internal audit plan for the 2009-2010 fiscal year.
- ◆ **Approved** a resolution to amend the Retirement System's Rules and Regulations regarding the size of the Investment Advisory Committee.
- ◆ **Appointed** Jack V. Malvey to the System's Investment Advisory Committee for a three-year term ending Dec. 31, 2012.
- ◆ **Considered** a report from investment consultant Callan Associates on the structure of the System's international equity program and approved a recommendation to utilize the ACWI ex-U.S. index as the benchmark for a portion of this program.
- ◆ **Approved** resolutions acknowledging the pending retirements of William S. O'Brien (31 years of service) and Daniel J. Barzowskas (22 years of service). ■

See January 2009 Board Meeting Highlights on page 7.

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