

Source

Will Your Employer Be Represented at the Annual Meeting of Delegates?

National, state and local elections will not be the only ones taking place in November. In Saratoga Springs, delegates attending NYSTRS' annual meeting will be electing a new teacher member to the System's 10-member Retirement Board.

If you are unsure whether your employer will be represented at this year's meeting, check with your chief administrative officer or your local union president. If your school has openings in both the delegate and alternate positions, vacancies can be filled by holding an election by Oct. 1 and reporting results to NYSTRS no later than Oct. 6.

A common reason for openings in this "off" year for delegate elections (a.k.a., a special election year) is the retirement of a delegate without an alternate to assume the delegate role. Only active members are eligible for these positions. There may also be unfilled openings from regular elections held in 2007.

The teacher member elected by delegates at this year's meeting will fill the position currently held by Joseph P. McLaughlin, whose term expires in January 2009. McLaughlin, who has served on the Board for 18 years, the past three years as Board president, is not seeking re-election.

The other teacher members of the Board are Sheila Salenger of Malta and Michael Corn of Barneveld. Teacher members are



A delegate registering at the 2007 Annual Delegates Meeting in Saratoga, NY.

elected from the membership, one each year, by delegates to the NYSTRS annual meeting. All Board members serve three-year terms with the exception of the New York State Comptroller or his/her designee, who serves for the duration of the Comptroller's term in office.

The 2008 Annual Delegates Meeting will be held Sunday and Monday, Nov. 9 and 10 at the Saratoga Springs City Center. Meeting details and other pertinent information will be mailed to delegates in September. Delegate information — including the meeting agenda and lodging options — is available on the Delegates page of the Retirement System's Web site at www.nystrs.org.

In addition to the election, the meeting is an opportunity for delegates to stay apprised of the System's current activities, and provides them with benefit and retirement-related resources to share with their colleagues. This is accomplished through seminars, an Information Center, and a question and answer session with NYSTRS Board and staff members. ■

Welcome, New NYSTRS Members

Learn the ABCs of Your Membership

With the start of the new school year, NYSTRS will add approximately 17,000 new members to its ranks. If you're one of them, welcome to one of the top 10 public pension funds in the country!

When you became a NYSTRS member, you took what may have been your first major step toward retirement security. Now, you are saving for your future and working toward a guaranteed pension in retirement.

A NYSTRS membership provides retirement, disability and death benefits — all coveted assets in today's economy — to those who meet certain eligibility requirements. To get the most from your membership, make it a habit to evaluate your status throughout your career. A focus on retirement planning from the start of your career will pay dividends when you retire.

The ABCs of Your Membership

You help fund your pension by contributing 3% of your salary until you have been a member for 10 years, or are credited with 10 years of service — whichever occurs first.

When you achieve five years of New York State service credit, you become vested, which means you will be eligible to receive a pension when you reach age 55. Your pension is based on your tier, service credit, age and final average salary. You will become eligible for additional benefits coverage as you reach other service milestones (*see inset box on page 3*).

You will be credited with one year of service if you work the equivalent of at

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NYS Teachers' Retirement System
10 Corporate Woods Drive
Albany, New York 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.

TELEPHONE

(800) 348-7298

(Albany-Area Calls: 447-2900)

General Information	Ext. 6250
Retirement Estimates	Ext. 6020
Prior Service	Ext. 6030
Transfer-In	Ext. 6040
Transfer-Out	Ext. 6050
Military Service	Ext. 6060
Reinstated/Retroactive Membership	Ext. 6070
Member Service Credit	Ext. 6075
Loans	Ext. 6080
Membership Withdrawals	Ext. 6090
Appointments in Albany	Ext. 6100
Video Consultations	Ext. 6100
In-Service Death Benefit Information	Ext. 6110
Income Tax Information	Ext. 6120
Beneficiary Information	Ext. 6130

(800) 356-3128

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Preretirement Planning Seminars	Ext. 6180
Legislation	Ext. 6200
Earnings After Retirement	Ext. 6150
Direct Deposit	Ext. 6230

HOTLINE

(800) 782-0289

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WEB SITE

www.nystrs.org

RETIREMENT BOARD

Joseph P. McLaughlin, *President*
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Legislative Update



At press time, only one piece of legislation potentially impacting a number of NYS-TRS members had been signed into law by Governor David Paterson. Some bills that passed both houses of the Legislature had yet to be forwarded to the governor for action.

Chapter 173 of the Laws of 2008 — which revokes a member's prior designation of a former spouse as a beneficiary in the event of a subsequent divorce, annulment or judicial separation — was signed into law on July 7. In general, Chapter 173 provides that a divorce, annulment or judicial separation of a marriage revokes a NYSTRS member's prior designation of a former spouse as beneficiary of certain death benefits and retirement options — except as provided by the express terms of a governing instrument (for example, a domestic relations order on file with NYSTRS). Under Chapter 173, the former spouse is treated as having predeceased the member.

The designations impacted by Chapter 173 include the pre-retirement death benefit, and any lump-sum retirement option under which the member is permitted to change the beneficiary. Chapter 173 does not apply to designations that are irrevocable by law, such as the beneficiary designation of a joint and survivor retirement option, or designations that are required under a certified domestic relations order on file with NYSTRS.

For Chapter 173 to apply, NYSTRS must receive written notice of the divorce, annulment or judicial separation before it issues payment of the death benefit.

To ensure benefits are distributed as intended, it is important for divorced members to review their beneficiary designations with NYSTRS and, if necessary, file a new *Designation of Beneficiary* form (NET-11.4). A member's current beneficiary designation is listed in the *Benefit Profile* mailed to active members annually and, for registered members, in their personalized Secure Area account on the NYSTRS Web site.

Chapter 173 also revokes a former spouse's rights to serve as a personal representative, executor, guardian, attorney-in-fact or any other fiduciary role for marriages ended on or after July 7, 2008 — the day Chapter 173 was enacted.

Please contact NYSTRS if you have any questions about Chapter 173.

Two other bills of interest passed both houses of the Legislature but had yet to be sent to the governor. One bill (Assembly 10644/Senate 8142) would allow certain NYSTRS members employed by the State Education Department to receive retirement credit for up to 200 days of unused sick leave.

The other bill (Assembly 11743/Senate 8699), if signed into law, among other things, would require school districts and boards of cooperative education to issue certain reports regarding retired public employees employed by them.

The Retirement System constantly monitors legislation that could impact our members. For the latest pending legislative news, and to read about NYSTRS-related legislation dating to 2000, visit the Legislation page at www.nystrs.org. ■

Did You Know...

You can ensure e-mail correspondence from NYSTRS finds its way to your inbox by adding communit@nystrs.state.ny.us and webadmin@nystrs.state.ny.us to your Web mail address book? Otherwise NYSTRS e-mail could wind up in your spam or junk-mail folders.

Please note webadmin@nystrs.state.ny.us should be used only for reporting connection or technical problems. General inquiries should be directed to communit@nystrs.state.ny.us. ■

Welcome, New NYSTRS Members (from page 1)


least 170 full-time days during a July 1 to June 30 school year. You cannot be credited with more than one year of service in a school year, even if you earn extra salary for other responsibilities, such as coaching or teaching summer school.


You can receive credit for part-time and substitute teaching within a school year, provided you work at least the equivalent of 20 full days. Days worked in different school districts are combined to determine your total credit. Only days worked in the same school year can be added together when calculating service credit.


Learn More


To learn more about your NYSTRS membership — and the importance of financial planning beyond your public pension — we offer a wealth of publications and resources designed to broaden your knowledge base.

As a new member, you'll find the following publications (available on the Publications page at www.nystrs.org) particularly helpful:

 *Your First Look* — An introductory pamphlet for new members.

 *Active Members' Handbook* — A comprehensive resource explaining benefits and membership information.

 *Looking to the Future* — A guide to NYSTRS' services and publications at each stage of a member's career.

 *You Deserve the Credit* — A look at various types of service credit that members may be eligible to claim.

One of the most important tools in your retirement-planning arsenal is your *Benefit Profile*. Mailed to you annu-

ally beginning in the year following your first year of employment, your personalized *Profile* is a summary of your membership status. As you meet eligibility requirements, the

Profile will provide estimates of your future benefits. Review the statement carefully; it is your opportunity to verify the accuracy of salary and service information reported to us by your employer.

Your eligibility for current and future benefits, as well as the calculation of those benefits, is dependent upon this information.

Visit the Active Members page of our Web site for benefit information and to read up on financial planning resources. Also, after you've received your first *Profile*, be sure to register for a Secure Area account so you have online access to your membership data (see the related article on page 4).

If you still have questions, call us at (800) 348-7298 to speak with a System representative. And, of course, this newsletter, mailed three times annually, will keep you apprised of the latest NYSTRS news and information affecting your retirement benefits.

Once again, welcome to NYSTRS! ■



Welcome,
New
NYSTRS
Members

Service Milestones

The service credit you accumulate as a NYSTRS member pays dividends throughout your career. As you achieve certain service milestones, you become eligible for additional benefits.

1 Year of Credit

- You will be covered by an in-service death benefit.
- If you die as the result of an accident sustained while teaching, an accidental death benefit would be payable instead of the in-service death benefit.
- You will be eligible to borrow from your required member contributions when the balance is at least \$1,334.

2 Years of Credit

- You will be eligible to purchase credit for prior service. For more information, read our pamphlet *You Deserve the Credit*.

5 Years of Credit

- Your pension is vested, or guaranteed. You will be eligible for a retirement benefit at age 55, even if you do no further teaching in New York State, as long as you do not transfer or withdraw your membership.

10 Years of Credit

- You stop making 3% required contributions when you reach 10 years of credit or membership.
- You may be eligible for a disability retirement benefit if you cannot continue to work because of an illness or injury.
- If you leave teaching with at least 10 years of service credit and die before retirement, you will be covered by a vested death benefit of one-half the in-service death benefit that would have been paid on the last day of working.

20 Years of Credit

- Tier 3 or 4 members: The pension factor used in your benefit calculation will increase from 1²/₃% per year to 2% per year.

30 Years of Credit

- Tier 2, 3 and 4 members: You can retire without an age-related reduction to your pension factor when you attain 30 years of credit or reach age 62.
- Members retiring under Tier 4: You will receive an additional 1¹/₂% per year toward your pension factor for each year of credit beyond 30 years.

Enhancement Allows New Retirees To Track Application Status



A new feature has been added to the members-only Secure Area at www.nystrs.org that allows new retirees to track the processing of their retirement application.

By selecting the “Track Progress of Retirement” button while in the Secure Area, recently retired members can review facts such as when their application was received by NYSTRS, their requested date of retirement and the payment choice they selected. A description of the selection — either the Maximum or an option — is included. If the retirement application process is complete, the member will receive a message to that effect.

However, if there are outstanding issues that require resolution before a retirement can be finalized, these issues will be outlined here. For example, additional salary information is often required from an employer. If applicable, a message will appear that notifies the member which districts have been contacted and explains the status of those inquiries.

On average, 12 months are required to fully process a retirement application. In the interim, retirees receive estimated monthly benefit payments that in most cases are within a few percentage points of a three-year final average salary benefit. (A retroactive adjustment accounting for this difference will be paid once the pension is finalized.)

A message on the tracking page reminds members to check the Payment Information page of the Secure Area to view payment amounts and any authorized deductions. This includes the interim monthly payments received prior to an application’s finalization.

If you are not already a registered Secure Area member, take a tour. Visit www.nystrs.org, select the Secure Area tab and choose active member demonstration. You’ll find accessing your personal information is easy and safe, and we’re sure you’ll appreciate the 24/7 convenience (*see article below*).

Our goal is to make information readily available to members through our Web site. The Secure Area is our effort to get you the information you need about your NYSTRS membership when you need it, and the retirement application tracking feature is another step in that direction. ■

Keep Tabs on Your Membership With a Secure Area Account

If thumbing through your important papers for basic information about your NYSTRS membership is inconvenient for you, visit us online and register for a Secure Area account so you can review your information at any time of the day or night. Depending on the option you choose, you will be able to access your detailed membership information within minutes. This includes:

- Service credit and employment history;
- Contributions made to NYSTRS;
- Beneficiaries; and,
- Current and last year’s *Benefit Profile*.

What’s more, you can schedule a benefits consultation with System staff or reserve a seat in a Preretirement Planning Seminar — both important steps in planning and preparing for retirement. And once you file for retirement, you can track the progress of your retirement application as it is being processed.



Registering online for a Secure Area account is easy. After just a few simple steps — including the verification of your mailing address — you can have your membership information at your fingertips (provided you opted to have your password e-mailed to you). The convenience of 24/7 access to your personal information is invaluable.

NYSTRS is committed to providing superior service to our members. We are equally committed to keeping your data secure. To that end, we have taken every reasonable precaution to ensure this information is protected so that you are the only one who is able to access it. In many ways, it’s more secure than information we would send you by way of the U.S. Postal Service.

To see just how easy it is to stay apprised of your NYSTRS membership, please take a tour of the Secure Area. Log on to www.nystrs.org, select the Secure Area tab and choose an active member demonstration. Then join the 35,000 NYSTRS members who’ve already registered for a Secure Area account and enjoy instant access to your information. ■

Pop Quiz: What’s the quickest and easiest way to get personal information about your NYSTRS membership?

Answer: Through your personal Secure Area account at:

www.nystrs.org

When Should You Retire?

Perhaps the biggest question on the minds of our members is: When should I retire?

A decision of that magnitude is based on a number of important factors ranging from the bottom line (when can I afford to retire?) to the top of the mind (what will I do in retirement?). Where do you begin?

For starters, to carefully prepare for retirement, you need to: a) estimate how much money you will need to realize your retirement dreams; b) calculate how much money you currently have saved; c) determine how much you can expect to receive from your pension, Social Security benefits, investments, and other assets; and, d) develop a strategy for making up the difference. The earlier you begin preparing, the more likely you are to have the funds necessary to make those retirement dreams come true.

Your NYSTRS pension, which will likely be the largest segment of your retirement nest egg, is based on several components: your age, tier of membership, total service credit and final average salary. While all factor into your benefit calculation, the importance of total service credit cannot be overstated. In short, you must meet certain service milestones to maximize your pension.

It is impractical to cover every possible scenario for all tiers in this space. We will, however, try to illustrate the importance of considering service credit when making the decision when to retire.

The Basics

Under all tiers you may retire at age 55 with at least five years of New York State

service credit. Other important service milestones include:

- 20 years of credit — Higher pension calculation (all tiers).
- 30 years of credit or age 62 — No age reduction (Tiers 2, 3 and 4).

To maximize your service credit, be sure you have all the credit for which you are eligible. In addition to the member service credit you earn as an active NYSTRS member, you may be eligible for any or all of the following types of service credit:

- Prior (perhaps from substitute teaching or other New York State public service before your NYSTRS membership date);
- Transfer (earned at another New York State public retirement system);
- Reinstatement (the result of a previous membership in NYSTRS or any other New York State public retirement system);
- Military (subject to limitations established by law);
- New York City subsequent (also subject to limitations established by law);
- Out-of-state (for up to 10 years of public teaching in another state before your NYSTRS membership, available to Tier 1 members only); or,
- Benefit Enhancement/Article 19 (Tier 1 and 2 members only).

For a more detailed explanation of each service type, refer to the pamphlet *You Deserve the Credit* on the Publications page at www.nystrs.org.

To receive full benefits with no deductions, the following conditions must be met:

- Tier 1: Members receive unreduced benefits with 20 years of credited service at

age 55 or older, or at any age with 35 years of service.

- Tier 2, 3 and 4: Members receive unreduced benefits with 20 years of service credit at age 62 or older, or with 30 years of credited service at age 55 or older.

Pension Calculation Formula

Your Maximum annual pension is determined by the formula:

Pension Factor (x Age Factor for Tiers 2, 3 and 4) x Final Average Salary = Maximum Annual Pension

Your final average salary (FAS) is the average of your highest three consecutive years of regular salary (but limits on earnings increases may apply). Tier 1 members are eligible for an alternative five-year FAS.

The pension factor is a percent based on your years and months of service credit. In most cases, the percent increases with additional service.

Generally, you receive 2% per year of credit (1²/₃% for Tiers 3 and 4 with less than 20 years of credit). For members retiring under Tier 4, each year beyond 30 years adds 1¹/₂%. The pension factor for Tier 1 and 2 members generally cannot exceed 79%.

Putting it Together

So what does this all mean, and does it matter how many additional years you work? Let's run some numbers.

If you are a Tier 2, 3 or 4 member who retires *before* age 62 with *less than* 30 years of service, you receive a reduction to your pension factor, prorated by month. So let's

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Retirement at Age 55 with 29 Years of Service*

Benefit = 42.3% of your FAS

(29 years x 2% per year x 73%, the latter reflecting the pension factor reduction in effect when you retire at age 55 with less than 30 years of service)

VS.

Retirement at Age 55 with 30 Years of Service*

Benefit = 60% of your FAS

(30 years x 2% with no further reductions)

Bottom Line: Working one more year increases your pension factor by almost 18%.

*Tier 2, 3 and 4 members who retire before age 62 with less than 30 years of service receive a reduction to their pension factor, prorated by month.

Wanted: Owners of Abandoned And Unclaimed Funds



Isn't it great to find money you'd forgotten about? Maybe it's a \$20 bill in your jacket pocket, or \$5 on your dresser. Regardless of the amount, there is a sense of exhilaration associated with it.

Imagine then finding a *larger* sum of money. Former NYSTRS members — perhaps some you know — may have Retirement System contributions they are entitled to withdraw and they do not even know it.

You can help the System find the rightful owners of its more than 7,000 abandoned accounts and unclaimed funds. In all, \$6.5 million is waiting to be claimed.

Former members (or their beneficiaries

or estates) may claim their funds at any time. The System attempts to contact former members periodically, but if their addresses or names have changed in the interim, locating them can be difficult, as the System's relationship with them may have ended some time ago.

You can help us find the owners of these funds by visiting the Unclaimed Funds page at www.nystrs.org and searching for friends or colleagues who are former NYSTRS members. If you find the name of someone you know, please have that person (or the representative of the person's estate) call us at (800) 348-7298, Ext. 6190.

When memberships in NYSTRS cease, the System makes every effort to contact these people so they may withdraw their contributions. If the member does not withdraw these contributions, we add the member's name to a list of unclaimed accounts. If the contributions remain unclaimed for 18 months, they are then considered abandoned.

Per statute, NYSTRS is unable to add the contributions of ceased members to its general fund. Essentially they are held in escrow for their owners, but the money in these accounts does not earn interest. ■

When Illness or Injury Strikes

Being struck with an illness or injury can be frightening. If you are faced with such a dilemma, know that you and your family are not alone when dealing with important and complex decisions related to your NYSTRS benefits.

Retirement System staff, for example, can help you weigh your options so you can decide if filing for a disability retirement would provide you with better financial protection than if you remained in active service.

If there is no question you are no longer able to work because of a serious illness or injury, contact the System immediately at (800) 348-7298, Ext. 6010. We will determine if you qualify for a disability retirement and, if so, provide you with an estimate of this benefit. If you decide to file for disability retirement, we can help you through the process of gathering the necessary medical documentation.

The disability benefit is generally one-third of a member's final average salary. However, the benefit may be more or less depending on the member's tier, age and service credit. For Tier 3 and 4 members who become disabled as a result of an accident sustained in the performance of their teaching duties, the applicable five- or 10-year eligibility requirement is waived.

Disability retirements are subject to review and approval by the System's Medical and Retirement boards.

General information on this topic is available in our pamphlet *If You Are No Longer Able to Work: A Guideline for Making Decisions About Disability Retirement*, found on the Publications page at www.nystrs.org or by calling (800) 782-0289.

Inform Your Beneficiary

What if the illness or injury were fatal? Would your family know what to do?

It is important that you and your family (or estate) know what steps to take if death occurs. Sharing the following information with loved ones now is a critical first step.

NYSTRS offers several types of death benefits: In-Service

(which may include post-retirement coverage for Tiers 2, 3 and 4); Accidental; Vested; and, Accelerated (which is intended for those who qualify for a disability retirement and have a debilitating or terminal illness with a life expectancy of no more than 12 months). Your eligibility depends on your membership status and, in certain cases, the cause or timing of your death.

The most important actions to take in the event of death are to immediately notify us and to promptly provide us with a copy of the death certificate. Our receipt of the original or certified copy of the death certificate is imperative in the processing of a death benefit.

Notifying the appropriate NYSTRS participating employer, although equally important, does not guarantee the information will be communicated to us. Without notification and proper documentation to NYSTRS, beneficiaries will not receive the payments to which they are entitled from the System.

To report a member death to NYSTRS, call (800) 348-7298, Ext. 6110 and provide the following information:

- Member name and EmplID or Social Security number;
- Date of death;
- Contact information for the survivor and/or beneficiary to contact; and,
- Contact information for the person handling the estate.

Providing us the necessary notification and documentation will ensure your benefits will be administered in a timely manner in accordance with your wishes. ■

Refer to your *Benefit Profile*, mailed annually, for your retirement estimates, which are included as you meet eligibility requirements and updated as your circumstances change. Included are disability retirement estimates, as well as an in-service death benefit estimate. The *Profile* also lists your beneficiaries on file with NYSTRS. **Update this information as needed.**

Board Meeting Highlights... (from page 8)

July 30, 2008

- ◆ **Authorized** the allocation of up to \$250 million to Quantitative Management Associates LLC to manage a portion of the System's portfolio as a domestic equity enhanced passive manager.
- ◆ **Authorized** the allocation of up to \$500 million to T. Rowe Price Associates Inc. to manage a portion of the System's portfolio as a domestic equity enhanced passive manager.
- ◆ **Authorized** that the System's asset allocation targets and ranges be amended effective immediately as follows:

	Target	Range
Domestic Equity	42%	35-49%
International Equity	15%	11-19%
Real Estate	10%	6-14%
Private Equity	7%	4-12%
<i>Total Equity</i>	<i>74%</i>	
Domestic Fixed Income	18%	13-23%
Mortgages	8%	5-11%
Cash Equivalents	0%	0-5%
<i>Total Fixed Income</i>	<i>26%</i>	

- ◆ **Ratified** the following actions taken by the Retirement Board's Finance Committee since the previous Board meeting:
 - The revision of the sales matrix for the CarrAmerica Office Portfolio.
 - A \$75 million construction mortgage loan with an interest rate of 6.35% and a term of approximately eight years and five months for the Promenade at Temecula Mall in Temecula, CA.
 - A five-year, \$165 million first mortgage for Williams Tower in Houston, TX. The gross interest rate for the interest-only, five-year loan will be 5.50%; the net interest to the System shall be 5.49%.
 - A 50% participation (\$120 million) in a \$240 million first mortgage for U.S. Bank Centre, Seattle, WA. The 10-year loan will carry an interest rate of 6.31%.
 - An investment of up to \$60 million in Aisling Capital III L.P.
- ◆ **Ratified** the following actions taken by the Executive Director since the previous Board meeting:
 - An investment of \$50 million, or an amount not to exceed 20% of the fund's capital commitments, in the Lone Star Fund VI (U.S.) L.P., subject to the satisfactory completion of due diligence.
 - An investment of up to \$8.8 million to acquire the remaining 50% interest in the land subject to the ground lease encumbering part of the land beneath 919 Third Ave., New York, NY.
 - An investment of up to \$75 million, but not less than \$50 million, in an existing \$1.3 billion first mortgage on the office building located at 767 Fifth Avenue, New York, NY.
- ◆ **Renewed** the agreement with Artisan Partners to manage a portion of the System's portfolio as

an active international equity manager, for one year, effective Oct. 1, 2008.

- ◆ **Renewed** the agreement with Causeway Capital Management to manage a portion of the System's portfolio as an active international equity manager, for one year, effective Oct. 1, 2008.
- ◆ **Renewed** the agreement with Harris Associates to manage a portion of the System's portfolio as an active international equity manager, for one year, effective Oct. 1, 2008, and placed the firm on the System's investment manager "watch list."
- ◆ **Renewed** the agreement with Mercator Asset Management to manage a portion of the System's portfolio as an active international equity manager, for one year, effective Oct. 1, 2008, and placed the firm on the System's investment manager "watch list."
- ◆ **Renewed** the agreement with Cohen & Steers Capital Management Inc. to manage a portion of the System's portfolio in real estate investment trusts (REITs) and real estate operating companies (REOCs) securities, for one year, effective Sept. 13, 2008.
- ◆ **Renewed** the agreement with Prima Capital Advisors LLC to manage a portion of the System's portfolio in commercial mortgage backed securities (CMBS), for one year, effective Oct. 1, 2008.
- ◆ **Renewed** the agreement with Progress Investment Management Company to manage a portion of the System's portfolio as a fund of funds manager for domestic small and medium capitalization equity managers, for one year, effective Oct. 1, 2008.
- ◆ **Renewed** the agreement with State Street Global Advisors to manage a portion of the System's portfolio as an international enhanced passive manager, for one year, effective Oct. 25, 2008.
- ◆ **Heard** informational reports from Callan Associates on private equity and external manager performance.
- ◆ **Heard** an informational report from StepStone on private equity distressed debt opportunities.
- ◆ **Adopted** an employer contribution rate applicable to 2008-09 payrolls and collected during the 2009-10 school year of 7.63%.
- ◆ **Authorized** the Executive Director to enroll NYSTRS as a member of the National Institute of Retirement Security and thereafter to continue such membership at his discretion.
- ◆ **Authorized** the Executive Director to retain a Parliamentarian for the System's Annual Delegates Meeting, scheduled for Nov. 9-10, 2008 at the Saratoga Springs City Center.
- ◆ **Approved** a resolution acknowledging the retirement of Legal Department Administrative Aide Paul McGowan (27 years of service). ■

When Should You Retire? (from page 5)

assume you want to retire at age 55 with 29 years of service. In this case your retirement benefit would be 42.3% of your FAS (29 years x 2% per year x 73%, the latter reflecting the pension factor reduction in effect when you retire at age 55 with less than 30 years of service).

However, if you were to work just one more year so you could achieve the 30-year service milestone, you would receive 60% of FAS (30 years x 2% with no further reductions).

This example clearly illustrates how working one more year would increase your pension factor by almost 18%!

To help you see how additional service can impact you, put our Web site to work for you. There is a host of resources on our Retirement Planning page, including a calculator that projects your benefit based on the scenario you establish.

We also suggest you review and verify your service credit and salary information regularly by checking your *Benefit Profile*, mailed to you annually and also available through the Secure Area of our Web site. Attend a Preretirement Planning Seminar as early as age 45. As you near retirement, schedule a consultation with a NYSTRS information representative. These are valuable retirement planning tools that can pay big dividends.

Avoid common — and often irrevocable — errors by taking these simple steps along the path to retirement. You will, without question, be glad you did. ■

Board Meeting Highlights — April 30, 2008 and July 30, 2008

April 30, 2008

◆ **Considered** a private equity investment in Caltius Partners IV L.P., and authorized the System to invest up to \$50 million in that fund, subject to the completion of due diligence.

◆ **Considered** a private equity investment in CS Strategic Partners IV L.P., and authorized the System to invest up to \$175 million in that fund, subject to the completion of due diligence.

◆ **Considered** a private equity investment in Hutton Collins Capital Partners III, and authorized the System to invest up to €50 million in that fund, subject to the completion of due diligence.

◆ **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, 2008.

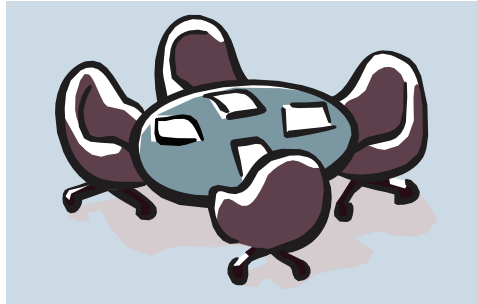
◆ **Renewed** the agreement with Cohen & Steers Capital Management Inc. to manage a portion of the System's portfolio by actively investing in REIT and REOC securities, for one year, effective July 1, 2008.

◆ **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, 2008.

◆ **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, 2008.

◆ **Ratified** the following actions taken by the Retirement Board's Finance Committee since the previous Board meeting:

- A five-year, \$86 million first mortgage for 2555 Grand Boulevard in Kansas City, MO. The inter-



est-only loan will carry a gross interest rate of 5.375%.

- An investment of up to \$75 million in ABRY Partners VI L.P.
 - An investment of up to \$100 million in Ares Corporate Opportunities Fund III L.P.
 - An investment of up to \$100 million in JLL Partners Fund VI L.P.
 - An investment of up to \$100 million in Madison Dearborn Capital Partners VI L.P.
 - An investment of up to \$100 million in Riverstone/Carlyle Global Energy and Power Fund IV L.P.
 - An investment of up to \$150 million in TPG Partners VI L.P.
 - An investment of up to \$150 million in Lexington Middle Market Investors II L.P.
- ◆ **Ratified** the following actions taken by the Executive Director since the previous Board meeting:
- An investment of up to \$50 million, or an amount no more than 20% of capital raised by the Fund, in Cabot Industrial Value Fund III L.P., subject to the satisfactory completion of due diligence.
 - An investment of up to \$50 million, or an amount no more than 20% of capital raised by the Fund, in Rockwood Capital Real Estate Fund VIII L.P., subject to the satisfactory completion of due diligence.

- An investment of up to \$55 million, or an amount no more than 20% of capital raised by the Fund, in Westbrook Real Estate Fund VIII L.P., subject to the satisfactory completion of due diligence.
- An investment of up to \$8.447 million to acquire a partial interest in a leased fee estate applicable to part of the land beneath 919 Third Ave., New York, NY, subject to the completion of due diligence.

◆ **Ratified** the following actions taken by the Retirement Board via mail vote since the previous Board meeting:

- An additional \$100 million allocation to Black Rock Financial Management;
- An additional \$100 million allocation to ING Clarion Capital; and,
- An additional \$50 million allocation to Prima Capital Advisors, LLC.

◆ **Authorized** the Executive Director to expand the existing agreement with Callan Associates Inc. — which serves NYSTRS as a general investment, real estate and private equity consultant — to include the monitoring of total performance of the System's externally and internally managed assets, effective April 1, 2008.

◆ **Approved** a resolution to appoint a Managing Director of Fixed Income and a Managing Director of Quantitative Strategies/Risk Management to Executive Staff.

◆ **Accepted**, as presented, NYSTRS' operating budget for the 2008-2009 fiscal year.

◆ **Considered** an informational presentation from NYSTRS staff regarding climate risk and the System's work with the Coalition for Environmentally Responsible Economies (CERES).

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Summer 2008