

**TEACHER RETIREMENT SYSTEM OF TEXAS MEETING  
BOARD OF TRUSTEES**

**AGENDA**

**October 8, 2009 – 1:00 p.m.**

**October 9, 2009 – 8:00 a.m.**

**TRS East Building, 5<sup>th</sup> Floor, Boardroom**

*NOTE: Any item posted on the agenda may be taken up during the Board meeting on Thursday, October 8, 2009, or during the continuation of the meeting on the following day beginning at the time and place specified on this agenda.*

1. Call roll of Board members.
2. Consider Board administration matters, including the following – Linus Wright, Board Chair:
  - A. Consider resolutions recognizing the service of outgoing Trustees.
  - B. Consider the approval of the August 20, 2009 Board meeting minutes.
  - C. Consider excusing the absence of a Board member from the August 20, 2009 Board meeting.
  - D. Consider the election of the Board Vice-Chair and Texas Growth Fund Trustee.
  - E. Consider consenting to the Board Chair's appointment of committee members, and receive the Board Chair's public announcement of committee chairs.
  - F. Consider the Board and committee meeting dates and alternative meeting locations for calendar year 2010 (all meetings will be in Austin unless another location is specified).
3. Provide opportunity for public comments – Linus Wright, Board Chair.

*NOTE: The Board meeting likely will recess at 1:15 p.m. on Thursday, October 8, to let Board committees meet then will reconvene at 8:00 a.m. on Friday, October 9, in the Boardroom.*

4. Discuss the external audit of TRS-Care claims of the Third Party Administrator and Pharmacy Benefits Manager – Marie Pollock, Wolcott & Associates, Inc., and Frank DiLorenzo.

5. Review the report of the Investment Management Committee on its October 8, 2009 meeting, and consider approving LaSalle Investment Management to act as a fiduciary advisor to the Investment Management Division with respect to the Private Markets Portfolio, including certain co-investment opportunities in the Real Assets Portfolio – Presiding Officer.
6. Review the report of the Risk Management Committee on its October 8, 2009 meeting – Robert Gauntt.
7. Review the report of the Policy Committee on its October 8, 2009 meeting, and consider the following matters – Presiding Officer:
  - A. Consider amending the Investment Policy Statement and associated TRS Glossary of Investment Terms with regard to foreign exchange forward contracts.
  - B. Consider the adoption of the following proposed new or amended rules in Title 34, Chapter 53 of the Texas Administrative Code needed to implement recently enacted legislation concerning the 403(b) company certification and product registration program:
    - i. Amended § 53.1, relating to Definitions.
    - ii. Amended § 53.4, relating to Qualifications for Certification by Companies Offering Qualified Investment Products that are Annuity Contracts.
    - iii. Amended § 53.5, relating to Qualifications for Certification by Companies Offering Qualified Investment Products Other than Annuity Contracts.
    - iv. Amended § 53.6, relating to Procedure for Certification.
    - v. Amended § 53.7, relating to Certification Fee.
    - vi. Amended § 53.11, relating to Coordination with Regulatory and Enforcement Agencies.
    - vii. Amended § 53.13, relating to Suspension or Revocation of Certification.
    - viii. Amended § 53.16, relating to Procedure for Product Registration.
    - ix. New § 53.20, relating to Administrative Service Providers.
  - C. Consider the adoption of a new Employee Ethics Policy and related materials.
8. Receive the report of the Deputy Director on the following matters – Brian Guthrie:
  - A. Review the status of the actuarial valuation of the pension trust fund as of August 31, 2009.

- B. Receive communications update, including Texas Retired Teacher Association district meetings.
  - C. Receive administrative operations update, including parking lot usage, elevator repairs, and other matters relating to TRS administration.
  - D. Receive preview of strategic planning process.
  - E. Receive legislative update.
9. Review and, as needed, consider amending the fiscal year 2010 pension trust fund administrative operations budget, general provisions, or resolution authorizing transfer of pension trust funds to the TRS expense account to cover the expenses approved under the fiscal year 2010 budget – Ronnie Jung, Brian Guthrie, and Ken Welch.
10. Review the reports of the Chief Financial Officer – Ken Welch:
- A. Report under § 825.314(b), Government Code, of expenditures that exceed the amount of operating expenses appropriated from the general revenue fund and are required to perform the fiduciary duties of the Board.
  - B. Financial reports on TRS programs.
11. Consider the administrative appeal of the Estate of James K. Watts – Conni Brennan.