

LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM BOARD AD HOC COMMITTEE MEETING

Monday - July 12, 2004

The Louisiana School Employees' Retirement System's Board Ad Hoc Committee convened in the board room (Room 100) of the Louisiana School Employees' Retirement System Building, located at 8660 United Plaza Boulevard., Baton Rouge, Louisiana. Mr. Seymour called the meeting to order at 10:43 a.m. The Roll was called by Mrs. Stark.

Members Present: Mr. Joe Seymour - Vice-Chairman, Ms. Betty Jacobs and Mr. John Broussard - State Treasurer's Office.

Members Absent: Mr. Larry Wilmer, Chairman.

Staff Present: Mr. Patrick Cospers - Director, Mrs. Debra Dudley - Assistant Director, Mr. Randy Roche - General Counsel, Mrs. Julia LeBlanc - Chief Investment Officer, Mrs. Josie Meche - Investment Manager I, Ms. Judy Wright - Public Information Director I and Mrs. Laurie Stark - Executive Services Assistant.

Others Present: Mr. Rich Ranallo - Segal Advisors, Inc., Ms. Kathy Lambert - Vice President - School Bus Operators Association and Mr. David Lundgren - Hancock Bank.

EDUCATIONAL SEMINAR REGARDING THE HANCOCK BANK MANAGED BURKENROAD FUND.

Mr. David Lungren who is the director of equities and research with Hancock Bank gave an educational presentation regarding the Burkenroad Fund that is managed by his office for Tulane University. He began his presentation by giving the committee a brief background about himself. He is responsible for management of three equity mutual funds one of which includes the Burkenroad Fund. He has been with Hancock Bank for six years and is a University of New Orleans graduate from Kenner. Hancock Bank is the third largest Louisiana domiciled bank and the largest state bank in Louisiana. Their operations are based in Baton Rouge, but they have offices in both Baton Rouge and New Orleans and Gulfport and Jackson, Mississippi. Hancock Bank Asset Management Group has \$4.7 billion in assets under administration. Their Hancock Horizon Fund which was started in May of 2001 had, as of June 2004, \$510 million in assets. The Burkenroad Fund is the fund that he was asked to speak about and it was introduced in December 2001. The Burkenroad Fund incorporates \$6 million of the Hancock Horizon Fund's \$510 million. It primarily invests in the common stocks of companies with small capitalizations which means under 1 billion and either located or doing business in the Southeast. Mr. Ricchiuti described them as "stocks under rocks". The stock selection process involves both quantitative and fundamental analysis along with proprietary and third-party research performed by the business students at Tulane's Freeman School of Business. It is the smallest fund that they manage.

ON MOTION OF MS. JACOBS, SECONDED BY MR. FAULK AND CARRIED, the committee agreed to adjourn.

The meeting adjourned at 11:06 a.m.

Patrick Cospers, Director

Joe Seymour, Vice-Chairman