

**LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM  
BOARD AD HOC COMMITTEE MEETING**

***Monday - March 8, 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. Wilmer called the meeting to order at 11:04 a.m. The Roll was called by Mrs. Stark.

\* \* \* \* \*

**Members Present:** Mr. Larry Wilmer - Chairman, Mr. Joe Seymour, Ms. Betty Jacobs, Mr. John Broussard - State Treasurer's Office, and Ms. Stacy Sharpe - Secretary of State's Office.

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

**Others Present:** Mr. Donald Saxton - Segal Advisors, Inc., Ms. Sylvia Myers, Mr. Earl Richard, Jr., Ms. Betty Crain, Mr. Jeffrey Faulk and Mr. Mike Arpey and Mr. David Russell both with Credit Suisse/First Boston.

\* \* \* \* \*

**EDUCATIONAL SEMINAR BY CREDIT SUISSE/FIRST BOSTON.**

Mr. Mike Arpey with Credit Suisse/First Boston presented an educational seminar regarding venture capital. Venture capital is starting newer companies based on an idea. There are excellent opportunities out there for venture capital in Louisiana. Their company is very large and has a lot of resources at their disposal to help them manage state pension funds. Their company works to understand the needs of their clients. When dealing with in state investments, one must have not only the knowledge of available opportunities, but the knowledge of firms that are out there is required to handle these investments. The first few years they will go and search out companies in which to invest in and be in a "purchasing" mode for that time period. It is not until years six, seven and eight that one may actually see any return from these earlier investments. This type of investment is not liquid. One is in this type of investment for the long run. Choosing well means a lot in the private asset class. Mr. David Russell mentioned that their company has developed custom-based plans for various states. They manage in state investments for various state pension funds around the country.

Mr. Seymour left at 11:25 a.m.

\* \* \* \* \*

**DISCUSSION WITH CONSULTANT.**

Mr. Saxton addressed the committee members with his comments regarding the presentation given by Credit Suisse/First Boston. He thought the presentation was very straightforward and very informative. It was given in language that he said he felt the committee understood. Their fees are standard within the industry and there will be little or no negotiations on the fee.

\* \* \* \* \*

**ON MOTION OF MS. JACOBS, SECONDED BY MS. CRAIN AND CARRIED**, the committee agreed to accept the presentation regarding venture capital given by Credit Suisse/First Boston.

\* \* \* \* \*

**OTHER BUSINESS.**

Mr. Cosper brought to the committees' attention a news article written about the amount of retirement proceeds withheld increasing for teachers in Evangeline Parish due to bad investments made by Teachers' Retirement System of Louisiana. The general public's attitude toward the retirement systems has been cool at best lately.

\* \* \* \* \*

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

The meeting adjourned at 12:24 p.m.

\_\_\_\_\_  
Patrick Cosper, Director

\_\_\_\_\_  
Larry Wilmer, Chairman