

**Louisiana School Employees' Retirement System
Regular Board Meeting**

**Tuesday, May 12, 2009
8:30 a.m.**

The Board of Trustees of the Louisiana School Employees' Retirement System convened in the Board Room (Room 100) of the Louisiana School Employees' Retirement System Building located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Mr. Larry Wilmer, Chairman of the Board, called the meeting to order at 8:30 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Champagne.

Members Present: Mr. Larry Wilmer, Mr. Philip B. Walther, Mr. Eugene Rester, Jr., Ms. Judith Ann McKee, Ms. Kathy B. Landry, Ms. Betty Crain, Mr. Jeffrey Faulk, Sr., Ms. Lori Pierce - designee for Mr. John Kennedy – State Treasurer, *Mr. Randy Davis - designee for Mr. Jay Dardenne – Secretary of State

Members Absent: Senator D. A. "Butch" Gautreaux – Chairman of the Senate Committee on Retirement, Representative Joel C. Robideaux – Chairman of the House Committee on Retirement

Staff Present: Mr. Charles P. Bujol - Executive Director, Ms. Debra H. Dudley - Assistant Director, Mr. Warren D. Ponder - Executive Counsel, Mr. Brendan Brosnan - Chief Investment Officer, Mr. Jerry Rhodus - Investment Officer 1, Ms. Jennifer Champagne - Administrative Assistant 6

Also Present: Mr. Brett Hazen - Segal Advisors

*Mr. Randy Davis arrived at 8:36 a.m.

ANNOUNCEMENTS

Mr. Bujol provided a brief update on the proposal by Civil Service to suspend merit increases for Fiscal year 2009-2010.

MANAGER PERFORMANCE REVIEW

Mr. Brosnan provided a brief review of portfolio performance as of March 31, 2009. In reviewing the asset allocations it was noted that the overall total equities are within LSERS' guidelines. Domestic, international, fixed income, real estate, and private equities performance was provided, followed by a review of fiscal year-to-date performance.

ON MOTION BY MR. FAULK, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board accepted the Manager Performance Review.

Mr. Hazen continued the review by providing an analysis of investment performance through March 31, 2009. A detailed review of financial market conditions, asset allocations and investment manager performance was provided.

Mr. Hazen then addressed questions from the Board and LSERS' administrative staff.

ON MOTION BY MR. RESTER, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT, the Board accepted the report from Segal Advisors.

DISCUSSION ON TATTERSALL DISTRESSED ASSETS

Mr. Hazen provided an update on the disposition of the Tattersall portfolio and management of assets by Commonwealth Advisors, a Louisiana based manager. He also provided information on his preliminary review of managers and fees associated with disposition of these funds.

Mr. Brosnan provided an update on the transfer of the distressed assets authorized by the Board during its April 2009 meeting and recommended that the Board hire Commonwealth Advisors to manage the portfolio while a formal search is conducted. He also recommended transferring \$7.5 million dollars into the portfolio and provided a review of how the funds would be invested.

Mr. Hazen and Mr. Brosnan then addressed questions from the Board and LSERS' administrative staff.

ON MOTION BY MR. FAULK, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT, the Board gave Mr. Brosnan permission to continue with the transition of assets to Commonwealth Advisors.

INVESTMENT MANAGER REPORTS

The following Investment Managers provided their presentations and then addressed questions from the Board, its Investment Consultants, and LSERS' administrative staff:

Walter Scott & Partners, Ltd.

Francis H. W.F. Sempill – Investment Manager

Thornburg Investment Management

Frances D'Alessio – Co-Director, Portfolio Specialist, Institutional Group

C. S. McKee Investment Managers

*Eugene M. Natalie Jr., Marketing Manager
Robert A. McGee, Senior Vice President & Portfolio Manager*

PUBLIC COMMENT

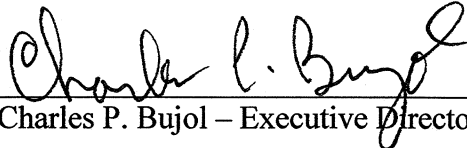
There were no public comments.

OTHER BUSINESS

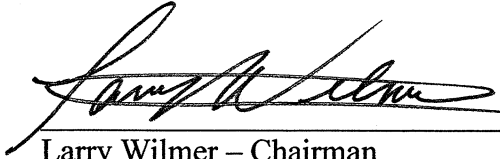
Mr. Davis provided an update on legislation pertaining to revising civil service rules on merit increases.

There was no other business to discuss.

ON MOTION BY MS. LANDRY, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 10:50 a.m.



Charles P. Bujol – Executive Director



Larry Wilmer – Chairman