

Louisiana School Employees' Retirement System
Quarterly Board Meeting
Monday, August 17, 2015
9:00 a.m.

The Board of Trustees of the Louisiana School Employees' Retirement System convened in the boardroom (Room 100) of the Louisiana School Employees' Retirement System Building, located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Mr. Jeffrey Faulk, Sr., Chairman of the Board, called the meeting to order at 9:00 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Stark.

Members Present: Mr. Jeffrey Faulk, Sr., Ms. Judith Ann McKee, Mr. Eugene Rester, Jr., Ms. Kathy B. Landry, Ms. Colleen Barber, Mr. Henry Yearby, Mr. Philip B. Walther, Ms. Kelli Rogers - designee for Mr. John Kennedy - State Treasurer, Ms. Ashlee McNeely – designee for Ms. Kristy Nichols – Commissioner of Administration, Ms. Laura Gail Sullivan – representative for Senator Elbert L. Guillory – Chairman, Senate Committee on Retirement, Mr. Joe Salter – designee for Mr. Tom Schedler – Secretary of State

Members Absent: Representative J. Kevin Pearson - Chairman, House Committee on Retirement

Staff Present: Mr. Charles Bujol – Executive Director, Ms. Carolyn Forbes - Assistant Director, Ms. Lauren Bailey - Executive Counsel, Mr. Christopher Saik - Chief Investment Officer, Ms. Larisa Ellard - Internal Auditor, Ms. Laurie Stark – Administrative Assistant

Others Present: Mr. Jeffrey Boucek and Mr. Keith Reynolds - Segal Rogerscasey

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol made the following announcements:

- LAPERS packets will be distributed during the August 18, 2015 meeting.
- Annual member statements were mailed last week.
- Advanced copies of the “Crossroads” newsletter along with “Thank You” notes from Meketa and NEPC have been placed in the board member’s folders.

- Renovations in the board room and the Retirement/Accounting Department halls have been completed.
- The receptionist's office has been renovated.
- Renovations in the IT Department hallway have begun.
- The staff kitchen renovations will begin once the IT renovations are completed.

APPROVAL OF AGENDA

The agenda was presented to the Board for approval.

ON MOTION BY MS. McKEE, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT the Board approved the agenda.

PUBLIC COMMENTS ON ANY ITEM ON THE AGENDA

Mr. Faulk called for public comment on any item on the agenda. There were no comments.

MANAGER PERFORMANCE REVIEW

Mr. Boucek and Mr. Reynolds provided a review of manager performance, which included a handout titled *Analysis of Investment Performance* for period ending June 2015. They also provided an overview of performance for the managers that are on the Manager Watch List, which included a handout titled *Manager Watch List*. They 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 agreed to terminate the contract with Wasatch Advisors.

ON MOTION OF MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to move the Wasatch funds to Mellon Capital Index Fund until another manager is hired.

ON MOTION BY MS. McKEE, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Investment Performance Review.

INVESTMENT REPORTS

Mr. Saik provided the following reports and then addressed questions from the Board and LSERS administrative staff:

**Louisiana Broker
Securities Lending**

ON MOTION BY MS. McKEE, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Louisiana Broker and the Securities Lending reports.

INVESTMENT MANAGER REPORTS

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

LSV Asset Management

Scott Kemper – Partner & Director, Client Portfolio Services
James W. Owens, Jr. – Partner & Director, Client Portfolio Services

Walter Scott & Partners, Ltd.

Francis Sempill - Investment Manager

Acadian Asset Management LLC

Scott J. Brymer, CFA – Vice President, Associate Portfolio Manager
James E. Klapman – Senior Vice President, Relationship Manager

Brandes Investment Partners, L.P.

Grant W. Duncan – Director, Institutional Group
Douglas C. Edman, CFA – Director, Investments Group


PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

ON MOTION OF MR. RESTER, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 12:00 p.m.


Charles P. Bujol, Executive Director


Jeffrey Faulk, Sr., Chairman