

Louisiana School Employees' Retirement System
Quarterly Board Meeting
Tuesday, December 8, 2015
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. Jeffrey Faulk, Sr., 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. Kessler.

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, Mr. Joe Salter - designee for Mr. Tom Schedler - Secretary of State, Mr. John Broussard - designee for Mr. John Kennedy - State Treasurer

Members Absent: Senator Elbert L. Guillory - Chairman, Senate Committee on Retirement, Representative J. Kevin Pearson - Chairman, House Committee on Retirement - Ms. Stafford Palmieri - Commissioner of Administration

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. Alison Kessler – Executive Staff Officer

Others Present: Mr. Jeffrey Boucek, Mr. Keith Reynolds - Segal Rogerscasey and Mr. Greg Curran – G.S. Curran & Co.

DIRECTOR'S ANNOUNCEMENTS

No announcements.

APPROVAL OF AGENDA

The agenda was presented to the Committee for approval.

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

PUBLIC COMMENT ON ANY ITEM ON AGENDA

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

APPROVAL OF MINUTES**August 17, 2015 - Quarterly Board Meeting**

ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the August 17, 2015 Quarterly Board meeting.

August 18, 2015 – Quarterly Board Meeting

ON MOTION BY MR. WALTHER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the August 18, 2015 Quarterly Board meeting.

October 5, 2015 – Investment Committee Meeting

ON MOTION BY MR. YEARBY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the October 5, 2015 Investment Committee meeting.

October 5, 2015 - Special Board Meeting

ON MOTION BY MR. YEARBY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the October 5, 2015 Special Board meeting.

ADMINISTRATION**Human Resources, Travel Reports (Staff and Year-To-Date) and Overtime**

Ms. Forbes provided a review of the following reports then addressed questions from the Board.

Human Resources
Travel Expenses (Staff and Year-to-Date)
Overtime

ON MOTION BY MS. McKEE, SECONDED BY MR. WALHTER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Human Resources, Travel Expenses (Staff and Year-to-Date) and overtime reports.

2016 Legislative Session

Ms. Bailey provided an overview of the 2016 Legislative Session and then addressed questions from the Board.

ON MOTION BY MS. LANDY, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board authorized staff to run the required advertisements to allow for board sponsored legislation to be pre-filed.

HCR 130 Appeal Process

Ms. Bailey provided an update on the HCR 130 Appeal Process and addressed questions from the Board.

ON MOTION BY MS. LANDRY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board approved adoption of the revised Appeal Process found on page 30 of the board booklet.

Discuss and Consider Adoption of NCPERS Code of Conduct for Pension Service Providers

Ms. Bailey provided an overview of the NCPERS Code of Conduct for Pension Service Providers and addressed questions from the Board.

ON MOTION BY MS. BARBER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved adoption of the NCPERS Code of Conduct for Pension Service Providers.

AUDIT**Student Certification**

Ms. Ellard provided a review of the Internal Audit on Student Certification and addressed questions from the Board and LSERS administrative staff.

ON MOTION BY MR. YEARBY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Internal Audit report regarding Student Certification.

Annual Privatization Questionnaire

Ms. Ellard provided a review of the Annual Privatization Questionnaire and addressed questions from the Board and LSERS administrative staff.

ON MOTION BY MR. YEARBY, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Internal Audit report regarding the Annual Privatization Questionnaire.

Audit Plan

Ms. Ellard provided a review of the Annual Audit Report and addressed questions from the Board and LSERS administrative staff.

ON MOTION BY MS. McKEE, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Internal Audit report including the planned audits for 2016.

LEGAL

Litigation Report

Ms. Bailey provided a review of the *Litigation Report as of December 1, 2015*, which was provided as a handout and then addressed questions from the Board.

ON MOTION BY MR. YEARBY, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Litigation report.

Collections Report

Ms. Bailey also provided a report on collections during last quarter.

ON MOTION BY MS. BARBER, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Collections report.

INVESTMENT MANAGER REPORTS

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

Orleans Capital Management

Gary L. Welchel - Executive Vice President – Marketing
L. Farrell Crane – Director of Research, Portfolio Manager and Member of Investment Committee
Phyllis Kyle – Trader and Portfolio Manager

Schroder Investment Management

Jim Barrineau – Co-Head of Emerging Markets Fixed Income
Fernando Grisales – Senior Portfolio Manager
David Harris – Senior Investment Director
Anthony Williams – Institutional Director
Karen Kwon – Institutional Manager

BUILDING RENOVATION UPDATE

Mr. Seekins provided the Board with an update on the building renovations and addressed questions from the Board.

OTHER BUSINESS

There was no other business to discuss.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

ON MOTION BY MR. RESTER, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 11:30 a.m.



Charles P. Bujol, Executive Director



Jeffrey Faulk, Sr., Chairman