

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

**Monday, March 14, 2011
Upon adjournment of Investment Committee Meeting**

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., Vice-Chairman of the Board, called the meeting to order at 12:13 p.m. Roll was called by Ms. Champagne.

Members Present: Mr. Philip B. Walther, Mr. Eugene Rester, Jr., Ms. Judith Ann McKee, Ms. Kathy B. Landry, Ms. Betty Crain, Mr. Jeffrey Faulk, Sr., Mr. Ron Henson - designee for Mr. John Kennedy – State Treasurer, Mr. Tim Palmatier - designee for Mr. Tom Schedler – Secretary of State

Members Absent: Mr. Larry Wilmer, Senator D. A. “Butch” Gautreaux – Chairman of the Senate Committee on Retirement, Representative J. Kevin Pearson – Chairman of the House Committee on Retirement

Staff Present: Mr. Charles P. Bujol - Executive Director, Ms. Carolyn Forbes - Assistant Director, Mr. Warren D. Ponder - Executive Counsel, Mr. Brendan Brosnan - Chief Investment Officer, Ms. Jennifer Champagne - Administrative Assistant 6 (Recording Secretary)

DIRECTOR'S ANNOUNCEMENTS

There were no announcements.

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 AGENDA

The agenda was presented to the Board for approval.

ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER, Mr. Rester, Mr. Walther, Ms. McKee, Ms. Landry, Ms. Crain, Mr. Faulk, Mr. Henson, and Mr. Palmatier **voted affirmatively** to approve the agenda.

REPORT/RECOMMENDATIONS OF INVESTMENT COMMITTEE

Mr. Brosnan provided a review of the following recommendations of the Investment Committee:

- Allow the commission recapture program to proceed with 25% of all trades going to Lynch, Jones, & Ryan for a test period of six months at the lower rate of 1 cent per share
- Hire BYN/Mellon as the new custodian bank
- Waiver to Investment Policy regarding single holding concentration requirement for Orleans Capital
- Waiver to Investment Policy regarding single holding concentration requirement for Schroder Distressed Debt

ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved all of the recommendations of the Investment Committee.

LSERS' FY 2011-12 AMENDED BUDGET

Mr. Bujol and Ms. Forbes presented LSERS' FY 2011-12 amended budget, which included removal of the 4% merit increases and related benefits for classified and unclassified employees.

ON MOTION BY MS. LANDRY, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board approved LSERS' FY 2011-12 amended budget.

OTHER BUSINESS

Mr. Bujol provided a brief review of a letter he drafted in response to Senator D. A. "Butch" Gautreaux's request for information relative to the Permanent Benefit Increase (PBI) study. He noted that a copy of Mr. Hall's proposed working concept for funding future PBI's would be attached to the letter for consideration.

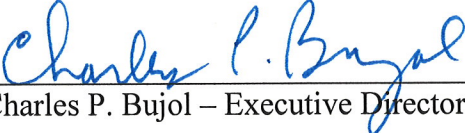
The Board had no objection to Mr. Bujol sending the letter to Senator Gautreaux.

There was no other business to discuss.


PUBLIC COMMENT

There were no public comments.

ON MOTION BY MR. RESTER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 12:20 p.m.



Charles P. Bujol – Executive Director



Jeffrey Faulk, Sr. – Vice-Chairman