

Louisiana School Employees' Retirement System
Quarterly Board Meeting
Monday, February 3, 2014
9:00 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 9:05 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Stark.

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

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

Staff Present: Mr. Charles P. Bujol - Executive Director, Ms. Lauren Bailey - Executive Counsel, Ms. Laurie Stark - Administrative Assistant, Ms. Alison Kessler - Executive Staff Officer, Mr. Christopher Saik - Interim Chief Investment Officer

Other Staff Present: Ms. Larisa Ellard – Internal Auditor

Others Present: Mr. Jeffrey C. Boucek, Mr. Rob Hungerbuhler, and Mr. Keith Reynolds – Segal Rogerscasey

*Mr. Henson arrived at 9:14 a.m.

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol announced that Ms. Forbes would not be in attendance at today's meeting, but would return for tomorrow's meeting.

APPROVAL OF AGENDA

ON MOTION BY MS. LANDRY, SECONDED BY MS. McKEE, Mr. Rester, Mr. Walther, Ms. Crain, Mr. Salter, Mr. Faulk, and Mr. Yearby voted affirmatively to approve the agenda.

PUBLIC COMMENT ON ANY ITEM ON THE AGENDA

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

*Mr. Henson arrived at 9:14 a.m.

MANAGER PERFORMANCE REVIEW

Mr. Boucek, Mr. Hungerbuhler and Mr. Saik provided a review of manager performance, which included a handout titled *Preliminary Investment Performance Review for Period Ending December 31, 2013*, then 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 Manager Performance Review.

2013 CUSTODIAN EVALUATION REPORT

Mr. Saik provided a summary of the results of the 2013 custodian evaluation that was sent to all LSERS portfolio managers.

ON MOTION BY MR. WALTHER, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the 2013 Custodian Evaluation Report.

2013 CONSULTANT EVALUATION REPORT

Mr. Saik provided a summary of the results of the 2013 consultant evaluation that was given to all LSERS board of trustee members.

ON MOTION BY MS. CRAIN, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the 2013 Consultant Evaluation Report.

INVESTMENT POLICY COMPLIANCE

Mr. Saik provided the Investment Policy Compliance report and then addressed questions from the Board and LSERS administrative staff.

ON MOTION BY MS. McKEE, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Investment Policy Compliance report.

INVESTMENT MANAGER REPORTS

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

Easterly Partners Real Estate Advisors

William C. Trimble, III - Chief Executive Officer/Managing Partner

ON MOTION BY MS. McKEE, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the *Easterly Partners Real Estate Advisors* report.

Fisher Investments Institutional Group

Roman Knysh - Vice President & Portfolio Specialist
Leon Stamps - Vice President & Senior Relationship Manager

ON MOTION BY MR. YEARBY, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the *Fisher Investments Institutional Group* report.

INVESTMENT REPORTS

Trading Compliance Report

Mr. Saik provided the Trading Compliance report and then addressed questions from the Board and LSERS administrative staff.

Investment Transactions

An electronic version of the Investment Transactions report was available for review.

Securities Lending

Mr. Saik provided the Securities Lending report and then addressed questions from the Board.

ON MOTION BY MR. RESTER, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board accepted the Investment Reports.

PRESENTATION RELATIVE TO EMERGING MARKETS MANAGER CANDIDATES

Mr. Boucek and Mr. Reynolds presented four emerging market manager candidates for the board to consider for their initial investment. Their presentation included a handout titled *Emerging Markets Equity Search*. The candidates up for consideration were: Acadian Asset Management, LLC, Brandes Investment Partners, L.P., Grantham, Mayo, Van Otterloo & Co., LLC (GMO), and Van Eck Associates Corporation.

CONSIDERATION OF EMERGING MARKETS MANAGER INTERVIEWS

After discussions were held, Mr. Boucek, Mr. Reynolds and Mr. Saik recommended that three of the four emerging market manager candidates be invited to be interviewed during the March 10, 2014 Investment Committee Meeting. Those recommended candidates were: Acadian Asset Management, LLC, Brandes Investment Partners, L.P. and Van Eck Associates Corporation.

ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to invite the following emerging market manager candidates to be interviewed during the March 10, 2014 Investment Committee Meeting: Acadian Asset Management, LLC, Brandes Investment Partners, L.P. and Van Eck Associates Corporation.

INVESTMENT MANAGER REPORTS (Continued)Wasatch Advisors

Chuck Stolfa - Vice President, Client Relations
Jeff Cardon, CFA - Chief Executive Officer, Portfolio Manager

ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the *Wasatch Advisors* report.

OTHER BUSINESS

There was no other business to discuss.

PUBLIC COMMENT

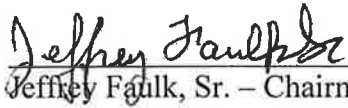
There were no public comments.

ADJOURNMENT

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



Charles P. Bujol – Executive Director



Jeffrey Faulk, Sr. – Chairman

