

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

*Monday, February 15, 2016*

9:00 a.m.

The Louisiana School Employees' Retirement System's Quarterly Board Meeting 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 Board, called the meeting to order at 9:00 a.m. The Board recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. Stark.

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**Members Present:** Mr. Jeffrey Faulk, Sr., Mr. Eugene Rester, Jr., Ms. Kathy B. Landry, Ms. Colleen Barber, Mr. Henry Yearby, Mr. Philip B. Walther, Ms. Amy Mathews – designee for Mr. John Kennedy – State Treasurer, Mr. Randy Davis – designee for Mr. Jay Dardenne – Commissioner of Administration

**Members Absent:** Representative J. Kevin Pearson – Chairman, House Committee on Retirement, Senator Barrow Peacock – Chairman, Senate Committee on Retirement, Mr. Tom Schedler – Secretary of State, Ms. Judith Ann McKee

**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 V, \*Ms. Chenfei Zhou – Account Manager, \*Mr. Mitchell Garlington – Retirement Benefits Assistant Administrator, \*Mr. Dean Majoue – Information Technology Director

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

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\*Ms. Zhou, Mr. Garlington, and Mr. Majoue left at 9:03 a.m.

**DIRECTOR'S ANNOUNCEMENTS**

Mr. Bujol made the following announcements:

- Second floor rental contract negotiations with OFI have been finalized.
- Special session of the Louisiana legislature started February 14, 2016.
- Regular session of the Louisiana legislature will begin on March 14, 2016 and ends on June 6, 2016.

- 1099R forms were mailed out to the retirees two weeks early this year.
- Recognized Mr. Majoue, Ms. Zhou, Ms. Ellard and Mr. Garlington for their combined efforts in improving the process and timeliness of the 1099R forms being produced and distributed.

\*Ms. Zhou, Mr. Garlington, and Mr. Majoue left at 9:03 a.m.

### **APPROVAL OF AGENDA**

The agenda was presented to the Board for approval.

**ON MOTION BY MR. YEARBY, SECONDED BY MS. BARBER 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.

### **STAFF REPORTS**

Mr. Saik provided the following reports:

Securities Lending  
Louisiana Broker  
Securities Litigation

**ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the reports.

### **PORTFOLIO PERFORMANCE REVIEW**

- Mr. Boucek and Mr. Reynolds provided an overview of market conditions and performance during the fourth quarter of 2015. This included an audio/visual presentation and a handout titled: *Analysis of Investment Performance*. They then addressed questions from the board.

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

**DISCUSSION OF WATCH LIST**

Mr. Boucek and Mr. Reynolds provided an overview of performance for the managers that are on the Manager Watch List, which included a handout titled *Manager Watch List*. They then addressed questions from the board.

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

**GLOBAL UNCONSTRAINED FIXED INCOME MANAGER INTERVIEWS**

Interviews were conducted with the following portfolio manager candidates:

**BlackRock, Inc.**

*Hadi Tabbaa - Director*  
*Shayan Hassain, CFA - Director*  
*Kim Tran – Associate*

**ON MOTION BY MR. YEARBY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the presentation by BlackRock, Inc.

**Goldman Sachs Asset Management**

*Joe Hernandez – Managing Director, Senior Relationship Manager*  
*Ronald Arons, CFA – Managing Director, US & Global Fixed Income*

**Loomis, Sayles & Company, L.P.**

*Chad Gross – Vice President, Institutional Services*  
*Todd Vandam, CFA – Vice President, Portfolio Manager*

**ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board agreed to hire Loomis, Sayles & Company, L.P. as the new Global Unconstrained Fixed Income portfolio manager with an initial investment of \$90 million dollars.

**OTHER BUSINESS**

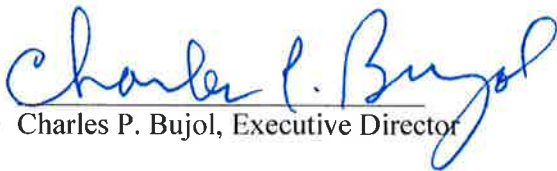
There was no other business to discuss.

**PUBLIC COMMENTS**

There were no public comments.

**ADJOURNMENT**

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

  
Charles P. Bujol, Executive Director

  
Jeffrey Faulk, Sr., Chairman