

Louisiana School Employees' Retirement System Quarterly Board Meeting

Tuesday, August 20, 2019

8:30 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 8:30 a.m. The Board recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. Ashley D. Simmons.

Members Present: Mr. Jeffrey Faulk, Sr., Mr. Eugene Rester, Jr., Ms. Andrea Matte, Ms. Colleen Barber, Mr. Henry Yearby, Ms. Penny Brown, **Mr. James Mack – designee for Mr. John Schroder – State Treasurer, **Mr. Randy Davis – designee for Mr. Jay Dardenne – Commissioner of Administration, **Mr. Joe Salter, designee for Mr. Kyle Ardoin – Secretary of State.

Members Absent: Representative Barbara W. Carpenter - Committee on Retirement member appointed by the Speaker, Senator Barrow Peacock – Chairman, Senate Committee on Retirement, Mr. Philip Walther.

Staff Present: Mr. Charles Bujol – Executive Director, Ms. Chenfei Zhou - Assistant Director, Mr. Robert Collins - Executive Counsel, Mr. Matthew Freedman – Chief Investment Officer, Ms. LaQuinta Jordan - Internal Auditor, Ms. Ashley D. Simmons – Executive Staff Officer.

Others Present: **Mr. Greg Curran, G.S. Curran & Co.

*Mr. Curran departed meeting at 9:40 a.m.

**Mr. Mack, Mr. Davis and Mr. Salter departed meeting at 10:12 a.m.

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol made the following announcements:

- Mr. Matthew Freedman passed the CFA Level III exam on his first attempt and is now a CFA Charterholder, the first ever employed by LSERS. The Board wishes to congratulate Matthew on this achievement.

APPROVAL OF AGENDA

Mr. Bujol requested that the Board amend the agenda by moving the Sexual Harassment Education after Other Business.

ON MOTION BY MS. MATTE, SECONDED BY MS. BROWN 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.

ACTUARIAL EQUIVALENCE EDUCATION AND UPDATE ON ASSUMPTIONS IMPLEMENTATION

Mr. Greg Curran provided an education overview of Actuarial Equivalence, including an audio/visual presentation and handouts titled: *Actuarial Equivalence: Trustee Educations Session and Assumptions Implementation Table*. He then addressed questions from the Board.

ON MOTION BY MR. MATTE, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved to implement the table of Actuarial Equivalence Assumptions.

APPROVAL OF MINUTES

May 6, 2019 - Quarterly Board Meeting

June 10, 2019 – Investment Committee Meeting

June 11, 2019 – Special Board Meeting

July 16, 2019 – Investment Committee Meeting

July 16, 2019 – Special Board Meeting

ON MOTION BY MR. YEARBY, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved all the minutes listed on the agenda.

ADMINISTRATION**Reports**

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

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

ON MOTION BY MS. BROWN, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Administration reports.

Consideration of 2019 Board Meeting Schedule

Mr. Bujol presented for the Board's consideration the proposed 2020 Board Meeting schedule.

ON MOTION BY MS. BARBER, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the 2020 Board Meeting schedule.

Approval of 2019 Election Schedule

Mr. Strange provided the proposed 2020 Election Schedule for the District 3 Active-Member Representative.

ON MOTION BY MS. BARBER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the 2020 Election Schedule.

AUDIT**Addendum Request**

Ms. Jordan requested an addendum to the 2019 Audit plan asking to remove the IT Audit item and place it on the 2020 plan. In lieu of the IT Audit she would be working on the Self-assessment of the Audit department.

ON MOTION BY MR. YEARBY, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved to amend the 2019 Audit Plan.

Compliance Audit

Ms. Jordan presented an overview of Compliance Audits she performed on *Avoyelles, Lafourche, and Washington Parishes*.

ON MOTION BY MS. BARBER, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the audit reports.

LEGAL**Reports**

Mr. Strange provided a review of the following reports then addressed questions from the Board:

Litigation Report
Collections Report

ON MOTION BY MS. BARBER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Legal reports.

Update on Promulgation of Administrative Rule

Mr. Strange gave an update on Promulgation of Administrative Rule to Authorize Group Trust Investments. The rule authorizing the system to participate in group trust investments was issued in the Louisiana Register Volume 455, No. 8 on August 20, 2019 and is codified in LAC 58:VII.409.

UPDATE ON MOVING DROP/IBRP LA FUND TO SELF-DIRECTED PLAN WITH EMPOWER RETIREMENT

Ms. Zhou and Mr. Strange provided an update on moving DROP/IBRP LA fund to a third-party program with Empower Retirement on a target date of 1/1/2020. The communications to members began with an August Crossroads Newsletter article. Legal is conducting contracts review.

OTHER BUSINESS

There was no other business to discuss.

SCR 107 SEXUAL HARASSMENT TRAINING

An educational presentation regarding Sexual Harassment was provided by Mr. Strange pursuant to Act 270 of the 2018 Regular Sessions. This training included an audio/visual component titled: *CPTP Preventing Sexual Harassment 2019* provided by the Louisiana Department of Civil Service.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

The Board adjourned at 11:27 a.m.



Charles P. Bujol, Executive Director



Jeffrey Faulk, Sr., Chairman