

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

**Monday, July 10, 2006
Held 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's Building located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Ms. Betty Jacobs – Vice Chairperson of the Board, called the meeting to order at 2:05 p.m. Roll was called by Ms. Champagne.

Members Present: Ms. Betty Jacobs – Vice Chairperson, Ms. Betty Crain, Ms. Kathy Landry, Ms. Judith McKee, Mr. Earl Richard, Jr., Mr. Jeffrey Faulk, Sr., Ms. Lori Pierce, designee for Mr. John Kennedy – State Treasurer, Ms. Stacy Sharpe, designee for Mr. Al Ater – Secretary of State

Members Absent: Mr. Larry Wilmer – Chairman, Representative Pete Schneider, Senator D.A. "Butch" Gautreaux

Staff Present: Mr. Charles P. Bujol – Executive Director, Ms. Debra Dudley – Assistant Director, Ms. Julia LeBlanc – Chief Investment Officer, Mr. Warren Ponder – Executive Counsel, Ms. Judy Wright – Public Informations Director 1, Ms. Jennifer Champagne – Administrative Assistant 5

Also Present: Mr. Richard Ranallo – Segal Advisors, Inc., Mr. Heath Savant – House Retirement Committee, Ms. Ruby Jolissaint

ANNOUNCEMENTS

Mr. Bujol made the following announcements:

Individual reports of “Trustee Educational Requirements” were provided to each Board member for review of accuracy and notification of any discrepancies to Ms. Champagne. Board members received one and one half hours of credit of investment training for the presentation provided by Mr. Greg Moore during the Investment Committee meeting. Board members needing additional hours of training were asked to meet with Ms. Champagne for information on audio CD’s available towards educational requirements.

Mr. Wilmer called a Special Board meeting for Tuesday, September 19, 2006 at 8:30 a.m. to conduct finalist interviews for the Chief Investment Officer position. The Special Board meeting scheduled for Monday, September 18, 2006 was being held for approval of the Investment Committee’s recommendations for an International Equity Manager. A copy of the memo and revised schedule was placed in each member’s folder. Hotel arrangements have been made for Monday night, September 18, 2006.

Eight applications have been received to date in the search for the Chief Investment Officer position. Deadline for submission of applications is July 17, 2006. A copy of the revised time line was provided.

The 2006 LAPERS Conference will be held at the Marriott Hotel in New Orleans, Louisiana on September 24-27, 2006. Ms. Champagne has completed “Request for Official Travel” forms on each Board member attending the conference. Board members were asked to meet with Ms. Champagne so that forms could be signed and forwarded to the Chairman of the Board for approval.

Proposals for the International Manager Search are to be picked up at the end of the meeting for review prior to the August board meeting.

RECOMMENDATIONS OF INVESTMENT COMMITTEE

Ms. LeBlanc was asked to review the recommendations of the Investment Committee. The first recommendation was to hire two managers in the Private Equity Manager Search to be awarded \$30 million dollars each.

ON MOTION OF MR. FAULK, SECONDED BY MR. RICHARD AND CARRIED, the Board ratified the recommendation of hiring two managers in the Private Equity Manager Search and awarding \$30 million dollars to each manager.

The second recommendation was to invest in Private Equity by placing \$30 million dollars with Pantheon Venture and \$30 million dollars with Hamilton Lane.

ON MOTION BY MR. RICHARD, SECONDED BY MS. MCKEE AND CARRIED, the Board ratified the recommendation of investing in Private Equity by placing \$30 million dollars with Pantheon Venture and \$30 million dollars with Hamilton Lane.

UPDATE ON EAST BATON ROUGE PARISH SCHOOL BOARD ET AL VERSUS THE LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM

Mr. Bujol provided a brief update on the lawsuit "East Baton Rouge Parish School Board Et Al Versus The Louisiana School Employees' Retirement System". Mr. Ponder recommended that Mr. Randy Zinna provide an update to the Board in executive session at the next regular Board meeting. Consensus of the Board was to have Mr. Zinna provide a report at its August 2006 Regular Board meeting.

ON MOTION BY MS. CRAIN, SECONDED BY MR. FAULK AND CARRIED, the Board accepted the report on "EAST BATON ROUGE PARISH SCHOOL BOARD ET AL VERSUS THE LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM".

2006 REGULAR LEGISLATIVE SESSION

Mr. Ponder provided a report on the 2006 Regular Legislative Session. This included a review of bills sponsored by the Board and bills introduced in the session that may or may not have an impact on LSERS and its members. The current status on each bill was provided and discussion held as each bill was reviewed.

ON MOTION BY MS. CRAIN, SECONDED BY MR. FAULK AND CARRIED, the Board accepted the 2006 Regular Legislative Session report.

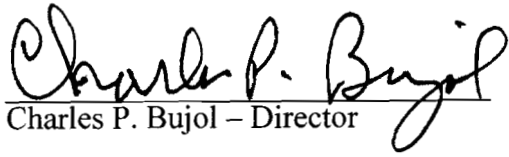
OTHER BUSINESS

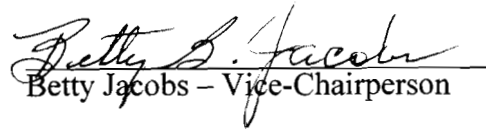
Mr. Bujol brought up for discussion an item that was presented at the June 12, 2006 Special Board meeting in reference to an e-mail submitted by Ms. Lois Burdon Pendergrass, Investment Management Consultant for Equitas Capital Advisors, LLC, to Mr. Richard Ranallo of Segal Advisors, Inc. The Board had deferred action on this matter until it could be reviewed with Mr. Ranallo.

Discussion was held on this matter and scheduling future educational presentations on investments. It was noted that future requests for presentations should be directed to the Executive Director, Chief Investment Officer, and Investment Consultant.

Mr. Richard, seconded by Mr. Faulk, made a motion not to take action on this matter, then withdrew his motion. No action was taken on this matter.

ON MOTION BY MR. RICHARD, SECONDED BY MS. SHARPE AND CARRIED, the
Board adjourned at 2:39 p.m.


Charles P. Bujol – Director


Betty Jacobs – Vice-Chairperson