

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

**Monday, July 14, 2008
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. Mr. Larry Wilmer, Chairman of the Board, called the meeting to order at 12:05 p.m. Roll was called by Ms. Champagne.

Members Present: Mr. Larry Wilmer, Ms. Betty Crain, Mr. Jeffrey Faulk, Sr., Ms. Kathy Landry, Ms. Judith McKee, Mr. Eugene Rester, Jr., Mr. Philip B. Walther, Ms. Lori Pierce, designee for Mr. John Kennedy – State Treasurer, Ms. Lauren Bailey, non voting designee for Senator D.A. “Butch” Gautreaux – Chairman of the Senate Retirement Committee, Mr. Randy Davis, designee for Mr. Jay Dardenne – Secretary of State, * Mr. Matt Tessier, non voting designee for Representative Joel C. Robideaux – Chairman of the House Retirement Committee

Members Absent:

Staff Present: Mr. Charles P. Bujol – Executive Director, Ms. Debra Dudley – Assistant Director, Mr. Brendan Brosnan – Chief Investment Officer, Mr. Warren Ponder – Executive Counsel, Mr. Stephen Harris – Investment Officer 1, Ms. Jennifer Champagne – Administrative Assistant 6

Also Present: Mr. Brett Hazen – Segal Advisors, Inc.

*Mr. Matt Tessier arrived at 12:10 p.m.

ON MOTION BY MR. FAULK, SECONDED BY MR. RESTER, Ms. Betty Crain, Mr. Jeffrey Faulk, Sr., Ms. Kathy Landry, Ms. Judith McKee, Mr. Eugene Rester, Jr., Mr. Philip B. Walther, Mr. Larry Wilmer, Ms. Lori Pierce, and Mr. Randy Davis **voted affirmatively** to approve the agenda.

CONSIDERATION OF RECOMMENDATIONS FROM JULY 14, 2008 INVESTMENT COMMITTEE MEETING

Mr. Brosnan provided the following recommendations from the July 14, 2008 Investment Committee meeting for ratification by the Board:

1. Approval of performance based fee schedule from Ark Asset Management.
2. Selection of Denver Investment Advisors, Fisher Investments, Morgan Stanley, WCM, and Wedge Capital as the top five (5) Small Cap Value managers to be interviewed during the August 2008 Board meeting.

ON MOTION BY MR. FAULK, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the recommendations from the July 14, 2008 Investment Committee meeting.

CONSIDERATION OF PUBLIC INFORMATION DIRECTOR 1 POSITION

Mr. Bujol provided a review of what has transpired to date regarding the Public Information Director 1 position. He reported that duties performed by Ms. Mary E. Guidry and Ms. Jennifer Champagne, along with the contracted services, were still being accomplished at a savings to the agency. It was also noted that keeping this position has affected both Ms. Guidry and Ms. Champagne's pay, as compensation for performance of temporary duties cannot be added to their base pay. Mr. Bujol recommended abolishing the position.

Mr. Bujol and Mr. Ponder then addressed questions from the Board. Ms. Landry went on record stating that her main concern in keeping the position was the election process. Both Mr. Bujol and Mr. Ponder assured Ms. Landry that although two elections have been held with no opposition to the qualified candidates in each election the duties that would normally have been handled by the Public Information Director 1 position have been accomplished with no problems. After review of the information provided Ms. Landry indicated her support in abolishing the position.

ON MOTION BY MR. FAULK, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board approved abolishing the Public Information Director 1 position.

LSERS' STRATEGIC PLAN (JUNE 30, 2008 REVIEW)

Mr. Bujol provided a brief review of LSERS' strategic plan that was provided to the Board for discussion at its August 2008 Regular Board meeting.

REPORT ON JOINT LEGISLATIVE COMMITTEE ON THE BUDGET MEETING

Mr. Bujol noted that LSERS' 2009-2010 budget was approved at the Joint Legislative Committee on the Budget meeting held on Monday, June 23, 2008.

CONSIDERATION OF DROP APPLICATION ON MEMBER GAYNELL CRUM

A timeline of events was provided for consideration of backdating a DROP application for member Gaynell Crum due to circumstances that were not created by Ms. Crum. This request was made by Plaquemine Parish School Board on behalf of Ms. Crum.

Mr. Ponder provided a brief review of the Louisiana laws governing payments into the Deferred Retirement Option Plan (DROP) Account, which states "... to begin making payments on behalf of the member into the Deferred Retirement Option Plan Account based on an effective date of retirement not more than ninety days prior to the actual receipt of the application for retirement in the office of the system, but in no event prior to the date of termination of employment." He noted that although circumstances indicated that both LSERS and Ms. Crum were not at fault the laws governing Ms. Crum's application do not allow the Board to backdate her application more than ninety days from the date of its receipt.

Discussion was held on this matter, at which time the Board requested additional information regarding Ms. Crum's application. LSERS' Executive Counsel was directed to conduct further research by contacting other retirement systems and obtaining an Attorney General's opinion for presentation to the Board at its August 2008 Board meeting. Executive Counsel was also directed to contact Ms. Crum and inform her of the status on this request.

ON MOTION BY MR. FAULK, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board deferred action for one month so that Executive Counsel could research the items addressed and report back to the Board.

2008 ACTIVE MEMBER DISTRICT 3 ELECTION

The July 14, 2008 Special Board meeting was originally called to promulgate the results of the Active Member District 3 election. Ms. McKee, who was unopposed, will begin her second term of office on January 1, 2009 as the Active Member District 3 representative on the Board.

DISCUSSION OF 2009 ELECTIONS AND ELECTIONS PROCEDURES

Mr. Ponder provided a brief review of the 2009 Elections and Elections Procedures that was provided to the Board for discussion at the August 2008 Regular Board meeting.

PUBLIC COMMENT

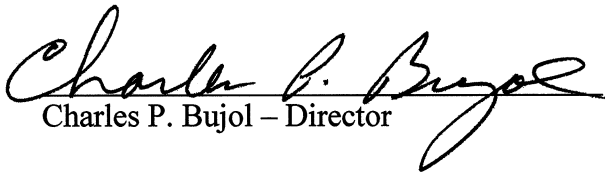
There were no public comments.

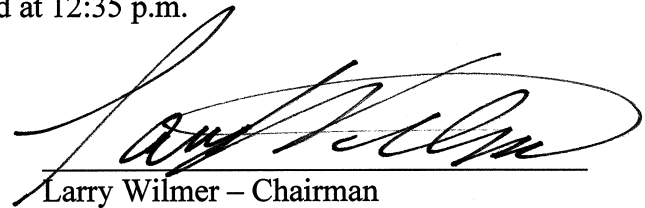
OTHER BUSINESS

A proposed 2009 Board meeting schedule was provided to the Board for discussion at the August 2008 Regular Board meeting.

There was no other business to discuss.

ON MOTION BY MR. FAULK, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 12:35 p.m.


Charles P. Bujol – Director


Larry Wilmer – Chairman