

**Louisiana State Employees' Retirement System  
Regular Board Meeting  
August 25 & 26, 2011**

The Board of Trustees of the Louisiana State Employees' Retirement System met on Thursday, August 25, 2011, in the fourth floor conference room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Connie Carlton, Board Chair, called the meeting to order at 1:00 p.m. Roll call was conducted by Caye Weaver, recording secretary.

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**Members Present:** Ms. Connie Carlton, Senator Butch Gautreaux, Ms. Beverly Hodges, Mr. Whit Kling (designee for the Treasurer), Ms. Janice Lansing, Ms. Barbara McManus, Ms. Susan Pappan, Representative Kevin Pearson, Ms. Lori Pierce, Ms. Sheryl Ranatza, and Ms. Kathy Singleton

**Members Absent:** Mr. Charles Castille

**Staff Present:** Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director; Mr. Trey Boudreaux, Assistant Director; Mr. Bobby Beale, Chief Investment Officer; Mr. Troy Searles, Deputy Chief Investment Officer; Ms. Tina Grant, Executive Counsel; Investment Staff: Mr. Darren Fournerat, Ms. Celeste Funderburk, Mr. Chris Hill, Mr. Mac Owens, Ms. Laney Sanders

**Also Present:** Mr. Rhett Humphreys, NEPC, LLC; Mr. Thomas Bickham, Department of Corrections

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A quorum was declared present and the meeting opened for business. Ms. Carlton called for public comment. No public comments were made.

**NEW BUSINESS**

**Private Equity – European Distressed Finalist Selection**

Mr. Owens reviewed the five finalists for the European Distressed mandate. After his review, he stated that staff recommends hiring up to two managers for the mandate. Mr. Humphreys stated that NEPC also recommends hiring up to two. After discussion, **Ms. McManus moved, seconded by Ms. Ranatza, to hire up to two managers for the Private Equity – European Distressed mandate. With no further discussion, and no objections, the motion carried.**

Mr. Owens then stated that staff recommends interviewing four managers. Mr. Humphreys stated that NEPC recommends the same number of interviews. After discussion, **Ms. McManus moved, seconded by Ms. Ranatza, to interview four managers for the Private Equity – European Distressed mandate. With no further discussion, and no objections, the motion carried.**

Mr. Owens and Mr. Humphreys then stated that staff and NEPC recommend interviewing the following managers:

Apollo Management  
Avenue Capital Group  
Oaktree Capital Management  
Strategic Value Partners

After discussion, **Ms. McManus moved, seconded by Ms. Ranatza, to interview the following managers:**

**Apollo Management  
Avenue Capital Group  
Oaktree Capital Management  
Strategic Value Partners**

**With no further discussion, and no objections, the motion carried.**

Ms. Carlton then stated if any Trustee wanted to accompany staff on the due diligence trips they should make arrangements with Mr. Beale and Mr. Owens.

With no further business to discuss, the Board then recessed at 1:55 p.m.

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The Board of Trustees of the Louisiana State Employees' Retirement System met on Friday, August 26, 2011, in the fourth floor Board Room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Connie Carlton, Board Chair, called the meeting to order at 10:50 a.m. Roll call was conducted by Kai Ranallo, recording secretary.

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**Members Present:** Ms. Connie Carlton, Senator Butch Gautreaux, Ms. Beverly Hodges, Mr. Whit Kling (designee for the Treasurer), Ms. Janice Lansing, Ms. Barbara McManus, Ms. Susan Pappan, Ms. Lori Pierce, Ms. Sheryl Ranatza, and Ms. Kathy Singleton

**Members Absent:** Mr. Charles Castille, Representative Kevin Pearson

**Staff Present:** Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director; Mr. Trey Boudreaux, Assistant Director; Ms. Tina Grant, Executive Counsel; Mr. Bobby Beale, Chief Investment Officer; Ms. Kai Ranallo, recording secretary. Other LASERS staff: Mr. Lance Armstrong, Ms. Cindy Taylor, Ms. Katreena Moses, Ms. Nell Dixon, Mr. Fathi Suliman, Mr. Ryan Babin, Ms. Susan Cantrell, Ms. Tonja Normand, Mr. Jonathan Theriot

**Also Present:** Ms. Shelley Johnson, SJ Actuarial;

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A quorum was declared present and the meeting opened for business. Ms. Carlton called for public comment. No public comments were made.

**Regular Business**

**Ms. Carlton called for approval of the minutes of the July 22, 2011, Board Meetings. Mr. Kling moved, seconded by Ms. Hodges, to approve the minutes. With no objection or discussion, the motion passed.**

Ms. Ranatza reported that the Investment Committee met on Thursday, August 25, 2011, and had the following item to report:

**The Investment Committee recommended and Ms. Ranatza so moved, seconded by Ms. McManus, to change the language in Section A of the Investment Guidelines to lower overall average credit quality for fixed income managers from AA- to A-, and to remove naming of S&P as the only rating agency. With no objection or discussion, the motion carried.**

Ms. Hodges reported that the Management Committee met on Friday, August 26, 2011, and had the following to report:

**The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. McManus, to approve the August 2011 Retirement Disability Report, with exception of Christopher Hidalgo which was deferred to September. With no objection or discussion, the motion carried.**

**The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. Lansing, to approve the 2012 board meeting dates as amended. With no objection or discussion, the motion carried.**

**The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. Singleton, to approve Hans Schuller and Victor Oliver as alternate physicians to the state medical board. With no objection or discussion, the motion carried.**

The Management Committee reviewed the administrative errors report, located in the Board book.

**New Business**

Ms. Rougeou introduced Mr. Jonathan Theriot, an IT Applications Programmer, and Ms. Tonja Normand, a Public Information Officer, as LASERS New Employees.

**Other Business**

No other business was discussed and the meeting adjourned at 10:55 a.m.



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Cindy Rougeou, Executive Director