

**Louisiana State Employees' Retirement System
Regular Board Meeting
May 26 & 27, 2011**

The Board of Trustees of the Louisiana State Employees' Retirement System met on Thursday, May 26, 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.

Members present: Ms. Connie Carlton, Mr. Charles Castille, Ms. Beverly Hodges, Ms. Amy Mathews (designee of the Treasurer), Ms. Barbara McManus, Ms. Susan Pappan, Ms. Lori Pierce, Ms. Sheryl Ranatza and Ms. Kathy Singleton

Members absent: Senator Butch Gautreaux, Representative Kevin Pearson, Ms. Janice Lansing

Staff present: Ms. Cynthia 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 Fournierat, Mr. Chris Hill, Ms. Alisa Lacombe, Mr. Mac Owens, Ms. Laney Sanders, and Ms. Katy Askew; Ms. Caye Weaver, recording secretary

Also present: Mr. Rhett Humphreys and Mr. Keith Stronkowsky with NEPC, LLC

A quorum was declared present and the meeting opened for business.

New Business

Real Assets - Commodities Search Review

Mr. Hill, Mr. Stronkowsky and Ms. McManus reviewed the due diligence trips conducted at each finalist's facilities.

Real Asset – Commodity Finalist Interviews

Gresham Investment Management

Mr. John Berland appeared on behalf of Gresham Investment Management

OFI Institutional Asset Management

Mr. Kevin Baum and Mr. Jeff Sharon appeared on behalf of OFI Institutional Asset Management.

PIMCO

Mr. Nic Johnson, Mr. Bob Greer, and Mr. Robert Morena appeared on behalf of PIMCO.

Discussion and Mandate Selection of Real Asset – Commodities Manager

Mr. Hill and Mr. Stronkowsky reviewed the finalists’ presentations with the Board. Mr. Hill stated that he recommends hiring Gresham Investment Management for the mandate. Mr. Stronkowsky stated that Gresham Investment Management is NEPC’s choice, also. Ms. Carlton asked Ms. Rougeou for her recommendation. She stated she was comfortable with the recommendations put forth by staff and NEPC. Mr. Beale then stated that he would like to recommend only investing \$140 million at this time, and maybe look for a complementary manager in the near future. Ms. McManus stated that if Gresham is awarded the mandate, that she would like staff and NEPC to negotiate the fees. After further discussion, the Chair called for the ballots, the recording secretary distributed the ballots, and collected them. Mr. Beale tallied, then read, the ballots with the following results:

Trustee	Gresham Investment Management	OFI Institutional Asset Management	PIMCO
Charles Castille	X		
Beverly Hodges	X		
Amy Mathews, designee – Treasurer	X		
Barbara McManus	X		
Susan Pappan	X		
Lori Pierce	X		
Sheryl Ranatza	X		
Kathy Singleton	X		

Ms. McManus then moved, seconded by Ms. Mathews, to hire Gresham Investment Management and commit approximately \$140 million. With no objections, and no further discussion, the motion carried.

First Quarter 2011 Performance Review

Mr. Beale reviewed the Total Plan rankings and stated the rankings are the best the Plan has ever had. He also stated that the Fiscal Year return, through April, is at 26.1%.

With no further business to discuss, the Board then recessed at 4:20 p.m.

The Board of Trustees of the Louisiana State Employees' Retirement System reconvened on Friday, May 27, 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 10:30 a.m. Roll call was conducted by Kai Ranallo, recording secretary.

Members Present: Ms. Connie Carlton, Mr. Charles Castille, Ms. Beverly Hodges, Ms. Janice Lansing, Ms. Amy Mathews (designee for the Treasurer), Ms. Barbara McManus, Ms. Susan Pappan, Ms. Lori Pierce, Ms. Sheryl Ranatza, and Ms. Kathy Singleton

Members Absent: Senator Butch Gautreaux, 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: Ms. Nell Dixon, Mr. Artie Fillastre, Ms. Robyn Eking, Mr. Lance Armstrong, Ms. Suzanne Adams

Staff Present: Ms. Shelley Johnson, SJ Actuarial; Ms. Frankie Grant, HR Director with Department of Health and Hospitals

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

Regular Business

Ms. Carlton called for approval of the minutes of the April 28 & 29, 2011, Board Meetings. Ms. Hodges moved, seconded by Ms. Ranatza, to approve the minutes. With no objection or discussion, the motion passed.

Mr. Castille reported that the Legislative Committee met on Thursday, May 26, 2011, and had no items to report.

Ms. Hodges reported that the Management Committee met on Friday, May 27, 2011, and had the following to report:

The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. Ranatza, to approve the May 2011 Retirement Disability Report. With no objection or discussion, the motion carried.

The Management Committee recommended and Ms. Hodges so moved, seconded by Mr. Castille, to approve the budget adjustment for FYE 2011, as presented. With no objection or discussion, the motion carried.

The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. McManus, to approve the budget adjustment for FYE 2012, as presented. With no objection or discussion, the motion carried.

The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. McManus, to approve travel for any Trustee interested in attending the NASRA Conference, August 5-10, 2011, in Lake Geneva, Wisconsin. With no objection or discussion, the motion carried.

The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. McManus, that notice had been received that Ms. Singleton will be attending a LATEC meeting in New York in relation to her position on the LATEC board. With no objection or discussion, the motion carried.

The Management Committee reviewed the administrative errors report, located in the board book behind the Management Committee tab.

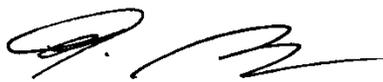
New Business

There were no new employees to introduce to the Board.

Other Business

Ms. Carlton announced that Ms. Dixon had distributed LASERS updated Business Continuity Plan.

No other business was discussed and the meeting adjourned at 10:35 a.m.



Cindy Rougeou, Executive Director