

**Louisiana State Employees' Retirement System
Regular Board Meeting
April 26 & 27, 2012**

The Board of Trustees of the Louisiana State Employees' Retirement System met on Thursday, April 26, 2012, 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 12:30 p.m. Roll call was conducted by Caye Weaver, recording secretary.

Members Present: Mr. Thomas Bickham, Ms. Connie Carlton, Ms. Amy Mathews (designee for the Treasurer), Judge William Kleinpeter, Ms. Barbara McManus, Ms. Lori Pierce, Ms. Shannon Templet

Members Absent: Senator Elbert Guillory, Ms. Beverly Hodges, Ms. Janice Lansing, Representative Kevin Pearson, Ms. Kathy Singleton

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, Ms. Alisa Lacombe, Mr. Chris Hill, Ms. Laney Sanders

Also present: Mr. Rhett Humphreys, Mr. Timothy Fitzgerald, and Mr. Kamal Suppal with NEPC, LLC

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

New Business

Hedge Fund Finalist Selection

Mr. Kamal Suppal and Mr. Searles reviewed managers in the Hedge Fund Search book. Mr. Searles stated the mandate will be for approximately \$300 million. After discussion, Ms. Carlton asked Mr. Beale for his recommendation for the number of managers to select for the mandate. Mr. Beale stated that he recommends hiring up to two (2) managers. Mr. Humphreys stated that NEPC agrees. Ms. Rougeou also agreed with hiring up to two (2) managers. **Ms. Pierce moved, seconded by Ms. McManus, to hire up to two (2) managers for the Hedge Fund mandate. With no further discussion, and no objections, the motion carried.**

Ms. Carlton then asked for Mr. Beale to recommend the number of finalists to be interviewed. Mr. Beale stated he recommends interviewing four (4) managers. Mr. Humphreys and Ms. Rougeou also recommended interviewing four (4) managers.

Judge Kleinpeter moved, seconded by Ms. Pierce, to interview four (4) managers for the Hedge Fund mandate. With no further discussion, and no objections, the motion carried.

Ms. Carlton then asked Mr. Beale to recommend the managers to be interviewed. Mr. Beale stated that he recommends further on site due diligence, and interviews with the Board in May on following managers: Blackstone Alternative Asset Management, LP; EnTrust Capital, Inc.; Permal Group Ltd.; and Prisma Capital Partners, LP. Mr. Suppal stated that NEPC also recommends those four (4) managers. Ms. Rougeou stated that she concurs with Mr. Beale and NEPC. **Ms. Templet moved, seconded by Ms. McManus, to interview Blackstone Alternative Asset Management, LP; EnTrust Capital, Inc.; Permal Group Ltd.; and Prisma Capital Partners, LP. With no further discussion, and no objections, the motion carried.**

Mr. Beale then advised the Board that the chosen managers were on the Blackout List until a manager is hired for the mandate. He stated that Mr. Searles, Mr. Fournerat and Ms. Mathews will be conducting due diligence trips to each manager during the month of May.

Mondrian (Global Bond) Portfolio Review / Emerging Market Debt Discussion

Mr. Christopher Moth, Mr. Solomon Peters, and Mr. Justin Richards appeared on behalf of Mondrian. Mr. Richards and Mr. Peters reviewed the Global Bond portfolio; then Mr. Moth review Mondrian's Emerging Market Debt product.

Annual Optional Retirement Plan / Self-Directed DROP Consultant Review

Mr. Timothy Fitzgerald with NEPC reviewed the Optional Retirement Plan and Self-Directed DROP performance.

Distribute Private Equity Search Books

Mr. Humphreys presented the Private Equity Secondaries Market Search Book. He stated that finalists for the mandate will be chosen at the May meeting. Trustees were asked to review the book and bring it with them to the May meeting.

With no further business to discuss, the Board then recessed at 2:40 p.m.

The Board of Trustees of the Louisiana State Employees' Retirement System reconvened on Friday, April 27, 2012, 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 11:35 a.m. Roll call was conducted by Ms. Kai Ranallo, recording secretary.

Members Present: Mr. Thomas Bickham, Ms. Connie Carlton, Judge William Kleinpeter, Ms. Janice Lansing, Ms. Barbara McManus, Ms. Lori Pierce, Ms. Shannon Templet

Members Absent: Ms. Beverly Hodges, Mr. Whit Kling (designee for the Treasurer), Ms. Kathy Singleton, Senator Elbert Guillory, 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, Ms. Tricia Gibbons, Ms. Brenda Rivet

Also Present: Ms. Anna Dearmon, Division of Administration

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 March 23, 2012, Board Meeting. Ms. McManus moved, seconded by Ms. Pierce, to approve the minutes. With no objection or discussion, the motion passed.

Ms. McManus reported that the Investment Committee met on Thursday, April 26, 2012, and had nothing to report to the Board.

Ms. McManus reported that the Legislative Committee met on Friday, April 27, 2012, and had the following items to report:

The Legislative Committee recommended and Ms. McManus so moved, seconded by Ms. Templet, to oppose HB 1018, and suggest a study resolution. With no objection or discussion, the motion carried.

The Legislative Committee recommended and Ms. McManus so moved, seconded by Ms. Pierce, to oppose SB 727, SB 740 and HB 1132. With no objection or discussion, the motion carried.

The Legislative Committee recommended and Ms. McManus so moved, seconded by Judge Kleinpeter, to ratify changing the LASERS position to neutral on HB 5, HB 9, HB 10 and SB 2. With no objection or discussion, the motion carried.

Ms. Pierce reported that the Management Committee met on Friday, April 27, 2012, and had the following items to report:

The Management Committee recommended and Ms. Pierce so moved, seconded by Ms. Templet, to approve the April 2012 Retirement Disability Report. With no objection or discussion, the motion carried.

The Management Committee recommended and Ms. Pierce so moved, seconded by Ms. McManus, to approve travel for any trustee interested in

attending the NASRA Conference. With no objection or discussion, the motion carried.

The Management Committee recommended and Ms. Pierce so moved, seconded by Ms. Templet, to approve the authority for the executive director to make the necessary adjustments to the operating budget in consultation with the chairs of the Board and Management Committee with ratification of the funds to be reported in the May or June Management Committee meeting. With no objection or discussion, the motion carried.

The Management Committee recommended and Ms. Pierce so moved, seconded by Ms. Lansing, to approve the extension of the contract with Charles Hall as discussed. 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 Ms. Brenda Rivet, a retirement benefits analysts, as LASERS new employee.

Other Business

With no other business to discuss the meeting adjourned at 11:40 a.m.



Cindy Rougeou, Executive Director