

**Teachers' Retirement System of Louisiana**  
**Board of Trustees**  
**Upon Adjournment of Personnel Committee – Friday**  
**June 8, 2012**

**MEMBERS PRESENT:** Anne H. Baker, Dr. Sheryl R. Abshire, Dr. William C. "Bill" Baker, Holly B. Gildig, Kathy Hattaway, Joyce P. Haynes, David A. Hennigan, Superintendent Darryl C. Kilbert, Robert Lawyer, John G. Parauka, and Joe A. Potts, Jr.

**MEMBERS ABSENT:** Senator Elbert Guillory, Jim Napper (Treasurer's Designee), Representative J. Kevin Pearson, Carlos J. Sam, and State Superintendent John White

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Dana Vicknair, Roth Aymond, Dana Brown, Maurice Coleman, Jim Buras, Randall Harrison, Philip Landry, Jeff LaCour, Matt Tessier, Katherine Whitney, Laurie Wright, and Lisa Barousse

**OTHERS PRESENT:** Dawson Gildig; Shelley Johnson, SJ Actuarial Associates; Dr. Steven Procopio and Anna Dearmon, Louisiana Division of Administration; and Press Robinson, Treasurer's Office

Each member of the Board received the following:

1. *June 2012 Board Book*
2. *Investment Committee Meeting June 7, 2012, Performance Report–April 30, 2012*
3. Investment Committee Presentation Booklets from Hewitt EnnisKnupp, Inc.; Albourne America LLC; NEPC, LLC; Systematic Financial Management; and Columbus Circle Investors
4. June 8, 2012 Legislative Committee handouts: *Bills Affecting TRSL Passed and Sent to Governor (as of 6/7/12); 2012 Regular Session Legislation Affecting TRSL as of June 7, 2012; and 2012 Regular Session Legislation Monitored by TRSL as of June 7, 2012.*
5. *TRSL's Boardroom Beacon - Updates to return-to-work law June 2012*
6. *TRSL Retirees, June 2012 • Vol 21, No1*
7. Article titled "Letters: Legislative session saw heroes" that appeared June 5, 2012 in The Advocate, Baton Rouge, LA
8. Article titled "Political Horizons: Illinois acting like Louisiana" that appeared June 4, 2012 in The Advocate, Baton Rouge, LA
9. Article titled "Everyone a winner as 2012 legislative session closes" that appeared June 4, 2012 in The Times Picayune, New Orleans, LA

10. Article titled "Legislature Session Ends" that appeared June 5, 2012 in The Advocate, Baton Rouge, LA
11. Article titled "Governor Jindal Highlights 2012 Legislative Package Successes" that appeared June 4, 2012 on the WAFB website ([www.wafb.com](http://www.wafb.com), Baton Rouge, LA)

Mrs. Baker called the meeting to order at 11:00 a.m. Superintendent Kilbert led the Pledge of Allegiance. The secretary called the roll and a quorum was established.

**Approval of the Minutes of the meeting of the TRSL Board of Trustees held May 8, 2012 (including minutes of committee meetings held May 7 & 8, 2012)**

ON MOTION OF MRS. GILDIG, SECONDED BY MS. HATTAWAY, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held May 8, 2012 (including minutes of committee meetings held May 7 & 8, 2012).

**Investment Committee Report**

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. HENNIGAN, AND CARRIED, the Board voted to accept the report of the Investment Committee and to approve the recommendations contained therein.

**Legislative Committee Report**

ON MOTION OF DR. BAKER, SECONDED BY MR. POTTS, AND CARRIED, the Board voted to accept the report of the Legislative Committee.

*Dr. Abshire in the Chair.*

**Executive Committee Report**

ON MOTION OF MRS. BAKER, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, the Board voted to accept the report of the Executive Committee and to approve the recommendations contained therein.

*Mrs. Baker in the Chair.*

**Personnel Committee Report**

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. PARAUKA, AND CARRIED, the Board voted to accept the report of the Personnel Committee and to approve the recommendations contained therein.

## **Director's Update**

Ms. Westgard updated the Board on the following:

- June 2012 Boardroom Beacon – Updates to return to work law
- Work volume increased 17.4%; walk-ins increased 18% (an additional 833 people), and there were 82,331 calls, which was an increase of 6,000 since May 2011

## **Presentation of Resolution Honoring Superintendent Kilbert**

Mrs. Baker presented a resolution honoring Superintendent Kilbert for his service on the TRSL Board of Trustees, which was read and made a part of the record. Superintendent Kilbert thanked the Board and staff for their support, direction and encouragement during his tenure as a trustee.

## **Adjournment**

ON MOTION OF MRS. GILDIG, SECONDED BY MRS. HAYNES, AND CARRIED, the Committee voted to adjourn at 11:25 a.m.

**Teachers' Retirement System of Louisiana**  
**Subcommittee to Review Responses to Solicitation for Proposals for**  
**Core Fixed Income Manager**  
**8:30 a.m. – Thursday**  
**June 7, 2012**

**MEMBERS PRESENT:** Kathy Hattaway, Robert Lawyer, Jim Napper (Treasurer's Designee), Joe A. Potts, Jr., and Dr. Sheryl R. Abshire

**OTHER MEMBERS PRESENT:** Anne H. Baker, Dr. William C. "Bill" Baker, Holly B. Gildig, Joyce P. Haynes, David A. Hennigan, Superintendent Darryl Kilbert, and John G. Parauka

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Maurice Coleman, Dana Lee Haltom, and Lisa Barousse

**OTHERS PRESENT:** Press Robinson, Treasurer's Office; Scott Coopridier and Russ Ivinjack, Hewitt EnnisKnupp

Ms. Hattaway called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established.

**Review Proposals and Recommend Finalists to be Interviewed**

Phil Griffith (TRSL), Scott Coopridier and Russ Ivinjack of Hewitt EnnisKnupp presented an overview of the responses to the Core Fixed Income SFP.

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. LAWYER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that J.P. Morgan Investment Management, Inc. be retained without an interview, and that Dodge & Cox and Prudential Fixed Income be interviewed as finalists for Core Fixed Income Manager.

**Adjournment**

ON MOTION OF MR. NAPPER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 9:08 a.m.

**Teachers' Retirement System of Louisiana  
Investment Committee  
Upon Adjournment of the Subcommittee to Review Responses to Solicitation for  
Proposals for Core Fixed Income Manager – Thursday  
June 7, 2012**

**MEMBERS PRESENT:** Dr. Sheryl R. Abshire, Robert Lawyer, Kathy Hattaway, Superintendent Darryl C. Kilbert, Dr. William C. "Bill" Baker, Joe A. Potts, Jr., Jim Napper (Treasurer's Designee), and Anne H. Baker

**MEMBERS ABSENT:** Senator Elbert Guillory and Representative J. Kevin Pearson

**OTHER MEMBERS PRESENT:** Holly B. Gildig, Joyce P. Haynes, David A. Hennigan, and John G. Parauka

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Maurice Coleman, Jeff LaCour, Katherine Whitney, Dana Lee Haltom, and Lisa Barousse

**OTHERS PRESENT:** Press Robinson, Treasurer's Office; Shelley Johnson, SJ Actuarial Associates; Scott Coopriider, Russ Ivinjack, Peter Hill, and Lou Kahl, Hewitt EnnisKnupp; John Claisse, Lincoln Smith and Kathy Rossi, Albourne America LLC; Michael Manning, Sean Gill and Neil Sheth NEPC, LLC; Mr. Ronald Mushock, Systematic Financial Management; and Mr. Clifford Fox and Mr. Stephen Weeks, Columbus Circle Investors

Dr. Abshire called the meeting to order at 9:15 a.m. The secretary called the roll and a quorum was established.

**Report of the Subcommittee to Review Response to Solicitation for Proposal for Core Fixed Income SFP**

Ms. Hattaway presented the report of the Subcommittee to Review Responses to the Core Fixed Income SFP.

ON MOTION OF MR. NAPPER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to approve the following report of the Subcommittee to Review Responses to Core Fixed Income SFP:

“ON MOTION OF DR. ABSHIRE, SECONDED BY MR. LAWYER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that J.P. Morgan Investment Management, Inc. be retained without an interview, and that Dodge & Cox and Prudential Fixed Income be interviewed as finalists for Core Fixed Income Manager.”

### **Interview Finalists and Recommend Successful Candidate Firm for Hedge Fund Consultant**

Mr. Griffith gave an overview of the candidate firms to be interviewed for Hedge Fund Consultant.

The following representatives for each firm appeared before the Committee to be interviewed:

- John Claisse, Lincoln Smith, and Kathy Rossi of Albourne America LLC
- Peter Hill, Lou Kahl, Russ Ivinjack, and Scott Coopriider of Hewitt EnnisKnupp, Inc.
- Michael Manning, Sean Gill, and Neil Sheth of NEPC, LLC

The Board discussed the presentations and fee proposals.

ON MOTION OF MR. NAPPER, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, the Committee voted to table the matter relative to selecting a Hedge Fund Consultant, and request that Hewitt EnnisKnupp present a recommendation for a modified asset allocation portfolio at the July Investment Committee meeting.

### **Presentation and Approval of Solicitation for Proposal (SFP) for Core (Plus) Fixed Income Managers**

Mr. Griffith presented the SFP for Core (Plus) Fixed Income Managers.

ON MOTION OF MR. POTTS, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to approve the SFP for Core (Plus) Fixed Income Managers.

### **Investment Policy Statement**

- a. Approval of Investment Guidelines (Domestic Equity and Developed International Equity Managers) Section

Ms. Whitney presented the Investment Policy Investment Statement Guidelines (Domestic Equity and Developed International Equity Managers) Section that was received at the May 2012 Investment Committee meeting.

ON MOTION OF DR. BAKER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to approve the Investment Policy Statement Investment Guidelines (Domestic Equity and Developed International Equity Managers) Section.

- b. Presentation and Review of Domestic Fixed Income Section (for subsequent approval at July 2012 Investment Committee meeting)

Ms. Whitney presented the Investment Policy Statement Investment Guidelines for Domestic Fixed Income Section.

ON MOTION OF DR. BAKER, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, the Committee voted to receive the Investment Policy Statement Investment Guidelines Domestic Fixed Income Section for subsequent approval at the July Investment Committee meeting.

### **Capital Market Update and Review of TRSL Investments**

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Coopridier and Mr. Ivinjack presented Hewitt EnnisKnupp's June 7, 2012 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through April 30, 2012.

Mr. Coopridier and Mr. Ivinjack presented a Quarterly Review of Portfolio Managers.

Mr. Griffith presented an update on the status of the Hedge Fund Manager Search.

ON MOTION OF MR. POTTS, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to suspend the Hedge Fund Manager search.

### **Portfolio Review – Domestic Mid Cap**

Mr. Coopridier reviewed Domestic Mid Cap Value Manager, Systematic Financial Management L.P. Mr. Ronald Mushock of Systematic Financial Management presented the firm's portfolio review.

Mr. Coopridier, Mr. Griffith, and Dana Brown reviewed Domestic Mid Cap Growth Manager, Columbus Circle Investors. Mr. Clifford Fox and Mr. Stephen Weeks of Columbus Circle Investors presented the firm's portfolio review.

Jeff LaCour presented information regarding contract compliance audits of Systematic Financial Management, L.P. and Columbus Circle Investors.

**Adjournment**

ON MOTION OF MR. LAWYER, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to adjourn at 3:30 p.m.

Teachers' Retirement System of Louisiana  
Legislative Committee  
8:30 a.m. – Friday  
June 8, 2012

**MEMBERS PRESENT:** Dr. William C. "Bill" Baker, Superintendent Darryl C. Kilbert, Robert Lawyer, Dr. Sheryl Abshire, Joe A. Potts, Jr., Jim Napper (Treasurer's Designee), Senator Elbert Guillory, Anne H. Baker, and David A. Hennigan

**MEMBERS ABSENT:** Representative J. Kevin Pearson and Carlos J. Sam

**OTHER MEMBERS PRESENT:** Holly B. Gildig, Kathy Hattaway, Joyce P. Haynes, and John G. Parauka

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Dana Vicknair, Roth Aymond, Dana Brown, Jim Buras, Maurice Coleman, Jeff LaCour, Matt Tessier, Katherine Whitney, Dana Lee Haltom, and Lisa Barousse

**OTHERS PRESENT:** Dawson Gildig; Charles Hall, Hall Actuarial Associates; Shelley Johnson, SJ Actuarial Associates; Anna Dearmon and Dr. Steven Procopio, Louisiana Division of Administration; Stephanie Little, Louisiana House Retirement Committee; Graig Luscombe, Louisiana Retired Teachers' Association; Margaret Corley, Louisiana Senate Retirement Committee; and Press Robinson, Treasurer's Office

Dr. Baker called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Dr. Baker appointed Mr. Hennigan to serve on the Committee as an alternate for Mr. Sam.

**Discussion and Review of Legislation for the 2012 Regular Legislative Session (Ends no later than 6:00 p.m., Monday June 4, 2012)**

The Board received handouts: *Bills Affecting TRSL Passed and Sent to Governor (as of 6/7/12); 2012 Regular Session Legislation Affecting TRSL as of June 7, 2012; and 2012 Regular Session Legislation Monitored by TRSL as of June 7, 2012.* Legislative updates are available on TRSL's website.

Ms. Westgard updated the Committee on Board Sponsored Bills, the Governor's Pension Reform Package. and other bills affecting and monitored by TRSL.

*Superintendent Kilbert in the Chair.*

Ms. Westgard thanked staff for all of their contributions and hard work during the legislative session.

Dr. Baker, Dr. Abshire, Mr. Parauka, Mrs. Haynes, and Mrs. Baker commended the staff, legislative team, and the Director for their knowledge, dedication and hard work during the legislative session.

Ms. Westgard updated the Committee on the Joint Legislative Committee on the Budget (JLCB) meeting of May 10, 2012 . The JLCB approved TRSL's budget for 2012-2013.

### **Discussion of Potential Litigation Regarding Legislation Passed in the 2012 Regular Session Affecting Retirement Issues**

Ms. Westgard informed the Committee that at this time no action is recommended to be taken in light of legislation that passed.

### **Adjournment**

ON MOTION OF MR. LAWYER, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to adjourn at 9:25 a.m.

**Teachers' Retirement System of Louisiana  
Executive Committee  
Upon Adjournment of Legislative Committee – Friday  
June 8, 2012**

**MEMBERS PRESENT:** Anne H. Baker, Dr. Sheryl R. Abshire, Dr. William C. "Bill" Baker, Robert Lawyer, Joyce P. Haynes, Kathy Hattaway, and Superintendent Darryl C. Kilbert

**OTHER MEMBERS PRESENT:** Holly B. Gildig, David A. Hennigan, John G. Parauka, and Joe A. Potts, Jr.

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Dana Vicknair, Roth Aymond, Dana Brown, Jim Buras, Maurice Coleman, Jeff LaCour, Matt Tessier, Katherine Whitney, Dana Lee Haltom, and Lisa Barousse

**OTHERS PRESENT:** Dawson Gildig; Charles Hall, Hall Actuarial Associates; Shelley Johnson, SJ Actuarial Associates; Dr. Steven Procopio and Anna Dearmon, Louisiana Division of Administration; Stephanie Little, Louisiana House Retirement Committee; and Press Robinson, Treasurer's Office

Mrs. Baker called the meeting to order at 9:25 a.m. The secretary called the roll and a quorum was established.

**Appointment of State Medical Disability Board Physicians**

Mrs. Vicknair presented the proposed list of State Medical Disability Board Physicians.

ON MOTION OF DR. BAKER, SECONDED BY DR. ABSHIRE, AND CARRIED, the Committee voted to appoint the State Medical Disability Board Physicians as presented.

**Review and Approval of Proposed Meeting Dates for 2013**

Ms. Westgard presented the proposed TRSL 2013 Board of Trustees meeting dates.

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adopt the following dates for the Board of Trustees' 2013 meetings:

January 7 & 8	(Mon & Tues)
February 4 & 5	(Mon & Tues)
March 4 & 5	(Mon & Tues)
April 1 & 2	(Mon & Tues)
May 6 & 7	(Mon & Tues)
June 10 & 11	(Mon & Tues)
July 8 & 9	(Mon & Tues)
August 5 & 6	(Mon & Tues)
September 5 & 6	(Thurs & Fri)
October 7 & 8	(Mon & Tues)
November 4 & 5	(Mon & Tues)
December 2 & 3	(Mon & Tues)

### **Discussion of Assumed Actuarial Rate of Return**

Ms. Westgard and Shelley Johnson, SJ Actuarial Associates discussed Ms. Johnson's February 1, 2012 recommendation relating to TRSL's assumed actuarial rate of return.

ON MOTION OF DR. BAKER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to adopt an 8% actuarial rate of return for Fiscal Year 2013-2014, pending approval by the Public Retirement System Actuarial Committee (PRSAC).

### **Update on Charter School Participation in TRSL**

Mr. Mongrue presented an update on Charter School participation on TRSL.

### **Update on Potential Litigation Regarding:**

- a. Algiers Charter School Association
- b. Crestworth Learning Academy
- c. Kenilworth Science and Technology Charter School
- d. ReNEW – SciTech Academy at Laurel Elementary

DR. BAKER MOVED AND DR. ABSHIRE SECONDED a motion to convene into Executive Session to discuss potential litigation regarding Algiers Charter School Association, Crestworth Learning Academy, Kenilworth Science and Technology Charter School, and ReNEW – SciTech Academy at Laurel Elementary, and that Ms. Westgard, Mr. Cagle, Ms. Whitney, and Mr. Mongrue remain in the room.

A roll-call vote was taken. The vote was unanimous and the Committee convened in to Executive Session.

MRS. HAYNES MOVED AND SUPERINTENDENT KILBERT SECONDED a motion to reconvene into Regular Session. A roll-call vote was taken. The vote was unanimous and the Committee reconvened into Regular Session.

**Adjournment**

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 10:22 a.m.

**Teachers' Retirement System of Louisiana  
Personnel Committee  
Upon Adjournment of Executive Committee – Friday  
June 8, 2012**

**MEMBERS PRESENT:** Kathy Hattaway, Dr. William C. "Bill" Baker, Dr. Sheryl Abshire, Joyce P. Haynes, Superintendent Darryl C. Kilbert, Holly B. Gildig, Robert Lawyer, and Anne. H. Baker

**OTHER MEMBERS PRESENT:** David A. Hennigan, Jim Napper, Treasurer's Designee, John G. Parauka, and Joe A. Potts, Jr.

**STAFF PRESENT:** Maureen Westgard and Lisa Barousse

Ms. Hattaway called the meeting to order at 10:25 a.m. The secretary called the roll and a quorum was established.

**Annual Performance Evaluations**

- a. Director's Evaluation of Unclassified Staff
- b. Trustees' Evaluation of the TRSL Director

MRS. HAYNES MOVED and DR. ABSHIRE SECONDED a motion to convene into Executive Session to discuss the Director's evaluations of the TRSL Unclassified Staff and the performance evaluation of the Director, with the Director to remain for the Unclassified Staff evaluations only. A roll call vote was taken. The vote was unanimous and the Committee convened into Executive Session.

DR. ABSHIRE MOVED and SUPERINTENDENT KILBERT SECONDED a motion to reconvene into Regular Session. A roll call vote was taken. The vote was unanimous and the Committee reconvened into Regular Session.

ON MOTION OF DR. ABSHIRE, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to receive the evaluations of unclassified staff and to approve the evaluation of the Director.

**Adjournment**

ON MOTION OF MRS. BAKER, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to adjourn at 10:54 a.m.