

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Friday
September 6, 2013**

MEMBERS PRESENT: Robert Lawyer, Joe A. Potts, Jr., Anne H. Baker, Dr. William C. "Bill" Baker, Holly B. Gildig, Joyce P. Haynes, David A. Hennigan, Superintendent Alonzo R. Luce, John G. Parauka, and Carlos J. Sam

MEMBERS ABSENT: Dr. Sheryl R. Abshire, Senator Elbert Guillory, Kathy Hattaway, Jim Napper (Treasurer's Designee), Representative J. Kevin Pearson, Dr. Steven Procopio (Commissioner's Designee), and Superintendent John White

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Jim Buras, Maurice Coleman, Jeff LaCour, Lisa Honore', Steve Marangos, Dionne Rabalais, Charlene Wilson, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants

Each member of the Board received the following:

1. September 2013 Board Book
2. *Investment Committee Meeting September 5 2013, Performance Report – July 31, 2013*
Investment Committee Presentations: Hewitt EnnisKnupp; Janus Capital Management, LLC (JANUS); Disciplined Growth Investors, Inc. (DGI); ING U.S. Investment Management (ING); Dimensional Fund Advisors; Vontobel Asset Management, Inc.; and Western Asset Management Company.
3. *September 2013 Boardroom Beacon – Dealing with financial fraud*

Mr. Lawyer called the meeting to order at 10:55 a.m. Mrs. Baker 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 August 6, 2013 (Including Minutes of Committee Meetings held August 5 and 6, 2013)

ON MOTION OF DR. BAKER, SECONDED BY MR. PARAUKA, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held August 6, 2013 (Including Minutes of Committee Meetings held August 5 and 6, 2013).

Investment Committee Report

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

Elections Committee Report

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

Budget and Finance Committee Report

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

Executive Committee Report

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

Director's Update

Ms. Westgard updated the Board on the following items:

- LAPERS Itineraries
- Trustee Education Requirements for September 1, 2013 through August 31, 2014

Adjournment

ON MOTION OF MR. POTTS, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to adjourn at 11:10 a.m.

**Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitation Proposals for
U.S. Large Cap Value Manager
8:30 a.m. – Thursday
September 5, 2013**

- MEMBERS PRESENT:** Dr. William C. "Bill" Baker, David A. Hennigan, Holly B. Gildig, Jim Napper (Treasurer's Designee), and Joe A. Potts, Jr.
- OTHER MEMBERS PRESENT:** Anne H. Baker, Kathy Hattaway, Robert Lawyer, Superintendent Alonzo R. Luce, 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:** Scott Cooprider and Russ Ivinjack, Hewitt EnnisKnupp; and Josh Melder, Louisiana Division of Administration

Roll Call

Dr. Baker 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 Cooprider and Russ Ivinjack of Hewitt EnnisKnupp presented an overview of the following firms' responses to U.S. Large Cap Value Manager SFP: Delaware Investments; LSV Asset Management, Robeco Investment Management, Inc.; and Wellington Management Company, LLP.

ON MOTION OF MR. POTTS, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists: Delaware Investments; Robeco Investment Management, Inc.; and Wellington Management Company, LLP., and to retain LSV Asset Management as U.S. Large Cap Value Manager.

Adjournment

ON MOTION OF MR HENNIGAN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 9:04 a.m.

Teachers' Retirement System of Louisiana
Investment Committee

Upon Adjournment of the Subcommittee to Review Responses to Solicitation for Proposals
for Large Cap Value Manager – Thursday
September 5, 2013

- MEMBERS PRESENT:** Joe A. Potts, Jr., Kathy Hattaway, Dr. William C. "Bill" Baker, Jim Napper (Treasurer's Designee), Holly B. Gildig, David A. Hennigan, Robert Lawyer, and Joyce P. Haynes
- MEMBERS ABSENT:** Dr. Sheryl R. Abshire, Senator Elbert Guillory, Representative J. Kevin Pearson, and Steven Procopio (Commissioner's Designee)
- OTHER MEMBERS PRESENT:** Anne H. Baker, Superintendent Alonzo R. Luce, John G. Parauka, and Carlos Sam
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Jim Buras, Maurice Coleman, Jeff LaCour, Lisa Honore', Robyn Jenkins-King, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Scott Coopriider and Russ Ivinjack, Hewitt EnnisKnupp; Mike Heale, CEM Benchmarking, Inc.; Brian Demain and David Schrock, Janus Capital Management, LLC; Fred Martin and Robert Buss, Disciplined Growth Investors, Inc.; Jeffrey Bianchi and Darren Massey, ING U.S. Investment Management; and Josh Melder, Louisiana Division of Administration

Roll Call

Mr. Potts called the meeting to order at 9:07 a.m. The secretary called the roll and a quorum was established. Mr. Potts appointed Mrs. Haynes to serve on the Committee as an alternate for Dr. Abshire.

Report of the Subcommittee to Review Responses to Solicitation for Proposals (SFP) for U.S. Large Cap Value Manager

Dr. Baker presented the report of the Subcommittee to Review Responses to the U.S. Large Cap Value Manager SFP.

ON MOTION OF DR. BAKER, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the following recommendation of the Subcommittee to Review Responses to U.S. Large Cap Value Manager SFP:

“ON MOTION OF MR. POTTS, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists: Delaware Investments; Robeco Investment Management, Inc.; and Wellington Management Company, LLP.; and to retain LSV Asset Management as U.S. Large Cap Value Manager.”

Annual CEM Administrative and Investment Benchmarking Reports

Mike Heale of CEM Benchmarking Inc. presented the Pension Benefits Administration Benchmarking and Investment Benchmarking Reports and results for TRSL. The Investment Benchmarking Report portion of the presentation qualified for one-half hour of Investment Education.

ON MOTION OF MR. LAWYER, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to receive the CEM Benchmarking reports.

Interview Finalists and Recommend Successful Candidate Firms for Mid Cap Growth Manager

Mr. Griffith, Mr. Coopridier, and Mr. Ivinjack presented an overview of the potential candidate firms for Mid Cap Growth Manager: Janus Capital Management, LLC (JANUS); Disciplined Growth Investors, Inc. (DGI); and ING U.S. Investment Management (ING).

The following representatives from each firm appeared before the Committee to be interviewed: Brian Demain and David Schrock of Janus; Fred Martin and Robert Buss of DGI; and Jeffrey Bianchi and Darren Massey of ING.

The Committee ranked each firm from 1 to 3, with 1 ranking the highest.

	Janus	DGI	ING
Dr. Baker	2	3	1
Mrs. Gildig	3	1	2
Ms. Hattaway	1	3	2
Mrs. Haynes	2	3	1
Mr. Hennigan	2	3	1
Mr. Napper	3	1	2
Mr. Lawyer	2	3	1
Mr. Potts	3	2	1
<i>Total</i>	18	19	11

ING ranked the highest, followed by Janus and DGI, respectively.

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to hire ING U.S. Investment Management as Mid Cap Growth Manager, subject to fee negotiation.

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. Coopriider and Mr. Ivinjack presented Hewitt EnnisKnupp's September 5, 2013 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through July 31, 2013.

Mr. Griffith, Mr. Coopriider, and Mr. Ivinjack presented the Investment Policy Statement Guidelines for Global High Yield Fixed Income.

ON MOTION OF MR. LAWYER, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to approve the Global High Yield Bond Guidelines as presented.

Mr. Griffith, Mr. Coopriider, and Mr. Ivinjack presented proposed changes to real estate benchmarks.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to approve the change in real estate benchmarks from NPI + 1% to NPI with no added spread for Core; and from NPI + 4% to NPI + 2% for Opportunistic real estate.

Portfolio Reviews

Mr. Coopriider, Mr. Ivinjack, and Mr. Brown reviewed Emerging Market Equity Managers: Dimensional Fund Advisors (Value) and Vontobel Asset Management, Inc. (Growth) and Emerging Market Debt Manager Western Asset Management Company.

The following representatives presented their firm's portfolio review: Dimensional Fund Advisors – James Charles and Daniel Ong; Vontobel Asset Management, Inc. – Peter Newell and Amit Mukadam; and Western Asset Management Company – Keith Gardner and Karlen Powell.

Adjournment

ON MOTION OF DR. BAKER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 3:35 p.m.

Teachers' Retirement System of Louisiana
Elections Committee
8:30 a.m. – Friday
September 6, 2013

MEMBERS PRESENT: Joyce P. Haynes, Jim Napper (Treasurer's Designee), David A. Hennigan, John G. Parauka, Carlos J. Sam, Robert Lawyer, and Joe A. Potts, Jr.

MEMBERS ABSENT: Dr. Sheryl R. Abshire and Dr. Steven Procopio (Commissioner's Designee)

OTHER MEMBERS PRESENT: Anne H. Baker, Dr. William C. "Bill" Baker, Holly B. Gildig, Kathy Hattaway, and Superintendent Alonzo R. Luce

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Jim Buras, Maurice Coleman, Jeff LaCour, Lisa Honore', Robyn Jenkins-King, Steve Marangos, Dionne Rabalais, Matt Tessier, Katherine Whitney, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; Josh Melder, Division of Administration; Dr. Jerry J. Baudin; and Dr. James Taylor

Roll Call

Mrs. Haynes called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Mrs. Haynes appointed Mr. Potts to serve as an alternate for Dr. Abshire.

Receive Runoff Elections Results for Retiree Representative

Mrs. Haynes read the election results as follows:

	Retiree Representative	Number	Percentage
1.	Dr. Jerry J. Baudin	6,992	50.65%
2.	Dr. James Taylor	6,812	49.35%

Dr. Baudin was elected with 50.65% of the votes.

ON MOTION OF MR. LAWYER, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to receive and approve the runoff election results for Retiree Representative for the term January 1, 2014 through December 31, 2017.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to adjourn at 8:36 a.m.

**Teachers' Retirement System of Louisiana
Budget & Finance Committee
Upon Adjournment of Elections Committee – Friday
September 6, 2013**

MEMBERS PRESENT: Kathy Hattaway, David A. Hennigan, Joe A. Potts, Jr., Holly B. Gildig, Jim Napper (Treasurer's Designee), Superintendent Alonzo R. Luce, Robert Lawyer, and Dr. William C. "Bill" Baker

MEMBERS ABSENT: Dr. Sheryl R. Abshire

OTHER MEMBERS PRESENT: Anne H. Baker, Joyce P. Haynes, John G. Parauka, and Carlos J. Sam

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Jim Buras, Maurice Coleman, Jeff LaCour, Lisa Honore', Robyn Jenkins-King, Steve Marangos, Dionne Rabalais, Matt Tessier, Katherine Whitney, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; and Josh Melder, Louisiana Division of Administration

Roll Call

Ms. Hattaway called the meeting to order at 8:39 a.m. The secretary called the roll and a quorum was established. Ms. Hattaway appointed Dr. Baker to serve on the Committee as an alternate for Dr. Abshire.

Discussion of FY 2015 Administrative Operating Budget

Ms. Westgard updated the Committee on two items: The Department of Education and the LSU AgCenter have submitted payment for their respective General Fund items; and the Special Entrance Rate (SER) for Retirement Benefits positions AS620 and below was approved by the Civil Service Commission September 4, 2013.

Mr. Cagle presented an update on the FY 2015 Administrative Operating Budget.

ON MOTION OF MR. POTTS, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the report.

Adjournment

ON MOTION OF DR. BAKER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 8:49 a.m.

Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Budget and Finance Committee – Friday
September 6, 2013

- MEMBERS PRESENT:** Robert Lawyer, Joe A. Potts, Jr., Anne H. Baker, Dr. William C. "Bill" Baker, Holly B. Gildig, and Kathy Hattaway
- MEMBERS ABSENT:** Dr. Sheryl R. Abshire
- OTHER MEMBERS PRESENT:** Joyce P. Haynes, David A. Hennigan, Superintendent Alonzo R. Luce, Jim Napper (Treasurer's Designee), John G. Parauka, and Carlos J. Sam
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Jim Buras, Maurice Coleman, Jeff LaCour, Lisa Honore', Robyn Jenkins-King, Steve Marangos, Dionne Rabalais, Matt Tessier, Katherine Whitney, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster, Actuaries and Consultants; Charles Hall, Hall Actuarial Associates; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; Josh Melder, Louisiana Division of Administration; and Paul Richmond, Louisiana Legislative Auditor's Office

Roll Call

Mr. Lawyer called the meeting to order at 8:50 a.m. The secretary called the roll and a quorum was established.

Review of Act 992 of 2010 and UAL Schedules – Shelley Johnson, Foster & Foster

Ms. Westgard made introductory comments regarding the presentation.

Ms. Johnson presented a *Review of Act 992 of 2010 UAL Schedules as of June 30, 2012*. The presentation counted as 1.75 hours of Actuarial Education for trustees.

ON MOTION OF MRS. BAKER SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to receive the report.

Update on Cash Balance Plan

Ms. Westgard presented an update on the costs associated with implementation of the Cash Balance Plan.

Update on GASB Meetings

Meetings were held during August regarding Governmental Accounting Standards Board (GASB) 67 and 68 Statements. Mr. Cagle presented an update on the August 2nd meeting and Ms. Westgard presented the update on the August 20th meeting.

Adjournment

ON MOTION OF DR. BAKER, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to adjourn at 10:40 a.m.