

Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Friday
January 9, 2015

MEMBERS PRESENT: Robert Lawyer, Dr. Jerry J. Baudin, Kimberly Flair, Holly B. Gildig, Kathy Hattaway, Joyce P. Haynes, David A. Hennigan, Superintendent Alonzo R. Luce, Ashley McNeely (Commissioner's Designee), Jim Napper (Treasurer's Designee), John G. Parauka, Carlos J. Sam, and Dr. James A. Taylor

MEMBERS ABSENT: Dr. Sheryl R. Abshire, Senator Elbert Guillory, Representative J. Kevin Pearson, and State Superintendent John White

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Maurice Coleman, Dana Brown, Ed Branagan, Beth Carney, Laurie Anne Cassidy, Venetia Clark, Karla Henderson, Lisa Honore`, Linnie Johnson, Jeff LaCour, Sharon Lachney, Heather Landry, Steve Marangos, Dionne Rabalais; Chaneita Smith, Katherine Whitney, Charlene Wilson, Laurie Wright, Latasha Young, Anthony Zeringue, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; and Pres Robinson, Louisiana Treasurer's Office

Each member of the Board received the following:

1. January 2015 Board Book
2. *Investment Committee Meeting January 8, 2015, Performance Report – November 30, 2014*
3. Investment Committee Presentations: Hamilton Lane Advisors, L.L.C.; Aon Hewitt Investment Consulting; Kayne Anderson Real Estate Advisors; Related Fund Management, LLC; TIAA-CREF; Valic; and Voya
4. *2015 Fiscal Year Goals, Major projects by Balanced Scorecard area, Status at December 31, 2014*
5. *Teachers' Retirement System of Louisiana, FY 2014 Return-to-Work Report, January 2015*
6. *January 2015 Boardroom Beacon – "Meet the Departments: Employer Services"*

Mr. Lawyer called the meeting to order at 9:45 a.m. Ms. Hattaway 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 December 2, 2014 (Including Minutes of Committee Meetings held December 1 and 2, 2014)

ON MOTION OF MR. PARAUKA, SECONDED BY MRS. GILDIG, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held December 2, 2014 (Including Minutes of Committee Meetings held December 1 and 2, 2014).

Elections Committee Report

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

Investment Committee Report

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

Executive Committee Report

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

TRSL Board and Staff Ethics Certification

Ms. Westgard noted that Ethics Certifications for 2015, which certify compliance with all Louisiana state ethics laws and TRSL ethics policy, were collected from Trustees and staff.

Director's Update

Ms. Westgard updated the Board on the following items:

- 1099 Forms – in process, will be mailed January 23 through 27 (over 90,000)
- DROP interest checks to be mailed January 10th (over \$1 million)

- TRSL received notification that State Supt. John White's has proposed a group to study TRSL's UAL.
- January 2015 Boardroom Beacon – "Meet the Departments: Employer Services"
 - Ed Branagan, Department Manager, gave an overview of the new department and introduced the department employees.

Adjournment

ON MOTION OF MR. PARAUKA, SECONDED BY MR. SAM, AND CARRIED, the Committee voted to adjourn at 10:15 a.m.

**Teachers' Retirement System of Louisiana
Elections Committee
8:30 a.m. – Thursday
January 8, 2015**

- MEMBERS PRESENT:** Kathy Hattaway, Jim Napper (Treasurer's Designee), Superintendent Alonzo R. Luce, Holly B. Gildig, Dr. James A. Taylor, Robert Lawyer, Dr. Jerry J. Baudin, and Kimberly Flair
- MEMBERS ABSENT:** Joyce P. Haynes, Dr. Sheryl R. Abshire, and Ashley McNeely (Commissioner's Designee)
- OTHER MEMBERS PRESENT:** David A. Hennigan, John G. Parauka, and Carlos J. Sam
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Maurice Coleman, Dana Brown, Lisa Honore, Katherine Whitney, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Pres Robinson - Louisiana Treasurer's Office; Graig Luscombe - Louisiana Retired Teachers' Association; and Scott Coopridier - Aon Hewitt Investment Consulting

Roll Call

Ms. Hattaway called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Ms. Hattaway appointed Dr. Baudin and Ms. Flair to serve as alternates on the Committee for Mrs. Haynes and Dr. Abshire.

Oaths of Office

Roy Mongrue, Jr., General Counsel, administered Oaths of Office to the following trustees for the term January 1, 2015 – December 31, 2018:

- Robert Lawyer representing Colleges & Universities
- Kimberly A. Flair representing District 1
- Dr. Alonzo R. Luce representing Parish and City Superintendents
- Dr. James A. Taylor representing Retirees

Dr. Sheryl R. Abshire, who was elected to represent District 7 for the term January 1, 2015 – December 31, 2018, was not present at the meeting. Dr. Abshire will be administered the oath of office at a later date.

2015 Elections Review

Ms. Westgard presented the proposed schedules and call for candidate postcards for the upcoming 2015 Elections.

Review and Approval of the Proposed 2015 Schedule of Regular Elections for Districts 2, 3, and 4

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the Proposed 2015 Schedule of Regular Elections for Districts 2, 3, and 4.

Review & Approval of Proposed Call for Candidates Postcards for Upcoming Elections

ON MOTION OF MR. NAPPER, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to approve the proposed Call for Candidates postcards for upcoming elections for Districts 2, 3, and 4.

Presentation and Review of Update to Board Governance Manual Policy No. 100.3 - Election of Trustees

Ms. Westgard and Ms. Whitney presented the proposed update to Board Governance Policy No. 100.3.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the proposed policy update to be presented for approval in February.

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 8:49 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
Upon Adjournment of Elections Committee – Thursday
January 8, 2015**

MEMBERS PRESENT: Kathy Hattaway, David A. Hennigan, Holly B. Gildig, Jim Napper (Treasurer's Designee), Dr. Jerry J. Baudin, Ashley McNeely (Commissioner's Designee), Robert Lawyer, Carlos J. Sam, and John G. Parauka

MEMBERS ABSENT: Dr. Sheryl R. Abshire, Joyce P. Haynes, Senator Elbert Guillory and Representative J. Kevin Pearson

OTHER MEMBERS PRESENT: Kimberly A. Flair, Superintendent Alonzo R. Luce, and Dr. James A. Taylor

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

OTHERS PRESENT: Paul Yett, Jerry Gates, and Brian Reilly – Hamilton Lane Advisors, LLC; Albert Rabil and John Wright - Kayne Anderson Real Estate Advisors; Jeff Blau, Justin Metz, and Patrick Sweeney - Related Fund Management, LLC; Scott Coopriider, Russ Ivinjack, and Steve Benjamin – Aon Hewitt Investment Consulting; Craig Doehring, Lori Cathey, and Peter Hueber - TIAA-CREF; Greg Miller, Mark Tusa, Fred St. Clair, and Freda Lee - Valic; David Linney, Sallie O'Quinn, Dawn Mazzola, Deltra Hayes, and Michael Sotile, Jr. - Voya; and Pres Robinson, Louisiana Treasurer's Office

Roll Call

Ms. Hattaway called the meeting to order at 8:50 a.m. The secretary called the roll and a quorum was established. Ms. Hattaway appointed Mr. Sam and Mr. Parauka to serve on the Committee as alternates for Dr. Abshire and Mrs. Haynes.

Private Market Update and Review of Potential Private Market Investments

Paul Yett, Jerry Gates, and Brian Reilly of Hamilton Lane Advisors, L.L.C., appeared before the Committee to present private market items.

Mr. Yett presented the private market update.

Kayne Anderson Real Estate Partners IV, L.P.

Mr. Gates reviewed a potential alternative investment in Kayne Anderson Real Estate Partners IV, L.P.

Albert Rabil and John Wright of Kayne Anderson Real Estate Advisors appeared before the Committee to give a presentation on Kayne Anderson Real Estate Partners IV, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. LAWYER, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 8, 2015, pertaining to investments in Kayne Anderson Real Estate Partners IV, L.P. (up to \$35 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Related Real Estate Fund II, L.P.

Mr. Gates reviewed a potential alternative investment in Related Real Estate Fund II, L.P.

Jeff Blau, Justin Metz, and Patrick Sweeney of Related Fund Management, LLC appeared before the Committee to give a presentation on Related Real Estate Fund II, L.P.

ON MOTION OF MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 8, 2015, pertaining to investments in Related Real Estate Fund II, L.P. (up to \$35 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

TPG Growth III, L.P.

Mr. Yett reviewed a potential alternative investment in TPG Growth III, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. PARAUKA, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 8, 2015, pertaining to investments in TPG Growth III, L.P. (up to \$75 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

TPG Partners VII, L.P.

Mr. Yett reviewed a potential alternative investment in TPG Partners VII, L.P.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 8, 2015, pertaining to investments in TPG Partners VII, L.P. (up to \$75 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Venture Capital Separate Account 2014 Update

Mr. Yett presented the Venture Capital Separate Account Update.

ON MOTION OF MR. LAWYER, SECONDED BY MRS. GILIDG, AND CARRIED, the Committee voted to receive the Venture Capital Separate Account Update as presented.

Private Market Annual Report

Mr. Reilly presented the private market annual report on ICG Plc.

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the private market annual report as presented.

Ms. Westgard acknowledged Hamilton Lane for receiving the distinction as one of the 2014 "Best Places to Work in Money Management" by Pensions & Investments. This is the third consecutive year that Hamilton Lane has received this honor. Also, Hamilton Lane was the global winner of the 2014 Advancing Women Company Award by the Philadelphia Business Journal and The Forum of Executive Women. This award is presented in recognition of the firm that has made an exemplary impact in advancing the professional growth and development of women in the workplace.

Quarterly Transaction Summary of Alternative Assets and Real Estate (for the period ended September 30, 2014)

Maurice Coleman presented the Quarterly Summary of Alternative Assets and Real Estate (for the period ended September 30, 2014).

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the Quarterly Summary of Alternative Assets and Real Estate (for the period ended September 30, 2014).

Presentation and Review of Solicitation for Proposals (SFP) for Mid Cap Value Manager

Mr. Griffith presented the SFP for Mid Cap Value Manager.

ON MOTION OF MR. PARAUKA, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the SFP for Mid Cap Value Manager to be presented for approval in February.

Capital Market Update and Review of TRSL Investments

Monthly Investment Review

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Scott Coopridner and Russ Ivinjack presented Aon Hewitt Investment Consulting's January 8, 2015 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through November 30, 2014.

Interview Finalists and Recommend Successful Candidate Firms for Optional Retirement Plan (ORP) Providers

Mr. Ivinjack, Mr. Coopridner, and Mr. Benjamin presented an overview of the potential candidates: TIAA-CREF, Valic, and Voya.

The following representatives from each firm appeared before the Committee to be interviewed for Optional Retirement Plan (ORP) Providers:

- Craig Doehring, Lori Cathey, and Peter Hueber of TIAA-CREF
- Greg Miller, Mark Tusa, Fred St. Clair, and Freda Lee of Valic
- David Linney, Sallie O'Quinn, Dawn Mazzola, Deltra Hayes, and Michael Sotile, Jr. of Voya

ON MOTION OF MR. LAWYER, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to hire: TIAA-CREF, Valic, and Voya as Optional Retirement Plan Providers, subject to fee negotiation.

Adjournment

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

**Teachers' Retirement System of Louisiana
Legislative Committee
8:30 a.m. – Friday
January 9, 2015**

- MEMBERS PRESENT:** Dr. Jerry J. Baudin, Carlos J. Sam, Jim Napper (Treasurer's Designee), Holly B. Gildig, John G. Parauka, Robert Lawyer, David A. Hennigan, and Kimberly A. Flair
- MEMBERS ABSENT:** Dr. Sheryl R. Abshire and Joyce P. Haynes
- OTHER MEMBERS PRESENT:** Kathy Hattaway, Superintendent Alonzo R. Luce, and Dr. James A. Taylor
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Maurice Coleman, Dana Brown, Ed Branagan, Lisa Honore`, Robyn Jenkins-King, Jeff LaCour, Steve Marangos, Dionne Rabalais; Matt Tessier, Katherine Whitney, Charlene Wilson, Laurie Wright, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; Shane Riddle, Louisiana Association of Educators; Margaret Corley and Laura Gail Sullivan, Louisiana Senate, Graig Luscombe, Louisiana Retired Teachers' Association; Pres Robinson, Louisiana Treasurer's Office

Roll Call

Dr. Baudin called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Dr. Baudin appointed Mr. Hennigan and Ms. Flair to serve on the Committee as alternates for Dr. Abshire and Mrs. Haynes.

2015 Legislative Session Update

Discussion of Potential Legislation - Ms. Westgard updated the Committee on potential legislation for the 2015 Legislative Session.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to receive the update as presented by the Director.

Federal Legislative Update

Ms. Westgard updated the Committee on a joint statement from NASRA and NCTR relative to pension provisions in H.R. 83 (the CR-Omnibus bill).

Approval of the TRSL Legislative Team for the 2015 Regular and Special Session(s) of the Louisiana Legislature

Dr. Baudin and Ms. Westgard outlined the roles of the Legislative Team and Trustees in testifying and contact with the legislature.

ON MOTION OF MRS. GILDIG, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to authorize the Board Chair, Legislative Committee Chair, Director, Deputy Director, General Counsel, Assistant Director, Chief Investment Officer, and Actuaries to represent TRSL and take action as necessary at legislative hearings during the 2015 Legislative Session(s).

Adjournment

ON MOTION OF MR. PARUAKA, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to adjourn at 8:49 a.m.

**Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Legislative Committee – Friday
January 9, 2015**

MEMBERS PRESENT: Robert Lawyer, Dr. Jerry J. Baudin, Holly B. Gildig, Kathy Hattaway, Joyce P. Haynes, and David A. Hennigan

MEMBERS ABSENT: Dr. Sheryl R. Abshire

OTHER MEMBERS PRESENT: Kimberly A. Flair, Superintendent Alonzo R. Luce, Ashley McNeely (Commissioner's Designee), Jim Napper (Treasurer's Designee), John G. Parauka, Carlos J. Sam, and Dr. James A. Taylor

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

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; and Pres Robinson, Louisiana Treasurer's Office

Roll Call

Mr. Lawyer called the meeting to order at 8:47 a.m. The secretary called the roll and a quorum was established.

Presentation and Approval of Audit Reports by TRSL Audit Staff

Mr. LaCour presented the Compliance Audit Reports – Retirees Returning to Work and Limited Scope Reviews.

ON MOTION OF MS. HATTAWAY, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to approve the Audit Reports as presented.

Presentation and Review of FY 2014 Summary of Annual Return to Work (RTW) Retiree Data

Ms. Westgard reviewed the FY 2014 Summary of Annual Return to Work Retiree Data.

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

Progress Report on TRSL Balanced Scorecard Goals for 2014-2015

Ms. Westgard and Mr. Cagle presented a progress report on the major projects of the TRSL Balanced Scorecard Goals for 2014-2015.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to receive the report.

Presentation of Quarterly Litigation Reports

Mr. Mongrue presented the Quarterly Litigation Reports.

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the Quarterly Litigation Reports.

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 9:33 a.m.