

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Tuesday
June 11, 2013**

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

MEMBERS ABSENT: Dr. Sheryl R. Abshire, Senator Elbert Guillory, Jim Napper (Treasurer's Designee), Representative J. Kevin Pearson, Dr. Steven Procopio (Commissioner's Designee), 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', Katherine Whitney, Charlene Wilson, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster and Foster, Inc.

Each member of the Board received the following:

1. June 2013 Board Book
2. *Investment Committee Meeting June 10, 2013, Performance Report–April 30, 2013*
3. Investment Committee Presentations: Hamilton Lane Advisors, LLC; Hewitt EnnisKnupp; and LSV Systematic Financial Management, L.P.
4. *2013 Regular Legislative Session Legislation Affecting TRSL as of June 10, 2013 and 2013 Regular Legislative Session Legislation Monitored by TRSL as of June 10, 2013*
5. *Asset Valuation Methods* – Shelley Johnson, Foster & Foster, Inc.
6. June Boardroom Beacon – *Service Credit: Purchases, Transfers, and Reciprocals*

Mr. Lawyer called the meeting to order at 12:00 p.m. Dr. 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 May 7, 2013
(Including Minutes of Committee Meetings held May 6 and 7, 2013)**

ON MOTION OF MRS. BAKER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held May 7, 2013 (including minutes of committee meetings held May 6 and 7, 2013).

Investment Committee Report

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

Legislative Committee Report

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

Personnel Committee Report

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

Executive Committee Report

ON MOTION OF MR. LAWYER, SECONDED BY MS. HATTAWAY, 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 noted that Steve Marangos had been named IT Director.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to adjourn at 12:11 p.m.

Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitation for International EAFE Growth Manager
9:00 a.m. – Monday
June 10, 2013

MEMBERS PRESENT: Kathy Hattaway, Dr. Sheryl R. Abshire, Dr. William C. "Bill" Baker, Jim Napper (Treasurer's Designee), and Joe A. Potts, Jr.

OTHER MEMBERS PRESENT: Anne H. Baker, Holly B. Gildig, Joyce P. Haynes, David A. Hennigan, Robert Lawyer, John G. Parauka, and Dr. Steven Procopio (Commissioner's Designee)

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

OTHERS PRESENT: Scott Coopridger and Russ Ivinjack, Hewitt EnnisKnupp; Jim Baker, Pamela Stitts, Conrad Hendrickson, and Betty Odom, Unite Here; Sabrina Johnson, Harrah's Tunica; Mary Reynolds, Road House Tunica; Marie Bryce-Sullivan, Grand Biloxi

Roll Call

Ms. Hattaway called the meeting to order at 9:00 a.m. The secretary called the roll and a quorum was established.

Review Proposals and Recommend Finalists to be Interviewed

Phil Griffith (TRSL), and Scott Coopridger and Russ Ivinjack of Hewitt EnnisKnupp presented an overview of the following firms' responses to International EAFE Growth Manager: Artisan Partners Limited Partnership; Harding Loevner LP; MFS Institutional Advisors, Inc.; and Vontobel Asset Management, Inc.

ON MOTION OF MR. POTTS, SECONDED BY DR. BAKER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee to retain Artisan Partners Limited Partnership.

Adjournment

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to adjourn at 9:39 a.m.

Teachers' Retirement System of Louisiana
Investment Committee

Upon Adjournment of the Subcommittee to Review Responses to Solicitation for Proposals
for International EAFE Growth Manager – Monday
June 10, 2013

- MEMBERS PRESENT:** Joe A. Potts, Jr., Dr. Sheryl R. Abshire, Kathy Hattaway, Dr. William C. "Bill" Baker, Jim Napper (Treasurer's Designee), Holly B. Gildig, David A. Hennigan, Robert Lawyer, and Dr. Steven Procopio (Commissioner's Designee)
- MEMBERS ABSENT:** Senator Elbert Guillory and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Anne H. Baker, Joyce P. Haynes, and John G. Parauka
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Phil Griffith, Dana Vicknair, Dana Brown, Maurice Coleman, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett, Jerry Gates, John Shea, and Radhika Cobb, Hamilton Lane Advisors, L.L.C.; Scott Coopridier and Russ Ivinjack, Hewitt EnnisKnupp; Ronald Muschok and James Wallerius, Systematic Financial Management, L.P.; Jim Baker, Pamela Stitts, Conrad Hendrickson, and Betty Odom, Unite Here; Sabrina Johnson, Harrah's Tunica; Mary Reynolds, Road House Tunica; Marie Bryce-Sullivan, Grand Biloxi; and Shelley Johnson, Foster & Foster, Inc.

Roll Call

Mr. Potts called the meeting to order at 9:42 a.m. The secretary called the roll and a quorum was established.

Jim Baker, Unite Here; Mary Reynolds, Road House Tunica; Sabrina Johnson, Harrah's Tunica, and Marie Bryce-Sullivan, Grand Biloxi, made statements relative to CVC and the effect of private equity investment costs and transaction monitoring fees on their respective company and its employees.

Report of the Subcommittee to Review Responses to Solicitation for Proposals for International EAFE Growth Manager

Ms. Hattaway presented the report of the Subcommittee to Review Responses to the International EAFE Growth SFP.

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the following report of the Subcommittee to Review Responses to International EAFE Growth Manager SFP:

“ON MOTION OF MR. POTTS, SECONDED BY DR. BAKER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee to retain Artisan Partners Limited Partnership.”

Private Market Update and Review of Potential Private Market Investments

Paul Yett, Jerry Gates, John Shea, and Radhika Cobb of Hamilton Lane Advisors, LLC appeared before the Committee to present private market items.

Mr. Yett presented the private market update.

Mr. Yett reviewed a potential alternative investment in *CVC Capital Partners VI*.

ON MOTION OF MR. LAWYER, SECONDED BY MS. HATTAWAY, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated June 10, 2013 pertaining to investments in CVC Capital Partners VI (up to \$125 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett presented “*Overview of Alternative Asset Separate Accounts*”. This presentation qualified for three-quarter hour of Investment Education.

Mr. Gates and Mr. Shea presented “*Overview of REITS - Real Estate Investment Trusts*”. This presentation qualified for one-half hour of Investment Education.

Private Market Annual Committee Reports

Mr. Yett and Ms. Cobb presented private market annual reports on Crow Holdings Capital Partners, GSO Capital Solutions, and TPG Growth.

ON MOTION OF DR. ABSHIRE, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to receive the private market annual reports as presented.

Appointment of Subcommittee to Review Responses to Solicitation for Proposals for Global High Yield Manager

Mr. Potts appointed the following members to serve on the Subcommittee to Review Responses to the SFP for Global High Yield Manager: Dr. Baker as Chair, Mr. Hennigan, Mrs. Gildig, Mr. Napper, and Mr. Potts.

Presentation and Approval of Solicitation for Proposals for Mid Cap Growth Equity Manager

Mr. Griffith presented the SFP for Mid Cap Growth Equity Manager.

ON MOTION OF MR. NAPPER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to approve the SFP for Mid Cap Growth Equity Manager.

Presentation and Review of Solicitation for Proposals for Domestic Large Cap Value Manager

Mr. Griffith presented the SFP for Domestic Large Cap Value Manager.

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the SFP for Domestic Large Cap Value Manager.

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 June 10, 2013 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through April 30, 2013.

Quarterly Review of Portfolio Managers

Mr. Coopriider reviewed the performance and rankings of TRSL public market investments for the first quarter 2013 (January 1-March 31, 2013).

Mr. Ivinjack provided an update on ORP provider TIAA-CREF participant survey results.

Portfolio Review

Mr. Coopriider, Mr. Ivinjack, and Mr. Brown reviewed Mid Cap Value Manager – Systematic Financial Management, L.P.

Ronald Muschock and James Wallerius presented Systematic’s annual portfolio review.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 2:45 p.m.

**Teachers' Retirement System of Louisiana
Elections Committee
8:30 a.m. – Tuesday
June 11, 2013**

- MEMBERS PRESENT:** Joyce P. Haynes, Jim Napper (Treasurer's Designee), David A. Hennigan, John G. Parauka, Dr. Steven Procopio (Commissioner's Designee), Robert Lawyer, Joe A. Potts, Jr., and Dr. William C. "Bill" Baker
- MEMBERS ABSENT:** Dr. Sheryl R. Abshire and Carlos J. Sam
- OTHER MEMBERS PRESENT:** Anne H. Baker, Holly 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, Lisa Honore', Jeff LaCour, Katherine Whitney, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster, Inc.; Laura Gail Sullivan and Margaret Corley, Louisiana Senate; and Stephanie Little, Louisiana House of Representatives

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 and Dr. Baker to serve on the Committee as alternates for Dr. Abshire and Mr. Sam.

Receive and Approve Special Elections Results for Parish and City Superintendents' Trustee Position

Ms. Westgard stated that Dr. Luce was the sole candidate to qualify for the Parish and City Superintendents' trustee position.

Ms. Westgard also informed the Committee that Ms. Licciardo withdrew her candidacy as a retiree representative, due to a dual office holding statute which would not allow her to continue service on the school board if she were elected to the TRSL Board.

ON MOTION OF MR. PARAUKA, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to receive and approve the results of the Special Election for Parish and City Superintendents' Trustee Position.

Oath of Office – Alonzo R. Luce, Ph.D.

Mr. Mongrue administered the Oath of Office to Superintendent Luce.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to adjourn at 8:35 a.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
Upon Adjournment of Elections Committee – Tuesday
June 11, 2013**

MEMBERS PRESENT: Dr. William C. "Bill" Baker, Joe A. Potts, Jr., Jim Napper (Treasurer's Designee), Anne H. Baker, Holly B. Gildig, Robert Lawyer, Joyce P. Haynes, and David A. Hennigan

MEMBERS ABSENT: Dr. Sheryl R. Abshire, Senator Elbert Guillory, Representative J. Kevin Pearson, and Carlos J. Sam

OTHER MEMBERS PRESENT: Kathy Hattaway, Superintendent Alonzo R. Luce, John G. Parauka, and Dr. Steven Procopio (Commissioner's Designee)

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

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Inc.; Laura Gail Sullivan and Margaret Corley, Louisiana Senate; Stephanie Little, Louisiana House of Representatives; Marsha Shuler, The Advocate; and Renee Siccone, Louisiana Retired Teachers' Association

Roll Call

Dr. Baker called the meeting to order at 8:35 a.m. The secretary called the roll and a quorum was established. Dr. Baker appointed Mrs. Haynes and Mr. Hennigan to serve on the Committee as alternates for Dr. Abshire and Mr. Sam.

Update on Cash Balance Plan

Ms. Westgard updated the Committee on Cash Balance Plan actions. TRSL, LASERS, and LSERS received a request through Dr. Procopio, for a copy of each agency's last determination letter. The request was referred to TRSL's tax attorney, Terry Mumford.

Discussion and Review of Legislation for the 2013 Regular Legislative Session and Committee Meetings

Ms. Westgard updated the Committee on legislation affecting TRSL as of the end of the 2013 Regular Session (June 6, 2013). The major pieces of legislation that passed were: HCR 2, which suspends the Cash Balance Plan until July 1, 2014; SB 14, allowing for actuarial transfers between systems in certain circumstances; and HCR 108, relative to the status of efforts regarding the creation and distribution of attestation forms pursuant to the provisions of the forfeiture of retirement benefits law.

Ms. Whitney updated the Committee on the final status of legislation monitored by TRSL.

Ms. Westgard updated the Committee on the Joint Legislative Committee on the Budget (JLCB) meeting of May 17, 2013. The JLCB approved TRSL's budget for 2013-2014.

Ms. Westgard, Dr. Baker, and Mrs. Baker thanked the TRSL legislative team, trustees, TRSL staff, legislative staff and all who worked diligently during the legislative session.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 8:58 a.m.

**Teachers' Retirement System of Louisiana
Personnel Committee
Upon Adjournment of Legislative Committee – Tuesday
June 11, 2013**

- MEMBERS PRESENT:** Holly B. Gildig, Jim Napper (Treasurer's Designee), Joyce P. Haynes, John G. Parauka, Anne H. Baker, Robert Lawyer, Dr. Steven Procopio (Commissioner's Designee), and Superintendent Alonzo R. Luce
- MEMBERS ABSENT:** Dr. Sheryl R. Abshire, Senator Elbert Guillory, Representative J. Kevin Pearson, and Carlos J. Sam
- OTHER MEMBERS PRESENT:** Dr. William C. "Bill" Baker, Kathy Hattaway, David A. Hennigan, and Joe A. Potts, Jr.
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Jim Buras, Maurice Coleman, Tammy Dardeau, Lisa Honore', Robyn Jenkins-King, Jeff LaCour, Katherine Whitney, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster, Inc.; Laura Gail Sullivan and Margaret Corley, Louisiana Senate; Stephanie Little, Louisiana House of Representatives

Roll Call

Mrs. Gildig called the meeting to order at 9:07 a.m. The secretary called the roll and a quorum was established. Mrs. Gildig appointed Dr. Procopio and Superintendent Luce to serve on the Committee as alternates for Dr. Abshire and Mr. Sam.

Update and Recommendations Related to Classified Merit Increases

Ms. Westgard updated the Committee on recommendations relative to classified merit increases.

MR. LAWYER MOVED and MRS. BAKER SECONDED a motion to approve a 4% merit increase retroactive to October 1, 2012, for eligible TRSL classified staff, in accordance with Civil Service rules. Mr. Napper objected to the motion and the secretary called the roll. The motion passed by a

vote of 6 yeas and 2 nays. Mrs. Baker, Mrs. Haynes, Superintendent Luce, Mr. Parauka, Mr. Lawyer, and Mrs. Gildig voted yea. Mr. Napper and Dr. Procopio voted nay.

ON MOTION OF MRS. HAYNES, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to approve funding of an amended Special Entrance Rate (SER) policy for Retirement Benefits positions AS620 and below, effective October 1, 2013, following approval by Civil Service.

Annual Performance Evaluations

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

MR. NAPPER MOVED and MRS. HAYNES SECONDED a motion to convene into Executive Session to discuss the Director's evaluations of TRSL Unclassified Staff and the performance evaluation of the Director, as related to their character and professional competence, with the Director to remain for the Unclassified Staff evaluations only. A roll call vote was taken. Mrs. Baker, Mrs. Haynes, Superintendent Luce, Mr. Napper, Mr. Parauka, Dr. Procopio, Mr. Lawyer, and Mrs. Gildig voted yea. The vote was unanimous and the Committee convened into Executive Session.

MRS. BAKER MOVED and MR. PARAUKA SECONDED a motion to reconvene into Regular Session. A roll call vote was taken. Mrs. Baker, Mrs. Haynes, Superintendent Luce, Mr. Parauka, Dr. Procopio, Mr. Lawyer, and Mrs. Gildig voted yea. The vote was unanimous and the Committee reconvened into Regular Session.

ON MOTION OF MR. LAWYER, SECONDED BY MRS. HAYNES, AND CARRIED, the Committee voted to approve the evaluation of the Director.

ON MOTION OF MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to receive the evaluations of unclassified staff and to approve unclassified staff pay increases, retroactive to October 1, 2012, as follows: Stuart Cagle, Roy Mongrue, and Dana Vicknair: 4%; Phil Griffith: 4% merit and a market rate adjustment of 11.16%; Maurice Coleman: 4% merit and a market rate adjustment of 8.5%; and Dana Brown: 4% merit and a market rate adjustment of 12.22%.

Adjournment

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

Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Personnel Committee – Tuesday
June 11, 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, and John G. Parauka

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

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Inc.; Laura Gail Sullivan and Margaret Corley, Louisiana Senate; Stephanie Little, Louisiana House of Representatives

Roll Call

Mr. Lawyer called the meeting to order at 10:53 a.m. The secretary called the roll and a quorum was established.

"Asset Valuation Methods" - Shelley Johnson, Foster & Foster, Inc.

Mrs. Johnson gave a presentation on "Asset Valuation Methods". The presentation qualified for three-quarter hour of actuarial education for trustees.

Review and Approval of Proposed Meeting Dates for 2014

Ms. Westgard presented proposed TRSL 2014 Board of Trustees meeting dates.

ON MOTION OF MRS. BAKER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adopt the following dates for the Board of Trustees' 2014 meetings:

January 9 & 10 (Thurs & Fri)

February 6 & 7 (Thurs & Fri)

March 6 & 7 (Thurs & Fri)

April 3 & 4 (Thurs & Fri)

May 8 & 9 (Thurs & Fri)

June 5 & 6 (Thurs & Fri)

July 10 & 11 (Thurs & Fri)

August 4 & 5 (Mon & Tues)

September 4 & 5 (Thurs & Fri)

October 2 & 3 (Thurs & Fri)

November 6 & 7 (Thurs & Fri)

December 1 & 2 (Mon & Tues)

Adjournment

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to adjourn at 11:58 a.m.