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MEETING OF THE BOARD OF TRUSTEES
August 7, 2013 and
August 8, 2013

A meeting of the Board of Trustees was held on August 7, 2013 and August 8, 2013 at the Public Safety Building in Baton Rouge, Louisiana. Mr. Charlie Fredieu, Chairman, called the meeting to order at 2:00 p.m. on August 7, 2013.

Mayor Durbin gave the invocation and Mr. Birdwell led the pledge of allegiance.

Mrs. Susan Waite called the roll. A quorum was present.

MEMBERS PRESENT

Mr. Charlie Fredieu
Mr. Stacy Birdwell
Mr. John Broussard
Mayor James Durbin
Mayor Mayson Foster
Mr. Perry Jeselink
Mr. Jerry Tarleton

OTHERS PRESENT

Steven Stockstill
Kelli Rogers
Layne McKinney
Jason Starns
Susan Waite
Margaret Corley
Stephanie Little
Greg Curran
David Barnes
Rhett Humphreys
Ben Gerarve

August 7, 2013

Chairman Fredieu began by explaining that the meeting would be held over a two-day period, with the first day being dedicated to RFP respondent interviews and the second day being reserved for the regular monthly business to come before the board.

INTERVIEWS - EMERGING MARKET EQUITY MANAGER

The board of trustees interviewed four Emerging Market Equity manager RFP candidates that were selected by the board at their meeting held in July, 2013. The candidate firms and applicable representatives are as follows:

Acadian Asset Management LLC:
Jack W. Gastler
Joshua S. White, Ph.D

Dimensional Fund Advisors, LP:
James G. Charles, CFA
Daniel Ong, CFA

Neuberger Berman:
Drew Fox
Marco A. Spinar, CFA

OFI Global Asset Management:
Michael Quinn
Jason Widener

Each candidate firm made a presentation to the board based on information contained in the firm's respective RFP response. Each candidate firm was allocated a total of one-hour, with the format being 45 minutes for the presentation and 15 minutes for questions by the board.

Upon conclusion of the final presentation, the board members discussed various related items with NEPC representatives David Barnes and Rhett Humphreys. (see attached Exhibit #1 - Tab #1) Thereafter, Chairman Fredieu recessed the meeting.

August 8, 2013

Chairman Fredieu reconvened the board meeting. Roll was called. A quorum was present.

MOTION: Mr. Birdwell made a motion to reconvene the board meeting, at the point where it was recessed. Mr. Tarleton seconded. The motion passed.

Chairman Fredieu then recognized Mr. David Barnes to provide NEPC's analysis of the RFP respondent interviews.

Mr. Barnes indicated that if the board asked NEPC to rank the four candidates, NEPC would rank them as follows- Dimensional Fund Advisors (first), Acadian (second), Neuberger Berman (third), and OFI (fourth). He said Dimensional (DFA) will provide the broadest market exposure with 2000 securities compared to the other candidates, and at the lowest fee. DFA has the most significant style bias, more value and smaller cap which, in performance terms, results in more volatility around the benchmark.

Mr. Barnes continued by stating that NEPC's second candidate choice, Acadian, would provide broad exposure of over 300 securities, with a more balanced approach in that they have factors other than value and small cap, for example momentum, a micro-economic outlook for country selection that are also incorporated that dampens that style bias, and in doing so dampens the volatility of the performance around the benchmark. In addition, their fee is reasonable. Acadian's performance has been very consistent.

NEPC's third candidate choice, Neuberger Berman uses a fundamental process. Performance hasn't been as consistent as the others and the fees are at the higher end, even with the commingled fund investment at 85 basis points.

[EDITOR'S NOTE: FRS uses an all-inclusive RFP manager search process. The RFP is broadly advertised continuously for a significant period, thereby giving all asset management firms the opportunity to participate in the competitive process. The all-inclusive process sometimes results in firms being allowed to compete although they are not brought into the competition through NEPC. This "best practice" assures that all firms are given an equal opportunity to compete and no firm is excluded solely because they are not on the list of candidates recommended by NEPC. The next minute entry relates to such a fund. The minute entry involves a nationally recognized asset management firm referred to as "OFI", which is a subsidiary of Oppenheimer Funds.]

Mr. Barnes indicated that OFI is the fourth candidate that NEPC would address. They are the only candidate which is not on the NEPC focus placement list. Mr. Barnes indicated he spoke with NEPC's researchers and reviewed the researcher's notes. NEPC sees the same things everyone else sees, OFI looks good on paper, their performance is solid, there are a lot of really good characteristics, no big red flags. However, NEPC's research group haven't been able to get to the next level of conviction. The researchers look at OFI's asset size which is $35 billion. It is more difficult for OFI to get down into that small cap space that looks attractive and earn extra returns. They are not as maneuverable as NEPC would like to see in terms of the asset size. Another item is resourcing. OFI has a five member team that is very reliant on the key portfolio manager, who is also responsible for a lot of the stock research himself. There is a lot of key man dependency and risk. These items were things NEPC's researcher's put a good deal of weight on and haven't been able, for these reasons, get to that next level of conviction. NEPC cannot bring OFI to a client and say confidently that NEPC is confident the consistent performance is going to continue.

Mr. Stockstill then indicated to Mr. Barnes that he had a conversation with Rhett Humphreys (with NEPC), following the board meeting in July, when the board was deciding on the number of candidates to interview. Mr. Stockstill commented in that meeting that when NEPC recommended three on the placement list, he recommended replacing one of the three picked by NEPC and substitute OFI in its place. Mr. Stockstill indicated that Mr. Humphreys told him that from NEPC's perspective, he couldn't do that because OFI is not on NEPC's focus placement list. Mr. Stockstill stated that he took it from that conversation with Mr. Humphreys, that the only recommendation NEPC could make per NEPC policy are the people on the NEPC focus list. Mr. Stockstill asked Mr. Barnes if that was correct. Mr. Barnes answered in the affirmative. Mr. Stockstill continued to say that, hypothetically, if OFI was judged to be the best candidate by a respectable third party consultant who thought OFI is better than any of the top three recommendations made by NEPC, then NEPC still wouldn't put OFI in its top three because OFI isn't on NEPC's focus list. Mr. Stockstill asked Mr. Barnes if that was correct. Mr. Barnes answered in the affirmative.

Mr. Barnes continued that NEPC's research group could not say with conviction that it believes that OFI will out perform for clients, therefore NEPC cannot recommend them. NEPC will stand behind its researchers efforts and all of the due diligence they have done in evaluating the candidates.

Mr. Stockstill indicated that what he was saying was that no matter how good OFI is, and how good they looked on paper, they were doomed to number four from NEPC's perspective because NEPC won't put them any higher no matter what.

Mr. Barnes advised that NEPC will always prefer its focus placement list managers. NEPC has not been able to develop a thesis on OFI and why NEPC believes they would out perform. That is the whole reason why NEPC can't recommend OFI, because it can't develop that thesis showing why NEPC believes that OFI would out perform going forward.

Mr. Fredieu asked Mr. Barnes if the board made the decision to go with OFI, would it create any problem for NEPC to monitor them. Mr. Barnes indicated it would not create a problem for NEPC to monitor or continue to evaluate OFI.

Mr. Broussard confirmed with Mr. Barnes that OFI is Oppenheimer. Mr. Barnes confirmed and indicated that OFI is the institutional branch of Oppenheimer Funds. Mr. Broussard then indicated that OFI's numbers are sterling, but given who the firm is, they are managing $35 billion with just five people. If anyone on that OFI team leaves and the board decides to hire them, then the board has to fire them. FRS cannot wait to see if the replacement does a good job because OFI will sink under the weight of what they are doing. Five people managing $35 billion in this segment, in emerging markets, is a problem. Mr. Broussard continued that he isn't saying not to hire them, only hire them with the understanding that if anything happens to a member of that team, then OFI will be fired. FRS has to go in with its eyes wide open and understand what the downside risk is. With OFI, the downside risk is five people.

Mr. Broussard stated that, regarding research alone, someone has to read all the reports, thousands and thousands of reports have to be kept up with. Mr. Broussard continued to say that he was stunned that there were five people managing $35 billion in this segment, but he likes OFI, they have great numbers. If there were ten instead of five, Mr. Broussard indicated he'd hire them tomorrow and that he is not saying not to hire them, because their numbers are great. But if they are hired and something happens to someone on that team, FRS would have to fire them.

Mr. Stockstill said that, if the board is inclined to hire OFI, then he would recommend the relationship be preconditioned on an immediate out clause if OFI loses one of their team. Mr. Broussard stated that he had never seen where so few people manage so much money and had such good returns. There is risk here, the risk is key man risk, that is the biggest risk with this investor. Mr. Broussard said OFI, in his mind, is clearly better than the other three candidates as far as performance. But he cautioned everyone to listen to what Mr. Barnes is saying. OFI's ability to replicate is completely dependent upon those five people. If something happens to any of the five team members you should expect your investment to head south.

Ms. Rogers then stated that she asked all of the candidates about their key man risk. Neuberger Berman is a fundamental manager, and a lot of fundamental managers have one person who makes decisions. Ms. Rogers continued that when looking at OFI and the fact that there is basically one person that makes decisions, it's true with Neuberger Berman, it is also true with other fundamental managers. Ms. Rogers questioned what made OFI's key man different from others where there are 300 holdings in a portfolio.

Mr. Broussard responded that Acadian and DFA are quantitative shops. They are running their computer models several times a day, sifting through thousands of stocks. There is no way that OFI can go through all of their positions several times a day. Ms. Rogers agreed that there are definite differences between fundamental managers versus quantitative managers, who are going to use models. But what about other fundamental managers, like Neuberger Berman? Mr. Broussard responded that Neuberger Berman is managing $3 billion with seven people, OFI is managing $35 billion with five people.

Mr. Barnes indicated that from NEPC's perspective, Neuberger Berman has a three portfolio manager system, where you have three portfolio managers who are responsible for different segments of the globe. Yes, there is a final decision maker. NEPC's issue with OFI isn't that they have a lead portfolio manager. That is very common among fundamental managers. NEPC's issue is that he doesn't have the support behind him that NEPC would like to see. For example, the lead portfolio manager for Neuberger Berman has two co-portfolio managers supporting him and a team of seven analysts, so a team of ten total. If NEPC saw those resources behind OFI, it could probably get to a higher conviction level. That would be the difference in what it means in the resourcing differences.

Ms. Rogers and Mr. Barnes discussed the current lead portfolio manager, who was described by the OFI representatives as being a quirky individual who likes to have control over everything. He alone is responsible for 85 percent of the research of the companies in the portfolio. They continued by discussing that the lead portfolio manager had been with OFI since 2004 and Ms. Rogers pointed out that OFI has had the highest returns for the past ten and fifteen year time periods. The former portfolio manager, prior to 2004 is still in management with OFI, but has distanced from the portfolio management.

Mr. Stockstill suggested that, if the board is inclined to go with OFI, then a due diligence visit should be made to the OFI office to visually observe the manager-support aspect of their operations, prior to entering a contract.

Mr. Birdwell commented to Mr. Barnes that he understood NEPC recommending DFA, but wanted to know if NEPC had any issue with 60% of their assets being by individual advisors and was there any threat or possibility at some point that the advisors could, being already in the majority, have more say so in the operations than institutional investors.

Mr. Barnes indicated that DFA responded to that in the interview. NEPC is comfortable with DFA in terms of NEPC monitoring these assets at DFA for a long time, this is not a new shop to anyone in the investment world, DFA has been doing this for a long time. NEPC has monitored the asset flows, from every appearance it looks to NEPC like they have done exactly what they said they'd do, and that is when they decided to take on retail assets they did so in such a way to take every precaution so that hot money wasn't moving in and out of the fund. When NEPC looks at the data and the asset flows, even in periods where performance has struggled it does not look like there is any evidence that hot money is moving in and out of this fund, which is really the risk of the retail assets - individuals chase performance and you get big swings in the asset flows causing detriment in terms of the trading cost of the portfolio. There has not historically been that issue with DFA.

Mr. Stockstill indicated to Chairman Fredieu something else to consider. If the hesitation for OFI is the key man risk, and the board wants to mitigate some of that risk, then lessening the exposure by splitting the mandate and giving half of the allotted funds to OFI, that is only if the board is inclined to go with OFI, and give the other half to a candidate that does not pose the same risk. If some time down the road the board should choose to consolidate the funds, then it could do so.

Mr. Fredieu asked what would splitting the funds do to the fees. Mr. Barnes indicated there are breakpoints for either commingled funds or mutual funds. It is a flat fee for Acadian, DFA and Neuberger Berman. OFI has a scale fee for the commingled fund, but the first breakpoint is $50 million. In essence what you are looking at is a flat fee for OFI as well.

Ms. Rogers asked if comparing DFA to Acadian since they are both quant shops, you don't have a key man risk for either one. With Acadian having 340 holdings you have a diversity that you don't have the 2,000 holdings that DFA has, but you also don't have the volatility because they overload that top down approach. Acadian's returns have been higher than DFA's, they have the second highest returns for five and ten years and the highest trailing three year return, and they also have the second lowest in fees, and Acadian's returns have been better and they have the diversity of the portfolio. Why does NEPC favor DFA over Acadian?

Mr. Barnes responded that NEPC looked at emerging markets and it is an environment where deeper value stocks have underperformed outside of the United States, international and emerging. NEPC takes this into consideration when it looks at performance. Ms. Rogers then asked Mr. Barnes if he meant recently and he indicated the time period was over the last three years. Instead of saying that DFA's numbers look worse at this point, NEPC says, yes, but and NEPC thinks things are cyclical. But it is not a timing issue for NEPC. If the board is willing to stand the extra volatility, over a long period of time, NEPC think those bias' in the portfolio will do well for FRS and the portfolio itself will gain FRS very, very broad exposure which is what FRS wants. For FRS' first piece, it wants a core piece that is going to get very broad exposure, that as the assets of the plan grow then you can build around, then you can put some more concentrated managers around that to add additional alpha. It also balances out the style bias'. That is the way NEPC tends to approach building out an asset class for a client. Mr. Barnes continued that it was up to the board to internalize its own risk tolerance. If it doesn't like the extra volatility, next in line NEPC would say it thinks Acadian is going to do a great job for FRS.

Chairman Fredieu asked Ms. Rogers if she wanted to make her presentation, to which she responded that she had in a sense while talking about OFI and its strong returns, and also talking about the number of holdings in the portfolio versus the dollars in the portfolio, that she recognizes OFI has a very small staff for that amount of money. Acadian was Ms. Rogers' second choice because they are model driven, there is no key man risk, and you get the diversity of 340 holdings in the portfolio, but not the volatility that DFA gives you which lowers the risk adjusted return. Additionally, Acadian was second lowest in fees.

Chairman Fredieu noted that Ms. Rogers rated the candidates as OFI first, Acadian second, DFA, third and Neuberger Berman fourth.

Chairman Fredieu asked Mr. Stockstill if a procedural decision should be made whether to split the funds prior to voting on a new manager. Mr. Stockstill responded that if there was a consensus on the two managers for a split mandate, then making it in the form of a motion would suffice.

MOTION: Mr. Birdwell moved to split the $60 million allocation between two managers, OFI and Acadian. Mr. Broussard seconded. After further discussion the motion passed.

Mr. Stockstill reminded the board that it has a standing, board approved policy that says that any manager hired must agree to be a fiduciary under Louisiana law as it is defined under Louisiana law. The board also has a requirement that any manager hired must waive the arbitration clause. If either of those two policies are objectionable to the two selected managers, we would have to re-visit this next month.

The discussion of this matter was concluded with no further action being needed or taken.

MINUTES

MOTION: Mr. Jeselink moved to approve the minutes of the board meeting held on July 11, 2013. Mr. Durbin seconded. The motion passed.

APPLICANTS

- New Members

PROCEDURE: The FRS enrollment process, including the completion of the applicant forms, the physical examination, and the completion of any waivers of preexisting conditions, must be completed and all documents received by FRS within six months of the date of employment. If the FRS enrollment process is not completed within six months from the date of employment, the applicant will be a member eligible to begin vesting for regular benefits from the date of employment, but not eligible to begin vesting for disability benefits until the completion of the enrollment process. It is the statutory responsibility of the employer to insure that the enrollment process is timely completed or to provide FRS with notice of noncompliance by the applicant. If a member who has not completed the enrollment process becomes injured in the line of duty and applies for disability benefits, then the member must prove that the disabling condition was not preexisting. Each enrollment application is reviewed by staff to determine eligible job classification, date of hire, employer certification, and medical waiver information. Each application for membership was completed and submitted in accordance with all applicable state laws.

Mr. Starns presented the list of new member applicants. (see attached Exhibit #2) He stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the new member applicants. Mr. Jeselink seconded. The motion passed.

- Retirees

PROCEDURE: To retire, a member must furnish the retirement office with an application for retirement. When the application is received by the retirement office, the member's file is reviewed for proper documentation and to determine that the applicant meets the legal criteria necessary to receive payment in the form of a monthly retirement benefit. Calculations for retirement are performed by the benefit analyst and verified by the system's administrator. All retirement applications were submitted and benefits calculated in accordance with all applicable state laws.

Mr. Starns presented the list of new retirees. (see attached Exhibit #3) He stated that all applications were in order.

MOTION: Mr. Birdwell moved to approve the new retiree applicants. Mr. Tarleton seconded. The motion passed.

- Survivor Applications

PROCEDURE: Survivors applying for benefits must furnish the retirement office with a notarized application for survivor benefits, a copy of the member's death certificate, a marriage license (if beneficiary is a spouse), and the beneficiary's birth certificate. Once received, the deceased member's records are reviewed by staff to determine survivor benefit eligibility and to determine that the survivor's benefit calculation is completed per all applicable state laws and any merger agreements. [NOTE: Individuals who retired under another retirement system where FRS is a third party administering payments as a result of a merger, and where the individual becomes deceased after the merger, the beneficiary or survivor is still required to submit all necessary documents; however, payment is made as set forth in the merger agreement (contract) affecting beneficiaries and survivors.] (R.S. 11:2256 and R.S. 11:2259).

Mr. Starns presented the application of Emma LeBlanc Bailey, surviving spouse of Raymond Leo Bailey. He stated that the application was in order.

MOTION: Mr. Jeselink moved to approve the application of Emma LeBlanc Bailey. Mr. Birdwell seconded. The motion passed.

Mr. Starns presented the application of Mona Sue Cox Nugent, surviving spouse of James Delmar Nugent, Jr. He stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Mona Sue Cox Nugent. Mr. Tarleton seconded. The motion passed.

Mr. Starns presented the application of Rose Marie Price, surviving spouse of Wybra Joseph Price. He stated that the application was in order.

MOTION: Mr. Jeselink moved to approve the application of Rose Marie Price. Mr. Birdwell seconded. The motion passed.

Mr. Starns presented the application of Mary Jackson Boney, surviving spouse of Leonard Earl Boney, Jr. He stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Mary Jackson Boney. Mr. Tarleton seconded. The motion passed.

Mr. Starns presented the application of Billie Kathleen Pyle Simmons, surviving spouse of Cecil Owen Simmons. He stated that the application was in order.

MOTION: Mr. Jeselink moved to approve the application of Billie Kathleen Pyle Simmons. Mr. Tarleton seconded. The motion passed.

Mr. Starns presented the application of Darlene Marie McKnight Caluda, surviving spouse, and Cody Matthew Caluda and Amanda Nicole Caluda, surviving children of Steven Paul Caluda. He stated that the application was in order.

MOTION: Mr. Birdwell moved to approve the application of Darlene Marie McKnight Caluda, Cody Matthew Caluda and Amanda Nicole Caluda. Mr. Tarleton seconded. The motion passed.

- Disability Conversion Applicants

PROCEDURE: Retirees who apply for conversion from regular retirement to a disability retirement are required to submit detailed medical information as part of the application in support of their claim that the disability was job-related and occurred during active employment as a firefighter, even though the actual physical disability may not have become manifest until after the effective date in DROP or after commencement of service retirement. Once received, the application is reviewed by staff and medical records are forwarded to a State Medical Disability Board doctor to determine if sufficient documentation is present to certify that the retiree's disability occurred during active employment and was a direct result of working as a firefighter. If the medical information submitted is not sufficient for the doctor to determine the date and cause of the disability, then an appointment is scheduled for the applicant to undergo a physical examination. For the applicant to become eligible for conversion, the State Medical Disability Board doctor must furnish a medical report certifying the retiree's disability and that the disability was a direct result of employment as a firefighter. (R.S. 11:2258(B) and Administrative Rule)

[NOTE: By giving advance notice on its posted agenda, the board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) for discussion of any privacy protected physical or mental health information related to the disability applicants.]

Mr. Starns presented the disability conversion application of [redacted]

MOTION: Mr. Birdwell moved to enter executive session. Mr. Tarleton seconded. The motion passed unanimously. The board entered executive session.

MOTION: Mr. Jeselink moved to resume public session. Mr. Birdwell seconded. The motion passed unanimously. The board resumed public session.

MOTION: Mr. Broussard moved to approve the application of [redacted], and to discontinue the requirement of recertification. Mr. Birdwell seconded. The motion passed. Mayor Foster abstained.

The discussion of this matter was concluded with no further action being needed or taken.

IN THE MATTER OF JOSEPH N. BROYLES V. CANTOR FITZGERALD, ET AL

[Joseph M. Broyles v. Cantor Fitzgerald & Co., et al., Civil Action No. 3:10–854-JJB-SCR, United States District Court, Middle District of Louisiana consolidated with *Joseph N. Broyles, et al. versus Cantor Fitzgerald & Co. et al.*, Civil Action No. 3:10-857-JJB-SCR, United States District Court, Middle District of Louisiana; and *In re Sand Spring Capital III*, Case No. 11-13393, US Bankruptcy Court, District of Delaware - A consolidation of five funds managed by Commonwealth Advisors]

[NOTE: By giving notice on its posted agenda, the board of trustees reserved its right to enter executive session pursuant to R.S. 42:17(A)(1) for discussion of character or professional competence of the juridical entities identified in agenda item III(2)(E); The board of trustees further reserved its right to enter executive session pursuant to R.S. 42:17(A)(2) for discussion of strategy or negotiations with respect to actual or prospective litigation where an open meeting would have a detrimental effect on the litigating position of FRS in the matters referenced in agenda item III(2)(E); all pertinent notifications had been provided.]

MOTION: Mr. Birdwell moved to enter executive session. Mr. Tarleton seconded. The motion passed unanimously. The board entered executive session.

MOTION: Mr. Broussard moved to resume public session. Mr. Tarleton seconded. The motion passed unanimously. The board resumed public session.

MOTION: Mr. Broussard moved to approve what was verbally described during executive session as Option 1 by the attorneys representing FRS in this matter, including the authority for the attorneys to execute all courses of action that were advised by the attorneys during discussions that were held under the protection of the attorney-client privilege. Mayor Foster seconded. The motion passed.

MOTION: Mr. Broussard moved to vote in favor of the bankruptcy plan proposed by the debtors, subject to certain terms that were advised by the attorneys during discussions that were held under the protection of the attorney-client privilege. Mr. Durbin seconded. The motion passed.

The discussion of this matter was concluded with no further action being needed or taken.

MONTHLY FLASH REPORT - JULY 2013

[NOTE: Due to the date of the FRS Board meeting the numbers needed for the flash report were not yet available, and therefore no flash report was given.]

Mr. Barnes gave an overview of the markets. US markets rebounded in July, starting the fiscal year 2014 very positively. European stocks also experienced a rally in July. Mr. Barnes indicated that in July there was recovery across the board, where there had been tough markets in May and June of fiscal year 2013.

The discussion of this matter was concluded with no action being needed or taken.

COMMITTEE REPORT - INVESTMENT COMMITTEE

NOTE: The Investment Committee did not meet this month.

REQUEST FOR PROPOSALS

- Emerging Market Debt - Request for Proposal (RFP)

Mr. Barnes began by advising the board of the RFP search process for an allocation to a new asset class, Emerging Market Debt. A public advertisement was posted in *Pensions & Investments Magazine* and in *The Advocate* from June 3 - June 21, 2013. Seven investment managers responded. (see attached Exhibit #1 - Tab #2) The candidates were then evaluated and scored using NEPC's proprietary Performance Analysis Statistical Software. The results were reviewed by NEPC's research team and FRS staff and the list of candidates was then narrowed. Mr. Barnes went on to advise the board that it was NEPC's recommendation to the board to invite the following candidates for interviews by the board: (A) Investec Asset Management; (B) PIMCO; and (C) Stone Harbor Investment Partners LP. Ms. Rogers concurred with NEPC's recommendation.

MOTION: Mr. Birdwell moved to accept NEPC's recommendation to interview the three candidates. Mr. Durbin seconded. After further discussion, Mr. Birdwell withdrew his motion, Mr. Durbin withdrew his second.

Mr. Broussard indicated that he was reluctant regarding Investec, but agreed on PIMCO and Stone Harbor. He stated that Mondrian appeared to have a greater percentage, higher than zero, higher than three, and in those categories and monthly it seems to be more positive. Further discussion was conducted between Mr. Barnes, Ms. Rogers and the board regarding the differences between the managers.

MOTION: Mr. Birdwell moved to invite PIMCO, Stone Harbor and Mondrian for interviews by the board. Mr. Broussard seconded. The motion passed.

The discussion of this matter was concluded with no further action being needed or taken.

- Global Tactical Allocation - Request for Proposals

Mr. Barnes advised the board of the status of the RFP's for the Global Tactical Asset Allocation manager search. The deadline for responses was August 8, 2013. The next step is to run NEPC's proprietary quantitative screen which looks for consistency of out performance over a long period of time. All data will be reviewed and a manageable list will be presented to the board next month, from which the board can choose those managers they wish to interview.

The discussion of this matter was concluded with no action being needed or taken.

- Risk Parity Strategy - Request for Proposals

Mr. Barnes updated the board of the status of the RFP for the Risk Parity strategy manager search. Mr. Barnes indicated that the RFP documentation was the same document previously submitted and approved by the board for the emerging market equity and emerging market debt searches, with only the timeline revised.

MOTION: Mr. Birdwell moved to approve the Risk Parity strategy RFP, the timeline and advertising. Mr. Durbin seconded. The motion passed.

The discussion of this matter was concluded with no further action being needed or taken.

CONTINUING EDUCATION CREDITS

Mr. Stockstill informed the board that the new year for continuing education begins on September 1, 2013. He said that a 4-hour continuing education program will be made available to the board on Wednesday, September 11, 2013.

The discussion of this matter was concluded with no action being needed or taken.

ADJOURNMENT

MOTION: Mr. Birdwell moved to adjourn. Mr. Durbin seconded. The motion passed. There being no further business, the meeting of the FRS board of trustees was adjourned.

FUTURE MEETINGS

FRS Board of Trustees
3100 Brentwood Drive
Baton Rouge, Louisiana
Wednesday, September 11, 2013 at 09:00 am
Thursday, September 12, 2013 at 8:30 a.m.

SUBMITTED BY:

Susan L. Waite

Susan L. Waite, FRS Board Secretary

APPROVED BY:

Charles Fredieu

Mr. Charles Fredieu, FRS Chairman