

**Special Meeting
Board of Trustees
of the Employees' Retirement System
of the City of New Orleans
Purchasing Conference Room
1300 Perdido Street, Room 4W05
June 29, 2012
8:35 a.m.**

Trustees Present:

Dr. Edgar L. Chase, III, Chairman
Ms. Lisa M. Hudson, Vice Chairman
Mr. Norman S. Foster, Treasurer/CFO
Ms. Lynne Schackai,
Ms. Courtney B. Bagneris

Others Present:

Jesse Evans, Jr., Director
Janet H. Easterling, Administrative Support Supervisor
Joyce Joseph, City Attorney's Office
Nathaniel Celestine, Purchasing
Sandra Banks, Purchasing
Robert Gebrian
Toni Hackett, The Hackett Group
Derrick Francis
Norman Roussell, Supplier Diversity
Mary Kleinpeter-Zamora, Chief Procurement Officer

The Chairman recognized a quorum called the meeting to order 8:35 a.m.

Review of RFPs for Investment Consultant Dr. Chase asked Mr. Evans to inform the Board regarding the attachment to the agenda. Mr. Evans informed the Board that Mr. Nathaniel Celestine, the Purchasing Representative, will run the meeting. He said that at the June Board meeting it was announced that there were thirteen respondents to the RFP; however three of those were deemed non-responsive by the Chief Procurement Officer, Mary Kleinpeter. Mr. Evans said that they were deemed non-responsive due to the fact that they exceeded the Board required ten-page limit in section FII. He said that the attachments are correspondences between the Chief Procurement Officer, Mary Kleinpeter-Zamora and the firms that were deemed non-responsive were PFM- The Hackett Group, Cafore Greenleaf and Consulting Services Group.

Dr. Chase said that the meeting will be suspended until the Purchasing Representative arrives and discusses the RFP procedure.

The meeting resumed

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Mr. Celestine informed Dr. Chase that there must be an opportunity for public comments. Dr. Chase said that the Board allows for public comments at the end. He asked whether the purchasing procedure is to have it at the beginning of the meeting. Mr. Celestine said that public comments are normally at the beginning, but the Board can have it at the end of the meeting. Dr. Chase said that is it the pleasure of the Board to have public comments at beginning of the meeting. He asked for a motion. A motion was made by Ms. Hudson and seconded by Ms. Schackai to have public comments at the beginning of the meeting. The motion passed unanimously. Dr. Chase asked whether someone would like to have public comments on the RFP for Investment Consultant. Ms. Banks asked whether the selection committee is combined with a Board meeting. Dr. Chase said that the Board followed the Purchasing Department procedures by seeking proposals. He said that the Board wanted to review all the proposals as part of the Board's opportunity to select the one that the Board will interview later. Dr. Chase said that he understands that there are some issues from the public that interrupts the process but all of this is still part of the procedure of selecting a firm that will represent the Board. Mr. Evans said that the selection will not happen today. He said that the Board convened this meeting to trim down to the ones they wanted to interview. Mr. Foster said that for the purposes of the executive order this is a selection committee meeting as well. Dr. Chase asked whether there is a member of the public would like to comment. Ms. Toni Hackett-Antrum the president of the Hackett Group said that she forwarded a letter to the Purchasing Director, Mary Kleinpeter and cc'd the Board. She is requesting that the Board reconsider the decision to reject certain proposals because of the length of pages and failing to comply with the 10 page restriction. Ms. Hackett-Antrum read in the proposal that this Board reserves the right to make changes or allow certain proposals to remain based on any procedure or irregularity that the Board has the right to include them. She said that although they exceeded the ten page rule other proposals were allowed to have appendixes for additional information. Ms. Hackett-Antrum asked the Board to reconsider the decision to reject her proposal as well as the other two firm's proposals. She informed the Board that her firm is a certified DBE. Dr. Chase requested that the Board go into executive session to discuss the comments made by Ms. Hackett-Antrum and other matters that may require executive session comments. A motion made by Ms. Hudson and seconded by Ms. Bagneris to go into executive session. The motion passed unanimously.

The meeting resumed.

Dr. Chase asked Mr. Celestine what is the next step in this process. Mr. Celestine said that at this time he would like somebody from the department to give an overview of what the Board is looking for in the RFP. Mr. Evans said that on May 4th of this year the Retirement Office prepared an RFP that was sent out by the Purchasing Department for an investment consultant, the deadline was May 25th at 4:00. He said that the RFP included a description of our plan, requirements for measuring the portfolio, investment manager selection including crafting an investment policy and overall review of the plan. Mr. Celestine asked whether there are any questions. Mr. Foster said that there are a couple of different approaches to access the RFPs.

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Mary Kleinpeter-Zamora arrived to the meeting.

Dr. Chase said that he was in favor of the Board narrowing the list proposals down to a smaller group to interview. Ms. Kleinpeter-Zamora suggested that the Board make a motion today to narrow down the proposals. A motion was made by Ms. Hudson and seconded by Mr. Foster to narrow the proposals down to no more than five to interview. The motion passed unanimously. Ms. Schackai suggested that reference checks be done on the RFPs. Dr. Chase asked the selection committee which process they wanted to follow. Ms. Hudson said that she is in favor of doing an informal review of the proposals. A motion was made by Ms. Hudson and seconded by Mr. Foster to do an informal review of the proposals. The motion passed unanimously. Mr. Foster asked that a poll be done on the proposals, and the committee members can decide if they would like to interview the firm or not. The Board was pooled for a decision on each proposal.

Dr. Chase suggested scheduling another special committee meeting with advice of Purchasing as to how to move forward with the five firms selected and develop questions for the interviews.

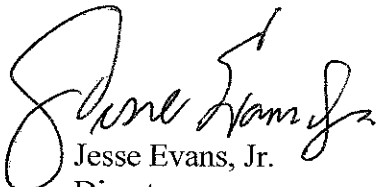
Mr. Foster said that there are two items the Board needs to deal with today; 1) talk about the DBE submissions on the selected firms. He asked Mr. Roussell whether he reviewed the DBE for the firms. Mr. Roussell said no. Mr. Foster said that a motion is needed on the five firms selected. He said that there needs to be discussion as to what the selected firms submitted regarding DBE because it is an important item for the City. Ms. Kleinpeter asked Mr. Roussell to forward her an analysis of this item, and she will forward the information to Mr. Evans and the Board. Dr. Chase suggested a special meeting be schedule to review the analysis and discuss the DBE requirement and develop a set of questions for the interviews. A motion was made by Mr. Foster and seconded by Ms. Bagneris to setup another meeting to review the results of reference checks to be carried out by Purchasing and Board Director together, review DBE office assessment of the proposals and develop questions for the interviews. The motion passed unanimously.

Dr. Chase asked Mr. Evans to review the names selected. Mr. Evans said FFC, Meketa, MSSB, Segal and Bogdahn. Ms. Kleinpeter informed the Board that she will notify the firms selected. Mr. Evans said that the Board selected an interview date at the last meeting. Mr. Foster said that that Board has July 17th scheduled for interviews of the Investment Consultant. The Board discussed possible dates for a meeting. Dr. Chase suggested Friday, August 17th 9 to 4. The Board agreed to schedule a special meeting for August 17th for presentations and final selection. Ms. Kleinpeter asked whether any of the five selected are in jeopardy of being disqualified because of DBE requirements. Dr. Chase said that is a good point and it would have to be reviewed. Ms. Hudson asked if it turned out that some of the five are disqualified for lack of DBE can we go back and review some of the other firms? Dr. Chase said that the Board will leave all options open. Mr. Foster suggested moving the meeting up because of the issue of DBE.

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The Board discussed possible dates for the meeting. Mr. Foster said that the Board has an Investment Committee meeting scheduled for July 11th at 9:00. The Board agreed to move the investment committee meeting to 11:00. A motion was made by Mr. Foster and seconded by Dr. Chase that the Selection Committee Meeting be held July 11th from 9:00 to 10:30 to review the information that was requested in the earlier motion. The motion passed unanimously.

There being no further business, a motion was made by Mr. Foster and seconded by Ms. Bagneris to adjourn. The motion passed.



Jesse Evans, Jr.
Director

JE/jhe