

AGENDA
ARKANSAS TEACHER RETIREMENT SYSTEM
BOARD OF TRUSTEES

April 3, 2023

11:00 a.m.

1400 West Third Street
Little Rock, AR 72201

- I. ***Call to Order/Roll Call.** page 1.
- II. ***Adoption of Agenda.** page 2.
- III. Executive Summary. (Attachment No. 1) page 5.
- IV. ***Approval of Prior Meeting Minutes.**
 - A. ***February 6, 2023, Minutes.** (Attachment No. 2) page 10.
 - B. ***March 9, 2023, Minutes.** (Attachment No. 3) page 18.
- V. ***Member's Eligibility to Retire Using Purchased Future Service Credit.**
Jennifer Liwo, General Counsel (Attachment No. 4) page 20.
 - A. ***Resolution 2023-16.** (Attachment No. 5) page 28.
- VI. Legislative Audit - Financial Report June 30, 2022 -Update. (Attachment No. 6) page 31.
- VII. Legislative Audit - GASB Report - Update. (Attachment No. 7) page 62.
- VIII. Report of Member Interest Amount Waived Under A.C.A. Sec. 24-7-205.
- IX. Report of Employer Penalties and Interest Waived Under A.C.A. Sec. 24-7-411. (Attachment No. 8) page 86.
- X. Audit Committee Report.
 - A. Internal Audit: Application of IRS 415 Limit Follow-Up Report. (Attachment No. 9) page 87.

* Action Item

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XI. Investment Committee Report.

A. Arkansas Related and Investment Update.

1. List of Fund Closings.

- a. Arrowstreet Global Equity ACWI Alpha Extension 130/30820, LP, a fund that uses advanced computer models to select global stocks for a long/short strategy, the Board authorized commitment of up to \$800 million dollars on December 5, 2022 was accepted and closed on March 15, 2023.
- b. DIF Infrastructure VII Cooperatief U.A. and DIF Infrastructure VII SCSp (collectively DIF VII), an infrastructure fund focused on public-private partnership projects including toll roads, regulated utilities, and renewable energy projects, the Board authorized commitment of up to €50 million euros on December 5, 2022 was accepted and closed on February 14, 2023.
- c. Franklin Park Venture Capital Opportunity Fund, LP, a fund that invests in later stage venture capital funds, the Board authorized additional commitment of up to \$30 million dollars on December 5, 2022 was accepted and closed on February 10, 2023.
- d. Franklin Park International Fund XI, LP, a fund that invests in international private equity, the Board authorized additional commitment of up to \$30 million dollars on December 5, 2022 was accepted and closed on February 10, 2023.
- e. GCG Investors VI, L.P., a fund focused on middle market debt and equity opportunities, the Board authorized commitment of up to \$30 million dollars on February 6, 2023 with Imminent Need was accepted and closed on March 8, 2023.
- f. Franklin Park Co- Investment Fund VI, L.P., a fund focused on private equity co-investments, the Board authorized commitment of up to \$65 million dollars on February 6, 2023 with Imminent Need was accepted and closed on February 24, 2023.

B. General Investment Consultant Report.

1. Preliminary Performance Report for the Month Ending February 28, 2023. (Attachment No. 10) page 94.
2. ***Recommendation to approve for Board adoption Resolution 2023-13 authorizing an investment of up to \$50 million dollars in Chatham Asset Private Debt and Strategic Capital Fund IV, L.P.** (Attachment No. 11) page 119.

* Action Item

- a. ***Resolution 2023-13.** (Attachment No. 12) page 148.
 - 3. ***Recommendation to approve for Board adoption Resolution 2023-14 authorizing an investment of up to \$40 million dollars in Prophet MSR Opportunities Fund.** (Attachment No. 13) page 150.
 - a. ***Resolution 2023-14.** (Attachment No. 14) page 187.
 - C. Real Assets Consultant Report.
 - 1. ***Recommendation to approve for Board adoption Resolution 2023-15 authorizing an investment of up to \$50 million dollars in Lone Star Real Estate Fund VII, LP.** (Attachment No. 15) page 189.
 - a. ***Resolution 2023-15.** (Attachment No. 16) page 195.
- XII. Operations Committee Report.
- A. Open Forum for Potential Rule or Law Changes by Committee Members and Board Members in Attendance.
 - 1. Open Forum.
 - B. ATRS 2023 Legislative Package Update. (Attachment No. 17) page 197.
- XIII. ***Staff Reports.**
- A. ***Medical Committee Report. A total of 9 Applicants were approved.** (Attachment No. 18) page 274.
- XIV. ***Recess for Lunch.**
- XV. ***Reconvene Board Meeting.**
- XVI. ***Appointment of Internim Executive Director.**
- XVII. Work on Executive Director Application Process.
- XVIII. Other Business.
- XIX. ***Adjourn.**