

**AGENDA**  
**ARKANSAS TEACHER RETIREMENT SYSTEM**  
**BOARD OF TRUSTEES**

**June 5, 2023**

**11:00 a.m.**

**1400 West Third Street**  
**Little Rock, AR 72201**

- I. **\*Call to Order/Roll Call.** page 1.
- II. **\*Motion to Excuse Absences.**
- III. **\*Adoption of Agenda.** page 2.
- IV. Executive Summary. (Attachment No. 1) page 6.
- V. **\*Approval of Prior Meeting Minutes.**
  - A. **\*April 3, 2023, Minutes.** (Attachment No. 2) page 13.
  - B. **\*May 10, 2023, Minutes.** (Attachment No. 3) page 19.
  - C. **\*May 13, 2023, Minutes.** (Attachment No. 4) page 22.
  - D. **\*May 22, 2023, Minutes.** (Attachment No. 5) page 24.
- VI. Report of Member Interest Waived Under A.C.A. Sec. 24-7-411. None.
- VII. Report of Employer Penalties and Interest Waived Under A.C.A. Sec. 24-7-411. (Attachment No. 6) page 26.
- VIII. Manifest Injustice Report. (Attachment No. 7) page 27.
- IX. **\*Manifest Injustice Claim: 2023-002.** (Attachment No. 8) page 28.
  - A. **\*Resolution 2023-23.** (Attachment No. 9) page 29.
- X. **\*Legislative Audit Report, June 30, 2022 Official Review.** (Attachment No. 10) page 31.

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- XI. **\*GASB Report After Legislative Audit Review.** (Attachment No. 11) page 62.
  
- XII. **\*Unreported Service: Employer Contributions Due.**
  - A. **\*In Re: ATRS ID: 470317.**
    - 1. **\*Resolution 2023-19.** (Attachment No. 12) page 123.
  - B. **\*In Re: ATRS ID: 241511.**
    - 1. **\*Resolution 2023-20.** (Attachment No. 13) page 125.
  
- XIII. **\*De Minimis Amount.**
  - A. **\*Resolution 2023-24.** (Attachment No. 14) page 128.
  
- XIV. Litigation Update. *Gill Ragon Owen*
  
- XV. Audit Committee Report. *Kelly Davis, Audit Committee Vice Chair*
  - A. Internal Audit: Qualified Domestic Relations Order Report. (Attachment No. 15) page 129.
  - B. **\*2023-2024 Audit Plan.**
    - 1. **\*Audit Plan for FY 2024.** (Attachment No. 16) page 135.
    - 2. FY2023 Summary of Work Completed. (Attachment No. 17) page 141.
    - 3. Conflict of Interest Statements. (Attachment No. 18) page 143.
    - 4. Code of Ethics Statement. (Attachment No. 19) page 145.
  
- XVI. Investment Committee Report. *Chip Martin, Investment Chair*
  - A. Arkansas Related and Investment Update.
    - 1. List of Fund Closings.
      - a. Chatham Asset Private Debt and Strategic Capital Fund IV, L.P., a fund focused on high yield bonds leverage loans and equity, both long and short, the Board authorized commitment of up to \$50 million dollars on April 3, 2023 with Imminent Need was accepted and closed on May 31, 2023.
      - b. Prophet Mortgage Servicing Opportunities Fund-Class A, L.P., a fund that invests in mortgage servicing rights, the Board authorized commitment of up to \$40 million dollars on April 3, 2023 with Imminent Need was accepted and closed on April 28, 2023.

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- c. Additional investment of \$700,000.00 dollars (of the remaining \$10 million dollars previously authorized) in GTLA Holdings, LP, the Board authorized commitment on May 10, 2023 was accepted and closed on May 16, 2023.
    2. Board Policies Report. (Attachment No. 20) page 147.
  - B. General Investment Consultant Report.
    1. Performance Report for First Quarter Ended March 31, 2023. (Attachment No. 21) page 150.
    2. Preliminary Flash Report for Month Ended April 30, 2023. (Attachment No. 22) page 308.
  - C. Private Equity Consultant Report.
    1. Portfolio Review for the Quarter Ended December 31, 2022. (Attachment No. 23) page 333.
    2. **\*Recommendation to approve for Board adoption Resolution 2023-21 authorizing an investment of up to \$30 million dollars in KPS Special Situations Mid-Cap Fund II, L.P.** (Attachment No. 24) page 388.
      - a. **\*Resolution 2023-21.** (Attachment No. 25) page 392.
  - D. Real Assets Consultant Report.
    1. Performance Review for Fourth Quarter Ended December 31, 2022. (Attachment No. 26) page 393.
    2. **\*Recommendation for a motion to approve for Board adoption revision of ATRS Board Policy 6-Real Assets Investment Policies, regarding target geographic allocations for ATRS timber investments.** (Attachment No. 27) page 450.
    3. **\*Recommendation to approve for Board adoption Resolution 2023-22 authorizing an investment of up to \$50 million dollars in Blackstone Real Estate Partners Europe VII SCSp.** (Attachment No. 28) page 466.
      - a. **\*Resolution 2023-22.** (Attachment No. 29) page 475.
- XVII. 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 Model Qualified Domestic Relations Order.**
    1. **\*Proposed Revisions to ATRS Model Qualified Domestic Relations Order.** (Attachment No. 30) page 476.

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XVIII. **\*Staff Reports.**

- A. **\*Medical Committee Report. A total of 4 Applications were approved.**  
(Attachment No. 31) page 482.

XIX. Other Business.

XX. **\*Adjourn.**