

AGENDA
ARKANSAS TEACHER RETIREMENT SYSTEM
BOARD OF TRUSTEES

April 7, 2025

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 6.
- IV. ***Approval of February 3, 2025, Minutes.** (Attachment No. 2) page 15.
- V. Executive Director Report. *Mark White, Executive Director* (Attachment No. 3) page 24.
- VI. ***Legislative Audit Report - June 30, 2024.** *Mark White, Executive Director* (Attachment No. 4) page 27.
- VII. ***GASB Report - June 30, 2024.** *Mark White, Executive Director* (Attachment No. 5) page 57.
- 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. 6) page 82.
- X. ***Manifest Injustice Claims.**
 - A. ***In Re: 2025-001 ID #216724.** (Attachment No. 7) page 83.
 - B. ***In Re: 2025-004 ID# 227970.** (Attachment No. 8) page 85.
- XI. Audit Committee Report. *Ms. Maggie Garrett, Audit Committee Chair*
 - A. ***Executive Session - Evaluation of Kevin Chadwick, Internal Auditor.**

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- XII. Investment Committee Report. *Mr. Arthur "Chip" Martin, III, Investment Committee Chair*
- A. Arkansas Related and Investment Update.
1. List of Fund Closings.
 - a. The Veritas Capital Fund IX, LP, a private equity fund specializing in companies that provide services and/or products to the U.S. government, the Board authorized commitment of up to \$35 million dollars on September 30, 2024 was accepted and closed on January 29, 2025.
 - b. Franklin Park Corporate Finance Access Fund III, LP, the Board authorized commitment of up to \$40 million dollars on February 3, 2025 was accepted and closed on February 24, 2025.
 - c. Kennedy Capital Management Extended Market Small Cap strategy transition to Kennedy Capital Small-Mid Cap Value strategy, the Board approved transition on February 3, 2025 was accepted and closed on February 13, 2025.
 2. Board Policies Report. (Attachment No. 9) page 87.
 3. Arkansas Related Update. (Attachment No. 10) page 90.
 4. Update to Board Policy 4 - Investment Policy. (Attachment No. 11) page 94.
- B. General Investment Consultant.
1. Preliminary Performance Report for the Month Ending February 28, 2025. (Attachment No. 12) page 122.
- C. Real Assets.
1. ***Recommendation to approve for Board adoption Resolution 2025-14 authorizing an investment of up to \$100 million dollars in Ares Industrial Real Estate Fund, LP.** (Attachment No. 13) page 147.
 - a. ***Resolution 2025-14.** (Attachment No. 14) page 156.
 2. ***Recommendation to approve for Board adoption Resolution 2025-15 authorizing an investment of up to \$100 million dollars in Carlyle Property Investors, LP.** (Attachment No. 15) page 157.
 - a. ***Resolution 2025-15.** (Attachment No. 16) page 166.
 3. ***Recommendation to approve for Board adoption Resolution 2025-16 authorizing an additional investment of up to \$50 million dollars in AxInfra NA II, LP.** (Attachment No. 17) page 167.

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- a. ***Resolution 2025-16.** (Attachment No. 18) page 176.
4. ***Recommendation to approve for Board adoption Resolution 2025-17 authorizing an additional investment of up to \$50 million dollars in KKR Diversified Core Infrastructure Fund, LP.** (Attachment No. 19) page 177.
 - a. ***Resolution 2025-17.** (Attachment No. 20) page 186.
- D. Private Equity.
 1. ***Recommendation to approve for Board adoption Resolution 2025-18 authorizing an investment of up to €40 million euros (approximately the equivalent of \$43 million dollars) in MML Capital Partnership VIII, SCSp with Imminent Need.** (Attachment No. 21) page 187.
 - a. ***Resoultion 2025-18.** (Attachment No. 22) page 191.
 2. ***Recommendation to approve for Board adoption Resolution 2025-19 authorizing an additional investment of up to \$40 million dollars in Franklin Park Venture Capital Fund XV, L.P. with Imminent Need.** (Attachment No. 23) page 193.
 - a. ***Resolution 2025-19.** (Attachment No. 24) page 203.
 3. ***Recommendation to approve for Board adoption Resolution 2025-20 authorizing an additional investment of up to \$40 million dollars in Franklin Park Venture Capital Opportunity Fund II, L.P. with Imminent Need.** (Attachment No. 25) page 205.
 - a. ***Resolution 2025-20.** (Attachment No. 26) page 215.
- XIII. Operations Committee Report. *Mr. Bobby Lester, Operations Committee Chair*
 - A. Open Forum for Potential Rule or Law Changes by Committee Member and Board Members in Attendance.
 1. Open Forum.
 - B. ATRS 2025 Legislative Update.
 - C. Update to ATRS Board Policy 4 - Investment Policy. (Attachment No. 27) page 217.
- XIV. ***Staff Reports.**
 - A. ***Medical Committee Report. A total of 3 disability applications were approved.** *Mr. Willie Kincade, Director of Operations* (Attachment No. 28) page 245.
- XV. Securities Litigation Update. *Mr. Mark White, Executive Director and Ms. Jennifer Liwo, General Counsel*

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- XVI. ***Executive Session - Evaluation of Executive Director Mark White.** *Mr. Danny Knight, Board Chair*
- XVII. Resignation of Trustee Mr. Shawn Higginbotham.
- XVIII. ***Fulfillment of Vacancy Pursuant to A.C.A 24-7-302(b)(2).**
- XIX. Other Business.
- XX. ***Adjourn.**