

April 11, 2012

To: Members of the Board of Retirement

From: Annette Cain-Darnes – Chair

Subject: Summary of the April 11, 2012 Investment Committee Meeting

The Investment Committee met on Wednesday, April 11, 2012 at 9:05 a.m. The Committee members present were Dale Amaral, Annette Cain-Darnes, Keith Carson, Liz Koppenhaver, and Elizabeth Rogers. Members of the Staff present were Vincent Brown – Chief Executive Officer, Kathy Foster – Assistant Chief Executive Officer, Harsh Jadhav – Internal Auditor, J.P. Singh – Chief Financial Officer, and Betty Tse – Chief Investment Officer.

ACTION ITEM

1. Discussion of and possible motion to recommend to the Board to adopt an investment in PEARLS - Buyouts
 - The founder and CEO of Sycamore Partners (the Fund) presented to the Committee the goals and objectives of the Fund. He also presented the investment sourcing, strategy, process and the key employees of the Fund.
 - After discussion, Ms. Liz Koppenhaver moved, seconded by Mr. Dale Amaral, to recommend to the Board to adopt a \$30.0 million commitment to Sycamore Partners pending completion of legal due diligence and successful contract negotiation. The motion passed unanimously.

INFORMATION ITEMS

1. Oral status report on ACERA's PEARLS Investment – Venture Capital
2. Introduction to Asset Liability Study – Part II
 - ACERA has embarked on the second part of a dedicated and comprehensive Asset Liability study series which is estimated to conclude in the third quarter of this year. The goal of this study is to achieve the systematic construction of a total fund portfolio consistent with the investment objective of maximizing the expected return for the chosen level of risk.
3. Report on ACERA's Proxy Voting Activities in 2011
4. Report on postponement of the May 2012 Investment Committee Meeting

RECOMMENDATION

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- The Committee recommends, and I move that the Board adopt the recommendation of a \$30.0 million commitment to Sycamore Partners pending completion of legal due diligence and successful contract negotiation.

TRUSTEE/PUBLIC INPUT

None

FUTURE DISCUSSION ITEMS

None

ESTABLISHMENT OF NEXT MEETING DATE

May 16, 2012 at 9:00 a.m.

ADJOURNMENT

The meeting adjourned at 10:43 a.m.