

MEETING OF THE STATE BOARD OF ADMINISTRATION

**GOVERNOR SCOTT AS CHAIRMAN
CHIEF FINANCIAL OFFICER ATWATER
ATTORNEY GENERAL BONDI**

MAY 8, 2013

To View Agenda Items, Click on the Following Link:

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AGENDA

ITEM 1. REQUEST APPROVAL OF THE APPOINTMENT OF MARYELLEN ELIA TO THE INVESTMENT ADVISORY COUNCIL (S215.444, F.S.).

(SEE ATTACHMENT 1A)

ACTION REQUIRED

ITEM 2. UPDATE ON THE FLORIDA GROWTH FUND BY HAMILTON LANE.

(SEE ATTACHMENT 2A) – *BACK-UP TO FOLLOW*

INFORMATION ONLY



State Board of Administration

- Item 1. Request approval of the appointment of MaryEllen Elia to the Investment Advisory Council**

PROFESSIONAL RESUME
of
MARYELLEN ELIA

PERSONAL DATA:

Date of Birth: November 10, 1948
Marital Status: Married, 42 years
Children: Son, daughter

EXPERIENCE:

Professional experiences include public school superintendent, administration in both instructional and facilities divisions, and teaching.

2005 – Present

Superintendent

Hillsborough County Public Schools
Tampa, FL 33602

Chief executive for the nation's 8th largest school district, with 193,000 students, 24,000 employees, and a \$2.9 billion annual budget.

2003 – 2005

Chief Facilities Officer

Hillsborough County Public Schools
Tampa, FL 33602

Responsible for the planning and construction of new schools; the maintenance of all district sites; custodial operations; the acquisition of new sites/ collaboration with public and private partners relating to school facilities; oversight of an annual budget in excess of \$500 million.

2001 – 2003

General Director, Secondary Education

Hillsborough County Public Schools
Tampa, FL 33602

Responsible for the curriculum at all senior high schools; the implementation of all local, state, and federal mandates; the development of new and redesigned initiatives to ensure student success; the professional development of teachers relating to curriculum.

1998 – 2001

Director, K-12 Non-Traditional Programs

Hillsborough County Public Schools
Tampa, FL 33602

Responsible for magnet schools, alternative education, youth services, the Alternative to Out of School Suspension (ATOSS) program; English for Speakers of Other Languages (ESOL), extended school year, extended learning, community collaboration.

- 1997 – 1998 **Director, Magnet Schools & Dropout Prevention Programs**
Hillsborough County Public Schools
Tampa, FL 33602
Responsible for magnet schools, dropout prevention programs in traditional schools at elementary, middle, and high school levels, alternative education, youth services, teen parent programs.
- 1991 – 1997 **Supervisor, Magnet Programs/Schools**
Hillsborough County Public Schools
Tampa, FL 33602
Responsible for the program development and implementation of magnet schools, including the selection and recruitment of administrators, teachers, and students.
- 1989 – 1991 **Supervisor, Secondary Reading**
Hillsborough County Public Schools
Tampa, FL 33602
Responsible for the development and implementation of the reading program and related curricula for Grades 7 – 12; the development and implementation of the middle school reading program.
- 1986 – 1989 **Reading Resource Specialist**
Hillsborough County Public Schools
Tampa, FL 33602
Responsible for the reading program at Plant High School including identification of at-risk students and placement in support courses; training teachers on content reading strategies; development and implementation of a tutoring program for students at risk of failing the Florida High School Competency Test; development and implementation of a PSAT and SAT preparation program school wide.
- 1970 – 1986 **Social Studies Teacher, Grades 9 – 12**
Sweet Home Central School District
Amherst, NY
Teacher of Social Studies courses in Grades 9 - 12 including World Cultures, World History, American History, European History Advanced Placement, Crucial Issues, American Government, and American Economics.

EDUCATION:

| | |
|------|---|
| 1989 | Educational Leadership Certification Nova Southeastern University |
| 1983 | Master of Professional Studies (magna cum laude) Reading K – 12 State University College of New York at Buffalo |
| 1973 | Master of Education, Social Studies (cum laude) University of Buffalo Buffalo, NY |
| 1970 | Bachelor of Arts, History (cum laude) Daeman College Buffalo, NY |

HONORS AND RECOGNITIONS:

Honorary Doctorate, 2012, presented by Argosy University

District of the Year Beacon Award, 2011, presented by the College Board for having the largest annual increase in AP exam passing rates of any district in the nation from 2008 to 2010

Data Leader of the Year, 2011, presented by the Florida Department of Education

JA Outstanding Partner, 2011, presented by AAA Auto Club South

Inaugural Governor's Business Partnership Award, 2010, presented by Governor-Elect Rick Scott and the Florida Council of 100

Executive Woman of the Year, 2010, presented by the Network of Executive Women

Women of Distinction Award, 2010, presented by the American Association of University Women, local chapter

CEO of the Year, 2010, presented by the Florida Supplier Development Council

Duke Talent Identification Program, 2010, recognized for having the highest participation in the south

Outstanding Leadership Award, 2009, presented by the College Board

Superintendents' Award for Volunteer/Community Service, 2008-2009, presented by the Florida Association of District School Superintendents

Dr. Carlo Rodriguez Champion of School Choice, 2008, presented by the State Board of Education

Florida's Superintendent of the Year, 2007, presented by the Consortium of Florida Education Foundations.

Magnet Schools of America Presidential Leadership Award, 2002-2004

Raymond O. Shelton Award for Distinguished Service in School Administration, 2001, presented by the Hillsborough Association of School Administrators (HASA)

Public Relations Award for Distinguished Service in School Administration, 1999, presented by the Hillsborough Association of School Administrators (HASA)

Outstanding Leadership Award, 1993-1994, presented by the Florida Consortium of Magnets: Public Choice Schools

CURRICULUM DEVELOPMENT AND IMPLEMENTATION PROJECTS:

Advanced Placement Incentive Program Professional Development Design

Advanced Placement Scholars Program

Algebra I Curriculum Redesign

Alternative Education Curriculum Redesign

Youth Services Program Curriculum Redesign

National Academy Foundation Curriculum (Academy of Finance)

Computer/High Technology Magnet Curriculum, Grades K-8

Visual/Performing/Communication Arts Magnet Curriculum, Grades K-12

Mathematic/Science/Technology Curriculum, Grades K-12

Academy of Health Profession Curriculum, Grades 6-12

Advanced Reading Curriculum and Reading I Curriculum, Grades 9-12

Hillsborough County *Time to Read* Middle School Reading Tutoring Program

Middle School Reading Program, Grades 6-8

PRESENTATIONS AND SPEECHES:

2012 Webinar presentation, "Delivering on the Promise of the Common Core: How Funders Can Support District-Level Implementation," sponsored by the Grantmakers For Education's Policy Working Group.

American Federation of Teachers 2010 Conference, Presentation on District and Union Collaboration

Florida Philanthropic Network, Webinar Presentation on School Reform and the "Empowering Effective Teachers" Initiative

Webinar on Public School Choice, "From Research to Practice," for U.S. Department of Education Office of Innovation and Improvement

Education Policy Briefing on Voluntary School Choice for the U.S. Department of Education Office of Innovation and Improvement

Speech to Orlando AVID 2008 Conference, "AVID: Empowering Minds, Enriching Lives"

Presentations to Florida House and Senate Committees Regarding School Reform and the *Empowering Effective Teachers* Initiative

U.S. Department of Education Panel Presentation on "Magnet School Options that Support Diversity, School Improvement and Public School Choice"

Presentation on Magnet Schools to School Administrators in Athens, GA, "If You Build It – They Will Come"

Presentation at Magnet Schools of America National Conference, "Nuts & Bolts of Creating a Magnet School Districtwide Plan to Support Desegregation"

National Conference Presentation at the International Network of Visual and Performing Arts School Conference, "Howard W. Blake High School – A Glimpse of the Future"

Federal Department of Education Hearing regarding the Reauthorization of the Elementary and Secondary Education Act (Hearing on Equity and Choice)

Presentation to the Florida Juvenile Justice Accountability Board on the Education Reform within Juvenile Justice Facilities

1990 State Reading Conference presentation, "Targeting Students at Risk for the Florida Competency Test"

Presentation at the Florida Reading Association Conference 1989, "Reading in the Academic Content Area"

Conference presentation to the Association of Compensatory Educators, "The Alternative to High School"

Conference presentation to the New York State Reading Association, "High School Equivalency: A Viable Choice"

BOARD AND COMMITTEE PARTICIPATION:

International Baccalaureate Organization, Board of Governors Education Committee

Magnet Schools of America Board of Directors 1993-Present; *President* 2002-2004

Participant Local Government Advisory Council, State Board of Administration

Florida Council of 100

Florida Association of District School Superintendents, Executive Board

Gulf Ridge Council, Boy Scouts of America, Executive Board

Children's Board, Board of Directors (Ex Officio)

Hillsborough Education Foundation, Board of Directors (Ex Officio)

Museum of Science and Industry, Board of Directors (Ex Officio)

Public Service Coordinating Council, Board of Directors (Ex Officio)

Tampa Bay History Center, Board of Directors (Ex Officio)

Tampa Bay Performing Arts Center, Board of Directors (Ex Officio)

Greater Tampa Chamber of Commerce, Board of Directors (Ex Officio)

Tampa Museum of Art, Board of Directors (Ex Officio)

Federal Department of Education Magnet Schools Performance Standards Committee

Juvenile Justice Council

Hillsborough County Dropout Committee (Chair)

Dropout Prevention Restructuring Committee (Chair)

Alternative Education Restructuring Committee (Chair)

Youth Services Restructuring Committee (Chair)

University of Tampa Honors Committee

Hillsborough County Vision and Goals for Quality Education Task Force

Hillsborough County Districtwide Desegregation Committee

Hillsborough County Needs Assessment Educational Task Force Committee (Chair)

PROFESSIONAL ORGANIZATIONS:

Magnet Schools of America

Florida Association of District School Superintendents

Hillsborough Association for School Administrators (HASA)

Florida Association for School Administrators (FASA)

International Reading Association

Hillsborough County Council International Reading Association

CAREER CHRONOLOGY

| <u>Position</u> | <u>School System</u> | <u>City/State</u> | <u>From</u> | <u>To</u> | <u>Reason for Change</u> |
|--|----------------------|-------------------|-------------|-----------|--------------------------|
| Superintendent | Hillsborough County | Tampa, FL | 2005 | Present | |
| Chief Facilities Officer | Hillsborough County | Tampa, FL | 2003 | 2005 | Promotion |
| General Director, Secondary Education | Hillsborough County | Tampa, FL | 2001 | 2003 | Promotion |
| Director, K-12 Non-Traditional Programs | Hillsborough County | Tampa, FL | 1998 | 2001 | Promotion |
| Director, Magnet Schools and Dropout Prevention | Hillsborough County | Tampa, FL | 1997 | 1998 | Promotion |
| Supervisor, Magnet Programs/ Schools | Hillsborough County | Tampa, FL | 1991 | 1997 | Promotion |
| Supervisor of Reading | Hillsborough County | Tampa, FL | 1989 | 1991 | Promotion |
| Reading Resource Specialist | Hillsborough County | Tampa, FL | 1986 | 1989 | (2) |
| Social Studies Teacher | Sweet Home Central | Amherst, NY | 1970 | 1986 | (1) |

(1) Initial hire after graduation from college

(2) Family relocated to Tampa

MAJOR ACCOMPLISHMENTS

Educational Leadership

In 2010, Hillsborough County Public Schools for the first time achieved districtwide accreditation from the Southern Association of Colleges and Schools/AdvancED.

In 2009, Hillsborough County Public Schools was awarded a \$100 million competitive grant from the Bill & Melinda Gates Foundation, the largest grant given to a school district. The goal of the seven-year grant is to increase student achievement and college readiness by supporting effective teaching.

In 2008, Hillsborough County Public Schools became the first school district to implement the College Board's EXCEerator model districtwide.

Student Achievement

In 2010, Hillsborough County Public Schools led the state in the number of National Merit Scholar Semifinalists for the third year in a row.

In 2010, Hillsborough County Public Schools earned its third consecutive overall A grade from the state – the fourth overall A grade in the past five years.

In 2009, Hillsborough County Public Schools experienced the second straight year of more than 30 percent increases in participation in AP courses.

Fiscal Planning and Management

Hillsborough County Public Schools has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for its Comprehensive Annual Financial Report (CAFR).

Since 2007, Hillsborough County Public Schools has trimmed more than \$125 million from the budget, while avoiding layoffs, furloughs, and pay cuts.

In the 2007, the bond rating for Hillsborough County Public Schools was upgraded to Aa2 due to “solid financial operations and good cash and equity, and strong management.”

3/5/2013



State Board of Administration

Item 2. Overview of the SBA and Update on the Florida Growth Fund

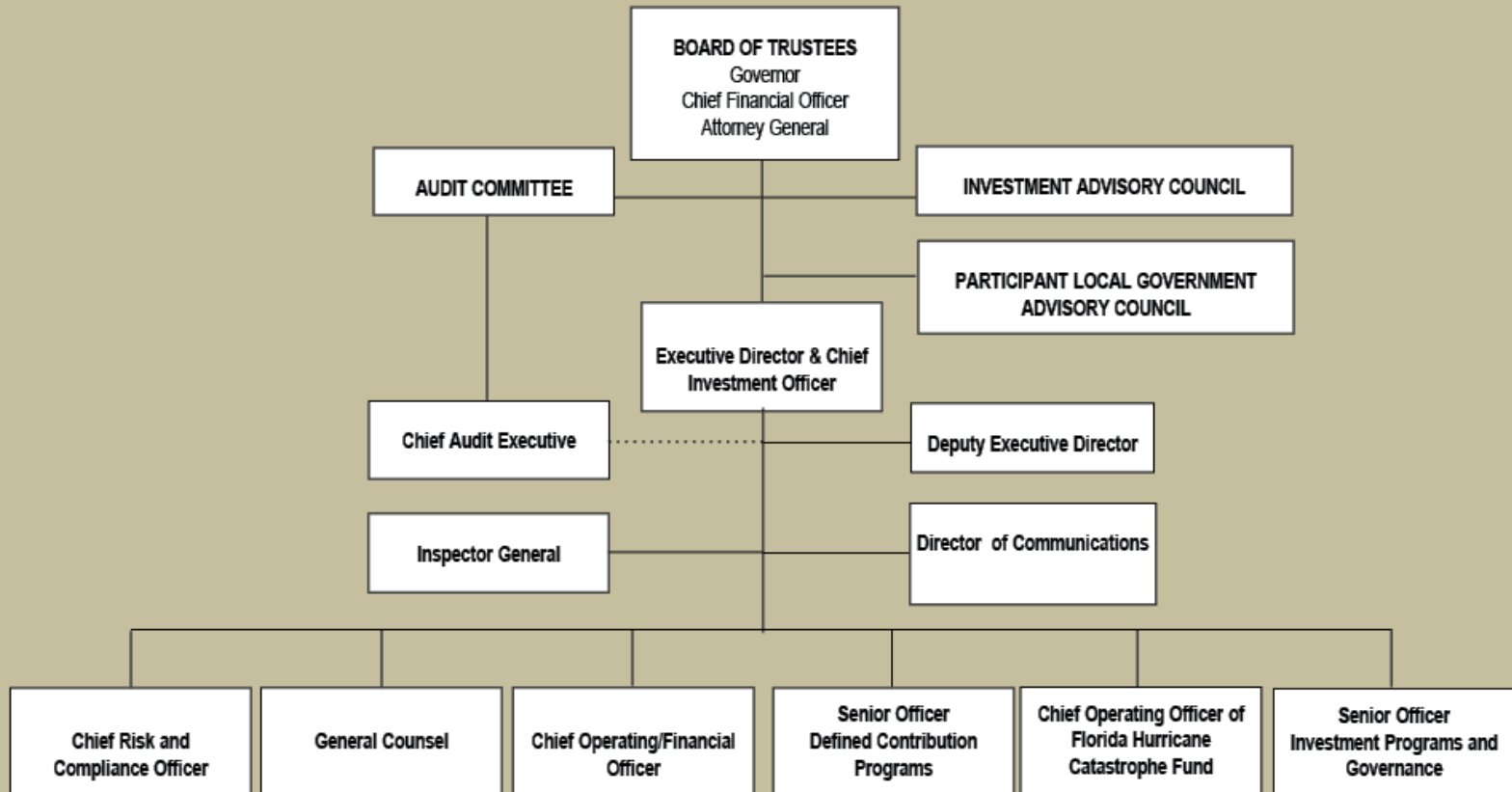


State Board of Administration

The SBA is an institutional investment organization with a professional investment management staff and a strong record of delivering positive risk-adjusted returns on investments.

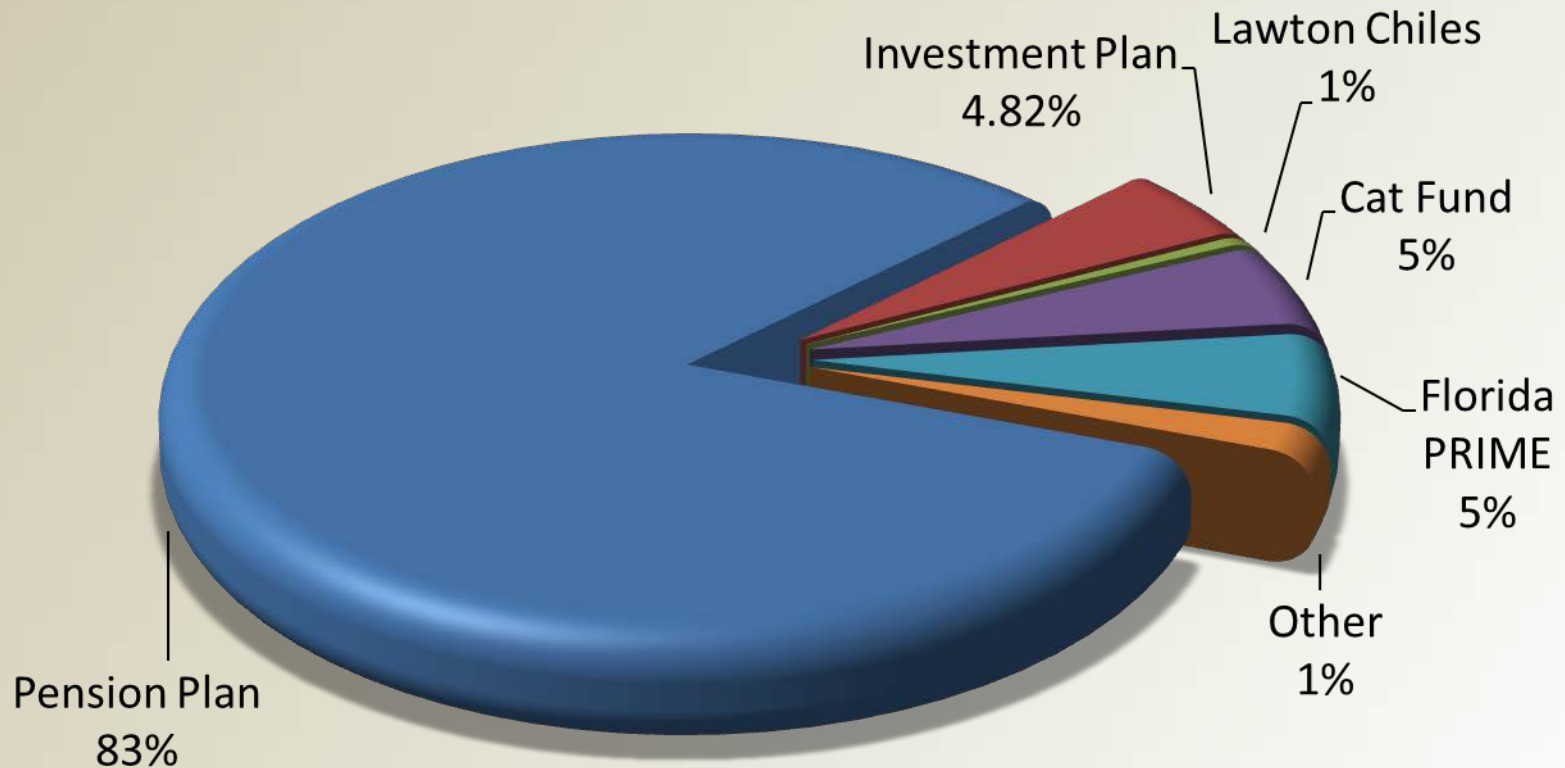
Governance Structure

ORGANIZATIONAL CHART



SBA Assets Under Management

The SBA manages over 30 funds, some established as direct requirements of Florida Law and others developed as client-initiated trust agreements.



Florida Retirement System: Florida Growth Fund



As part of the Florida Retirement System Pension Plan Trust Fund, the Florida Growth Fund seeks to enhance Florida's capacity for development, growth and innovation.

The Florida Growth Fund manages \$500 million of capital dedicated to prudent investment in technology and growth related businesses with significant presence in the state of Florida.

Florida Retirement System: Florida Growth Fund

THE FLORIDA LEGISLATURE
OPPAGA
OFFICE OF PROGRAM POLICY ANALYSIS & GOVERNMENT ACCOUNTABILITY



January 2013 Report No. 13-01

“Florida Growth Fund Investments Have Increased and Recipients Report Employment Growth and Expanded Business Activities”

Florida Retirement System: Florida Growth Fund

Greg Baty
Hamilton Lane
Principal
Fund Investment Team

B.S. from Stanford University
M.S. from Stanford Graduate School of Business



Hamilton Lane®



Florida Growth Fund Update

May 8, 2013

- Over \$100 million of venture capital has been invested in Orlando based companies in recent years
 - Kony, a mobile application development platform, has raised \$34 million led by Insight Venture Partners
 - Pentaho, a provider of commercial support for several open-source business intelligence tools, raised \$25 million from several venture firms including Benchmark Capital , DAG Ventures and Index Ventures
 - Plansource Holdings, a developer of back-office software for human resources and other business operations, raised \$12 million in funding led by Lemhi Ventures
 - Row Sham Bow, a startup game development studio, raised \$3 million from InterSouth Partners
 - Engineering Support Personnel, a defense engineering-logistics firm, received an undisclosed amount of venture funding from Advantage Partners
 - Treehouse, a provider of educational tools to teach software development skills, raised \$4.75 million in venture capital funding from the Greylock Discover Fund and Social+Capital Partnership
- The Florida Growth Fund has been active in the Orlando market
 - Has made three direct investments in the Orlando area
 - Lensar, a developer of the next generation of laser systems for cataract surgery, has raised over \$31 million from Aisling Capital and the Florida Growth Fund
 - Voxeo, an interactive voice response (IVR) company in which the FGF invested alongside North Atlantic Capital

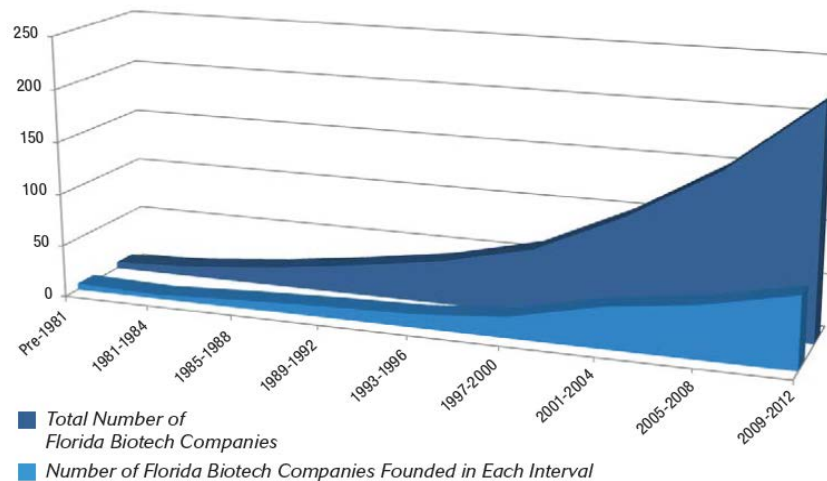
Source: Florida Venture Sourcing

- Municipal services company

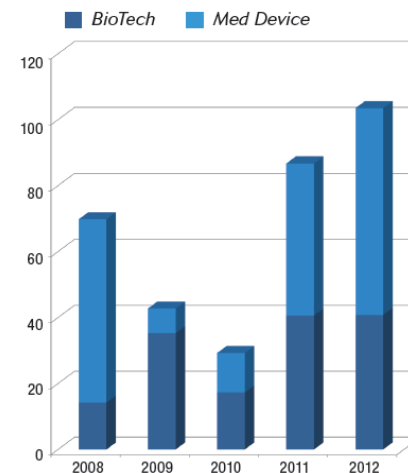
- Fund Investment: Arsenal Venture Partners

- Over \$2 billion has been invested in public research in life sciences in Florida
- VC funding in 2012 was the highest since 2007 for Florida life science investments.
 - Total life science deals increased 27% in 2012 with total investments of \$103.5 million, a 19% increase in invested capital from 2011
 - The U.S. as a whole experienced a 13% drop in life science funding from 2011 to 2012
- Many successful life science exits happened in Florida during 2012, including:
 - Envoy, a drug discovery company focused on neurological and psychiatric diseases and was acquired by Takeda in a deal valued at \$140 million
 - Pasteuria (UF Sid Martin Biotechnology Incubator graduate) announced a \$113 million acquisition by Syngenta and is commercializing biological agents for control of plant-parasitic nematodes

Growth of Florida Biotechnology Companies by Founding Date



Florida Life Science Venture Funding (\$M)



Sources: National Venture Capital Association Report, Venture Capital Updates, 2013. Nature Biotechnology, Public Biotech 2011, Vol. 30, August 2012. and PricewaterhouseCoopers MoneyTree Report, Life Sciences Updates, 2013.

Accelerators and Incubators



Universities



Conferences



Angel Investors



EMERGENT GROWTH FUND



Venture Capital Funds



Harbert. Venture Partners



Accelerators and Incubators



Universities



Conferences



Angel Investors

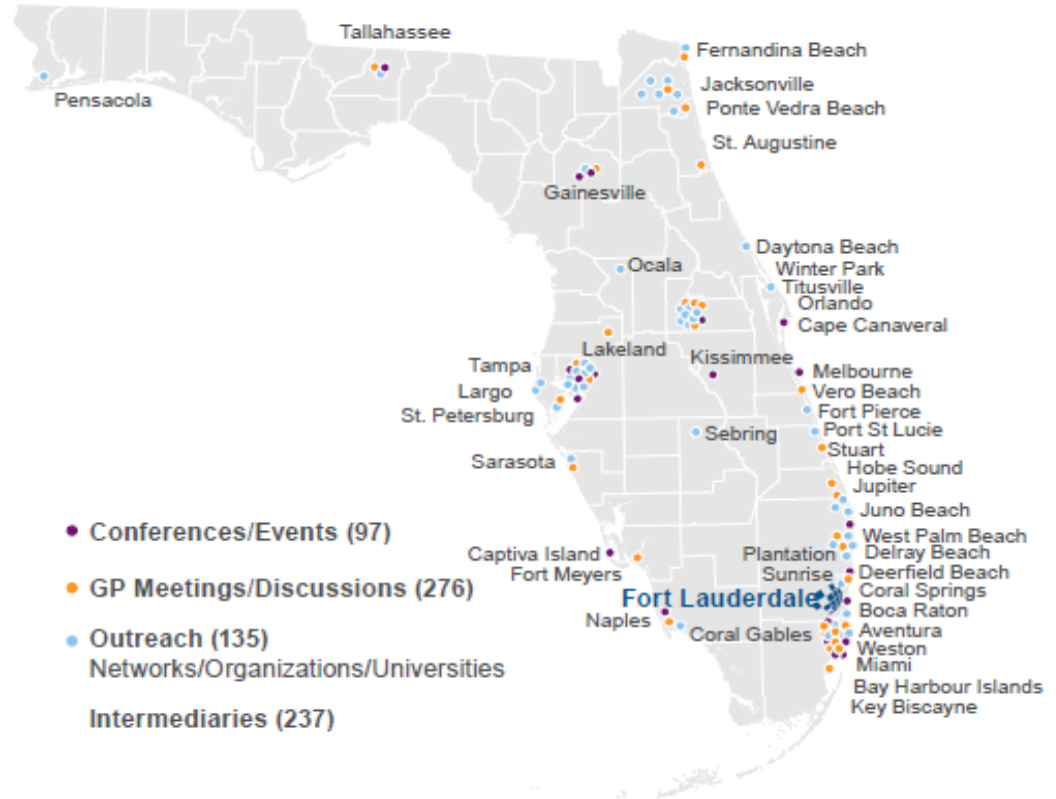


Venture Capital Funds

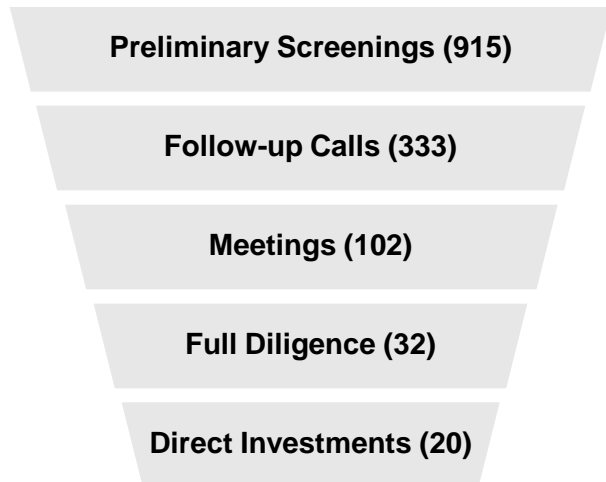


- FGF is a panelists or key-note speaker on private equity and venture capital events in Florida and throughout the Southeast
- FGF has board representation across major state-wide organizations and networks, including enterprise-focused venture capital and academic initiatives

Florida Market Outreach



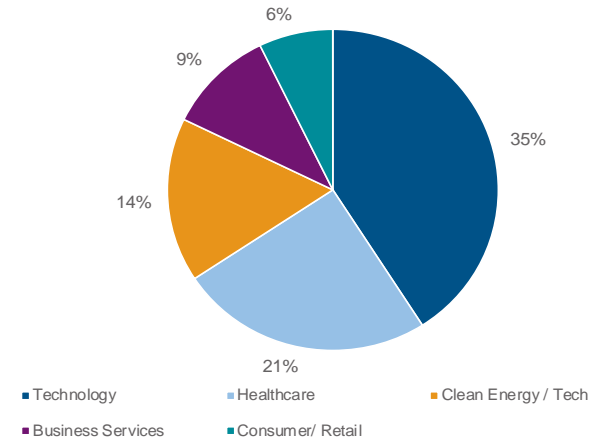
FGF direct investment pipeline as of April 2013 ¹



¹ Since inception of the Florida Growth Fund

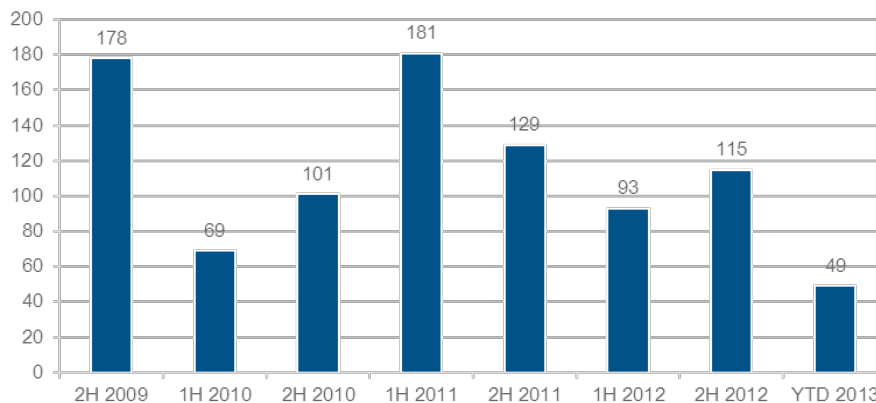
- The FGF has seen consistent deal flow since the start of the program with close to 200 transactions evaluated per year
- Most of the deal flow that has been reviewed has been of early stage venture deals
- Even if the FGF cannot make the investment directly, it will channel deal flow to the appropriate sources of capital
- A large portion of these opportunities has been in the Healthcare space across both Life Sciences, Medical Devices and Healthcare services

Investments Pipeline - % by Industry
As of 4/30/13

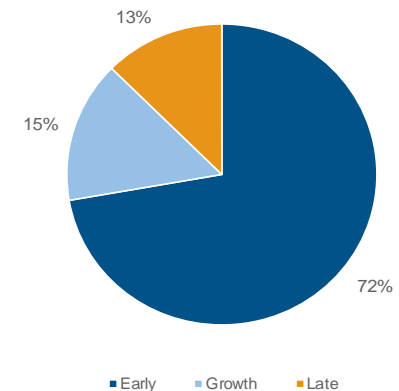


Note: Healthcare includes Life Sciences, Medical Devices and Healthcare Services

Deal Flow Statistics
As of 4/30/13

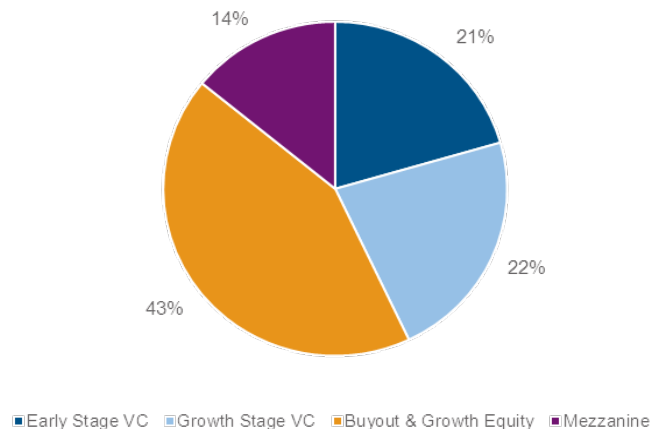


Investments Pipeline - % by Stage
As of 4/30/13

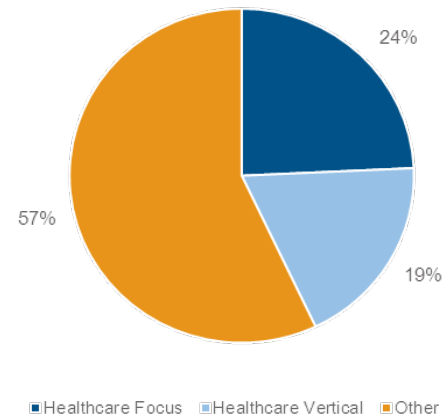


- The FGF has made \$139 million of fund investments to 13 funds as of 3/31/13
- Side-Car funds have also been created for to increase our exposure to Florida
- FGF has made fund investments in three firms that are exclusively focused on healthcare and life sciences:
 - **MPM Sunstates Fund:** MPM is an established life sciences venture capital investor with over \$2.6 billion in AUM that raised a Florida-focus fund with other key investors around the state and hired a Managing Partner in Florida with support from additional resources within the broader organization
 - **H.I.G. BioVentures:** Life sciences fund led by largest Florida based private equity fund focused on therapeutics, medical devices and diagnostics
 - **HealthEdge Investment Partners:** Tampa based operating-oriented private equity fund focused on healthcare services, specialty products and devices as well as healthcare distribution
- An additional 19% of commitments are to funds that have healthcare as one of their main verticals
- The FGF is currently in final diligence with two non-Florida VC funds that will be making significant life sciences and healthcare investments into Florida

Fund Commitments - % by Stage
As of 3/31/13



Fund Commitments - % by Focus
As of 3/31/13



- The FGF has invested \$155 million into 20 Florida based business through direct investments as of 3/31/13 with additional amounts reserved for follow on investments
- FGF has partnered with strong PE firms in their areas of expertise
- All direct investments were made into Florida companies
- Healthcare represents 17% of the direct investment portfolio as of 12/31/12
 - Testing company for chronic disorders
 - Invested alongside strong Southeast venture investor that had previously backed the management team in another transaction
 - Leading edge cost saving technology
 - Investment made before profitability and now is generating positive earnings
 - Investment in technology focused ophthalmology company
 - Leading life sciences co-investor from outside Florida
 - Leading edge technology that provides for safer and more precise procedures
 - Biotech company focused on molecular cancer
 - Leading life sciences co-investor from outside Florida
 - Company is developing leading edge science
 - Pre-revenue investment with multiple products in the FDA approval process