

MEETING OF THE STATE BOARD OF ADMINISTRATION

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

DECEMBER 8, 2015

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AGENDA

- ITEM 1. REQUEST APPROVAL OF THE MINUTES OF THE OCTOBER 27, 2015 MEETING.**
(See Attachment 1A)
ACTION REQUIRED
- ITEM 2. REQUEST APPROVAL OF A FISCAL DETERMINATION OF AN AMOUNT NOT EXCEEDING \$450,000,000 FLORIDA HOUSING FINANCE CORPORATION HOMEOWNER MORTGAGE REVENUE BONDS, 2016 PHASE ONE (MULTIPLE SERIES TO BE DETERMINED).**
(See Attachment 2A)
ACTION REQUIRED
- ITEM 3. REQUEST APPROVAL OF A FISCAL DETERMINATION OF AN AMOUNT NOT EXCEEDING \$6,750,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, (SERIES TO BE DESIGNATED) (GARDEN TRAIL APARTMENTS).**
(See Attachment 3A)
ACTION REQUIRED
- ITEM 4. REQUEST APPROVAL OF SBA QUARTERLY REPORT REQUIRED BY THE PROTECTING FLORIDA'S INVESTMENTS ACT (PFIA).**

Pursuant to Sections 215.473 and 215.442, F.S., the SBA is required to submit a quarterly report that includes lists of "Scrutinized Companies" with activities in Sudan and Iran. The PFIA prohibits the SBA, acting on behalf of the Florida Retirement System Trust Fund, from investing in, and requires divestment from, companies involved in certain types of business activities in or with Sudan or Iran (i.e., the "Scrutinized Companies").

(See Attachment 4A)
ACTION REQUIRED

- ITEM 5. REQUEST APPROVAL OF A DRAFT LETTER TO THE JOINT LEGISLATIVE AUDITING COMMITTEE AFFIRMING THAT THE SBA TRUSTEES HAVE “REVIEWED AND APPROVED THE MONTHLY [FLORIDA PRIME AND FUND B MANAGEMENT SUMMARY] REPORTS AND ACTIONS TAKEN, IF ANY, TO ADDRESS ANY [MATERIAL] IMPACTS,” AND “HAVE CONDUCTED A REVIEW OF THE [FUND B] TRUST FUND AND THAT THE TRUST FUND IS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION.” (SECTIONS 218.409(6)(a)1 AND 218.421(2)(a), F.S.)**

During the third quarter of 2015, there were no material impacts. Copies of the July, August, and September 2015 reports are attached.

(See Attachment 5A – 5D)

ACTION REQUIRED

- ITEM 6. REQUEST APPROVAL OF THE REAPPOINTMENT OF AMBASSADOR CHUCK COBB TO THE INVESTMENT ADVISORY COUNCIL (S. 215.444, F.S.).**

(See Attachment 6A – 6B)

ACTION REQUIRED

- ITEM 7. REQUEST APPROVAL OF A BUDGET AMENDMENT TO THE FLORIDA PREPAID COLLEGE BOARD’S FY 2015-16 BUDGET. THE AMENDMENT WAS APPROVED AT THE FLORIDA PREPAID COLLEGE BOARD’S SEPTEMBER 24, 2015 MEETING.**

(See Attachments 7A – 7B)

ACTION REQUIRED

- ITEM 8. QUARTERLY REPORTS PURSUANT TO SECTION 215.44 (2)(e), FLORIDA STATUTES**

- Executive Director & CIO Introductory Remarks and Standing Reports – *Ash Williams*
- Major Mandates Investment Performance Reports as of September 30, 2015 – *Kristen Doyle – Hewitt EnnisKnupp*
 - Florida Retirement System Pension Plan (DB)
 - Florida Retirement System Investment Plan (DC)
 - Florida PRIME (Local Government Surplus Funds Trust Fund) and Fund B
 - Florida Hurricane Catastrophe Fund (FHCF)

(See Attachments 8A – 8I)

INFORMATION/DISCUSSION ITEMS

ITEM 9. REAFFIRMATION OF THE EXECUTIVE DIRECTOR.

F.S. 215.441 provides that the State Board of Administration's Executive Director must be reaffirmed annually by the Board of Trustees following the original appointment. Mr. Williams was appointed Executive Director in 2008.

(See Attachment 9A)

ACTION REQUIRED

STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR
AND CABINET

CABINET MEMBERS:

GOVERNOR RICK SCOTT
ATTORNEY GENERAL PAM BONDI
CHIEF FINANCIAL OFFICER
JEFF ATWATER
COMMISSIONER OF AGRICULTURE
ADAM PUTNAM

DATE:

TUESDAY, OCTOBER 27, 2015

LOCATION:

CABINET MEETING ROOM
LOWER LEVEL, THE CAPITOL
TALLAHASSEE, FLORIDA

REPORTED BY:

YVONNE LAFLAMME
COURT REPORTER and
NOTARY PUBLIC

C & N REPORTERS
POST OFFICE BOX 3093
TALLAHASSEE, FLORIDA 32315
(850) 697-8314

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GOVERNOR SCOTT: Good morning. Welcome to the
October 27th Cabinet meeting.

To begin our meeting, I would like to welcome
Lance Mayo to lead this morning's invocation.

If you'll please remain standing after the
invocation for the Pledge of Allegiance, led by the
wonderful Girl Scout Troop -- what number is it? --
1100.

STATE BOARD OF ADMINISTRATION

GOVERNOR SCOTT: Next, I would like to recognize
Ash Williams with the State Board of Administration.

EXECUTIVE DIRECTOR WILLIAMS: Good morning,
Governor, Cabinet members.

Let's open up with a little fund update as usual.
As of last evening's close, Florida Commerce System
Trust Fund was up 2.73 percent. Calendar year-to-
date, that's 86 basis points ahead of target, leaving
the balance at \$145.4 billion. That's 1.2 billion
where we started calendar year, net of our monthly
contributions for benefit payments.

Item 1, request approval of the August 5 and
September 1 meetings.

GOVERNOR SCOTT: Is there a motion on the item?

CHIEF FINANCIAL OFFICER ATWATER: So moved.

GOVERNOR SCOTT: I'll second it. Any comments or
objections? Hearing none, the motion carries.

EXECUTIVE DIRECTOR WILLIAMS: Thank you.

Item 2, request approval for the fiscal
determination in connection of bonds not exceeding
\$12 million, Florida Housing Finance Corporation.
These are multi-family mortgage revenue bonds for
apartment rentals, family rentals, in Lake County,

1 Florida.

2 GOVERNOR SCOTT: Do you need the motion?

3 CHIEF FINANCIAL OFFICER ATWATER: So moved.

4 GOVERNOR SCOTT: I'll second it, and the motion
5 carries.

6 EXECUTIVE DIRECTOR WILLIAMS: Thank you. Item 3
7 is similarly a fiscal determination for another
8 Florida Housing Finance Corporation issue,
9 multi-family mortgage revenue bonds. This is
10 multi-family rental in St. Lucy County.

11 Request approval.

12 CHIEF FINANCIAL OFFICER ATWATER: So moved.

13 GOVERNOR SCOTT: I second it and the motion
14 carries.

15 EXECUTIVE DIRECTOR WILLIAMS: Thank you.

16 Item 4, request approval an authority to file a
17 Notice of Proposed Rulemaking for the Florida
18 Hurricane Catastrophe Fund, Rule 18-9.010. This is a
19 reimbursement contract and this is simply to put the
20 contract out for public hearing.

21 GOVERNOR SCOTT: Is there a motion?

22 CHIEF FINANCIAL OFFICER ATWATER: So moved.

23 GOVERNOR SCOTT: Is there a second?

24 ATTORNEY GENERAL BONDI: Second.

25 GOVERNOR SCOTT: Any comments or objections?

1 Hearing none, the motion carries.

2 ATTORNEY GENERAL BONDI: And Governor, let the
3 record reflect, I approve the first three as well.

4 GOVERNOR SCOTT: Okay. All right, thank you.
5 That concludes today's meeting. Our next meeting is
6 November 10th at 8:30 in beautiful Jupiter.

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**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Determination
DATE: November 24, 2015



**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$450,000,000 FLORIDA HOUSING FINANCE
CORPORATION HOMEOWNER MORTGAGE REVENUE BONDS, 2016 PHASE ONE
(MULTIPLE SERIES TO BE DETERMINED).**

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$450,000,000 Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2016 Phase One (multiple series to be determined) (the "Bonds") to be used to fund below market rate mortgages for low, moderate or middle income homebuyers and may provide funds to refund outstanding series of Homeowner Mortgage Revenue Bonds that originally funded below market rate mortgages for low, moderate or middle income homebuyers.

The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida

RECOMMENDATION: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this bond issue.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$450,000,000 FLORIDA HOUSING FINANCE
CORPORATION HOMEOWNER MORTGAGE REVENUE BONDS,
2016 PHASE ONE (MULTIPLE SERIES TO BE DETERMINED)**

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$450,000,000 Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2016 Phase One (multiple series to be determined) (the "Bonds") to be used to fund below market rate mortgages for low, moderate or middle income homebuyers and may provide funds to refund outstanding series of Homeowner Mortgage Revenue Bonds that originally funded below market rate mortgages for low, moderate or middle income homebuyers; and,

WHEREAS, the Corporation has requested the State Board of Administration of Florida to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

WHEREAS, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and;

WHEREAS, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that in connection with the issuance of the Florida Housing Finance Corporation Homeowner Mortgage Revenue Bonds, 2016 Phase One (multiple series to be determined), in an amount not exceeding \$450,000,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

ADOPTED December 8, 2015

November 19, 2015

Mr. Ash Williams
Executive Director/Chief Investment Officer
State Board of Administration
P.O. Box 13300
Tallahassee, Florida 32317-3300

Subject: \$450,000,000 Florida Housing Finance Corporation, Homeowner
Mortgage Revenue Bonds (2016 Phase One Bonds [multiple series to be
determined])

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation (Florida Housing), I am submitting Preliminary Cash Flow Analyses for the approval of fiscal determination on the 2016 Phase One Bonds as required by statute. These Cash Flow Analyses have been prepared at Florida Housing's direction. Florida Housing may issue the 2016 Phase One Bonds in multiple series; under one or more master indentures; and at various times. In each case, the decision will be based on what is most economically and programmatically advantageous based upon the prevailing market conditions.

It is currently expected that approximately \$77.4 million of the \$450.00 million of bonds may provide funds to optionally refund multiple series of previously issued Homeowner Mortgage Revenue Bonds that originally funded mortgage loans to low and moderate income first-time homebuyers. These refunding bonds will only be issued if an acceptable level of debt service savings can be achieved. It is also expected that the remaining \$372.6 million of bonds will be new money issuance used to generate new mortgages that will be pooled into new mortgage backed securities ("MBS"). If the aforementioned refundings are not implemented, the full \$450 million may be used to generate new mortgages that will be pooled into MBS.

Florida Housing may issue these bonds under its 1995 master indenture, the New Issue Bond Program (NIBP) master indenture or a newly created master indenture. As stated above, Florida Housing may issue the 2016 Phase One Bonds at one time or in multiple issuances if doing so is deemed advantageous based upon the prevailing market conditions. The cash flow analyses show there are sufficient annual revenues to meet the required debt service on the entire principal amount of the 2016 Phase One Bonds. For purposes of the cash flow coverage analyses submitted here with, the following separate issuance scenarios have been assumed: 1) a combined refunding and new money issuance comprised of (a) the refunding issue of \$77.4 million and (b) new money bonds of \$372.6 million; 2) a refunding bond issue of \$77.4 million; and 3) \$450 million of new money bonds. Per the State Board of Administration's ("SBA") request, we will submit the full cash flows separately.

Best Sincerely,

Rick Sporn, President

David J. DeLoach, Bernard "Bert" Smith, Chairman • National Municipal Association
Robert Fitzpatrick, Florida • Bob Dunslop • John Crowder, City of Miami • Bill Kelly • Jonathan Tellez • www.floridahousing.org

Executive Director/Assistant Secretary

Shirley A. Williams, Secretary

Florida Housing as a matter of long standing policy considers bidding its bonds competitively. Given the complex structure of this bond issue and current market conditions, Caine Mitter & Associates Incorporated ("Caine Mitter"), Florida Housing's independent registered municipal advisor, recommends that Florida Housing offer the 2016 Phase One Bonds through a negotiated sale. A copy of the Caine Mitter method of sale recommendation is appended. Certain parties to the transaction will be or have been selected competitively or through the RFP/RFQ process, including the master mortgage servicer, trustee, rebate analyst, independent registered municipal advisor, bond counsel, special counsel, and underwriter.

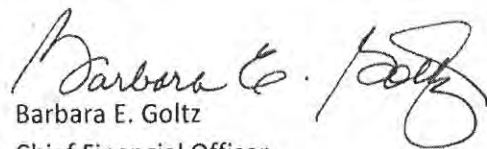
Please accept this letter as a request to the State Board of Administration for approval of fiscal determination of the anticipated 2016 Phase One Bonds. The following items are enclosed with this letter:

- Independent Registered Municipal Advisor Method of Sale letter
- Authorizing Board Resolution
- Draft Terms Memorandum and Program summary
- Preliminary Cash Flow Analyses

Please place this request on the December 8, 2015 agenda.

If there is any additional information or explanation needed, please feel free to call on us. The primary point of contact for the Florida Housing Finance Corporation is Melanie Weathers at 488-4197. However, please feel free to contact me for any information needed.

Sincerely,



Barbara E. Goltz
Chief Financial Officer

Enclosures

cc: Anthony Doheny
Stephen P. Auger

Florida Housing Finance Corporation
Homeowner Mortgage Revenue Bonds
2016 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage - New Indenture Cashflows
\$450,000,000 - New Money
Semi-Annual Breakout
0% FHFA

Period	Gross Revenues (Scheduled)	Capitalized Interest Distribution	Cash Expenses (Debt Service & Expenses)	Receipts / Expenses Ratio
7/1/2016	2,171,477	5,686,511	7,857,987	100.00%
1/1/2017	9,774,118	--	9,597,096	101.84%
7/1/2017	13,038,369	--	12,861,600	101.37%
1/1/2018	13,046,697	--	12,868,669	101.38%
7/1/2018	13,055,214	--	12,876,747	101.39%
1/1/2019	13,063,925	--	12,887,852	101.37%
7/1/2019	13,072,834	--	12,889,812	101.42%
1/1/2020	13,081,946	--	12,898,602	101.42%
7/1/2020	13,091,266	--	12,913,087	101.38%
1/1/2021	13,100,797	--	12,925,249	101.36%
7/1/2021	13,110,546	--	12,932,880	101.37%
1/1/2022	13,120,516	--	12,943,058	101.37%
7/1/2022	13,130,714	--	12,956,140	101.35%
1/1/2023	13,141,143	--	12,966,440	101.35%
7/1/2023	13,151,810	--	12,976,672	101.35%
1/1/2024	13,162,720	--	12,988,897	101.34%
7/1/2024	13,173,879	--	13,000,718	101.33%
1/1/2025	13,185,291	--	13,010,491	101.34%
7/1/2025	13,196,963	--	13,022,168	101.34%
1/1/2026	13,208,900	--	13,036,635	101.32%
7/1/2026	13,221,110	--	13,045,334	101.35%
1/1/2027	13,233,597	--	13,057,447	101.35%
7/1/2027	13,246,369	--	13,071,879	101.33%
1/1/2028	13,259,431	--	13,084,541	101.34%
7/1/2028	13,272,790	--	13,099,428	101.32%
1/1/2029	13,286,454	--	13,112,450	101.33%
7/1/2029	13,300,429	--	13,127,601	101.32%
1/1/2030	13,314,722	--	13,140,791	101.32%
7/1/2030	13,329,340	--	13,156,015	101.32%
1/1/2031	13,344,291	--	13,174,182	101.29%
7/1/2031	13,359,582	--	13,189,277	101.29%
1/1/2032	13,375,221	--	13,201,817	101.31%
7/1/2032	13,391,217	--	13,220,798	101.29%
1/1/2033	13,407,576	--	13,237,026	101.29%
7/1/2033	13,424,308	--	13,254,495	101.28%
1/1/2034	13,441,420	--	13,269,105	101.30%
7/1/2034	13,458,923	--	13,284,853	101.31%
1/1/2035	13,476,823	--	13,302,636	101.31%
7/1/2035	13,495,131	--	13,321,356	101.30%
1/1/2036	13,513,856	--	13,341,911	101.29%
7/1/2036	13,533,007	--	13,359,925	101.30%
1/1/2037	13,552,594	--	13,384,285	101.26%
7/1/2037	13,572,627	--	13,398,782	101.30%
1/1/2038	13,593,116	--	13,424,512	101.26%
7/1/2038	13,614,071	--	13,445,169	101.26%
1/1/2039	13,635,503	--	13,461,745	101.29%
7/1/2039	13,657,423	--	13,483,236	101.29%
1/1/2040	13,679,843	--	13,510,433	101.25%
7/1/2040	13,702,772	--	13,532,132	101.26%
1/1/2041	13,726,223	--	13,544,324	101.34%

Florida Housing Finance Corporation
Homeowner Mortgage Revenue Bonds
2016 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage - New Indenture Cashflows
\$450,000,000 - New Money
Semi-Annual Breakout
0% FHFA

Period	Gross Revenues (Scheduled)	Capitalized Interest Distribution	Cash Expenses (Debt Service & Expenses)	Receipts / Expenses Ratio
7/1/2041	13,750,208	--	13,574,829	101.29%
1/1/2042	13,774,740	--	13,600,381	101.28%
7/1/2042	13,799,829	--	13,624,974	101.28%
1/1/2043	13,825,490	--	13,649,500	101.29%
7/1/2043	13,851,735	--	13,662,858	101.38%
1/1/2044	13,878,577	--	13,691,137	101.37%
7/1/2044	13,906,030	--	13,722,356	101.34%
1/1/2045	13,934,108	--	13,746,906	101.36%
7/1/2045	13,962,825	--	13,774,717	101.37%
1/1/2046	13,992,196	--	13,806,575	101.34%
7/1/2046	11,680,965	--	11,488,320	101.68%
1/1/2047	3,507,664	--	3,326,237	105.45%
Total	805,363,261	5,686,511	800,317,075	

FLORIDA HOUSING FINANCE CORPORATION
Homeowner Mortgage Revenue Bonds - Special Program (NIBP)
2016 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage - OPEN INDENTURE Cashflows
NIBP Indenture and \$450,000,000 NEW MONEY
Semi-Annual Breakout
0% FHA

	Cash Flow Report - Column B	Draw from CAP I Reserve	Draw from the Master Revenue Fund of the Master Indenture			Cashflow Report - Columns C&D	
Period	Gross Revenues (Scheduled Receipts)	Capitalized Interest Distribution	Master Revenue Fund Distribution (Additions)	2016 PHASE ONE - Debt Service & Expenses	NIBP Indenture - Debt Service & Expenses	ALL Cash Expenses (Debt Service/Expenses)	Receipts / Expenses Ratio
7/1/2015	28,779,198.05		-	-	-	22,895,942.40	125.70%
1/1/2016	23,975,901.97		-	-	-	21,164,115.65	113.29%
7/1/2016	26,256,334.29	5,686,511	(2,259,386.15)	7,857,987.00	21,825,472.14	29,683,459.14	100.00%
1/1/2017	34,058,355.12		-	9,597,096.00	21,720,123.42	31,317,219.42	108.75%
7/1/2017	38,629,945.72		-	12,861,600.00	22,056,260.06	34,917,860.06	110.63%
1/1/2018	43,436,364.87		-	12,868,669.00	21,466,023.28	34,334,692.28	126.51%
7/1/2018	38,700,774.88		-	12,876,747.00	21,783,952.50	34,660,699.50	111.66%
1/1/2019	38,749,194.34		-	12,887,852.00	21,125,523.89	34,013,375.89	113.92%
7/1/2019	38,781,698.96		-	12,889,812.00	21,417,607.37	34,307,419.37	113.04%
1/1/2020	38,811,382.63		-	12,898,602.00	20,698,364.96	33,596,966.96	115.52%
7/1/2020	38,845,457.96		-	12,913,087.00	20,971,204.86	33,884,291.86	114.64%
1/1/2021	38,882,444.36		-	12,925,249.00	20,528,300.56	33,453,549.56	116.23%
7/1/2021	38,919,365.55		-	12,932,880.00	20,422,226.93	33,355,106.93	116.68%
1/1/2022	38,968,801.90		-	12,943,058.00	20,327,526.69	33,270,584.69	117.13%
7/1/2022	38,998,860.04		-	12,956,140.00	20,202,419.08	33,158,559.08	117.61%
1/1/2023	39,013,321.92		-	12,966,440.00	20,053,213.70	33,019,653.70	118.15%
7/1/2023	39,008,782.73		-	12,976,672.00	19,905,675.35	32,882,347.35	118.63%
1/1/2024	38,958,190.10		-	12,988,897.00	19,734,644.02	32,723,541.02	119.05%
7/1/2024	38,903,619.12		-	13,000,718.00	19,555,604.96	32,556,322.96	119.50%
1/1/2025	38,863,788.43		-	13,010,491.00	19,338,460.02	32,348,951.02	120.14%
7/1/2025	38,835,684.89		-	13,022,168.00	19,104,012.44	32,126,180.44	120.88%
1/1/2026	38,778,325.92		-	13,036,635.00	18,705,534.47	31,742,169.47	122.17%
7/1/2026	38,785,103.34		-	13,045,334.00	18,371,662.50	31,416,996.50	123.45%
1/1/2027	38,808,447.28		-	13,057,447.00	15,973,149.22	29,030,596.22	133.68%
7/1/2027	38,853,362.39		-	13,071,879.00	15,424,204.35	28,496,083.35	136.35%
1/1/2028	38,875,140.56		-	13,084,541.00	14,152,440.68	27,236,981.68	142.73%
7/1/2028	38,922,663.73		-	13,099,428.00	13,009,996.08	26,109,424.08	149.08%
1/1/2029	38,976,910.50		-	13,112,450.00	11,168,981.34	24,281,431.34	160.52%
7/1/2029	39,002,602.43		-	13,127,601.00	10,209,662.10	23,337,263.10	167.13%
1/1/2030	39,043,822.65		-	13,140,791.00	13,004,148.54	26,144,939.54	149.34%
7/1/2030	39,080,587.67		-	13,156,015.00	14,458,581.97	27,614,596.97	141.52%
1/1/2031	39,126,576.36		-	13,174,182.00	14,055,398.78	27,229,580.78	143.69%
7/1/2031	39,181,439.83		-	13,189,277.00	13,688,503.16	26,877,780.16	145.78%
1/1/2032	39,236,295.07		-	13,201,817.00	13,254,469.19	26,456,286.19	148.31%
7/1/2032	39,291,686.98		-	13,220,798.00	12,706,934.65	25,927,732.65	151.54%
1/1/2033	39,289,494.59		-	13,237,026.00	12,358,225.58	25,595,251.58	153.50%
7/1/2033	38,902,760.56		-	13,254,495.00	12,097,522.85	25,352,017.85	153.45%
1/1/2034	38,886,399.10		-	13,269,105.00	11,862,951.25	25,132,056.25	154.73%
7/1/2034	38,759,987.52		-	13,284,853.00	11,557,421.84	24,842,274.84	156.02%
1/1/2035	38,651,651.47		-	13,302,636.00	11,278,126.35	24,580,762.35	157.24%
7/1/2035	38,538,812.77		-	13,321,356.00	10,990,909.14	24,312,265.14	158.52%
1/1/2036	38,497,864.58		-	13,341,911.00	10,622,208.32	23,964,119.32	160.65%
7/1/2036	38,545,969.83		-	13,359,925.00	10,313,331.41	23,673,256.41	162.82%
1/1/2037	38,612,361.19		-	13,384,285.00	10,030,178.71	23,414,463.71	164.91%
7/1/2037	38,680,639.66		-	13,398,782.00	9,716,549.13	23,115,331.13	167.34%
1/1/2038	38,749,220.23		-	13,424,512.00	9,290,837.41	22,715,349.41	170.59%
7/1/2038	38,814,490.45		-	13,445,169.00	8,831,464.85	22,276,633.85	174.24%
1/1/2039	38,860,732.57		-	13,461,745.00	7,989,946.70	21,451,691.70	181.15%
7/1/2039	38,804,187.22		-	13,483,236.00	6,822,900.52	20,306,136.52	191.10%
1/1/2040	37,906,418.80		-	13,510,433.00	5,967,269.12	19,477,702.12	194.61%
7/1/2040	34,213,069.20		-	13,532,132.00	5,418,624.94	18,950,756.94	180.54%
1/1/2041	30,512,251.67		-	13,544,324.00	4,564,266.16	18,108,590.16	168.50%
7/1/2041	27,101,177.51		-	13,574,829.00	3,059,905.59	16,634,734.59	162.92%
1/1/2042	25,149,856.83		-	13,600,381.00	1,708,186.73	15,308,567.73	164.29%
7/1/2042	24,449,862.85		-	13,624,974.00	1,697,195.73	15,322,169.73	159.57%
1/1/2043	22,312,390.13		-	13,649,500.00	1,700,534.70	15,350,034.70	145.36%
7/1/2043	19,519,589.99		-	13,662,858.00	1,693,884.08	15,356,742.08	127.11%
1/1/2044	18,508,762.18		-	13,691,137.00	1,693,115.83	15,384,252.83	120.31%
7/1/2044	17,304,301.70		-	13,722,356.00	1,688,430.68	15,410,786.68	112.29%
1/1/2045	16,173,356.18		-	13,746,906.00	1,683,828.67	15,430,734.67	104.81%
7/1/2045	16,033,599.42		-	13,774,717.00	1,674,460.55	15,449,177.55	103.78%
1/1/2046	15,630,519.60		-	13,806,575.00	1,664,317.84	15,470,892.84	101.03%
7/1/2046	13,286,142.13		-	11,488,320.00	717,735.12	12,206,055.12	108.85%
1/1/2047	4,914,255.17		-	3,326,237.00	1,390.96	3,327,627.96	147.68%
TOTAL \$	2,189,950,557.68	\$ 5,686,511.00	\$ (2,259,386.15)	\$ 800,317,075.00	\$ 769,116,003.96	\$ 1,613,493,137.00	

FLORIDA HOUSING FINANCE CORPORATION
Homeowner Mortgage Revenue Bonds
2016 Phase One (Multiple Series to be Determined)

Fiscal Determination Coverage - OPEN INDENTURE Cashflows
1995 Indenture and \$450,000,000 NEW MONEY
Semi-Annual Breakout
0% FHA

	Cash Flow Report - Column B	Draw from CAP I Reserve	Draw from the Master Revenue Fund of the Master Indenture			Cashflow Report - Columns C&D	
Period	Gross Revenues (Scheduled Receipts)	Capitalized Interest Distribution	Master Revenue Fund Distribution	2016 PHASE ONE - Debt Service & Expenses	1995 Indenture - Debt Service & Expenses	ALL Cash Expenses (Debt Service/Expenses)	Receipts / Expenses Ratio
7/1/2015	48,002,064.43		-			19,015,089.41	252.44%
1/1/2016	51,965,641.34		-			12,658,659.36	410.51%
7/1/2016	17,899,993.97	5,686,511.00	3,198,869.30	7,857,987.00	18,927,387.27	26,785,374.27	100.00%
1/1/2017	26,806,352.49		-	9,597,096.00	13,263,401.54	22,860,497.54	117.26%
7/1/2017	30,669,072.37		1,131,463.48	12,861,600.00	18,938,935.85	31,800,535.85	100.00%
1/1/2018	30,694,372.24		-	12,858,669.00	14,220,737.46	27,089,406.46	113.31%
7/1/2018	30,723,613.14		1,386,210.30	12,876,747.00	19,233,076.43	32,109,823.43	100.00%
1/1/2019	30,756,661.50		-	12,887,852.00	15,307,748.83	28,195,600.83	109.08%
7/1/2019	30,785,488.20		766,788.84	12,889,812.00	18,662,465.04	31,552,277.04	100.00%
1/1/2020	30,790,482.95		-	12,898,602.00	15,884,269.75	28,782,871.75	106.98%
7/1/2020	30,756,105.26		-	12,913,087.00	17,418,924.26	30,332,011.26	101.40%
1/1/2021	30,764,191.03		-	12,925,249.00	16,196,885.98	29,122,134.98	105.64%
7/1/2021	30,797,210.84		-	12,932,880.00	15,961,464.88	28,894,344.88	106.59%
1/1/2022	30,835,161.12		-	12,943,058.00	15,192,501.44	28,135,559.44	109.59%
7/1/2022	30,857,490.30		-	12,956,140.00	14,018,496.02	26,974,636.02	114.39%
1/1/2023	30,888,841.70		-	12,966,440.00	13,936,735.46	26,903,175.46	114.81%
7/1/2023	30,921,090.50		-	12,976,672.00	14,018,504.45	26,995,176.45	114.54%
1/1/2024	30,954,203.92		-	12,988,897.00	13,613,732.91	26,602,629.91	116.36%
7/1/2024	30,988,266.87		-	13,000,718.00	13,549,780.32	26,550,498.32	116.71%
1/1/2025	31,023,300.03		-	13,010,491.00	13,541,531.61	26,552,022.61	116.84%
7/1/2025	31,061,330.91		-	13,022,168.00	13,489,276.02	26,511,444.02	117.16%
1/1/2026	31,102,525.36		-	13,036,635.00	13,442,173.49	26,478,808.49	117.46%
7/1/2026	31,140,549.51		-	13,045,334.00	13,374,766.97	26,420,100.97	117.87%
1/1/2027	31,179,592.62		-	13,057,447.00	13,327,724.73	26,385,171.73	118.17%
7/1/2027	31,035,593.33		-	13,071,879.00	13,282,881.04	26,354,760.04	117.76%
1/1/2028	30,956,130.59		-	13,084,541.00	13,217,792.41	26,302,333.41	117.69%
7/1/2028	30,998,183.31		-	13,099,428.00	13,235,440.64	26,334,868.64	117.71%
1/1/2029	31,041,370.47		-	13,112,450.00	11,735,768.04	24,848,218.04	124.92%
7/1/2029	30,217,855.27		-	13,127,601.00	11,691,194.41	24,818,795.41	121.75%
1/1/2030	29,804,727.60		-	13,140,791.00	11,662,673.15	24,803,464.15	120.16%
7/1/2030	29,091,347.77		-	13,156,015.00	11,655,587.27	24,811,602.27	117.25%
1/1/2031	28,709,740.06		-	13,174,182.00	11,613,066.36	24,787,248.36	115.82%
7/1/2031	28,749,018.65		-	13,189,277.00	11,572,042.29	24,761,319.29	116.10%
1/1/2032	28,589,653.72		-	13,201,817.00	11,570,548.83	24,772,365.83	115.41%
7/1/2032	28,404,903.49		-	13,220,798.00	11,525,206.81	24,746,004.81	114.79%
1/1/2033	28,334,661.28		-	13,237,026.00	11,554,532.54	24,791,558.54	114.29%
7/1/2033	28,374,560.91		-	13,254,495.00	11,519,407.23	24,773,902.23	114.53%
1/1/2034	28,405,208.55		-	13,269,105.00	10,948,697.98	24,217,802.98	117.29%
7/1/2034	28,448,949.10		-	13,284,853.00	10,874,308.70	24,159,161.70	117.76%
1/1/2035	28,470,810.93		-	13,302,636.00	10,786,103.77	24,088,739.77	118.19%
7/1/2035	28,461,544.43		-	13,321,356.00	10,764,262.27	24,085,618.27	118.17%
1/1/2036	28,017,503.66		-	13,341,911.00	10,727,157.39	24,069,068.39	116.40%
7/1/2036	26,689,339.84		-	13,359,925.00	10,700,656.31	24,060,581.31	110.93%
1/1/2037	25,915,488.78		-	13,384,285.00	10,649,751.21	24,034,036.21	107.83%
7/1/2037	24,592,700.51		496,831.44	13,398,782.00	11,690,749.94	25,089,531.94	100.00%
1/1/2038	22,989,686.21		-	13,424,512.00	8,398,798.07	21,823,310.07	105.34%
7/1/2038	21,326,390.43		-	13,445,169.00	7,612,026.17	21,057,195.17	101.28%
1/1/2039	20,188,341.58		-	13,461,745.00	6,046,358.61	19,508,103.61	103.49%
7/1/2039	19,248,784.41		-	13,483,236.00	5,275,720.90	18,758,956.90	102.61%
1/1/2040	18,454,863.28		-	13,510,433.00	3,343,946.85	16,854,379.85	109.50%
7/1/2040	18,387,436.29		-	13,532,132.00	3,335,426.15	16,867,558.15	109.01%
1/1/2041	17,198,537.24		-	13,544,324.00	3,333,783.07	16,878,107.07	101.90%
7/1/2041	16,727,059.23		-	13,574,829.00	2,661,885.00	16,236,714.00	103.02%
1/1/2042	16,757,777.93		-	13,600,381.00	2,667,597.78	16,267,978.78	103.01%
7/1/2042	16,791,608.31		-	13,624,974.00	2,683,704.94	16,308,678.94	102.96%
1/1/2043	16,703,518.55		-	13,649,500.00	2,671,820.07	16,321,320.07	102.34%
7/1/2043	16,674,125.09		-	13,662,858.00	2,680,997.69	16,343,855.69	102.02%
1/1/2044	16,706,482.49		-	13,691,137.00	2,702,630.93	16,393,767.93	101.91%
7/1/2044	16,739,606.04		-	13,722,356.00	2,704,185.62	16,426,541.62	101.91%
1/1/2045	16,773,480.25		-	13,746,906.00	2,708,151.65	16,455,057.65	101.94%
7/1/2045	16,534,616.39		-	13,774,717.00	2,712,664.30	16,487,381.30	100.29%
1/1/2046	16,569,279.94		-	13,806,575.00	2,704,425.13	16,511,000.13	100.35%
7/1/2046	14,002,739.01		1,897,544.83	11,488,320.00	4,411,963.85	15,900,283.85	100.00%
1/1/2047	6,906,589.73		-	3,326,237.00	2,573,221.75	5,899,458.75	117.07%
7/1/2047	14,501.09		375,481.41		389,982.50	389,982.50	100.00%
1/1/2048	66.29		390,264.96		390,331.25	390,331.25	100.00%
7/1/2048	66.70		356,858.30		356,925.00	356,925.00	100.00%
1/1/2049	67.12		94,477.88		94,545.00	94,545.00	100.00%
TOTAL	\$ 1,691,368,518.46	\$ 5,686,511.00	\$ 10,094,790.73	\$ 800,317,075.00	\$ 650,959,441.52	\$ 1,482,950,265.29	

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Determination
DATE: November 24, 2015



**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$6,750,000 FLORIDA HOUSING FINANCE
CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, (SERIES TO BE
DESIGNATED) (GARDEN TRAIL APARTMENTS).**

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$6,750,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, (series to be designated) (the "Notes") for the purpose of financing the construction of a multifamily rental development located in Pinellas County, Florida (Garden Trail Apartments). The Notes shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

RECOMMENDATION: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this note issue.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$6,750,000 FLORIDA HOUSING FINANCE
CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES,
(SERIES TO BE DESIGNATED) (GARDEN TRAIL APARTMENTS)**

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$6,750,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, (series to be designated) (the "Notes") for the purpose of financing the construction of a multifamily rental development located in Pinellas County, Florida (Garden Trail Apartments); and,

WHEREAS, the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Notes shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Notes shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Notes proposed to be issued and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

WHEREAS, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

WHEREAS, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Notes as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, (series to be designated) (Garden Trail Apartments), in an amount not exceeding \$6,750,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

ADOPTED December 8, 2015

November 19, 2015

VIA HAND DELIVERY

Mr. Ash Williams
Executive Director/Chief Investment Officer
State Board of Administration
P.O. Box 13300
Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Notes
Not to Exceed \$6,750,000 Tax-Exempt Notes
Garden Trail

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced note issue prepared by the Underwriter, RBC Capital Markets. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This note issue will be a private placement/direct purchase. We request that this item be placed on the agenda for approval at the State Board of Administration's December 8, 2015 Cabinet meeting, due to financing and closing schedules.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,



Brantley Henderson
Assistant Director of Multifamily Programs

BH/jg

Enclosures

Rick Scott, Governor

Board of Directors: Bernard "Barney" Smith, Chairman • Natacha Munilla, Vice Chairman
Renier Diaz de la Portilla • Ray Dubuque • John David Hawthorne Jr. • Brian Katz • Leonard Tylka • Howard Wheeler
Bill Killingsworth, Florida Department of Economic Opportunity

Executive Director: Stephen P. Auger

\$2,400,000
Florida Housing Finance Corporation
Multifamily Housing Revenue Notes

Garden Trail

Combined Debt Coverage Table

	Revenue Net Operating Income (1)	Note Payments (4)		Subordinate Loans (5)		Debt Service		Debt Service Coverage		Note Balance
		Principal Notes (2)	Interest Notes (3) 4.89%	FHFC SAIL & ELI Payments	City of Clearwater Payments	Note Debt Service	Total Note & Subord DS	Note Debt Service DCR	Total Note & Subord DCR	
YR 1	\$ 221,225	\$ 20,000	\$ 117,360	\$ 54,896	\$ 10,500	\$ 137,360	\$ 202,756	1.61	1.09	\$ 2,400,000
YR 2	223,209	20,000	116,382	54,896	10,500	136,382	201,778	1.64	1.11	\$ 2,380,000
YR 3	213,734	25,000	115,404	54,896	10,500	140,404	205,800	1.52	1.04	\$ 2,360,000
YR 4	215,597	30,000	114,182	54,896	10,500	144,182	209,578	1.50	1.03	\$ 2,335,000
YR 5	217,393	30,000	112,715	54,896	10,500	142,715	208,111	1.52	1.04	\$ 2,305,000
YR 6	219,117	30,000	111,248	54,896	10,500	141,248	206,644	1.55	1.06	\$ 2,275,000
YR 7	220,766	30,000	109,781	54,896	10,500	139,781	205,177	1.58	1.08	\$ 2,245,000
YR 8	221,283	30,000	108,314	54,896	10,500	138,314	203,710	1.60	1.09	\$ 2,215,000
YR 9	222,765	30,000	106,847	54,896	10,500	136,847	202,243	1.63	1.10	\$ 2,185,000
YR 10	224,157	35,000	105,380	54,896	10,500	140,380	205,776	1.60	1.09	\$ 2,155,000
YR 11	224,768	40,000	103,668	54,896	10,500	143,668	209,064	1.56	1.08	\$ 2,120,000
YR 12	225,256	40,000	101,712	54,896	10,500	141,712	207,108	1.59	1.09	\$ 2,080,000
YR 13	224,454	40,000	99,756	54,896	10,500	139,756	205,152	1.61	1.09	\$ 2,040,000
YR 14	224,678	45,000	97,800	54,896	10,500	142,800	208,196	1.57	1.08	\$ 2,000,000
(4) YR 15	2,129,758	\$ 1,955,000	\$ 95,600	\$ 54,896	\$ 10,500	\$ 2,050,600	\$ 2,115,996	1.04	1.01	\$ 1,955,000

(1) NOI based on 'Projected Operating Revenue' Schedule.

(2) Based on estimated Note sinking fund schedule beginning in year 3 following the 3 year interest only period.

(3) The Note Interest Rate is based on current market conditions for a negotiated private placement (4.89%). The Note fees include 0.24% (min ann'l \$10,000) Issuer Fee and \$4,250/yr Trustee Fee and along with the other servicing and compliance monitoring fees, are included in the operating expenses ahead of the NOI and Debt Service Calculation, therefore not included in the above.

(4) The Note term is 18 years, with a Noteholder's Mandatory Redemption in year 18. The term includes up to a 3 year interest only period followed by 15 years of amortizing debt service based on a 35 year scale. When the Mandatory Redemption occurs in year 18, the borrower will satisfy the remaining balance via refinancing, or proceeds from the sale of the property. In the event a refinance or sale of the asset is not feasible, the debt obligation will be satisfied via a "Mortgage Assignment" without causing an event of default. In such case, the Noteholder will present the Notes to the trustee for cancellation and in exchange will receive an assignment of the mortgage and related collateral. In year 15 of the permanent operating period, the Net Operating Income includes an amount equal to fully redeem the Notes.

(5) The Subordinate Mortgages debt service repayment are all contingent upon available cash flow after all other fees, expenses and senior mortgage debt service payments.

Protecting Florida's Investments Act (PFIA)

Quarterly Report – December 8, 2015



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About the State Board of Administration

The statutory mandate of the State Board of Administration (SBA) is to invest, manage and safeguard assets of the Florida Retirement System (FRS) Trust Fund and a variety of other funds for state and local governments. FRS Trustees are dedicated to ensuring that the SBA invests assets and discharges its duties in accordance with Florida law, guided by strict policies and a code of ethics to ensure integrity, prudent risk management and top-tier performance. The SBA is an investment fiduciary under law, and subject to the stringent fiduciary duties and standards of care defined by the Employee Retirement Income Security Act of 1974 (ERISA), as incorporated into Florida law. The SBA has three Trustees: the Governor, as Chairman, the Chief Financial Officer, as Treasurer, and the Attorney General, as Secretary.

As of September 30, 2015, the net asset value of total funds under SBA management was approximately \$170.4 billion. The FRS Pension Plan provides defined pension benefits to 1.1 million beneficiaries and retirees. The strong long-term performance of the FRS Pension Plan, the fourth-largest public pension fund in the nation, reflects our commitment to responsible fiscal management.

The SBA's mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

We encourage you to review additional information about the SBA and FRS on our website at www.sbafla.com.

Introduction

On June 8, 2007, the Protecting Florida's Investments Act ("PFIA") was signed into law. The PFIA requires the State Board of Administration ("SBA"), acting on behalf of the Florida Retirement System Trust Fund (the "FRSTF"), to assemble and publish a list of "Scrutinized Companies" that have prohibited business operations in Sudan and Iran. Once placed on the list of Scrutinized Companies, the SBA and its investment managers are prohibited from acquiring those companies' securities and are required to divest those securities if the companies do not cease the prohibited activities or take certain compensating actions. The implementation of the PFIA by the SBA will not affect any FRSTF investments in U.S. companies. The PFIA will solely affect foreign companies with certain business operations in Sudan and Iran involving the petroleum or energy sector, oil or mineral extraction, power production or military support activities. This quarterly report is developed pursuant to Section 215.473 (4), Florida Statutes. Scrutinized activity in Sudan is defined by the Statutes as occurring within the "Government of Sudan", or the Republic of the Sudan that has its capital in Khartoum, Sudan.

Primary Requirements of the PFIA

The PFIA created new reporting, engagement, and investment requirements for the SBA, including:

1. Quarterly reporting to the Board of Trustees of every equity security in which the SBA has invested for the quarter, along with its industry category. This report is posted on the SBA website.
2. Quarterly presentation to the Trustees of a "Scrutinized Companies" list for both Sudan and Iran for their approval. Scrutinized Company lists are available on the SBA's website, along with information on the FRSTF direct and indirect holdings of Scrutinized Companies.
3. Written notice to external investment managers of all PFIA requirements. Letters request that the managers of actively managed commingled vehicles (i.e., those with FRSTF and other clients' assets) consider removing Scrutinized Companies from the product or create a similar actively managed product that excludes such companies. Similar written requests must be provided to relevant investment managers within the defined contribution plan.
4. Written notice to any company with inactive business operations in Sudan or Iran, informing the company of the PFIA and encouraging it to continue to refrain from reinitiating active business operations. Such correspondence continues semiannually.
5. Written notice to any Scrutinized Company with active business operations, informing the company of its Scrutinized Company status and that it may become subject to divestment. The written notice must inform the company of the opportunity to clarify its Sudan-related or Iran-related activities and encourage the company, within 90 days, to cease its scrutinized business operations or convert such operations to inactive status.
6. A prohibition on further investment on behalf of the FRSTF in any Scrutinized Company once the Sudan and Iran scrutinized lists have been approved by the Trustees. All publicly traded securities of Scrutinized Companies must be divested within 12 months after the company's initial (and continued) appearance on the Scrutinized Companies list. Divestment does not apply to indirect holdings in actively managed commingled investment funds—i.e., where the SBA is not the sole investor in the fund. Private equity funds are considered to be actively managed.
7. Reporting to each member of the Board of Trustees, President of the Senate, and the Speaker of the House of Representatives of Scrutinized Company lists within 30 days of creation, and public disclosure of each list.
8. Quarterly reporting of the following to each member of the Board of Trustees, the President of the Senate, the Speaker of the House of Representatives, the United States Presidential Special

Envoy to Sudan, and the United States Presidential Special Envoy to Iran. The report is made publicly available and posted to the SBA's website.

- a. A summary of correspondence with engaged companies;
 - b. A listing of all investments sold, redeemed, divested, or withdrawn;
 - c. A listing of all prohibited investments;
 - d. A description of any progress related to external managers offering PFIA compliant funds; and
 - e. A list of all publicly traded securities held directly by the state.
9. Adoption and incorporation into the FRSTF Investment Policy Statement (IPS) of SBA actions taken in accordance with the PFIA. Changes to the IPS are reviewed by the Investment Advisory Council (IAC) and approved by the Trustees.
10. Relevant Sudan or Iran portions of the PFIA are discontinued if the Congress or President of the United States passes legislation, executive order, or other written certification that:
 - a. Darfur genocide has been halted for at least 12 months;
 - b. Sanctions imposed against the Government of Sudan are revoked;
 - c. Government of Sudan honors its commitments to cease attacks on civilians, demobilize and demilitarize the Janjaweed and associated militias, grant free and unfettered access for deliveries of humanitarian assistance, and allow for the safe and voluntary return of refugees and internally displaced persons;
 - d. Government of Iran has ceased to acquire weapons of mass destruction and support international terrorism;
 - e. Sanctions imposed against the government of Iran are revoked; or
 - f. Mandatory divestment of the type provided for by the PFIA interferes with the conduct of U.S. foreign policy.
11. Cessation of divestment and/or reinvestment into previously divested companies may occur if the value of all FRSTF assets under management decreases by 50 basis points (0.5%) or more as a result of divestment. If cessation of divestment is triggered, the SBA is required to provide a written report to each member of the Board of Trustees, the President of the Senate, and the Speaker of the House of Representatives prior to initial reinvestment. Such condition is required to be updated semiannually.
12. In 2009, the Florida Legislature approved a bill requiring the SBA to identify and offer, by March 1, 2010, at least one terror-free investment product for the FRS Investment Plan. The product must allocate its funds among securities not subject to divestiture, as provided in section 215.473, Florida Statutes.
13. As of July 1, 2014, Florida Statute 624.449 requires that a domestic insurer shall provide to the Office of Insurance Regulation on an annual basis a list of investments that the insurer has in companies included on the "Scrutinized Companies with Activities in Sudan List" and the "Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List". Additionally, F.S. 215.473(3)(e)(2) now exempts Exchange Traded Funds from the provisions of PFIA.
14. As of July 1, 2014, Florida Statutes clarify that the recently created "Government of South Sudan" means the Republic of South Sudan, which has its capital in Juba, South Sudan. Scrutinized activity refers to the "Government of Sudan", which means the Republic of the Sudan that has its capital in Khartoum, Sudan. Within this report, "Sudan" refers to the latter.

Definition of a Scrutinized Company

The following is a brief review of the criteria on which the active business operations of companies must be judged, in accordance with subsection (1)(t) of Section 215.473, F.S.

Sudan:

1. Have a material business relationship with the government of Sudan or a government-created project involving oil related, mineral extraction, or power generation activities, or
2. Have a material business relationship involving the supply of military equipment, or
3. Impart minimal benefit to disadvantaged citizens that are typically located in the geographic periphery of Sudan, or
4. Have been complicit in the genocidal campaign in Darfur.

Iran:

1. Have a material business relationship with the government of Iran or a government-created project involving oil related or mineral extraction activities, or
2. Have made material investments with the effect of significantly enhancing Iran's petroleum sector.

Affiliates of companies with scrutinized business operations are also subject to the requirements of the PFIA. An affiliated company is generally defined as any other company that either directly or indirectly controls, is controlled by or is under common control with the company conducting scrutinized active business operations. Control generally means the power to exercise a controlling influence over the management or policies of a company. As well, many companies have parent-subsidary relationships whereby a parent company may own several other companies. In such cases, the SBA has included any known parent and/or subsidiaries which can be clearly linked to a company with scrutinized active business operations. The SBA has used a 50 percent ownership threshold in determining whether or not companies are affiliated, examining parent company-subsidary ownership on a pro rata basis.

The SBA views companies which have explicit plans and activities related to discontinuation of active business operations as meeting the PFIA definition of substantial action. For all identified companies, the SBA will request information detailing what a company has actually done, if anything, to discontinue its active business operations or if it has pursued humanitarian efforts (applicable to Sudan only).

SBA Scrutinized Companies Identification Methodology

The SBA has developed two lists (the Sudan List and the Iran List) of Scrutinized Companies with active business operations. The lists are developed by principally relying on the research and findings of our "External Research Providers". Below is a brief description of our External Research Providers, which are maintained to provide input from multiple sources.

1. **EIRIS Conflict Risk Network (CRN).** In May 2013, the Conflict Risk Network became part of EIRIS, a global provider of environmental, social, governance, and ethical performance of companies. EIRIS provides services to more than 150 asset owners and managers globally, with a staff of over 60, based primarily in London. CRN was formerly known as the Sudan Divestment Task Force (SDTF).
2. **MSCI ESG Research (MSCI)** MSCI delivers corporate governance analysis and research to institutional investors. Through its ESG Research unit, MSCI offers screening services with specific and unique components of state law pertaining to investments in sanctioned countries, including Sudan and Iran.
3. **IW Financial (IWF).** IWF is a provider of environmental, social, and governance research and consulting. IWF partners with Conflict Securities Advisory Group (CSAG) to provide clients with detailed information on the business ties of publicly traded companies in Sudan and Iran.
4. **Sustainalytics, Inc.** Sustainalytics provides environmental, social and governance research and analysis, sustainability benchmarks, and investment services, and is the result of the merger between Jantzi Research, Inc. and Sustainalytics in 2009. Sustainalytics' company database, "Sustainalytics Global Platform," covers business operations in both Iran and Sudan.

Staff members within the Investment Programs & Governance unit, as well as other senior investment staff, review the assessments of the External Research Providers and other publicly available information. The SBA has utilized the following sources to evaluate over 400 companies and affiliates with reported links to Sudan or Iran:

Company disclosures:

- SEC filings (DEF 14A Proxy Statements, 10-K & 20-F Annual Reports, etc.)
- Investor Relations/company websites
- Industry publications and analyst research

Investment/Finance Organizations:

- Industry Analysts
- Index Providers (e.g., Russell)
- Other Institutional Investors/Private Investors

U.S Government Agencies:

- U.S. Department of State
- U.S. Treasury, Office of Foreign Asset Control (OFAC)
- U.S. Government Accountability Office (GAO)
- SEC Office of Global Security (EDGAR)
- Dept. of Energy, Energy Information Administration (EIA)
- Congressional Research Service (CRS), Library of Congress

Non-Governmental Organizations (NGOs):

- American Enterprise Institute (AEI)
- Amnesty International
- Yale University (Allard K. Lowenstein International Human Rights Project)
- Human Rights Watch

Other Sources:

- SBA External Investment Managers
- U.S. Federal Sanctions Laws covering State Sponsors of Terror
- Any other publicly available information.

Using the previous information sources, the SBA has developed two separate categorizations of a company's involvement in Sudan and/or Iran.

1. **“Scrutinized”** — Information provided by several External Research Providers indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473 (1)(t)1., 2., or 3. [Sudan] or Section 215.473 (4)(t)1. [Iran]. Upon SBA review, no other information sources clearly contradict the conclusions of the External Research Providers.
2. **“Continued Examination”** — At least one External Research Provider indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473, (1)(t)1., 2., or 3. [Sudan] or Section 215.473, (4)(t)1. [Iran]. In other words, the External Research Providers do not agree on the status of a company and the SBA is unable to definitively categorize the company's activities as scrutinized without further research to resolve the differences. For companies classified as “Continued Examination” the SBA will begin an engagement process to clarify each firm's current business relationships.

Key Changes Since the Previous PFIA Quarterly Report

Sudan

Companies added to the Sudan Scrutinized List this quarter:

- **None**

Companies removed from the Sudan Scrutinized List this quarter:

- **None**

Companies added to the Sudan Continued Examination List this quarter:

- **None**

Companies removed from the Sudan Continued Examination List this quarter:

- **None**

Recent Developments Regarding Sudan:

On October 28, President Obama declared that the national emergency with respect to Sudan must continue in effect beyond November 3, 2015. Therefore, the President extended the status for one year and declared that the actions and policies of the Government of Sudan continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. For this reason, the economic sanctions will be extended for another year, until at least November 2016.

Iran

Companies added to the Iran Scrutinized List this quarter:

- **None**

Companies removed from the Iran Scrutinized List this quarter:

- **None**

Companies added to the Iran Continued Examination List this quarter:

- **None**

Companies removed from the Iran Continued Examination List this quarter:

- **None**

Recent Developments Regarding Iran:

October 18, 2015 was “Adoption Day” under the Joint Comprehensive Plan of Action (JCPOA), and noticed participating countries to prepare for future sanctions relief, subject to IAEA verification of Iran's compliance. The EU adopted the legislative framework needed to lift its nuclear-related sanctions against Iran, while the U.S. issued contingent waivers of certain sanctions.

Table 1: Scrutinized Companies with Activities in Sudan
New companies on the list are shaded and in bold. (No companies added this quarter.)

Scrutinized Company: Sudan	Country of Incorporation	Date of Initial Scrutinized Classification
Chennai Petroleum Corp Ltd	India	September 19, 2007
China National Petroleum Corporation (CNPC)	China	December 11, 2012
China Petroleum & Chemical Corp (CPCC) Sinopec	China	September 19, 2007
CNPC General Capital Ltd	China	June 26, 2012
CNPC HK Overseas Capital Ltd	China	June 16, 2011
Daqing Huake Group Co Ltd	China	March 25, 2008
Egypt Kuwait Holding Co. SAE	Kuwait	January 13, 2009
Energy House Holding Company (fka: AREF Energy Holdings Co)	Kuwait	July 28, 2009
Engen Botswana	Botswana	March 24, 2015
Gas District Cooling (Putrajaya) Sdn Bhd	Malaysia	April 14, 2009
Harbin Electric Co. Ltd. (fka: Harbin Power Equipment)	China	September 19, 2007
Indian Oil Corp Ltd (IOCL)	India	September 19, 2007
Jiangxi Hongdu Aviation (aka Hongdu Aviation)	China	September 19, 2007
Jinan Diesel Engine Co. Ltd	China	July 28, 2009
KLCC Property Holdings Bhd	Malaysia	April 14, 2009
Kunlun Energy Company Ltd (fka: CNPC Hong Kong Limited)	Hong Kong	September 19, 2007
Kuwait Finance House	Kuwait	April 14, 2009
Lanka IOC Ltd	India	September 19, 2007
Malaysia Marine & Heavy Engineering Holdings Bhd	Malaysia	March 18, 2014
Managem SA	Morocco	November 9, 2010
Mangalore Refinery & Petrochemicals Ltd	India	September 19, 2007
MISC Bhd	Malaysia	September 19, 2007
Oil India Ltd.	India	September 18, 2012
Oil & Natural Gas Corp (ONGC)	India	September 19, 2007
ONGC Videsh Limited (OVL)	India	March 18, 2014
Orca Gold Inc.	Canada	December 9, 2014
PetroChina	China	September 19, 2007
Petrolia Nasional (Petronas)	Malaysia	September 19, 2007
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd	China	September 24, 2013
Sinopec Engineering Group Co Ltd	China	March 18, 2014
Sinopec Group Overseas Development 2013 Ltd	China	March 18, 2014

Scrutinized Company: Sudan	Country of Incorporation	Date of Initial Scrutinized Classification
Sinopec Kantons Holdings Ltd	Bermuda	September 19, 2007
Sinopec Oilfield Equipment Corporation (fka: Kingdream PLC)	China	April 14, 2009
Sinopec Shanghai Petrochemical	China	September 19, 2007
Sinopec Yizheng Chemical Fibre	China	March 25, 2008
Societe Metallurgique D'imiter	Morocco	November 9, 2010
# of Sudan Scrutinized Companies	41	

No companies were removed from the Sudan Scrutinized List during the quarter.

Table 2: Continued Examination Companies with Activities in Sudan
New companies on the list are shaded and in bold. (No companies added this quarter.)

Continued Examination Company: Sudan	Country of Incorporation
Alstom	France
Alstom Projects India	India
ASEC Company for Mining S.A.E.	Egypt
Bharat Heavy Electricals, Ltd	India
Bollore Group	France
China Gezhouba Group Company Ltd	China
China North Industries Group Corp (CNGC/Norinco)	China
Dongfeng Motor Group Co Ltd	China
Dongan Motor (aka Harbin Dongan Auto Engine)	China
Drake & Scull International PJSC	United Arab Emirates
El Sewedy Cables Holding Company	Egypt
Emperor Oil Ltd	Canada
Glencore Xstrata PLC	Switzerland
Infotel Broadband Services Ltd	India
JX Holdings Inc.	Japan
KMCOB Capital Bhd	Malaysia
LS Industrial Systems	South Korea
Nippo Corporation	Japan
Power Construction Corporation of China Ltd. (fka Sinohydro)	China
PT Pertamina Persero	Indonesia
Reliance Industries Ltd	India
Scomi Engineering Bhd	Malaysia
Scomi Group Bhd	Malaysia
Shanghai Electric Group Co.	China
Statesman Resources Ltd	Canada
Wartsila Oyj	Finland
# of Sudan Continued Examination Companies	26

No companies were removed from the Sudan Continued Examination List during the quarter.

Table 3: Scrutinized Companies with Activities in the Iran Petroleum Energy Sector
New companies on the list are shaded and in bold. (No companies added this quarter.)

Scrutinized Company: Iran	Country of Incorporation	Date of Initial Scrutinized Classification
China BlueChemical Ltd.	China	March 19, 2013
China National Petroleum Corporation (CNPC)	China	December 11, 2012
China Petroleum & Chemical Corp (CPCC) Sinopec	China	September 19, 2007
China Oilfield Services Ltd.	China	June 16, 2011
CNOOC Ltd.	China	June 16, 2011
CNOOC Finance Limited	China	September 24, 2013
CNPC HK Overseas Capital Ltd.	China	June 16, 2011
COSL Finance (BVI) Limited	China	September 24, 2013
Daelim Industrial Co Ltd.	South Korea	June 16, 2011
Engen Botswana	Botswana	March 24, 2015
Gas District Cooling (Putrajaya) Sdn Bhd	Malaysia	April 14, 2009
Gazprom	Russia	September 19, 2007
Gazprom Neft	Russia	September 16, 2008
Indian Oil Corp Ltd (IOCL)	India	September 19, 2007
KLCC Property Holdings Bhd	Malaysia	April 14, 2009
Kunlun Energy Company Ltd. (fka: CNPC Hong Kong Limited)	Hong Kong	September 19, 2007
Malaysia Marine & Heavy Engineering Holdings Bhd	Malaysia	March 18, 2014
Mangalore Refinery & Petrochemicals Ltd.	India	March 19, 2013
MISC Bhd	Malaysia	September 19, 2007
Mosenergo	Russia	September 16, 2008
Oil & Natural Gas Corp (ONGC)	India	September 19, 2007
ONGC Videsh Limited (OVL)	India	March 18, 2014
PetroChina	China	September 19, 2007
Petrolia Nasional (Petronas)	Malaysia	September 19, 2007
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd.	China	March 18, 2014
Sinopec Engineering Group Co Ltd.	China	March 18, 2014
Sinopec Group Overseas Development 2013 Ltd.	China	March 18, 2014
Sinopec Kantons Holdings Ltd.	Bermuda	September 19, 2007
Sinopec Oilfield Equipment Corporation (fka: Kingdream PLC)	China	September 29, 2015
Sinopec Shanghai Petrochemical	China	September 19, 2007

Scrutinized Company: Iran	Country of Incorporation	Date of Initial Scrutinized Classification
Sinopec Yizheng Chemical Fibre	China	March 25, 2008
# of Iran Scrutinized Companies	36	

No companies were removed from the Iran Scrutinized List during the quarter.

Table 4: Continued Examination Companies with Petroleum Energy Activities in Iran
New companies on the list are shaded and in bold. (No companies added this quarter.)

Continued Examination Company: Iran	Country of Incorporation
China Nonferrous Metal Industry's Foreign Engineering and Construction	China
GAIL (India) Limited, aka GAIL Ltd.	India
GS Engineering & Construction Corp.	South Korea
GS Holdings	South Korea
Lukoil OAO	Russia
Maire Tecnimont SpA	Italy
Oil India Ltd.	India
Petronet LNG Ltd.	India
Shanghai Zhenhua Heavy Industry Co. Ltd.	China
# of Iran Continued Examination Companies	9

No companies were removed from the Iran Continued Examination List during the quarter.

Table 5: Correspondence & Engagement Efforts with Scrutinized Companies

In accordance with Section 215.473(3)(a), F.S., the SBA began to engage companies on the September 19, 2007, Scrutinized Company lists. The SBA sent letters to each Scrutinized Company that was owned and held as of September 19, 2007, per the requirements of the law.

The SBA also sent written communication to other scrutinized firms since the initial company engagement effort in September 2007. Each letter encouraged the company to cease any active business operations within 90 days or convert such operations to inactive status to avoid qualifying for divestment by the SBA. In addition, the SBA sent a second letter to scrutinized companies on January 25, 2008, again requesting companies to provide all information necessary to avoid divestment.

On September 30, 2008, the SBA sent a follow-up letter to all Scrutinized Companies. Although, these companies are no longer held by the SBA, the September 30, 2008, letter was intended to once again provide notice of the requirements of the PFIA. Since our original correspondence, several companies on the scrutinized list have replied with valuable information. Each company's response and classification status is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company	Company Responsive to SBA Communications	Status
ABB	Yes; January 29, 2009	Removed from Sudan Scrutinized List
Alstom	Yes; October 1, 2007 and October 25, 2011	Moved to Sudan Continued Examination List
Bharat Heavy Electricals Limited	Yes; October 4, 2007	Sudan Scrutinized Classification Continues
Bow Valley Energy	Yes; October 22, 2008	Removed from Iran Scrutinized List
Chennai Petroleum Corporation Limited	Yes; October 16, 2008	Sudan Scrutinized Classification Continues
China Petroleum & Chemical Corp (Sinopec)	No	Iran & Sudan Scrutinized Classification Continues
CNOOC Ltd	Yes; October 28, 2008	Iran Scrutinized Classification Continues
Dongfeng Motor Group Co. Ltd.	No	Moved to Sudan Continued Examination List
Electricity Generating Public Co	No	Removed from Sudan Scrutinized List
ENI	Yes; February 13, 2008 and May 13, 2011	Removed from Iran Scrutinized and CE Lists
GAIL (India) Limited, aka GAIL Ltd.	Yes; October 5, 2010	Moved to Iran Continued Examination List
Gazprom	Yes; November 1, 2007 and August 18, 2014	Iran Scrutinized Classification Continues
Gazprom Neft	Yes; August 15, 2013	Iran Scrutinized as subsidiary of Gazprom
Harbin Electric Co. (fka Harbin Power Equipment)	No	Sudan Scrutinized Classification Continues
Indian Oil Corp Ltd (IOCL)	No	Iran & Sudan Scrutinized Classification Continues
Inpex Corp.	Yes; October 15, 2007 and July 11, 2011	Removed Iran Scrutinized List
Kencana Petroleum	Yes; October 31, 2008	Moved to Sudan Continued Examination List
Korea Electric Power (and subsidiaries, KEPCO Plant/Korea Plant)	Yes; December 27, 2011	Removed from Sudan Scrutinized List
Kunlun Energy Company Ltd. (fka: CNPC Hong Kong Limited)	Yes; October 5, 2007 and May 24, 2008	Iran & Sudan Scrutinized Classification Continues
Lukoil OAO	Yes; October 8, 2007	Moved to Iran Continued Examination List
Lundin Petroleum AB	Yes; October 17, 2008	Removed from Sudan Scrutinized List
Lundin International SA	No	Removed from Sudan Scrutinized List

Company	Company Responsive to SBA Communications	Status
Malaysia Marine & Heavy Engineering Holdings Bhd	Yes; November 14, 2014	Iran & Sudan Scrutinized Classification Continues
Mangalore Refinery & Petrochemicals Ltd	Yes; March 8, 2013	Iran & Sudan Scrutinized Classification Continues
MISC Bhd	No	Iran & Sudan Scrutinized Classification Continues
Norsk Hydro	Yes; November 30, 2007	Removed from Iran Scrutinized List
Oil & Natural Gas Corp (ONGC)	Yes; July 23, 2014	Iran & Sudan Scrutinized Classification Continues
OMV AG	Yes; November 6, 2007 and April 14, 2010	Removed from Iran Continued Examination List
PetroChina	Yes; December 22, 2008	Iran & Sudan Scrutinized Classification Continues
Petroleo Brasileiro (Petrobras)	Yes; January 13, 2010	Removed from Iran Scrutinized List
Petroliaam Nasional (Petronas)	Yes; July 6, 2015	Iran & Sudan Scrutinized Classification Continues
Putrajaya Management Sdn Bhd	Yes; September 5, 2014	Iran & Sudan Scrutinized Classification Continues
Ranhill Bhd	Yes; October 22, 2008	Removed from Sudan Scrutinized List
Repsol YPF	Yes; October 15, 2007; January 2013	Removed from Iran Scrutinized and CE Lists
Royal Dutch Shell PLC	Yes; October 5, 2007; January 27, 2011; April 13, 2011	Removed from Iran Scrutinized and CE Lists
Sinopec Kantons Holdings Ltd.	No	Iran & Sudan Scrutinized Classification Continues
Sinopec Shanghai Petrochemical Company	No	Sudan Scrutinized Classification Continues
Snam Rete Gas	Yes; October 9, 2008	Removed from Iran Scrutinized Classification
Statoil ASA (fka: StatoilHydro)	Yes; February 4, 2008; January 24, 2011; June 16, 2011	Removed from Iran Scrutinized and CE Lists
Total Capital	Yes; January 26, 2011 and April 25, 2011	Removed from Iran Scrutinized and CE Lists
Total SA	Yes; October 12, 2007; October 29, 2010; April 25, 2011	Removed from Iran Scrutinized and CE Lists
Wärtsilä Oyj	Yes; December 4, 2007	Moved to Sudan Continued Examination List

Table 6: Correspondence & Engagement Efforts with Continued Examination Companies

In addition to Scrutinized Companies, the SBA engaged companies on our initial September 19, 2007, Continued Examination company lists. The SBA also sent written communication to firms added to the Continued Examination list since the initial company engagement effort in September 2007. Such companies were asked to provide information to the SBA in order to assist us in determining the extent of their activities, if any, in Sudan and Iran. The SBA sent a follow-up letter to all companies on September 30, 2008. Each company's response and classification is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company	Company Responsive to SBA Communications	Continued Examination Status
Actividades de Construcción y Servicios S.A.(ACS)	No	Removed from Iran List
Aggreko PLC	Yes; January 28, 2008	Removed from Iran List
Air Liquide	Yes; November 30, 2007 January 28, 2008	Removed from Iran List
Aker Solutions ASA (fka Aker Kvaerner ASA)	No	Iran CE Classification Continues
AREF Investment Group	No	Removed from Sudan List
Areva SA	Yes; October 27, 2008 December 29, 2009	Removed from Sudan List
Bauer Aktiengesellschaft	Yes; March 13, 2008	Removed from Sudan List
BG Group	Yes; November 23, 2007	Removed from Iran List
Bharat Electronics Limited	No	Removed from Sudan CE List
Bolloré Group	No	Sudan CE Classification Continues
Costain Group PLC	Yes; November 5, 2007	Removed from Iran List
Daelim Industrial Co Ltd	No	Moved to Iran Scrutinized List
Engineers India Ltd.	Yes; October 16, 2008; September 9, 2010	Removed from Iran CE List
Essar Oil	Yes; January 9, 2009	Removed from Iran List
Finmeccanica SpA	No	Removed from Sudan List
Glencore Xstrata PLC	Yes; September 20, 2010	Sudan CE Classification Continues
GVA Consultants	Yes; September 26, 2007 September 30, 2010	Removed from Iran CE List
ICSA India Limited	No	Removed from Sudan List
INA-Industrija Nafta DD Zagreb	Yes	Removed from Iran List
Itochu Corp	Yes; May 9, 2008	Removed from Iran List
JGC Corp	Yes; October 1, 2007	Removed from Iran List
La Mancha Resources	Yes; October 21, 2008	Removed from Sudan List
Linde AG	Yes; November 14, 2007	Removed from Iran List
Liquefied Natural Gas LNG	No	Iran CE Classification Continues
Mitsubishi Heavy Industries Ltd.	Yes; October 26, 2007	Removed from Iran List
Mitsui & Co.	Yes; October 17, 2007	Removed from Iran List
Mitsui Engineering & Shipbuilding	Yes; November 21, 2007 December 18, 2007	Removed from Iran and Sudan Lists
MMC Bhd	No	Sudan CE Classification Continues
Nam Fatt	No	Removed from Sudan List

Company	Company Responsive to SBA Communications	Continued Examination Status
PT Citra Tubindo Tbk.	Yes; September 27, 2010	Removed from Iran CE List
PTT Public Company Limited	Yes; October 1, 2010	Removed from Sudan CE List
Saipem SpA	Yes; December 12, 2007	Removed from Iran Lists
Samsung Engineering Co. Ltd.	No	Removed from Iran CE List
Samsung Heavy Industries Co. Ltd.	No	Removed from Iran List
Sasol Ltd.	Yes; May 25, 2010 September 29, 2010	Removed from Iran CE List
Seadrill Ltd	Yes; September 20, 2010	Removed from Sudan CE List
Siam Cement Group (SCG)	Yes; September 24, 2010	Iran CE Classification Continues
Siemens AG	Yes; October 22, 2009 October 8, 2010	Removed from Iran CE List
Schlumberger Limited NV	Yes; October 19, 2007	Removed from Iran and Sudan Lists
Siam Cement PCL	Yes; October 21, 2008	Iran CE Classification Continues
SNC - Lavalin Group Inc.	Yes; September 25, 2007	Removed from Iran List
Sudan Telecommunications (Sudatel)	No	Removed from Sudan CE Classification
Technip	Yes; April 30, 2010 and November 30, 2010	Removed from Iran CE Classification
The Weir Group PLC	Yes; November 16, 2007	Removed from Iran and Sudan Lists
Total SA	Yes; October 12, 2007	Sudan CE Classification Continues
Trevi-Finanziaria Industriale S.p.A.	Yes; September 17, 2010	Removed from Iran CE List
Weatherford International, Ltd.	No	Removed from Sudan List
Welspun Corp. Limited (fka Welspun-Gujarat Stahl Rohen Ltd.)	Yes; September 24, 2010	Iran CE Classification Continues

Key Dates for PFIA Activities

June 8, 2007 — Legislation's effective date, upon becoming a law.

August 6, 2007 — SBA letter to state agencies requesting data on all publicly traded securities held directly by the State.

August 20, 2007 — First of two letters to investment managers providing written notice of PFIA enactment and amendment to Schedule B of investment management contracts.

September 19, 2007 — SBA assembles initial Scrutinized Companies lists for Sudan and Iran.

September 20, 2007 — SBA engages companies classified as either Scrutinized or needing Continued Examination through written correspondence, subsequent conference calls and additional communication. SBA disclosed the Scrutinized Companies lists on its website, including reporting of all equities held by the State.

September 21, 2007 — Second of two letters to investment managers providing Scrutinized Companies lists.

October 16, 2007 — SBA formally submits the Scrutinized Companies lists to the Legislature and the United States Special Envoy to Sudan, and continues to do so every quarter.

November 30, 2007 — SBA sends notification via email to any owned scrutinized company that has not responded to initial written correspondence. Similar notification was sent to each company classified as needing continued examination.

January 25, 2008 — SBA sends additional notice of divestment and request for information to all Scrutinized Companies, with emphasis to companies that have been unresponsive to the SBA's prior request for the necessary information.

July 1, 2008 — In March 2008, the SBA developed a policy approach directing all affected managers to sell their remaining PFIA related holdings no later than July 1, 2008, approximately three months earlier than the statutory deadline of September 18, 2008.

September 18, 2008 — Statutory deadline for the SBA to complete divestment of *initial* Scrutinized Companies (i.e., within 12 months of their initial appearance on the September 19, 2007 list), if they do not stop scrutinized active business operations.

March 1, 2010— Deadline for the SBA to identify and offer at least one terror-free investment product for the FRS Investment Plan (Defined Contribution).

Quarterly Reporting—SBA provides quarterly updates to the Scrutinized Companies lists for Sudan and Iran, including a summary of engagement activities. PFIA quarterly reports have been issued on the following dates:

September 19, 2007
December 18, 2007
March 25, 2008
June 10, 2008
September 16, 2008
January 13, 2009
April 14, 2009
July 28, 2009
October 27, 2009
January 26, 2010
April 27, 2010

July 29, 2010
November 9, 2010
February 22, 2011
June 16, 2011
September 20, 2011
December 6, 2011
March 20, 2012
June 26, 2012
September 18, 2012
December 11, 2012
March 19, 2013

June 25, 2013
September 24, 2013
December 10, 2013
March 18, 2014
June 17, 2014
September 23, 2014
December 9, 2014
March 24, 2015
June 23, 2015
September 29, 2015
December 8, 2015

Summary of Investments Sold, Redeemed, Divested or Withdrawn

In accordance with the PFIA, the SBA must divest all holdings of any scrutinized companies within 12 months of their original appearance on the prohibited securities list. External managers are contractually responsible for administering investments in accordance with restrictions set forth by the SBA, including the prohibited securities list of the PFIA. Historical divestment transaction data is contained in prior PFIA Quarterly Reports. The table below presents the cumulative market capitalization of scrutinized companies divested by the SBA since the PFIA's inception:

Cumulative Divestment	
Royal Dutch Shell**	\$215,784,700.79
Total SA**	\$214,536,015.45
Petroleo Brasileiro SA (Petrobras) **	\$206,135,264.10
ENI**	\$141,403,034.78
CNOOC Ltd	\$131,737,735.86
Gazprom (a.k.a. OAO Gazprom)	\$71,275,453.14
Alstom**	\$65,897,698.67
Repsol YPF**	\$53,420,179.87
Statoil ASA** (fka: StatoilHydro)	\$46,792,677.58
China Petroleum and Chemical Corp (CPCC) Sinopec	\$38,455,440.48
PetroChina	\$25,723,158.75
Inpex Corp.**	\$24,835,110.63
MISC Bhd	\$16,448,397.44
Snam Rete Gas**	\$9,596,905.78
Lukoil OAO**	\$9,487,631.46
OMV AG **	\$8,601,977.98
Shell International Finance**	\$8,599,813.40
China BlueChemical Ltd	\$7,538,215.73
Wärtsilä Oyj**	\$1,797,871.96
Daelim Industrial Co Ltd	\$1,566,926.73
Petrofac Ltd **	\$1,496,881.43
The Weir Group PLC **	\$1,322,666.62
Petrobras International Finance**	\$1,148,750.00
Lundin Petroleum AB **	\$1,133,120.04
Oil & Natural Gas Corporation (ONGC)	\$945,363.83
Petrobras Energia (Participaciones) **	\$298,632.08
Dongfeng Motor Group**	\$158,623.49
Electricity Generating Public Company**	\$121,321.38
Gazprom Neft	\$37,892.73
** denotes companies no longer on the Prohibited Company list.	\$1,306,825,533.68

In accordance with the PFIA, the SBA will report on the performance implications of PFIA-related divestitures and restrictions. Generally, the impact of PFIA legislation on performance is measured as the opportunity cost of not being able to hold prohibited securities, measured by comparing the monthly return of the standard foreign equity benchmark (i.e., the MSCI ACWI ex-US) to a custom foreign equity benchmark based upon PFIA divestiture requirements. The difference in returns between the standard benchmark and custom benchmark represents the opportunity cost to the SBA of not being able to invest in (or hold) prohibited companies. The percent return difference is then applied to the average monthly balance of foreign equity investments to determine a dollar impact. Monthly dollar impacts, whether positive or negative, are added together through time and then compared to the total value of the FRS Pension Plan to determine the percentage or basis point impact of PFIA legislation.

Table 7: List of Prohibited Investments (Scrutinized Companies)
New companies on the list are shaded and in bold. (No companies added this quarter.)

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Chennai Petroleum Corp Ltd	Sudan	India	September 19, 2007	Yes
China BlueChemical Ltd	Iran	China	March 19, 2013	Yes
China National Petroleum Corporation (CNPC)	Sudan & Iran	China	December 11, 2012	Yes
China Oilfield Services Ltd	Iran	China	June 16, 2011	Yes
China Petroleum & Chemical Corp (CPCC) Sinopec	Sudan & Iran	China	September 19, 2007	Yes
CNOOC Ltd	Iran	China	June 16, 2011	Yes
CNOOC Finance Limited	Iran	China	September 24, 2013	Yes
CNPC General Capital Ltd	Sudan	China	June 26, 2012	Yes
CNPC HK Overseas Capital Ltd	Sudan & Iran	China	June 16, 2011	Yes
COSL Finance (BVI) Limited	Iran	China	September 24, 2013	Yes
Daelim Industrial Co Ltd	Iran	South Korea	June 16, 2011	Yes
Daqing Huake Group Co Ltd	Sudan	China	March 25, 2008	Yes
Egypt Kuwait Holding Co. SAE	Sudan	Kuwait	January 13, 2009	Yes
Energy House Holding Company (fka: AREF Energy Holdings Co)	Sudan	Kuwait	July 28, 2009	Yes
Engen Botswana	Sudan & Iran	Botswana	March 24, 2015	Yes
Gas District Cooling (Putrajaya) Sdn Bhd	Sudan & Iran	Malaysia	April 14, 2009	Yes
Gazprom	Iran	Russia	September 19, 2007	Yes
Gazprom Neft	Iran	Russia	September 16, 2008	Yes
Harbin Electric Co. Ltd. (fka: Harbin Power Equipment)	Sudan	China	September 19, 2007	Yes
Indian Oil Corp Ltd (IOCL)	Sudan & Iran	India	September 19, 2007	Yes
Jiangxi Hongdu Aviation (aka Hongdu Aviation)	Sudan	China	September 19, 2007	Yes
Jinan Diesel Engine	Sudan	China	July 28, 2009	Yes
KLCC Property Holdings Bhd	Sudan & Iran	Malaysia	April 14, 2009	Yes
Kunlun Energy Company Ltd. (fka: CNPC Hong Kong)	Sudan & Iran	Hong Kong	September 19, 2007	Yes

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Kuwait Finance House	Sudan	Kuwait	April 14, 2009	Yes
Lanka IOC Ltd	Sudan	India	September 19, 2007	Yes
Managem SA	Sudan	Morocco	November 9, 2010	Yes
Mangalore Refinery & Petrochemicals Ltd	Sudan & Iran	India	September 19, 2007	Yes
Malaysia Marine & Heavy Engineering Holdings Bhd	Sudan & Iran	Malaysia	March 18, 2014	Yes
MISC Bhd	Sudan & Iran	Malaysia	September 19, 2007	Yes
Mosenergo	Iran	Russia	September 16, 2008	Yes
Oil India Ltd.	Sudan	India	September 18, 2012	Yes
Oil & Natural Gas Corp (ONGC)	Sudan & Iran	India	September 19, 2007	Yes
ONGC Videsh Limited (OVL)	Sudan & Iran	India	March 18, 2014	Yes
Orca Gold Inc.	Sudan	Canada	December 9, 2014	Yes
PetroChina	Sudan & Iran	China	September 19, 2007	Yes
Petrolam Nasional (Petronas)	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Capital Limited	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Chemicals Bhd	Sudan & Iran	Malaysia	June 16, 2011	Yes
Petronas Dagangan Bhd	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Gas Berhad	Sudan & Iran	Malaysia	September 19, 2007	Yes
Putrajaya Management Sdn Bhd	Sudan & Iran	Malaysia	March 18, 2014	Yes
Sinopec Capital 2013 Ltd	Sudan & Iran	China	September 24, 2013	Yes
Sinopec Engineering Group Co Ltd	Sudan & Iran	China	March 18, 2014	Yes
Sinopec Group Overseas Development 2013 Ltd	Sudan & Iran	China	March 18, 2014	Yes
Sinopec Kantons Holdings Ltd	Sudan & Iran	Bermuda	September 19, 2007	Yes
Sinopec Oilfield Equipment Corporation (fka: Kingdream PLC)	Sudan & Iran	China	April 14, 2009	Yes
Sinopec Shanghai Petrochemical	Sudan & Iran	China	September 19, 2007	Yes
Sinopec Yizheng Chemical Fibre	Sudan & Iran	China	March 25, 2008	Yes
Societe Metallurgique D'imiter	Sudan	Morocco	November 9, 2010	Yes

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
# of Prohibited Investments	50	-	-	Yes

No companies were removed from the Prohibited Investments List this quarter.

Table 8: SBA Holdings in Prohibited Investments Subject to Divestment

As of June 30, 2015, the SBA did not hold shares of any company on the Prohibited Investments List in accounts subject to the PFIA divestiture requirements.

Summary of Progress, SBA Investment Manager Engagement Efforts

On August 20, 2007, the SBA sent letters to 66 external investment managers notifying them of the Act and informing them of new contract language that would enforce their cooperation with the requirements of the new law.

On September 19, 2007, the SBA sent letters to all affected managers outlining the list of prohibited securities for any future purchases. The letter described the SBA's engagement process with companies on the list, which affords companies a 90-day period in which to comply with the conditions of the law or clarify their activities. The letter directed these managers to cease purchase of securities on the list and to await the direction of the SBA for any divestment necessary in the event engagement fails, with a deadline for divestment under the law of September 18, 2008.

On September 19, 2007, the SBA sent letters to actively-managed, indirectly held funds holding scrutinized securities, including managers of the defined contribution program, asking the funds to review the list of scrutinized securities and consider eliminating such holdings from the portfolio or create a similar fund, devoid of such holdings, per the requirements of the law.

Each quarter, the SBA sends written and electronic notification to all affected managers about the list of prohibited companies.

The SBA has received responses noting our concerns in writing and by phone from several of the contacted managers.

Listing of All Publicly Traded Securities (Including Equity Investments)

Due to the large number of individual securities and the volume of information, this list has been electronically posted to the SBA's website and is updated quarterly. A list of all publicly traded securities owned by the State of Florida can be found within the [PFIA information section](#) of the SBA's website. Please observe the electronic report's notes page for important clarifying explanations of included data.

For more information, please contact:

State Board of Administration of Florida (SBA)
Investment Programs & Governance
1801 Hermitage Blvd., Suite 100
Tallahassee, FL 32308
www.sbafla.com

or send an email to:

pfia@sbafla.com





**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

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**RICK SCOTT
GOVERNOR
AS CHAIRMAN
JEFF ATWATER
CHIEF FINANCIAL OFFICER
PAM BONDI
ATTORNEY GENERAL
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

December 8, 2015

Honorable Dan Raulerson
Alternating Chair
Joint Legislative Auditing Committee
300 House Office Building
402 South Monroe Street
Tallahassee, Florida 32399-1100

Honorable Joseph Abruzzo
Alternating Chair
Joint Legislative Auditing Committee
222 Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399-1300

Dear Representative Raulerson and Senator Abruzzo:

Pursuant to section 218.409(6)(a)1, Florida Statutes, the Trustees of the State Board of Administration are required to "provide a quarterly report to the Joint Legislative Auditing Committee that the trustees have reviewed and approved the monthly reports [on the Florida PRIME and Fund B Management Summary] and actions taken, if any, to address any [material] impacts," and "have conducted a review of the [Fund B] trust fund and that the trust fund is in compliance with the requirements of this section." (Sections 218.409(6)(a)1 and 218.421(2)(a), F.S.)

Please be advised that the Trustees have reviewed the attached reports and authorized me to convey their action to you. During the period July 1, 2015 through September 30, 2015, there were no material impacts on the trust funds in question and, therefore, no associated actions or escalations.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink, reading "Ashbel C. Williams".

Ashbel C. Williams
Executive Director & CIO

ACW/db
Attachments

cc: Honorable Debbie Mayfield
Honorable Amanda Murphy
Honorable Ray Wesley Rodrigues
Honorable Cynthia Stafford
Honorable Lizbeth Benacquisto
Honorable Rob Bradley
Honorable Audrey Gibson
Honorable Wilton Simpson
Ms. Kathy Dubose, Coordinator



Monthly Summary Report for July 2015

Including Fund B

State Board of Administration

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FUND B

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Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in money market funds is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

INTRODUCTION

This report is prepared for stakeholders in Florida PRIME and Fund B in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from July 1, 2015 through July 31, 2015, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

During the reporting period, Florida PRIME and Fund B were in material compliance with investment policy. Details are available in the PRIME policy compliance table and the Fund B compliance narrative in the body of this report. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

DISCLOSURE OF MATERIAL IMPACTS

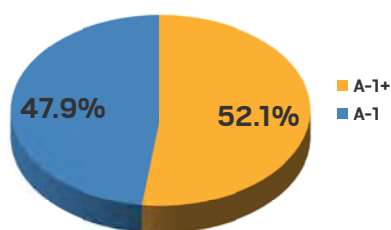
There were no developments during July 2015 that had a material impact on the liquidity or operation of Florida PRIME.

PORTFOLIO COMPOSITION JULY 31, 2015

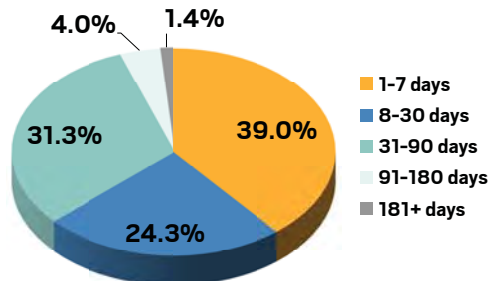
Florida PRIME Assets

\$ 6,842,348,584

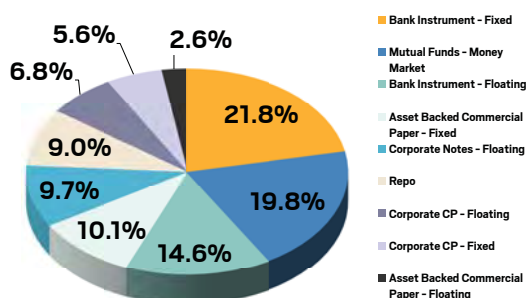
Credit Quality Composition



Effective Maturity Schedule



Portfolio Composition



PORTFOLIO MANAGER COMMENTARY

July Market Conditions

The incessant buzz surrounding whether the Federal Reserve will or will not initiate liftoff in September (put us in the “will” camp) got us thinking about just how much times have changed. We recall a meeting years ago in the board room on the 27th floor of our Downtown office building. It was with members of the New York Federal Reserve Bank, and the discussion centered on the possibility the target funds rate, 1% at the time, could be lowered another 25 basis points to 0.75% ... 0.75%!

We thought that was madness; now, we would be jumping for joy over such a rate! And, frankly, we believe we will get to 0.75% at some point next year, likely in the first half of 2016. We also think the Fed will initiate its first increase in the funds rate in nine years at its meeting next month, the noise surrounding its late July post-meeting statement notwithstanding. If you strip that statement down, there were less than 10 word changes, with a lot of consternation focused on the addition of the word “some,” as in policymakers to need to see “some” further improvement in the labor markets to justify a rate hike. Honestly, this all sounds like word sniffing to me.

Based on the economic data and events since the Fed met in June and signaled a September move (July’s was a non-press conference, non-forecast meeting, which is why there was so much obsession over word changes), it does not appear to me that policymakers are wavering. Fed Chair Janet Yellen’s biannual comments to Congress last month, as well as those from other Fed governors, were supportive of a September move. And despite a few bumps, most notably in manufacturing, the stream of economic news has been pretty good. The latest GDP report showed consumer spending picking up and housing continuing to improve. Outside of stubbornly modest wage gains, the labor market continues to act as if it is the 1990s. And the Greek can got kicked again. China bears watching, true, but at this juncture a hard landing does not appear in store, not when its government has massive financial reserves at its disposal. The dollar and inflation also bear watching; the reemergence of oil’s downward trend could prove problematic for the Fed’s desired inflation target.

We do think the Fed will tread very gingerly once it begins to move. Our scenario sees a rate hike of 25 basis points or so

JULY 31, 2015

Top Holdings and Average Maturity

1. Federated Prime Obligations Fund	9.9%
2. Federated Prime Cash Obligations Fund	9.9%
3. Standard Chartered PLC	5.0%
4. Mitsubishi UFJ Financial Group, Inc.	5.0%
5. JPMorgan Chase & Co.	5.0%
6. Royal Bank of Canada, Montreal	4.8%
7. Sumitomo Mitsui Financial Group, Inc.	4.8%
8. Wells Fargo & Co.	4.4%
9. Bank of Montreal	3.6%
10. General Electric Co.	3.4%

Average Effective Maturity (WAM)

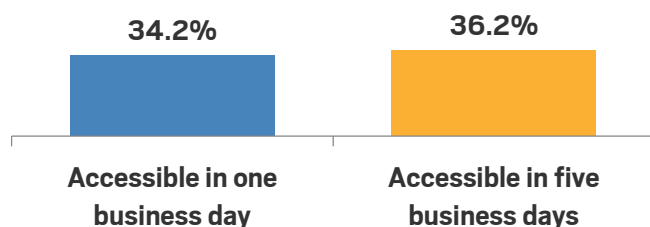
32.8 Days

Weighted Average Life (Spread WAM)

82.7 Days

Percentages based on total value of investments

Highly Liquid Holdings (% at month end)



PORTFOLIO MANAGER COMMENTARY (CON'T.)

every second or third meeting, starting with September as opposed to December, as some are currently suggesting. Given the cash-flow complications and all the funding and window-dressing moves that occur in the money market toward the end of every year, to toss in the beginning of a policy of raising rates when they have effectively been a zero for seven years would not make a lot of sense from our perspective. That said, we would not be surprised if the Fed only makes one move this year; its first meeting in 2016 is in late January, so skipping December would not be such a big deal. Our expectation is it will nudge the target rate to 1% and then pause to make an assessment. And as I noted at the top, 1% from an historical perspective is not restrictive. Until 2008, it was considered highly accommodative and it still would be, just not as much as the market has grown accustomed.

Portfolio Investment Strategy

The cash market started to price in a Fed move in July, with the London interbank lending rate rising across most of the short end of the curve: 1-month LIBOR remained at 19 basis points, but 3-month rose 3 basis points, 6-month rose 5 and 12-month rose 6. With this development we have been able to find value in floating-rate instruments that generally benefit in a rising-rate environment. While we purchased more floating-rate instruments in July (29% of holdings) than in June, we also bought attractive banking paper (22% of holdings) in the 3- to 4-month space. The remainder of the portfolio saw slight increases in holdings of money market funds (now 20% of total) and repo (now 9% of total) compared to June, with an 8% drop in the percentage of commercial paper held to make room for all of the increases. Most importantly, the portfolio's investment strategy captured a higher yield for the Pool for July, a 2 basis point increase from that of June.

Assets of the pool declined \$160.9 million to \$6.8 billion due to the outflows we expect in the summer months.

FLORIDA PRIME SUMMARY OF CASH FLOWS

July 2015

Opening Balance (07/01/15)	\$	7,003,224,923
Participant Deposits		819,391,248
Gross Earnings		1,441,409
Participant Withdrawals		(981,604,434)
Fees		(104,562)
Closing Balance (07/31/15)		6,842,348,584
Net Change over Month		(160,876,339)

Valuations based on amortized cost

As shown in the table above, Florida PRIME experienced a net outflow of \$160.9 million during July 2015.

This change in value consisted of positive flows of \$819.4 million in participant deposits and 1.4 million in earnings. Negative flows consisted of \$981.6 million in participant withdrawals and about \$105,000 in fees.

Overall, the fund ended the month with a closing balance of \$6.84 billion.

FLORIDA PRIME DETAILED FEE DISCLOSURE

July 2015	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 58,870.27	1.02
Federated Investment Management Fee	22,306.13	0.39
BNY Mellon Custodial Fee**	10,386.96	0.18
Bank of America Transfer Agent Fee	4,883.51	0.08
S&P Rating Maintenance Fee	3,397.26	0.06
Audit/External Review Fees	4,718.03	0.08
Total Fees	\$ 104,562.16	1.81

*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$6,922,786,754

**All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges will fluctuate month-to-month.

SBA Releases the results of the 2015 Annual Participant Satisfaction Survey, the 2015 Annual Statutory Compliance Review, and the 2015 Annual Investment Best Practices Review.

See the Latest News section of the PRIME website.
<https://www.sbafla.com/PRIME>

FUND PERFORMANCE THROUGH JULY 31, 2015

NOTES TO PERFORMANCE TABLE

¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

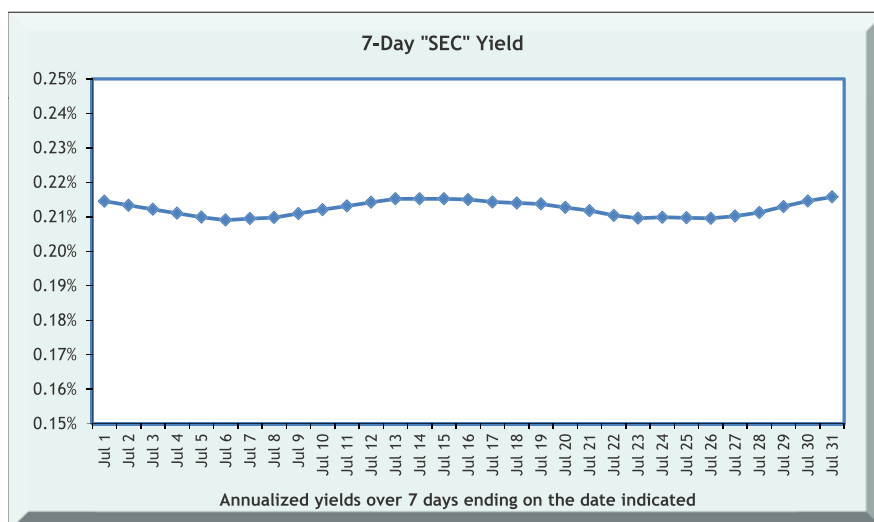
Net asset value includes investments at market value, plus all cash, accrued interest receivable and payables.

Florida PRIME Participant Performance Data

	Net Participant Yield ¹	Net-of-Fee Benchmark ²	Above (Below) Benchmark
1 mo	0.23%	0.07%	0.16%
3 mos	0.22%	0.06%	0.15%
12 mos	0.18%	0.05%	0.13%
3 yrs	0.20%	0.06%	0.14%
5 yrs	0.23%	0.08%	0.15%
10 yrs	1.62%	1.48%	0.14%
Since 1.96	2.82%	2.61%	0.21%

Net asset value at month end: \$6,841.9 m

Florida PRIME 7-Day "SEC" Yields During the Month



For performance comparisons to other short-term investment options, see www.sbafla.com/prime and click on "Pool Performance."

NOTES TO CHART

The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC rule 2a-7 for money market funds.

The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365.

Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

ABOUT ANNUALIZED YIELDS

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding,

an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.

INVENTORY OF HOLDINGS JULY 31, 2015

Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
ABN Amro Bank NV CDEUR	CERTIFICATE OF DEPOSIT - EURO	0.00	8/12/2015		50,000,000	0.29	\$49,995,170	\$49,997,000	\$1,830
ABN Amro Bank NV CDEUR	CERTIFICATE OF DEPOSIT - EURO	0.00	9/15/2015		75,000,000	0.32	\$74,969,355	\$74,974,875	\$5,520
ABN Amro Bank NV CDEUR	CERTIFICATE OF DEPOSIT - EURO	0.00	10/13/2015		50,000,000	0.34	\$49,965,086	\$49,967,450	\$2,364
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/18/2015		125,000,000	0.27	\$124,983,125	\$124,989,063	\$5,938
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/24/2015		90,400,000	0.28	\$90,361,329	\$90,370,582	\$9,253
Australia & New Zealand Banking Group, Melbourne, Dec 18, 2015	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.29	12/18/2015	8/18/2015	100,000,000	0.29	\$100,000,000	\$99,996,000	\$(4,000)
BMO Harris Bank, N.A., Oct 23, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.33	10/23/2015	8/24/2015	25,000,000	0.33	\$25,000,000	\$24,998,825	\$(1,175)
BMW US Capital LLC, Jul 06, 2016	VARIABLE EURO MEDIUM TERM NOTE	0.40	7/6/2016	10/6/2015	51,000,000	0.41	\$51,000,000	\$50,955,120	\$(44,880)
Bank of America N.A. BNOTE	BANK NOTE	0.34	12/1/2015		25,000,000	0.34	\$25,000,000	\$24,999,800	\$(200)
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.15	8/3/2015		620,000,000	0.15	\$620,000,000	\$620,000,000	\$-
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.27	8/12/2015		20,000,000	0.27	\$20,000,000	\$20,000,919	\$919
Bank of Montreal, Dec 10, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.27	12/10/2015	8/10/2015	100,000,000	0.28	\$100,000,000	\$99,992,700	\$(7,300)
Bank of Montreal, May 23, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.35	5/23/2016	8/24/2015	50,000,000	0.35	\$50,000,000	\$49,995,900	\$(4,100)
Bank of Montreal, Series MTN, 1.300%, 07/15/2016	CORPORATE BOND	1.30	7/15/2016		14,430,000	0.81	\$14,497,194	\$14,497,229	\$35
Bank of Montreal, Sr. Unsecd. Note, Series MTN, .8%, 11/06/2015	CORPORATE NOTE	0.80	11/6/2015		2,000,000	0.39	\$2,002,199	\$2,001,404	\$(795)
Bank of Montreal, Sr. Unsecd. Note, Series MTN, .8%, 11/06/2015	CORPORATE NOTE	0.80	11/6/2015		1,300,000	0.49	\$1,301,071	\$1,300,913	\$(158)
Bank of Montreal, Sr. Unsecd. Note, Series MTN, 7/15/2016	CORPORATE BOND	0.81	7/15/2016	10/15/2015	15,000,000	0.40	\$15,060,348	\$15,049,965	\$(10,383)
Bank of Montreal, Sr. Unsecd. Note, Series MTN, 7/15/2016	CORPORATE BOND	0.81	7/15/2016	10/15/2015	10,000,000	0.44	\$10,036,218	\$10,033,310	\$(2,908)
Bank of Montreal, Sr. Unsecured, Aug 20, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.42	8/20/2015	8/20/2015	5,000,000	0.30	\$5,000,349	\$4,999,855	\$(494)
Bank of Nova Scotia, Tor, 2.05%, 10/07/2015	CORPORATE BOND	2.05	10/7/2015		50,000,000	0.41	\$50,152,067	\$50,134,650	\$(17,417)
Bank of Nova Scotia, Toronto, Jan 15, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.34	1/15/2016	8/17/2015	40,000,000	0.34	\$40,000,000	\$39,998,080	\$(1,920)
Bank of Tokyo-Mitsubishi Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/15/2015		40,000,000	0.30	\$40,000,000	\$40,005,308	\$5,308
Bank of Tokyo-Mitsubishi Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	9/8/2015		35,000,000	0.28	\$35,000,000	\$35,003,559	\$3,559
Barton Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/17/2015		25,000,000	0.22	\$24,992,667	\$24,994,600	\$1,933
Barton Capital LLC, Nov 06, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.29	11/6/2015	8/6/2015	50,000,000	0.29	\$50,000,000	\$49,997,200	\$(2,800)
Barton Capital LLC, Nov 10, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.29	11/10/2015	8/10/2015	20,000,000	0.29	\$20,000,000	\$19,999,440	\$(560)
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2015		12,000,000	0.34	\$11,995,050	\$11,997,450	\$2,400
Bedford Row Funding Corp., Apr 14, 2016	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.33	4/14/2016	8/14/2015	25,000,000	0.33	\$25,000,000	\$24,996,450	\$(3,550)
Bedford Row Funding Corp., May 10, 2016	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.34	5/10/2016	8/10/2015	50,000,000	0.34	\$50,000,000	\$49,996,050	\$(3,950)
Bedford Row Funding Corp., Sep 09, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.30	9/9/2015	8/10/2015	30,000,000	0.30	\$30,000,000	\$29,999,010	\$(990)
Chase Bank USA, N.A. CD	CERTIFICATE OF DEPOSIT	0.65	6/8/2016		50,000,000	0.66	\$50,000,000	\$50,048,673	\$48,673
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	9/3/2015		30,000,000	0.28	\$30,000,000	\$30,003,000	\$3,000

See notes at end of table.

INVENTORY OF HOLDINGS (CONTINUED)

JULY 31, 2015

Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.29	10/2/2015		25,000,000	0.29	\$25,000,000	\$25,003,496	\$3,496
Credit Suisse, Zurich CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/13/2015		100,000,000	0.28	\$100,000,000	\$100,007,596	\$7,596
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/8/2015		70,000,000	0.28	\$70,000,000	\$70,003,336	\$3,336
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/2/2015		100,000,000	0.28	\$100,000,000	\$100,006,101	\$6,101
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/16/2015		30,000,000	0.30	\$30,000,000	\$30,002,046	\$2,046
Dreyfus Government Cash Management Fund OVNMF	OVERNIGHT MUTUAL FUND	0.01	8/3/2015		7,079,516	0.01	\$7,079,516	\$7,079,516	\$-
Federated Prime Cash Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	0.09	8/3/2015	8/3/2015	675,754,827	0.09	\$675,754,827	\$675,754,827	\$-
Federated Prime Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	0.08	8/3/2015	8/3/2015	676,116,811	0.08	\$676,116,811	\$676,116,811	\$-
General Electric Cap Corp., Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		1,625,000	0.38	\$1,634,216	\$1,633,318	\$(897)
General Electric Cap Corp., Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		700,000	0.41	\$703,922	\$703,583	\$(339)
General Electric Cap Corp., Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		4,750,000	0.43	\$4,776,651	\$4,774,315	\$(2,336)
General Electric Cap Corp., Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		1,858,000	0.44	\$1,868,412	\$1,867,511	\$(901)
General Electric Capital Corp., Sr. Note, Series MTNA, 6.900%, 09/15/2015	CORPORATE BOND	6.90	9/15/2015		800,000	0.41	\$806,528	\$805,170	\$(1,358)
General Electric Capital Corp., Sr. Note, Series MTNA, 6.900%, 09/15/2015	CORPORATE BOND	6.90	9/15/2015		3,000,000	0.41	\$3,024,469	\$3,019,386	\$(5,083)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		6,510,000	0.54	\$6,630,900	\$6,622,747	\$(8,153)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		7,500,000	0.54	\$7,639,291	\$7,629,893	\$(9,399)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		10,000,000	0.54	\$10,185,743	\$10,173,190	\$(12,553)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		6,100,000	0.54	\$6,213,280	\$6,205,646	\$(7,634)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		1,000,000	0.66	\$1,017,644	\$1,017,319	\$(325)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		1,000,000	0.66	\$1,017,638	\$1,017,319	\$(319)
General Electric Capital Corp., Sr. Unsecured, Jun 20, 2016	VARIABLE EURO MEDIUM TERM NOTE	0.48	6/20/2016	9/21/2015	85,000,000	0.34	\$85,119,261	\$84,871,990	\$(247,271)
General Electric Capital Corp., Sr. Unsecured, Sep 23, 2015	VARIABLE MEDIUM TERM NOTE	0.98	9/23/2015	9/23/2015	2,500,000	0.34	\$2,502,593	\$2,502,230	\$(363)
General Electric Capital Corp., Sr. Unsecured, Sep 23, 2015	VARIABLE MEDIUM TERM NOTE	0.98	9/23/2015	9/23/2015	255,000	0.44	\$255,219	\$255,227	\$9
General Electric Capital, Floating Rate Note - Sr. Note, Series MTN, 1/08/2016	CORPORATE BOND	0.88	1/8/2016	10/8/2015	10,000,000	0.34	\$10,024,610	\$10,024,800	\$190
General Electric Capital, Series GMTN, 1.5%, 7/12/2016	CORPORATE BOND	1.50	7/12/2016		4,626,000	0.76	\$4,658,291	\$4,662,749	\$4,458
General Electric Capital, Sr. Note, 1/14/2016	CORPORATE NOTE	0.52	1/14/2016	10/14/2015	14,225,000	0.34	\$14,237,105	\$14,233,407	\$(3,698)
General Electric Capital, Sr. Note, 1/14/2016	CORPORATE NOTE	0.52	1/14/2016	10/14/2015	10,000,000	0.35	\$10,008,103	\$10,005,910	\$(2,193)
General Electric Capital, Sr. Note, Series MTN, 1/08/2016	CORPORATE BOND	0.48	1/8/2016	10/8/2015	255,000	0.37	\$255,141	\$255,157	\$17
General Electric Capital, Sr. Unsec'd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		9,952,000	0.41	\$10,002,595	\$9,997,182	\$(5,413)

See notes at end of table.

INVENTORY OF HOLDINGS (CONTINUED)

JULY 31, 2015

Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
General Electric Capital, Sr. Unsec. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		1,089,000	0.41	\$1,094,535	\$1,093,944	\$(591)
General Electric Capital, Sr. Unsec. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		8,000,000	0.41	\$8,040,643	\$8,036,320	\$(4,323)
General Electric Capital, Sr. Unsec. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		10,000,000	0.41	\$10,050,429	\$10,045,400	\$(5,029)
General Electric Capital, Sr. Unsec. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		1,000,000	0.51	\$1,004,797	\$1,004,540	\$(257)
General Electric Capital, Sr. Unsec. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		3,967,000	0.43	\$4,046,170	\$4,042,143	\$(4,027)
General Electric Capital, Sr. Unsec. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		400,000	0.46	\$407,955	\$407,577	\$(378)
General Electric Capital, Sr. Unsec. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		10,000,000	0.46	\$10,198,642	\$10,189,420	\$(9,222)
General Electric Capital, Sr. Unsec. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		7,650,000	0.51	\$7,800,766	\$7,794,906	\$(5,860)
General Electric Capital, Sr. Unsec. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		1,185,000	0.61	\$1,207,852	\$1,207,446	\$(406)
General Electric Capital, Sr. Unsec. Note, Series MTN, 8/11/2015	CORPORATE BOND	1.03	8/11/2015	8/11/2015	1,335,000	0.30	\$1,335,303	\$1,335,147	\$(156)
General Electric Capital, Sr. Unsec. Note, Series MTN, 8/11/2015	CORPORATE BOND	1.03	8/11/2015	8/11/2015	2,958,000	0.31	\$2,958,658	\$2,958,325	\$(332)
General Electric Capital, Sr. Unsec. Note, Series MTN, 8/11/2015	CORPORATE BOND	1.03	8/11/2015	8/11/2015	3,000,000	0.32	\$3,000,657	\$3,000,330	\$(327)
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/4/2015		100,000,000	0.20	\$99,997,778	\$99,998,111	\$333
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/18/2015		25,000,000	0.20	\$24,997,500	\$24,997,813	\$313
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/20/2015		100,000,000	0.18	\$99,990,000	\$99,990,111	\$111
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/25/2015		40,000,000	0.19	\$39,994,722	\$39,994,889	\$167
HSBC USA, Inc. CP	COMMERCIAL PAPER		8/21/2015		25,000,000	0.28	\$24,995,990	\$24,998,250	\$2,260
HSBC USA, Inc. CP	COMMERCIAL PAPER		8/26/2015		50,000,000	0.28	\$49,990,069	\$49,995,342	\$5,272
HSBC USA, Inc. CP	COMMERCIAL PAPER		9/1/2015		30,000,000	0.32	\$29,991,600	\$29,996,240	\$4,640
ING (U.S.) Funding LLC CP	COMMERCIAL PAPER		8/6/2015		\$25,000,000	0.26	\$24,998,917	\$24,999,313	\$396
ING (U.S.) Funding LLC CP	COMMERCIAL PAPER		8/24/2015		\$100,000,000	0.27	\$99,982,000	\$99,987,400	\$5,400
ING (U.S.) Funding LLC CP	COMMERCIAL PAPER		8/26/2015		\$25,000,000	0.27	\$24,995,125	\$24,996,533	\$1,408
J.P. Morgan Securities LLC CP4-2	COMMERCIAL PAPER - 4-2		10/9/2015		\$25,000,000	0.41	\$24,980,556	\$24,989,646	\$9,090
J.P. Morgan Securities LLC CP4-2	COMMERCIAL PAPER - 4-2		11/10/2015		\$25,000,000	0.35	\$24,975,917	\$24,981,583	\$5,667
J.P. Morgan Securities LLC, Apr 22, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.45	4/22/2016	8/24/2015	\$10,000,000	0.46	\$10,000,000	\$9,998,590	\$(1,410)
J.P. Morgan Securities LLC, Dec 04, 2015	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.35	12/4/2015	9/4/2015	\$50,000,000	0.35	\$50,000,000	\$49,995,900	\$(4,100)
J.P. Morgan Securities LLC, Feb 09, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.39	2/9/2016	8/10/2015	\$100,000,000	0.39	\$100,000,000	\$99,994,700	\$(5,300)
J.P. Morgan Securities LLC, Feb 16, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.39	2/16/2016	8/17/2015	\$25,000,000	0.39	\$25,000,000	\$24,998,575	\$(1,425)
J.P. Morgan Securities LLC, Nov 10, 2015	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.38	11/10/2015	8/10/2015	\$40,000,000	0.35	\$40,000,000	\$39,998,680	\$(1,320)
JPMorgan Chase Bank, N.A., Sep 06, 2016	VARIABLE RATE BANK NOTE	0.47	9/6/2016	8/7/2015	\$15,000,000	0.45	\$15,000,000	\$15,000,015	\$15
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/2/2015		\$20,600,000	0.28	\$20,594,713	\$20,596,374	\$1,662
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2015		\$100,000,000	0.30	\$99,944,167	\$99,956,078	\$11,911
Mizuho Bank Ltd. CDEUR (London)	CERTIFICATE OF DEPOSIT - EURO	0.00	10/13/2015		\$45,000,000	0.37	\$44,966,731	\$44,969,040	\$2,309
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.26	8/5/2015		\$10,000,000	0.26	\$10,000,000	\$10,000,062	\$62
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.26	8/14/2015		\$30,000,000	0.19	\$30,000,815	\$30,000,390	\$(425)

See notes at end of table.

INVENTORY OF HOLDINGS (CONTINUED)

JULY 31, 2015

Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	9/17/2015		\$50,000,000	0.28	\$50,000,000	\$50,001,461	\$1,461
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/27/2015		\$40,000,000	0.30	\$40,000,000	\$40,000,194	\$194
Mizuho Bank Ltd., Oct 30, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.34	10/30/2015	8/28/2015	\$50,000,000	0.32	\$50,003,872	\$50,000,000	\$(3,872)
National Australia Bank, Sr. Unsecd. Note, 1.6%, 8/07/2015	CORPORATE BOND	1.60	8/7/2015		\$900,000	0.47	\$900,196	\$900,052	\$(144)
National Australia Bank Ltd., Melbourne, Jan 29, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.34	1/29/2016	8/13/2015	\$40,000,000	0.34	\$40,000,000	\$39,996,080	\$(3,920)
New York City, NY Municipal Water Finance Authority, Second General Resolution (Fiscal 2007 Series C-C1), 06/15/2038	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.12	6/15/2038	8/3/2015	\$46,400,000	0.12	\$46,400,000	\$46,400,000	\$-
Royal Bank of Canada, Montreal, Jan 13, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.29	1/13/2016	8/13/2015	\$25,000,000	0.29	\$25,000,000	\$24,994,375	\$(5,625)
Royal Bank of Canada, Montreal, May 12, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.33	5/12/2016	8/12/2015	\$50,000,000	0.33	\$50,000,000	\$49,996,100	\$(3,900)
Royal Bank of Canada, Montreal, Sep 02, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.40	9/2/2016	10/5/2015	\$125,000,000	0.41	\$125,000,000	\$124,994,000	\$(6,000)
Royal Bank of Canada, Montreal, Sr. Unsecd. Note, Series MTN, 2.625%, 12/15/2015	CORPORATE BOND	2.63	12/15/2015		\$9,550,000	0.50	\$9,626,040	\$9,625,521	\$(518)
Royal Bank of Canada, Montreal, Sr. Unsecd. Note, Series MTN, 2.625%, 12/15/2015	CORPORATE BOND	2.63	12/15/2015		\$785,000	0.55	\$791,101	\$791,208	\$107
Societe Generale, Paris CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.29	8/31/2015		\$25,000,000	0.29	\$25,000,000	\$25,002,129	\$2,129
Societe Generale, Paris CP4-2	COMMERCIAL PAPER - 4-2		9/1/2015		\$50,000,000	0.29	\$49,987,111	\$49,991,511	\$4,400
Standard Chartered Bank plc CP	COMMERCIAL PAPER		9/3/2015		\$25,000,000	0.28	\$24,993,389	\$24,995,160	\$1,771
Standard Chartered Bank plc TD	TIME DEPOSIT	0.08	8/3/2015		\$315,000,000	0.08	\$315,000,000	\$315,000,000	\$-
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/9/2015		\$50,000,000	0.28	\$49,984,444	\$49,989,056	\$4,611
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/9/2015		\$50,000,000	0.32	\$50,000,000	\$50,002,655	\$2,655
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.33	12/2/2015		\$4,000,000	0.33	\$4,000,000	\$4,000,041	\$41
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.33	12/1/2015		\$100,000,000	0.33	\$100,000,000	\$100,001,704	\$1,704
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.27	9/2/2015		\$16,000,000	0.27	\$16,000,000	\$16,001,142	\$1,142
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.31	10/26/2015		\$28,000,000	0.31	\$28,000,000	\$28,001,886	\$1,886
Sumitomo Mitsui Banking Corp., Aug 10, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.29	8/10/2015	8/10/2015	\$28,000,000	0.29	\$28,000,000	\$27,999,888	\$(112)
Sumitomo Mitsui Banking Corp., Sep 17, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.29	9/17/2015	8/17/2015	\$100,000,000	0.29	\$100,000,000	\$99,998,500	\$(1,500)
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	9/10/2015		\$25,000,000	0.35	\$25,000,000	\$25,005,851	\$5,851
Toronto Dominion Bank, Apr 15, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.32	4/15/2016	10/15/2015	\$40,000,000	0.32	\$40,000,000	\$39,992,880	\$(7,120)
Toronto Dominion Bank, Feb 12, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.31	2/12/2016	8/12/2015	\$25,000,000	0.31	\$25,000,000	\$24,998,450	\$(1,550)
Toronto Dominion Bank, Jul 01, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.35	7/1/2016	8/4/2015	\$75,000,000	0.35	\$75,000,000	\$74,986,275	\$(13,725)
Toronto Dominion Bank, Sep 04, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.28	9/4/2015	8/4/2015	\$50,000,000	0.28	\$50,000,000	\$49,999,200	\$(800)
Toyota Motor Credit Corp., Apr 15, 2016	VARIABLE MEDIUM TERM NOTE	0.30	4/15/2016	10/15/2015	\$100,000,000	0.30	\$100,000,000	\$99,982,300	\$(17,700)
Toyota Motor Credit Corp., Sep 03, 2015	VARIABLE RATE COMMERCIAL PAPER	0.28	9/3/2015	8/10/2015	\$100,000,000	0.28	\$100,000,000	\$99,998,100	\$(1,900)
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.57	5/17/2016	8/17/2015	\$21,100,000	0.30	\$21,147,774	\$21,139,330	\$(8,443)

See notes at end of table.

INVENTORY OF HOLDINGS (CONTINUED)

JULY 31, 2015

Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.57	5/17/2016	8/17/2015	\$1,420,000	0.30	\$1,423,092	\$1,422,647	\$(445)
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.57	5/17/2016	8/17/2015	\$300,000	0.31	\$300,655	\$300,559	\$(96)
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.57	5/17/2016	8/17/2015	\$2,000,000	0.31	\$2,004,412	\$2,003,728	\$(684)
UBS AG CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.20	8/31/2015		\$50,000,000	0.20	\$50,000,000	\$50,000,430	\$430
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	\$1,277,000	0.33	\$1,277,587	\$1,277,336	\$(252)
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	\$2,750,000	0.35	\$2,751,162	\$2,750,723	\$(438)
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	\$33,400,000	0.38	\$33,409,780	\$33,408,784	\$(995)
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	\$19,216,000	0.40	\$19,221,775	\$19,221,054	\$(721)
Wells Fargo Bank, N.A., Aug 19, 2016	VARIABLE MEDIUM TERM NOTE	0.42	8/19/2016	9/22/2015	\$50,000,000	0.43	\$50,000,000	\$49,999,400	\$(600)
Wells Fargo Bank, N.A., Aug 19, 2016	VARIABLE RATE BANK NOTE	0.40	8/19/2016	9/21/2015	\$100,000,000	0.41	\$100,000,000	\$100,000,800	\$800
Wells Fargo Bank, N.A., Sr. Unsecured, Sep 08, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.31	9/8/2015	9/4/2015	\$95,700,000	0.31	\$95,700,000	\$95,692,823	\$(7,178)
Total Value of Investments					\$6,838,719,154		\$6,840,309,388	\$6,839,958,622	\$(350,766)

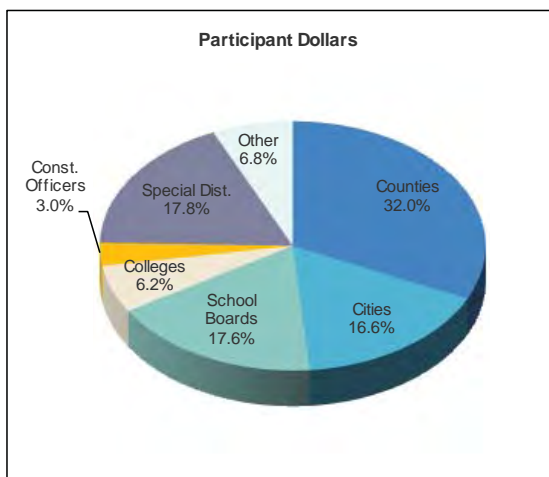
Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

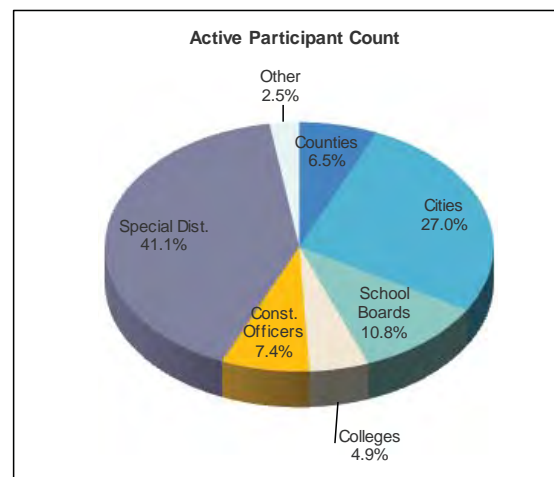
² Amortized cost is calculated using a straight line method.

PARTICIPANT CONCENTRATION DATA - JULY 31, 2015

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
All Participants	100.0%	100.0%	Colleges & Universities	6.2%	4.9%
Top 10	40.4%	1.2%	Top 10	5.7%	1.2%
\$100 million or more	50.2%	1.8%	\$100 million or more	3.4%	0.1%
\$10 million up to \$100 million	40.1%	11.3%	\$10 million up to \$100 million	1.8%	0.6%
\$1 million up to \$10 million	8.6%	19.0%	\$1 million up to \$10 million	0.9%	1.6%
Under \$1 million	1.0%	67.9%	Under \$1 million	0.04%	2.6%
Counties	32.0%	6.5%	Constitutional Officers	3.0%	7.4%
Top 10	25.8%	1.2%	Top 10	0.9%	1.2%
\$100 million or more	21.1%	0.7%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	10.1%	1.7%	\$10 million up to \$100 million	1.9%	0.5%
\$1 million up to \$10 million	0.8%	1.1%	\$1 million up to \$10 million	1.0%	2.2%
Under \$1 million	0.0%	2.9%	Under \$1 million	0.1%	4.7%
Municipalities	16.6%	27.0%	Special Districts	17.8%	41.1%
Top 10	9.9%	1.2%	Top 10	12.3%	1.2%
\$100 million or more	4.9%	0.2%	\$100 million or more	7.2%	0.2%
\$10 million up to \$100 million	8.8%	2.9%	\$10 million up to \$100 million	8.7%	2.7%
\$1 million up to \$10 million	2.5%	6.0%	\$1 million up to \$10 million	1.6%	4.5%
Under \$1 million	0.4%	17.8%	Under \$1 million	0.4%	33.6%
School Boards	17.6%	10.8%	Other	6.8%	2.5%
Top 10	14.2%	1.2%	Top 10	6.2%	1.2%
\$100 million or more	10.3%	0.4%	\$100 million or more	3.3%	0.1%
\$10 million up to \$100 million	5.9%	2.0%	\$10 million up to \$100 million	3.0%	0.9%
\$1 million up to \$10 million	1.3%	2.6%	\$1 million up to \$10 million	0.5%	1.0%
Under \$1 million	0.1%	5.9%	Under \$1 million	0.0%	0.5%



Total Fund Value: \$6,842,348,583



Total Active Participant Count: 816

FLORIDA PRIME COMPLIANCE WITH INVESTMENT POLICY - JULY 2015

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG meets monthly and on an ad hoc basis to review compliance exceptions, to document responses to exceptions, and to formally escalate recommendations for approval by the Executive Director & CIO. The IOG also reviews the Federated compliance report each month, as well as the results of independent compliance testing conducted by SBA Risk Management and Compliance. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
<u>Florida PRIME's Investment Policy</u>	
Securities must be USD denominated.	Pass
<u>Ratings requirements</u>	
The Pool must purchase exclusively first-tier securities. Securities purchased with short-term ratings by an NRSRO, or comparable in quality and security to other obligations of the issuer that have received short-term ratings from an NRSRO, are eligible if they are in one of the two highest rating categories.	Pass
Securities purchased that do not have short-term ratings must have a long-term rating in one of the three highest long-term rating categories.	Pass
Commercial Paper must be rated by at least one short-term NRSRO.	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life - maximum 90 days ¹	Pass
<u>Maturity</u>	
Securities, excluding Government floating rate notes/variable rate notes, purchased did not have a maturity in excess of 397 days.	Pass
Government floating rate notes/variable rate notes purchased did not have a maturity in excess of 762 days.	Pass
The Pool must maintain a Spread WAM of 120 days or less.	Pass
<u>Issuer Diversification</u>	
First-tier issuers (limit does not apply to cash, cash items, U.S. Government securities refunded securities and repo collateralized by these securities) are limited, at the time of purchase, to 5% of the Pool's total assets. ²	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First-tier securities issued by or subject to demand features and guarantees of a non-controlled person, at time of purchase, are limited to 10% with respect to 75% of the Pool's total assets.	Pass
First-tier securities issued by or subject to demand features and guarantees of a control person, at time of purchase, are limited to 10% with respect to the Pool's total assets.	Pass
<u>Money Market Mutual Funds</u>	
The account, at time of purchase, will not have exposure to any one Money Market Mutual Fund in excess of 10% of the Pool's total assets.	Pass
<u>Concentration Tests</u>	
The account, at time of purchase, will not have exposure to an industry sector, excluding the financial services industry, in excess of 25% of the Pool's total assets.	Pass
The account, at time of purchase, will not have exposure to any single Government Agency in excess of 33.33% of the Pool's total assets.	Pass
The account, at time of purchase, will not have exposure to illiquid securities in excess of 5% of the Pool's total assets.	Pass
The account, at time of purchase, will invest at least 10% of the Pool's total assets in securities accessible within one business day.	Pass
The account, at time of purchase, will invest at least 30% of the Pool's total assets in securities accessible within five business days. ³	Pass
<u>S&P Requirements</u>	
The Pool must maintain a Dollar Weighted Average Maturity of 60 days or less.	Pass
The account, at time of purchase, will invest at least 50% of the Pool's total assets in Securities in Highest Rating Category (A-1+ or equivalent) .	Pass

¹ The fund may use floating rate government securities to extend the limit up to 120 days

² This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to liquidate positions if the exposure in excess of the specified percentage is caused by

³ This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to take immediate corrective measures if asset movements cause the exposure to be below the specified percentage.

TRADING ACTIVITY FOR JULY 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Buys								
BANK OF AMERICA N,ABNOTE	12/01/15	07/21/15	07/21/15	25,000,000	25,000,000	0	25,000,000	0
BANK OF MONTREAL	07/15/16	07/28/15	07/31/15	10,000,000	10,036,218	3,595	10,039,813	0
BARTON CAPITAL LLCPCABS4-	09/17/15	07/16/15	07/17/15	25,000,000	24,990,528	0	24,990,528	0
MIZUHO BANK LTD,CDEUR	10/13/15	07/09/15	07/13/15	45,000,000	44,958,638	0	44,958,638	0
ABN AMRO BANK NVCEUR	10/13/15	07/09/15	07/13/15	50,000,000	49,956,593	0	49,956,593	0
RABOBANK NEDERLAND CP	07/16/15	07/15/15	07/15/15	50,000,000	49,999,847	0	49,999,847	0
RABOBANK NEDERLAND CP	07/16/15	07/15/15	07/15/15	50,000,000	49,999,847	0	49,999,847	0
RABOBANK NEDERLAND CP	07/16/15	07/15/15	07/15/15	50,000,000	49,999,847	0	49,999,847	0
RABOBANK NEDERLAND CP	07/16/15	07/15/15	07/15/15	50,000,000	49,999,847	0	49,999,847	0
RABOBANK NEDERLAND CP	07/20/15	07/17/15	07/17/15	50,000,000	49,999,542	0	49,999,542	0
RABOBANK NEDERLAND CP	07/20/15	07/17/15	07/17/15	50,000,000	49,999,542	0	49,999,542	0
RABOBANK NEDERLAND CP	07/20/15	07/17/15	07/17/15	50,000,000	49,999,542	0	49,999,542	0
RABOBANK NEDERLAND CP	07/20/15	07/17/15	07/17/15	50,000,000	49,999,542	0	49,999,542	0
CREDIT SUISSE, ZURICDYAN	10/13/15	07/15/15	07/15/15	50,000,000	50,000,000	0	50,000,000	0
CREDIT SUISSE, ZURICDYAN	10/13/15	07/15/15	07/15/15	50,000,000	50,000,000	0	50,000,000	0
GOTHAM FUNDING CORP-CPABS4	08/20/15	07/16/15	07/16/15	50,000,000	49,991,250	0	49,991,250	0
GOTHAM FUNDING CORP-CPABS4	08/20/15	07/16/15	07/16/15	50,000,000	49,991,250	0	49,991,250	0
GOTHAM FUNDING CORP-CPABS4	08/25/15	07/22/15	07/22/15	40,000,000	39,992,822	0	39,992,822	0
JP MORGAN SECURITIES LLC	04/22/16	07/29/15	07/29/15	10,000,000	10,000,000	0	10,000,000	0
LLOYDS TSB BANK PLCCP	07/16/15	07/15/15	07/15/15	50,000,000	49,999,833	0	49,999,833	0
LLOYDS TSB BANK PLCCP	07/16/15	07/15/15	07/15/15	50,000,000	49,999,833	0	49,999,833	0
LLOYDS TSB BANK PLCCP	07/16/15	07/15/15	07/15/15	50,000,000	49,999,833	0	49,999,833	0
LMA-AMERICAS LLCPCABS4-2	10/06/15	07/07/15	07/07/15	50,000,000	49,962,083	0	49,962,083	0
LMA-AMERICAS LLCPCABS4-2	10/06/15	07/07/15	07/07/15	50,000,000	49,962,083	0	49,962,083	0
MIZUHO BANK LTD/NY	10/30/15	07/27/15	07/28/15	50,000,000	50,004,000	0	50,017,090	0
MIZUHO BANK LTD/NY	08/14/15	07/29/15	07/29/15	30,000,000	30,000,932	16,467	30,017,399	0
MIZUHO BANK LTD,CDYAN	10/27/15	07/24/15	07/24/15	40,000,000	40,000,000	0	40,000,000	0
NATIONAL AUSTRALIA BANK LTD	01/29/16	07/09/15	07/13/15	40,000,000	40,000,000	0	40,000,000	0
SOCIETE GENERALE, PCDYAN	07/22/15	07/15/15	07/15/15	50,000,000	50,000,000	0	50,000,000	0
SOCIETE GENERALE, PCDYAN	07/22/15	07/15/15	07/15/15	50,000,000	50,000,000	0	50,000,000	0
SOCIETE GENERALE, PCDYAN	07/24/15	07/17/15	07/17/15	21,000,000	21,000,000	0	21,000,000	0
SOCIETE GENERALE, PCDYAN	07/29/15	07/22/15	07/22/15	50,000,000	50,000,000	0	50,000,000	0
SOCIETE GENERALE, PCDYAN	07/29/15	07/22/15	07/22/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	11/09/15	07/09/15	07/09/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	07/22/15	07/15/15	07/15/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	07/22/15	07/15/15	07/15/15	25,000,000	25,000,000	0	25,000,000	0
SUMITOMO MITSUI BANCDYAN	07/22/15	07/15/15	07/15/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	12/02/15	07/20/15	07/20/15	4,000,000	4,000,000	0	4,000,000	0
SUMITOMO MITSUI BANCDYAN	07/29/15	07/22/15	07/22/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	07/29/15	07/22/15	07/22/15	20,000,000	20,000,000	0	20,000,000	0
SUMITOMO MITSUI BANCDYAN	07/29/15	07/22/15	07/22/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	12/01/15	07/29/15	07/29/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	12/01/15	07/29/15	07/29/15	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	07/27/15	07/20/15	07/20/15	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	07/27/15	07/20/15	07/20/15	25,000,000	25,000,000	0	25,000,000	0

TRADING ACTIVITY FOR JULY 2015 (CONTINUED)

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
TORONTO DOMINION BACDYAN	07/27/15	07/20/15	07/20/15	50,000,000	50,000,000	0	50,000,000	0
UBS AGCDYAN	08/31/15	07/20/15	07/20/15	50,000,000	50,000,000	0	50,000,000	0
WELLS FARGO & CO	10/28/15	07/28/15	07/31/15	30,000,000	30,008,784	1,234	30,010,018	0
WELLS FARGO & CO	10/28/15	07/28/15	07/31/15	3,400,000	3,400,996	140	3,401,135	0
BMW US CAPITAL LLC	07/06/16	07/01/15	07/06/15	51,000,000	51,000,000	0	51,000,000	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/01/15	07/01/15	759,852	759,852	0	759,852	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/07/15	07/07/15	3,282,652	3,282,652	0	3,282,652	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/08/15	07/08/15	2,069,404	2,069,404	0	2,069,404	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/10/15	07/10/15	116,447	116,447	0	116,447	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/13/15	07/13/15	1,808,821	1,808,821	0	1,808,821	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/16/15	07/16/15	2,223,317	2,223,317	0	2,223,317	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/17/15	07/17/15	4,345,534	4,345,534	0	4,345,534	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/21/15	07/21/15	3,819,614	3,819,614	0	3,819,614	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/24/15	07/24/15	314,661	314,661	0	314,661	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/27/15	07/27/15	11,880	11,880	0	11,880	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/29/15	07/29/15	2,514,241	2,514,241	0	2,514,241	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/30/15	07/30/15	1,740,086	1,740,086	0	1,740,086	0
BANK OF AMERICA TRIPARTY	07/02/15	07/01/15	07/01/15	365,000,000	365,000,000	0	365,000,000	0
BANK OF AMERICA TRIPARTY	07/06/15	07/02/15	07/02/15	560,000,000	560,000,000	0	560,000,000	0
BANK OF AMERICA TRIPARTY	07/07/15	07/06/15	07/06/15	490,000,000	490,000,000	0	490,000,000	0
BANK OF AMERICA TRIPARTY	07/08/15	07/07/15	07/07/15	480,000,000	480,000,000	0	480,000,000	0
BANK OF AMERICA TRIPARTY	07/09/15	07/08/15	07/08/15	495,000,000	495,000,000	0	495,000,000	0
BANK OF AMERICA TRIPARTY	07/10/15	07/09/15	07/09/15	450,000,000	450,000,000	0	450,000,000	0
BANK OF AMERICA TRIPARTY	07/13/15	07/10/15	07/10/15	570,000,000	570,000,000	0	570,000,000	0
BANK OF AMERICA TRIPARTY	07/14/15	07/13/15	07/13/15	625,000,000	625,000,000	0	625,000,000	0
BANK OF AMERICA TRIPARTY	07/15/15	07/14/15	07/14/15	515,000,000	515,000,000	0	515,000,000	0
BANK OF AMERICA TRIPARTY	07/16/15	07/15/15	07/15/15	235,000,000	235,000,000	0	235,000,000	0
BANK OF AMERICA TRIPARTY	07/17/15	07/16/15	07/16/15	580,000,000	580,000,000	0	580,000,000	0
BANK OF AMERICA TRIPARTY	07/20/15	07/17/15	07/17/15	350,000,000	350,000,000	0	350,000,000	0
BANK OF AMERICA TRIPARTY	07/21/15	07/20/15	07/20/15	425,000,000	425,000,000	0	425,000,000	0
BANK OF AMERICA TRIPARTY	07/22/15	07/21/15	07/21/15	490,000,000	490,000,000	0	490,000,000	0
BANK OF AMERICA TRIPARTY	07/23/15	07/22/15	07/22/15	460,000,000	460,000,000	0	460,000,000	0
BANK OF AMERICA TRIPARTY	07/24/15	07/23/15	07/23/15	430,000,000	430,000,000	0	430,000,000	0
BANK OF AMERICA TRIPARTY	07/27/15	07/24/15	07/24/15	505,000,000	505,000,000	0	505,000,000	0
BANK OF AMERICA TRIPARTY	07/28/15	07/27/15	07/27/15	645,000,000	645,000,000	0	645,000,000	0
BANK OF AMERICA TRIPARTY	07/29/15	07/28/15	07/28/15	560,000,000	560,000,000	0	560,000,000	0
BANK OF AMERICA TRIPARTY	07/30/15	07/29/15	07/29/15	620,000,000	620,000,000	0	620,000,000	0
BANK OF AMERICA TRIPARTY	07/31/15	07/30/15	07/30/15	630,000,000	630,000,000	0	630,000,000	0
BANK OF AMERICA TRIPARTY	08/03/15	07/31/15	07/31/15	620,000,000	620,000,000	0	620,000,000	0
Total Buys				13,217,406,509	13,217,259,742	21,435	13,217,294,268	0

TRADING ACTIVITY FOR JULY 2015 (CONTINUED)

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Deposits								
STANDARD CHARTERED TD 0.13 20150702	07/02/15	07/01/15	07/01/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150706	07/06/15	07/02/15	07/02/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150707	07/07/15	07/06/15	07/06/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150708	07/08/15	07/07/15	07/07/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150709	07/09/15	07/08/15	07/08/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150710	07/10/15	07/09/15	07/09/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150713	07/13/15	07/10/15	07/10/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150714	07/14/15	07/13/15	07/13/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150715	07/15/15	07/14/15	07/14/15	325,000,000	325,000,000	0	325,000,000	0
SVENSKA HANDELSBANKTD-CAY 0.12 20150715	07/15/15	07/14/15	07/14/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.13 20150716	07/16/15	07/15/15	07/15/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150717	07/17/15	07/16/15	07/16/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150720	07/20/15	07/17/15	07/17/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150721	07/21/15	07/20/15	07/20/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150722	07/22/15	07/21/15	07/21/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150723	07/23/15	07/22/15	07/22/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150724	07/24/15	07/23/15	07/23/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150727	07/27/15	07/24/15	07/24/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150728	07/28/15	07/27/15	07/27/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150729	07/29/15	07/28/15	07/28/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150730	07/30/15	07/29/15	07/29/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150731	07/31/15	07/30/15	07/30/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.08 20150803	08/03/15	07/31/15	07/31/15	315,000,000	315,000,000	0	315,000,000	0
Total Deposits				7,355,000,000	7,355,000,000	0	7,355,000,000	0

TRADING ACTIVITY FOR JULY 2015 (CONTINUED)

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Maturities								
ALPINE SECURITIZATICPABS4	07/14/15	07/14/15	07/14/15	195,000,000	195,000,000	0	195,000,000	0
ALPINE SECURITIZATICPABS4	07/31/15	07/31/15	07/31/15	70,000,000	70,000,000	0	70,000,000	0
BNP PARIBAS SACDYAN	07/02/15	07/02/15	07/02/15	100,000,000	100,000,000	0	100,000,000	0
BANK OF NOVA SCOTIACP4-2	07/27/15	07/27/15	07/27/15	25,000,000	25,000,000	0	25,000,000	0
BEDFORD ROW FUND-INGCPABS4	07/01/15	07/01/15	07/01/15	20,000,000	20,000,000	0	20,000,000	0
RABOBANK NEDERLAND CP	07/16/15	07/16/15	07/16/15	200,000,000	200,000,000	0	200,000,000	0
RABOBANK NEDERLAND CP	07/20/15	07/20/15	07/20/15	200,000,000	200,000,000	0	200,000,000	0
CREDIT SUISSE, ZURICDYAN	07/24/15	07/24/15	07/24/15	50,000,000	50,000,000	0	50,000,000	0
DNB NOR BANK ASACDYAN	07/30/15	07/30/15	07/30/15	38,000,000	38,000,000	0	38,000,000	0
GENERAL ELECTRIC CAPITAL CORP	07/02/15	07/02/15	07/02/15	60,363,000	60,363,000	0	60,363,000	0
GENERAL ELECTRIC CAPITAL CORP	07/02/15	07/02/15	07/02/15	3,670,000	3,670,000	0	3,670,000	0
GENERAL ELECTRIC CAPITAL CORP	07/10/15	07/10/15	07/10/15	7,875,000	7,875,000	0	7,875,000	0
GOTHAM FUNDING CORP-CPABS4	07/16/15	07/16/15	07/16/15	94,000,000	94,000,000	0	94,000,000	0
GOTHAM FUNDING CORP-CPABS4	07/22/15	07/22/15	07/22/15	45,000,000	45,000,000	0	45,000,000	0
ING (U.S.) FUNDING CP	07/21/15	07/21/15	07/21/15	75,000,000	75,000,000	0	75,000,000	0
J,P, MORGAN SECURITCP4-2	07/13/15	07/13/15	07/13/15	13,000,000	13,000,000	0	13,000,000	0
LLOYDS TSB BANK PLCCP	07/16/15	07/16/15	07/16/15	150,000,000	150,000,000	0	150,000,000	0
LMA-AMERICAS LLCCPABS4-2	07/07/15	07/07/15	07/07/15	40,000,000	40,000,000	0	40,000,000	0
MANHATTAN ASSET FUNCPABS4	07/13/15	07/13/15	07/13/15	45,000,000	45,000,000	0	45,000,000	0
MANHATTAN ASSET FUNCPABS4	07/14/15	07/14/15	07/14/15	35,000,000	35,000,000	0	35,000,000	0
MANHATTAN ASSET FUNCPABS4	07/15/15	07/15/15	07/15/15	23,000,000	23,000,000	0	23,000,000	0
MIZUHO BANK LTD,CDYAN	07/13/15	07/13/15	07/13/15	25,000,000	25,000,000	0	25,000,000	0
MIZUHO BANK LTD,CDYAN	07/21/15	07/21/15	07/21/15	30,000,000	30,000,000	0	30,000,000	0
MIZUHO BANK LTD,CDYAN	07/15/15	07/15/15	07/15/15	70,000,000	70,000,000	0	70,000,000	0
SOCIETE GENERALE, PCDYAN	07/22/15	07/22/15	07/22/15	100,000,000	100,000,000	0	100,000,000	0
SOCIETE GENERALE, PCDYAN	07/24/15	07/24/15	07/24/15	21,000,000	21,000,000	0	21,000,000	0
SOCIETE GENERALE, PCDYAN	07/29/15	07/29/15	07/29/15	100,000,000	100,000,000	0	100,000,000	0
SUMITOMO MITSUI BANCDYAN	07/22/15	07/22/15	07/22/15	125,000,000	125,000,000	0	125,000,000	0
SUMITOMO MITSUI BANCDYAN	07/29/15	07/29/15	07/29/15	120,000,000	120,000,000	0	120,000,000	0
SUMITOMO MITSUI BANCDYAN	07/15/15	07/15/15	07/15/15	10,000,000	10,000,000	0	10,000,000	0
SUMITOMO MITSUI BANCDYAN	07/07/15	07/07/15	07/07/15	60,000,000	60,000,000	0	60,000,000	0
TORONTO DOMINION BACDYAN	07/27/15	07/27/15	07/27/15	125,000,000	125,000,000	0	125,000,000	0
WAL-MART STORES INC	07/01/15	07/01/15	07/01/15	8,500,000	8,500,000	0	8,500,000	0
WELLS FARGO & CO	07/01/15	07/01/15	07/01/15	17,576,000	17,576,000	0	17,576,000	0
WELLS FARGO BANK NA	07/20/15	07/20/15	07/20/15	56,000,000	56,000,000	0	56,000,000	0
BANK OF AMERICA TRIPARTY	07/01/15	07/01/15	07/01/15	425,000,000	425,000,000	0	425,000,000	0
BANK OF AMERICA TRIPARTY	07/02/15	07/02/15	07/02/15	365,000,000	365,000,000	0	365,000,000	0
BANK OF AMERICA TRIPARTY	07/06/15	07/06/15	07/06/15	560,000,000	560,000,000	0	560,000,000	0
BANK OF AMERICA TRIPARTY	07/07/15	07/07/15	07/07/15	490,000,000	490,000,000	0	490,000,000	0
BANK OF AMERICA TRIPARTY	07/08/15	07/08/15	07/08/15	480,000,000	480,000,000	0	480,000,000	0
BANK OF AMERICA TRIPARTY	07/09/15	07/09/15	07/09/15	495,000,000	495,000,000	0	495,000,000	0
BANK OF AMERICA TRIPARTY	07/10/15	07/10/15	07/10/15	450,000,000	450,000,000	0	450,000,000	0
BANK OF AMERICA TRIPARTY	07/13/15	07/13/15	07/13/15	570,000,000	570,000,000	0	570,000,000	0

TRADING ACTIVITY FOR JULY 2015 (CONTINUED)

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
BANK OF AMERICA TRIPARTY	07/14/15	07/14/15	07/14/15	625,000,000	625,000,000	0	625,000,000	0
BANK OF AMERICA TRIPARTY	07/15/15	07/15/15	07/15/15	515,000,000	515,000,000	0	515,000,000	0
BANK OF AMERICA TRIPARTY	07/16/15	07/16/15	07/16/15	235,000,000	235,000,000	0	235,000,000	0
BANK OF AMERICA TRIPARTY	07/17/15	07/17/15	07/17/15	580,000,000	580,000,000	0	580,000,000	0
BANK OF AMERICA TRIPARTY	07/20/15	07/20/15	07/20/15	350,000,000	350,000,000	0	350,000,000	0
BANK OF AMERICA TRIPARTY	07/21/15	07/21/15	07/21/15	425,000,000	425,000,000	0	425,000,000	0
BANK OF AMERICA TRIPARTY	07/22/15	07/22/15	07/22/15	490,000,000	490,000,000	0	490,000,000	0
BANK OF AMERICA TRIPARTY	07/23/15	07/23/15	07/23/15	460,000,000	460,000,000	0	460,000,000	0
BANK OF AMERICA TRIPARTY	07/24/15	07/24/15	07/24/15	430,000,000	430,000,000	0	430,000,000	0
BANK OF AMERICA TRIPARTY	07/27/15	07/27/15	07/27/15	505,000,000	505,000,000	0	505,000,000	0
BANK OF AMERICA TRIPARTY	07/28/15	07/28/15	07/28/15	645,000,000	645,000,000	0	645,000,000	0
BANK OF AMERICA TRIPARTY	07/29/15	07/29/15	07/29/15	560,000,000	560,000,000	0	560,000,000	0
BANK OF AMERICA TRIPARTY	07/30/15	07/30/15	07/30/15	620,000,000	620,000,000	0	620,000,000	0
BANK OF AMERICA TRIPARTY	07/31/15	07/31/15	07/31/15	630,000,000	630,000,000	0	630,000,000	0
STANDARD CHARTERED TD 0.05 20150701	07/01/15	07/01/15	07/01/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150702	07/02/15	07/02/15	07/02/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150706	07/06/15	07/06/15	07/06/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150707	07/07/15	07/07/15	07/07/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150708	07/08/15	07/08/15	07/08/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150709	07/09/15	07/09/15	07/09/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150710	07/10/15	07/10/15	07/10/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150713	07/13/15	07/13/15	07/13/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150714	07/14/15	07/14/15	07/14/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150715	07/15/15	07/15/15	07/15/15	325,000,000	325,000,000	0	325,000,000	0
SVENSKA HANDELSBANKTD-CAY 0.12 20150715	07/15/15	07/15/15	07/15/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.13 20150716	07/16/15	07/16/15	07/16/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150717	07/17/15	07/17/15	07/17/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150720	07/20/15	07/20/15	07/20/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150721	07/21/15	07/21/15	07/21/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150722	07/22/15	07/22/15	07/22/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150723	07/23/15	07/23/15	07/23/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.13 20150724	07/24/15	07/24/15	07/24/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150727	07/27/15	07/27/15	07/27/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150728	07/28/15	07/28/15	07/28/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150729	07/29/15	07/29/15	07/29/15	320,000,000	320,000,000	0	320,000,000	0

TRADING ACTIVITY FOR JULY 2015 (CONTINUED)

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
STANDARD CHARTERED TD 0.13 20150730	07/30/15	07/30/15	07/30/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150731	07/31/15	07/31/15	07/31/15	320,000,000	320,000,000	0	320,000,000	0
Total Maturities				20,622,984,000	20,622,984,000	0	20,622,984,000	0
Sells								
ABN AMRO BANK NVCDEUR	08/12/15	07/09/15	07/13/15	50,000,000	49,989,586	0	49,989,586	1,660
J.P. MORGAN SECURITCP4-2	07/13/15	07/07/15	07/07/15	12,000,000	11,999,760	0	11,999,760	360
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/02/15	07/02/15	2,272,978	2,272,978	0	2,272,978	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/06/15	07/06/15	333,045	333,045	0	333,045	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/09/15	07/09/15	2,060,000	2,060,000	0	2,060,000	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/14/15	07/14/15	225,926	225,926	0	225,926	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/14/15	07/14/15	754,023	754,023	0	754,023	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/14/15	07/14/15	617,139	617,139	0	617,139	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/14/15	07/14/15	758,332	758,332	0	758,332	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/14/15	07/14/15	1,135,877	1,135,877	0	1,135,877	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/14/15	07/14/15	261,606	261,606	0	261,606	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/15/15	07/15/15	498,246	498,246	0	498,246	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/15/15	07/15/15	2,865,186	2,865,186	0	2,865,186	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/20/15	07/20/15	2,924,255	2,924,255	0	2,924,255	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/22/15	07/22/15	505,881	505,881	0	505,881	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/23/15	07/23/15	417,466	417,466	0	417,466	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/23/15	07/23/15	9,404	9,404	0	9,404	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/23/15	07/23/15	116,447	116,447	0	116,447	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/23/15	07/23/15	1,302,940	1,302,940	0	1,302,940	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/23/15	07/23/15	47,302	47,302	0	47,302	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/28/15	07/28/15	2,176,016	2,176,016	0	2,176,016	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/28/15	07/28/15	1,306,282	1,306,282	0	1,306,282	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	07/31/15	07/31/15	1,435,963	1,435,963	0	1,435,963	0
FEDERATED PRIME OBLIGATIONS FUND	10/01/40	07/06/15	07/06/15	25,000,000	25,000,000	0	25,000,000	0
Total Sells				109,024,311	109,013,657	0	109,013,657	2,020

FUND B

FUND B FACTS

INVESTMENT OBJECTIVE

Fund B's primary objective was to maximize the present value of distributions from the Fund.

COMPOSITION

Fund B principally consisted of Segregated Securities, which were securities originally purchased for the LGIP that (1) defaulted in the payment of principal and interest; (2) were extended; (3) were restructured or otherwise subject to workout; (4) experienced elevated market illiquidity; or (5) did not meet the criteria of the nationally recognized statistical rating organization (NRSRO) that provides Florida PRIME's AAAM rating. On September 26, 2014, Apollo completed the sale of all Fund B collateral assets.

DISTRIBUTIONS

Participants in Fund B received periodic distributions to the extent that Fund B received proceeds deemed material by the SBA from (1) the natural maturities of securities, coupon interest collections, or collateral interest and principal paydowns; or (2) the sale of securities, collateral liquidation, or other restructure and workout activities undertaken until all principal was returned.

ACCOUNTING

Fund B is accounted for as a fluctuating NAV pool, not a 2a-7-like money market fund. That is, accounting valuations reflect estimates of the market value of securities rather than their amortized cost.

STATUS OF INVESTMENTS

Florida East and West: Restructured from KKR. Underlying assets sold and position closed August 2014.

Florida Funding I: Restructured from Ottimo (Issuer Entity). Underlying assets sold and position closed in July 2014.

Florida Funding II: Restructured from Axon. Underlying assets sold and position closed October 2014.

COMMENTARY ON PORTFOLIO MANAGEMENT

As of September 2014, \$2,009,451,941, or 100 percent of the original participants principal was returned. Fund B participants did not realize any losses on their original principal balances.

For information on the historical performance of Fund B, see prior PRIME Monthly Summary Reports.

On July 13, 2015, the SBA distributed the remaining reserve tied to Fund B, allocating proceeds to those with Florida PRIME accounts directly into their accounts, and for those with no corresponding Florida PRIME account, sending checks directly to the organization.

Pursuant to Section 218.421(2)(e), F.S., the SBA distributed the residual balance held within Fund B, "back to each participant in the Local Government Surplus Funds Trust Fund who had been entitled to, but had not received, a November 2007 interest payment on invested funds at any time during that month. The amount paid to such participants shall be based on each participant's proportional share of the total November 2007 interest earned by such participants in the Local Government Surplus Funds Trust Fund which was not paid out but transferred to the trust fund in order to maximize the payout of principal."

LEGAL ISSUE

There were no outstanding legal issues during July 2015 that had an impact on the liquidity or operation of Fund B.

DISCLOSURE OF MATERIAL IMPACTS

There were no developments during July 2015 that had a material impact on the liquidity or operation of Fund B.

COMPLIANCE WITH INVESTMENT POLICY - JULY 2015

Investment Policy Statement (IPS) Compliance is conducted on Fund B by SBA Risk Management and Compliance and reported on a monthly basis to the Investment Oversight Group. Portfolio activity is reviewed to ensure that transactions and holdings are in compliance with the guideline requirements stipulated in the IPS. Since the principal holdings in the fund were the notes issued by the four Fund B special purpose entities, and no deposits or withdrawals are permitted by participants, transactions were limited to 1) the receipt cash flows from the underlying note collateral, 2) the investment of these cash flows in AAAM money market funds, and 3) distributions to participants. Since all collateral sales have been completed, and 100% of principal has now been returned to participants, the cash reserve balance will remain in Fund B and will be invested in AAAM money market funds pending final distributions. For the month of July 2015, Fund B was in compliance with its Investment Policy Statement.

FUND B

HOLDINGS, COMPLIANCE AND TRADING ACTIVITY

INVENTORY OF HOLDINGS - AS OF JULY 2015

Security Name	Type	Rate Reset	Par	Current Yield	Amort Cost	Mkt Value	Unrealized Gain (Loss)
Dreyfus Government Cash Management Fund OVNMF	OVERNIGHT MUTUAL FUND		60	0	60	60	\$0
Total Value of Investments			60		60	60	\$0

TRADING ACTIVITY - JULY 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Buys								
DREYFUS GOVERNMENT CASH MANAGEMENT		07/02/15	07/02/15	355	355	0	355	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/06/15	07/06/15	1,163	1,163	0	1,163	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/10/15	07/10/15	104,099	104,099	0	104,099	0
Total Buys				105,618	105,618	0	105,618	0
Sells								
DREYFUS GOVERNMENT CASH MANAGEMENT		07/01/15	07/01/15	60	60	0	60	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	10,419,900	10,419,900	0	10,419,900	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	44	44	0	44	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	16,831,850	16,831,850	0	16,831,850	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	98	98	0	98	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	1,046,332	1,046,332	0	1,046,332	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	238	238	0	238	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	5,026,671	5,026,671	0	5,026,671	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	240	240	0	240	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	8,456,115	8,456,115	0	8,456,115	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	350	350	0	350	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	1,439,146	1,439,146	0	1,439,146	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	356	356	0	356	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	1,158	1,158	0	1,158	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	332	332	0	332	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	367	367	0	367	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	104,099	104,099	0	104,099	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/13/15	07/13/15	8,810	8,810	0	8,810	0
DREYFUS GOVERNMENT CASH MANAGEMENT		07/17/15	07/17/15	60	60	0	60	0
Total Sells				43,336,226	43,336,226	0	43,336,226	0

Our Mission

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.



Federated



MONTHLY SUMMARY REPORT

August 2015

State Board of Administration of Florida

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Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from August 1, 2015 through August 31, 2015, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

PRIME™ STATISTICS

(As of August 31, 2015)

Total Participants
823

Florida PRIME™ Assets
\$6,570,948,800

Total Number of Accounts
1,592

FACTS-AT-A-GLANCE

Florida PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAA_m” rating, full transparency, and best-in-class financial reporting.

PORTFOLIO MANAGER COMMENTARY

MARKET CONDITIONS

The equity market ended August battered by choppy waves emanating from China. Money managers did not have to navigate those, but we had ample concerns about how the turbulence could affect the Federal Reserve's desire to raise rates for the first time in many, many years. A speech by the Fed's vice chairman at the annual Jackson Hole conference more-or-less sums up the situation. Stanley Fischer said that the case for a hike continues to grow but that volatility coming from China and other issues could impact that decision. Yet he seemed to dismiss the benign inflation readings from the summer, saying there is "good reason" to expect it to rise, and pointed to improving U.S. economic data.

Regardless of his noncommittal stance and the equally noncommittal minutes of the July Federal Open Market Committee meeting, we are still of the opinion that 2015 is in the cards and that liftoff in September is more likely than in October or December. The economic statistics out between the end of July and the end of August are impossible to discount. Data has been very good, with housing and employment numbers coming in strong. The revised gross domestic product (GDP) reading for the second quarter of 3.7% was great. The only soft spot continues to be low inflation abetted by the low price of oil—probably the biggest reason that policymakers are still on the fence.

We think there is another reason that points to an imminent hike in the federal funds rate range, one that money market managers pay more attention to than most product managers. Lately, the New York Fed has been accelerating its fine tuning of repo rates, term repo and other policy tools it will be

using to guide rates when they climb. The staff will not implement everything until the FOMC actually raises the target range, but it has experimented with several different strategies on money funds over the past year or so.

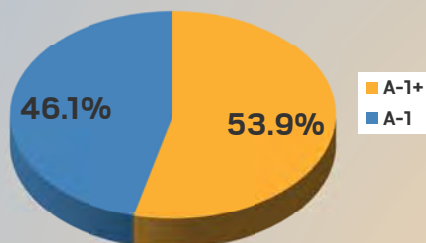
We have been asked whether or not the volatility in the equity market has caused the recent increased inflows to the money markets, because sometimes that happens. Although inflows were up in the months of June and July, we do not think that had anything to do with the volatility in the equity market and the bond market. It is worth pointing out that the China problems affected the longer part of the yield curve, not really impacting the short end that affects us.

INVESTMENT STRATEGY

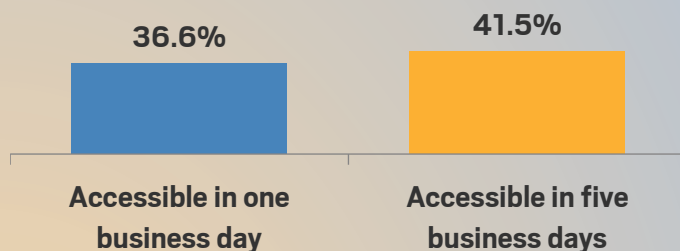
The London interbank offered rate (LIBOR) rose over the course of August: the 1-month moving from 19 basis points to 20, the 3-month rising from 30 basis points to 33 and the 6-month growing from 48 basis points to 53. While this did not affect the gross yield of the Pool, which remained at 25 basis points, it did lead us to focus purchases on floating-rate paper and short fixed-rate paper (in the 30-90 day range). Of the \$6.6 billion in assets of the Pool (down slightly from \$6.8 billion in July), the allocation of variable-rate paper grew 2% in August (to 31% of holdings) and banking paper increased 1% (to 23% of holdings). Holdings of money market funds and repo did not change from July (at 20% and 9%, respectively), and a 3% drop in the percentage of commercial paper opened up room for all of the increases.

PORTFOLIO COMPOSITION FOR AUGUST 2015

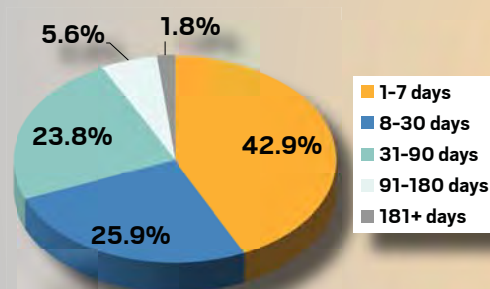
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

1. Federated Prime Obligations Fund	9.9%
2. Federated Prime Cash Obligations Fund	9.9%
3. Sumitomo Mitsui Financial Group, Inc.	5.1%
4. JPMorgan Chase & Co.	5.1%
5. Standard Chartered PLC	5.0%
6. Royal Bank of Canada, Montreal	5.0%
7. Mitsubishi UFJ Financial Group, Inc.	4.9%
8. Wells Fargo & Co.	4.6%
9. General Electric Co.	4.3%
10. Toronto Dominion Bank	3.4%

Average Effective Maturity (WAM)

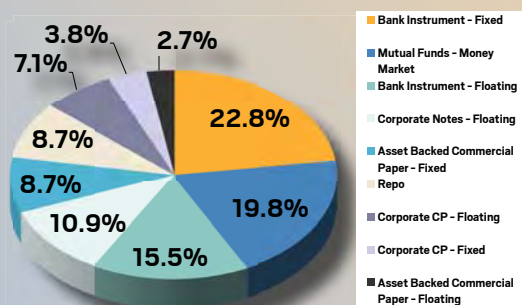
27.1 Days

Weighted Average Life (Spread WAM)

76.8 Days

Percentages based on total value of investments

PORTFOLIO COMPOSITION



FUND PERFORMANCE THROUGH AUGUST 31, 2015

Florida PRIME Performance Data			
	Net Participant Yield ¹	Net-of-Fee Benchmark ²	Above (Below) Benchmark
One Month	0.25%	0.08%	0.17%
Three Months	0.23%	0.07%	0.16%
One Year	0.19%	0.06%	0.13%
Three Years	0.20%	0.06%	0.13%
Five Years	0.23%	0.08%	0.15%
Ten Years	1.59%	1.46%	0.13%
Since 1/96	2.81%	2.60%	0.21%

Note: Net asset value at month end: \$6,570.6 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

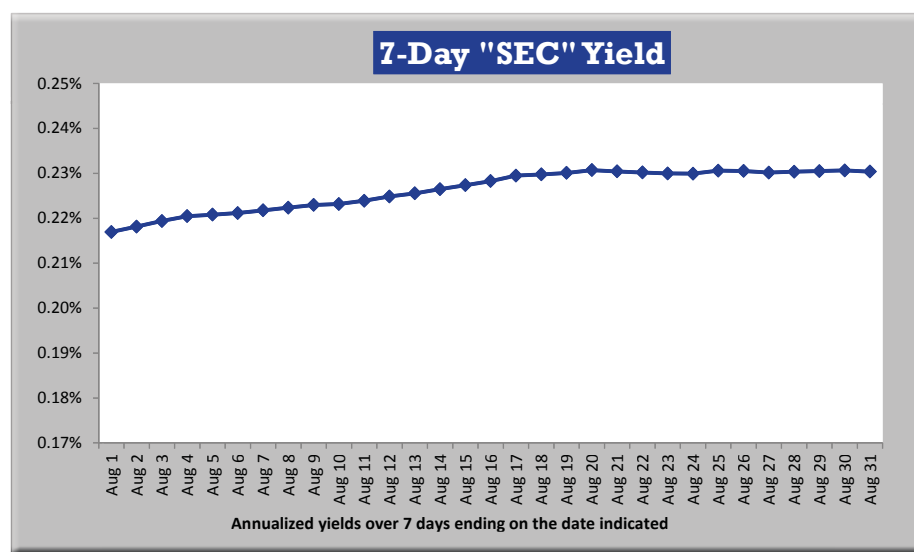
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds.

The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365.

Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

PRIME ACCOUNT SUMMARY FOR AUGUST 2015

Summary of Cash Flows		
Opening Balance (08/01/15)	\$	6,842,348,583
Participant Deposits		754,756,395
Gross Earnings		1,515,369
Participant Withdrawals		(1,027,577,496)
Fees		(94,051)
Closing Balance (08/31/15)	\$	6,570,948,800.00
Net Change over Month	\$	(271,399,783)

Detailed Fee Disclosure		
August 2015	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 56,897.71	1.02
Federated Investment Management Fee	15,493.85	0.28
BNY Mellon Custodial Fee**	9,034.92	0.16
Bank of America Transfer Agent Fee	4,509.08	0.08
S&P Rating Maintenance Fee	3,397.26	0.06
Audit/External Review Fees	4,718.03	0.08
Total Fees	\$ 94,050.85	1.68

*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was 6,706,648,692.

**All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges will fluctuate month-to-month.

INVENTORY OF HOLDINGS FOR AUGUST 2015

Security Name	Security Classification	Cpn/ Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
ABN Amro Bank NV CDEUR	CERTIFICATE OF DEPOSIT - EURO	0.00	9/15/2015		75,000,000	0.32	\$74,990,007	\$74,992,575	\$2,568
ABN Amro Bank NV CDEUR	CERTIFICATE OF DEPOSIT - EURO	0.00	10/13/2015		50,000,000	0.34	\$49,979,712	\$49,982,750	\$3,038
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/24/2015		90,400,000	0.28	\$90,383,125	\$90,388,128	\$5,002
Australia & New Zealand Banking Group, Melbourne, Dec 18, 2015	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.30	12/18/2015	9/18/2015	100,000,000	0.30	\$100,000,000	\$99,996,300	\$(3,700)
BMO Harris Bank, N.A., Oct 23, 2015	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.34	10/23/2015	9/23/2015	25,000,000	0.35	\$25,000,000	\$24,999,050	\$(950)
BMW US Capital LLC, Jul 06, 2016	VARIABLE EURO MEDIUM TERM NOTE	0.40	7/6/2016	10/6/2015	51,000,000	0.41	\$51,000,000	\$50,960,220	\$(39,780)
Bank of America N.A. BNOTE	BANK NOTE	0.34	12/1/2015		25,000,000	0.34	\$25,000,000	\$24,997,275	\$(2,725)
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVER- NIGHT FIXED	0.14	9/1/2015		570,000,000	0.14	\$570,000,000	\$570,000,000	\$-
Bank of Montreal, Dec 10, 2015	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.27	12/10/2015	9/10/2015	100,000,000	0.28	\$100,000,000	\$99,993,900	\$(6,100)
Bank of Montreal, May 23, 2016	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.36	5/23/2016	9/23/2015	50,000,000	0.37	\$50,000,000	\$49,996,100	\$(3,900)
Bank of Montreal, Series MTN, 1.300%, 07/15/2016	CORPORATE BOND	1.30	7/15/2016		14,430,000	0.81	\$14,491,243	\$14,499,841	\$8,598
Bank of Montreal, Sr. Unsecd. Note, Series MTN, .8%, 11/06/2015	CORPORATE NOTE	0.80	11/6/2015		2,000,000	0.39	\$2,001,503	\$2,001,100	\$(403)
Bank of Montreal, Sr. Unsecd. Note, Series MTN, .8%, 11/06/2015	CORPORATE NOTE	0.80	11/6/2015		1,300,000	0.49	\$1,300,732	\$1,300,715	\$(17)
Bank of Montreal, Sr. Unsecd. Note, Series MTN, 7/15/2016	CORPORATE BOND	0.81	7/15/2016	10/15/2015	15,000,000	0.40	\$15,055,003	\$15,040,410	\$(14,593)
Bank of Montreal, Sr. Unsecd. Note, Series MTN, 7/15/2016	CORPORATE BOND	0.81	7/15/2016	10/15/2015	10,000,000	0.44	\$10,033,010	\$10,026,940	\$(6,070)
Bank of Nova Scotia, Tor, 2.05%, 10/07/2015	CORPORATE BOND	2.05	10/7/2015		50,000,000	0.41	\$50,082,742	\$50,076,300	\$(6,442)
Bank of Nova Scotia, Tor, Sr. Un- secd. Note, .75%, 10/09/2015	CORPORATE NOTE	0.75	10/9/2015		320,000	0.41	\$320,116	\$320,150	\$34
Bank of Nova Scotia, Toronto, Jan 15, 2016	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.35	1/15/2016	9/15/2015	40,000,000	0.35	\$40,000,000	\$39,998,200	\$(1,800)
Bank of Nova Scotia, Toronto, May 09, 2016	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.41	5/9/2016	11/9/2015	50,000,000	0.42	\$50,000,000	\$49,992,300	\$(7,700)
Bank of Tokyo-Mitsubishi Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/15/2015		40,000,000	0.30	\$40,000,000	\$40,003,991	\$3,991
Bank of Tokyo-Mitsubishi Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	9/8/2015		35,000,000	0.28	\$35,000,000	\$35,000,847	\$847
Barton Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/17/2015		25,000,000	0.22	\$24,997,403	\$24,998,548	\$1,145
Barton Capital LLC, Nov 06, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.30	11/6/2015	9/8/2015	50,000,000	0.29	\$50,000,000	\$49,997,600	\$(2,400)
Barton Capital LLC, Nov 10, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.29	11/10/2015	9/10/2015	20,000,000	0.30	\$20,000,000	\$19,999,540	\$(460)
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2015		12,000,000	0.34	\$11,998,460	\$11,999,347	\$887
Bedford Row Funding Corp., Apr 14, 2016	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.33	4/14/2016	9/14/2015	25,000,000	0.34	\$25,000,000	\$24,996,675	\$(3,325)

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2015

Security Name	Security Classification	Cpn/ Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Bedford Row Funding Corp., May 10, 2016	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.34	5/10/2016	9/10/2015	50,000,000	0.35	\$50,000,000	\$49,996,150	\$(3,850)
Bedford Row Funding Corp., Sep 09, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.30	9/9/2015	9/9/2015	30,000,000	0.31	\$30,000,000	\$29,999,670	\$(330)
Chase Bank USA, N.A. CD	CERTIFICATE OF DEPOSIT	0.65	6/8/2016		50,000,000	0.66	\$50,000,000	\$50,059,790	\$59,790
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.38	12/1/2015		12,000,000	0.39	\$12,000,000	\$12,002,359	\$2,359
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	9/3/2015		30,000,000	0.28	\$30,000,000	\$30,000,272	\$272
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.29	10/2/2015		25,000,000	0.29	\$25,000,000	\$25,002,420	\$2,420
Credit Suisse, Zurich CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/13/2015		100,000,000	0.28	\$100,000,000	\$100,007,036	\$7,036
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/8/2015		70,000,000	0.28	\$70,000,000	\$70,005,086	\$5,086
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/2/2015		100,000,000	0.28	\$100,000,000	\$100,006,830	\$6,830
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/16/2015		30,000,000	0.30	\$30,000,000	\$30,003,022	\$3,022
Dreyfus Government Cash Management Fund OVNMF	OVERNIGHT MUTUAL FUND	0.01	9/1/2015		4,087,229	0.01	\$4,087,229	\$4,087,229	\$-
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		12/22/2015		20,000,000	0.36	\$19,978,028	\$19,974,512	\$(3,516)
Federated Prime Cash Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	0.09	9/1/2015	9/1/2015	650,754,827	0.11	\$650,754,827	\$650,754,827	\$-
Federated Prime Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	0.08	9/1/2015	9/1/2015	651,116,811	0.09	\$651,116,811	\$651,116,811	\$-
General Electric Cap Corp, Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		1,625,000	0.38	\$1,628,722	\$1,628,250	\$(472)
General Electric Cap Corp, Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		700,000	0.41	\$701,584	\$701,400	\$(184)
General Electric Cap Corp, Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		4,750,000	0.43	\$4,760,763	\$4,759,500	\$(1,263)
General Electric Cap Corp, Sr. Unsec'd. Note, Series GMTN, 4.375%, 9/21/2015	CORPORATE BOND	4.38	9/21/2015		1,858,000	0.44	\$1,862,205	\$1,861,716	\$(489)
General Electric Capital Corp., Sr. Note, Series MTNA, 6.900%, 09/15/2015	CORPORATE BOND	6.90	9/15/2015		800,000	0.41	\$802,129	\$801,538	\$(591)
General Electric Capital Corp., Sr. Note, Series MTNA, 6.900%, 09/15/2015	CORPORATE BOND	6.90	9/15/2015		3,000,000	0.41	\$3,007,979	\$3,005,766	\$(2,213)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		6,510,000	0.54	\$6,617,656	\$6,612,656	\$(5,000)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		7,500,000	0.54	\$7,624,033	\$7,618,268	\$(5,766)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		10,000,000	0.54	\$10,165,396	\$10,157,690	\$(7,706)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		6,100,000	0.54	\$6,200,871	\$6,196,191	\$(4,680)

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2015

Security Name	Security Classification	Cpn/ Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		11,911,000	0.60	\$12,102,553	\$12,098,825	\$(3,728)
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		1,000,000	0.66	\$1,015,712	\$1,015,769	\$57
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		1,000,000	0.66	\$1,015,706	\$1,015,769	\$63
General Electric Capital Corp., Sr. Unsec'd. Note, Series MTN, 1.000%, 01/08/2016	CORPORATE BOND	1.00	1/8/2016		45,697,000	0.49	\$45,779,157	\$45,769,567	\$(9,591)
General Electric Capital Corp., Sr. Unsecured, Jun 20, 2016	VARIABLE EURO MEDIUM TERM NOTE	0.48	6/20/2016	9/21/2015	85,000,000	0.34	\$85,107,886	\$84,873,010	\$(234,876)
General Electric Capital Corp., Sr. Unsecured, Sep 23, 2015	VARIABLE MEDIUM TERM NOTE	0.98	9/23/2015	9/23/2015	2,500,000	0.34	\$2,501,104	\$2,500,890	\$(214)
General Electric Capital Corp., Sr. Unsecured, Sep 23, 2015	VARIABLE MEDIUM TERM NOTE	0.98	9/23/2015	9/23/2015	255,000	0.44	\$255,093	\$255,091	\$(2)
General Electric Capital, Floating Rate Note - Sr. Note, Series MTN, 1/08/2016	CORPORATE BOND	0.88	1/8/2016	10/8/2015	10,000,000	0.34	\$10,019,871	\$10,015,070	\$(4,801)
General Electric Capital, Series GMTN, 1.5%, 7/12/2016	CORPORATE BOND	1.50	7/12/2016		4,626,000	0.76	\$4,655,406	\$4,657,929	\$2,523
General Electric Capital, Sr. Note, 1/14/2016	CORPORATE NOTE	0.52	1/14/2016	10/14/2015	14,225,000	0.34	\$14,234,858	\$14,230,790	\$(4,068)
General Electric Capital, Sr. Note, 1/14/2016	CORPORATE NOTE	0.52	1/14/2016	10/14/2015	10,000,000	0.35	\$10,006,599	\$10,004,070	\$(2,529)
General Electric Capital, Sr. Note, Series MTN, 1/08/2016	CORPORATE BOND	0.48	1/8/2016	10/8/2015	255,000	0.37	\$255,114	\$255,087	\$(27)
General Electric Capital, Sr. Unsec'd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		9,952,000	0.41	\$9,987,066	\$9,985,867	\$(1,199)
General Electric Capital, Sr. Unsec'd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		1,089,000	0.41	\$1,092,836	\$1,092,706	\$(130)
General Electric Capital, Sr. Unsec'd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		8,000,000	0.41	\$8,028,168	\$8,027,224	\$(944)
General Electric Capital, Sr. Unsec'd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		10,000,000	0.41	\$10,034,951	\$10,034,030	\$(921)
General Electric Capital, Sr. Unsec'd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		1,000,000	0.51	\$1,003,325	\$1,003,403	\$78
General Electric Capital, Sr. Unsec'd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		3,967,000	0.43	\$4,030,926	\$4,028,592	\$(2,334)
General Electric Capital, Sr. Unsec'd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		400,000	0.46	\$406,424	\$406,210	\$(213)
General Electric Capital, Sr. Unsec'd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		10,000,000	0.46	\$10,160,394	\$10,155,260	\$(5,134)
General Electric Capital, Sr. Unsec'd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		7,650,000	0.51	\$7,771,737	\$7,768,774	\$(2,963)
General Electric Capital, Sr. Unsec'd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		1,185,000	0.61	\$1,203,452	\$1,203,398	\$(54)
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/17/2015		53,000,000	0.20	\$52,994,994	\$52,995,670	\$676

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2015

Security Name	Security Classification	Cpn/ Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2015		70,000,000	0.20	\$69,991,056	\$69,991,458	\$402
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/1/2015		75,000,000	0.20	\$74,987,083	\$74,984,952	\$(2,131)
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/2/2015		50,000,000	0.20	\$49,991,111	\$49,989,556	\$(1,556)
HSBC USA, Inc. CP	COMMERCIAL PAPER		9/1/2015		30,000,000	0.32	\$29,999,738	\$29,999,824	\$87
J.P. Morgan Securities LLC CP4-2	COMMERCIAL PAPER - 4-2		10/9/2015		22,000,000	0.41	\$21,990,467	\$21,995,805	\$5,339
J.P. Morgan Securities LLC CP4-2	COMMERCIAL PAPER - 4-2		11/10/2015		25,000,000	0.35	\$24,983,236	\$24,989,399	\$6,163
J.P. Morgan Securities LLC, Apr 22, 2016	VARIABLE RATE COMMER- CIAL PAPER - 4-2	0.46	4/22/2016	9/22/2015	10,000,000	0.47	\$10,000,000	\$9,998,670	\$(1,330)
J.P. Morgan Securities LLC, Dec 04, 2015	VARIABLE RATE COMMER- CIAL PAPER - 4-2	0.40	12/4/2015	9/4/2015	50,000,000	0.35	\$50,000,000	\$49,997,400	\$(2,600)
J.P. Morgan Securities LLC, Feb 09, 2016	VARIABLE RATE COMMER- CIAL PAPER - 4-2	0.39	2/9/2016	9/9/2015	100,000,000	0.40	\$100,000,000	\$99,995,100	\$(4,900)
J.P. Morgan Securities LLC, Feb 16, 2016	VARIABLE RATE COMMER- CIAL PAPER - 4-2	0.40	2/16/2016	9/16/2015	25,000,000	0.40	\$25,000,000	\$24,998,650	\$(1,350)
J.P. Morgan Securities LLC, Nov 10, 2015	VARIABLE RATE COMMER- CIAL PAPER - 4-2	0.38	11/10/2015	11/10/2015	40,000,000	0.39	\$40,000,000	\$39,993,360	\$(6,640)
JPMorgan Chase Bank, N.A., Oct 06, 2016	VARIABLE RATE BANK NOTE	0.49	10/6/2016	9/8/2015	15,000,000	0.45	\$15,000,000	\$15,000,570	\$570
Kaiser Foundation Hospital CP	COMMERCIAL PAPER		9/1/2015		100,000,000	0.15	\$99,999,583	\$99,999,472	\$(111)
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/2/2015		20,600,000	0.28	\$20,599,680	\$20,599,806	\$126
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/10/2015		9,000,000	0.18	\$8,999,550	\$8,999,575	\$25
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2015		100,000,000	0.30	\$99,970,000	\$99,975,400	\$5,400
Mizuho Bank Ltd. CDEUR (London)	CERTIFICATE OF DEPOSIT - EURO	0.00	10/13/2015		45,000,000	0.37	\$44,980,668	\$44,984,880	\$4,212
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	9/17/2015		50,000,000	0.28	\$50,000,000	\$50,001,933	\$1,933
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/27/2015		40,000,000	0.30	\$40,000,000	\$40,002,210	\$2,210
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	11/13/2015		20,000,000	0.30	\$20,000,000	\$20,000,285	\$285
Mizuho Bank Ltd., Oct 30, 2015	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.35	10/30/2015	9/30/2015	50,000,000	0.32	\$50,002,553	\$49,998,200	\$(4,353)
National Australia Bank Ltd., Melbourne, Jan 29, 2016	VARIABLE RATE COMMER- CIAL PAPER - 4-2	0.34	1/29/2016	9/14/2015	40,000,000	0.35	\$40,000,000	\$39,996,560	\$(3,440)
New York City, NY Municipal Water Finance Authority, Second General Resolution (Fiscal 2007 Series C-C1), 06/15/2038	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.12	6/15/2038	9/1/2015	46,400,000	0.12	\$46,400,000	\$46,400,000	\$-
Rabobank Nederland NV, Utrecht, Feb 22, 2016	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.37	2/22/2016	9/22/2015	5,000,000	0.38	\$5,000,000	\$4,999,510	\$(490)
Rabobank Nederland, Utrecht CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.36	12/16/2015		100,000,000	0.37	\$100,000,000	\$100,006,812	\$6,812
Royal Bank of Canada, Montreal, Jan 13, 2016	VARIABLE RATE CERTIFI- CATE OF DEPOSIT	0.29	1/13/2016	9/14/2015	25,000,000	0.30	\$25,000,000	\$24,995,225	\$(4,775)

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2015

Security Name	Security Classification	Cpn/ Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Royal Bank of Canada, Montreal, May 12, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.33	5/12/2016	9/14/2015	50,000,000	0.34	\$50,000,000	\$49,996,300	\$(3,700)
Royal Bank of Canada, Montreal, Oct 03, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.40	10/3/2016	10/5/2015	125,000,000	0.37	\$125,000,000	\$124,997,750	\$(2,250)
Royal Bank of Canada, Montreal, Sr. Unsec'd. Note, Series MTN, 2.625%, 12/15/2015	CORPORATE BOND	2.63	12/15/2015		9,550,000	0.50	\$9,608,834	\$9,607,042	\$(1,791)
Royal Bank of Canada, Montreal, Sr. Unsec'd. Note, Series MTN, 2.625%, 12/15/2015	CORPORATE BOND	2.63	12/15/2015		785,000	0.55	\$789,720	\$789,689	\$(32)
Societe Generale, Paris CP4-2	COMMERCIAL PAPER - 4-2		9/1/2015		50,000,000	0.29	\$49,999,597	\$50,000,010	\$412
Standard Chartered Bank plc CP	COMMERCIAL PAPER		9/3/2015		25,000,000	0.28	\$24,999,417	\$24,999,731	\$315
Standard Chartered Bank plc TD	TIME DEPOSIT	0.07	9/1/2015		305,000,000	0.07	\$305,000,000	\$305,000,000	\$-
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/9/2015		50,000,000	0.28	\$49,996,500	\$49,997,875	\$1,375
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/9/2015		50,000,000	0.32	\$50,000,000	\$50,004,555	\$4,555
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.33	12/2/2015		4,000,000	0.33	\$4,000,000	\$3,999,854	\$(146)
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.33	12/1/2015		100,000,000	0.33	\$100,000,000	\$99,996,654	\$(3,346)
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.27	9/2/2015		16,000,000	0.27	\$16,000,000	\$16,000,095	\$95
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/16/2015		40,000,000	0.32	\$40,000,000	\$40,001,962	\$1,962
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.31	10/26/2015		28,000,000	0.31	\$28,000,000	\$28,003,259	\$3,259
Sumitomo Mitsui Banking Corp., Sep 17, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.30	9/17/2015	9/17/2015	100,000,000	0.30	\$100,000,000	\$99,998,900	\$(1,100)
Svenska Handelsbanken, Stockholm CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/30/2015		25,000,000	0.31	\$25,000,316	\$25,000,248	\$(67)
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	9/10/2015		25,000,000	0.35	\$25,000,000	\$25,001,337	\$1,337
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.75	8/8/2016		10,000,000	0.76	\$10,000,000	\$10,009,628	\$9,628
Toronto Dominion Bank, Apr 15, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.32	4/15/2016	10/15/2015	40,000,000	0.32	\$40,000,000	\$39,992,800	\$(7,200)
Toronto Dominion Bank, Feb 12, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.34	2/12/2016	11/12/2015	25,000,000	0.35	\$25,000,000	\$24,995,125	\$(4,875)
Toronto Dominion Bank, Feb 24, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.36	2/24/2016	9/24/2015	50,000,000	0.37	\$50,000,000	\$49,995,300	\$(4,700)
Toronto Dominion Bank, Jul 01, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.36	7/1/2016	9/1/2015	75,000,000	0.36	\$75,000,000	\$74,987,100	\$(12,900)
Toyota Motor Credit Corp., Apr 15, 2016	VARIABLE MEDIUM TERM NOTE	0.30	4/15/2016	10/15/2015	100,000,000	0.30	\$100,000,000	\$99,982,100	\$(17,900)
Toyota Motor Credit Corp., Sep 03, 2015	VARIABLE RATE COMMERCIAL PAPER	0.29	9/3/2015	9/3/2015	100,000,000	0.29	\$100,000,000	\$100,000,000	\$-
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	21,100,000	0.34	\$21,142,684	\$21,125,362	\$(17,322)
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	1,420,000	0.35	\$1,422,763	\$1,421,707	\$(1,056)

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2015

Security Name	Security Classification	Cpn/ Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	300,000	0.35	\$300,586	\$300,361	\$(225)
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	2,000,000	0.36	\$2,003,942	\$2,002,404	\$(1,538)
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	1,277,000	0.33	\$1,277,383	\$1,277,381	\$(2)
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	2,750,000	0.35	\$2,750,757	\$2,750,820	\$62
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	33,400,000	0.38	\$33,406,373	\$33,409,953	\$3,580
Wells Fargo & Co., Sr. Unsec'd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	19,216,000	0.40	\$19,219,763	\$19,221,726	\$1,963
Wells Fargo Bank, N.A., Sep 19, 2016	VARIABLE RATE BANK NOTE	0.40	9/19/2016	9/21/2015	100,000,000	0.36	\$100,000,000	\$99,991,200	\$(8,800)
Wells Fargo Bank, N.A., Sep 21, 2016	VARIABLE MEDIUM TERM NOTE	0.46	9/21/2016	9/22/2015	50,000,000	0.43	\$50,000,000	\$50,000,200	\$200
Wells Fargo Bank, N.A., Sr. Unsecured, Sep 08, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.36	9/8/2015	9/4/2015	95,700,000	0.31	\$95,700,000	\$95,699,426	\$(574)
Total Value of Assets					6,578,461,867		\$6,580,117,980	\$6,579,763,253	\$(354,727)

Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

² Amortized cost is calculated using a straight line method.

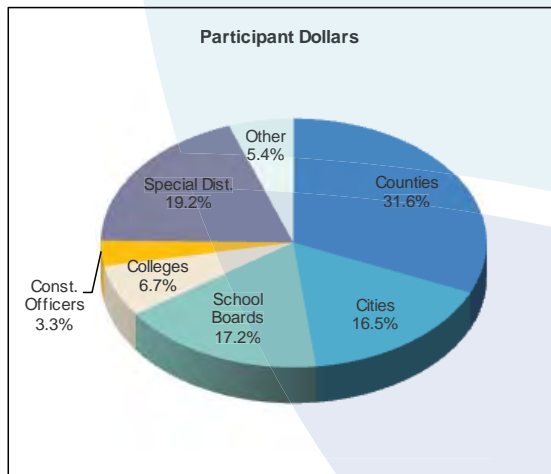
Audit confirms for 2014-2015 need to be mailed to:

**Florida State Board of Administration
Attention: Donna Owens
1801 Hermitage Blvd Suite 100
Tallahassee FL 32308**

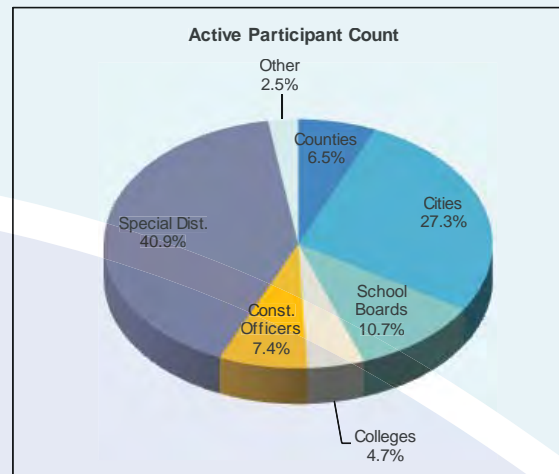
**For more information on PRIME visit our website:
<https://www.sbafla.com/PRIME>.**

PARTICIPANT CONCENTRATION DATA - AS OF AUGUST 2015

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
All Participants	100.0%	100.0%	Colleges & Universities	6.7%	4.7%
Top 10	40.4%	1.2%	Top 10	6.3%	1.2%
\$100 million or more	46.6%	1.6%	\$100 million or more	3.8%	0.1%
\$10 million up to \$100 million	44.5%	12.5%	\$10 million up to \$100 million	2.1%	0.7%
\$1 million up to \$10 million	7.8%	18.1%	\$1 million up to \$10 million	0.8%	1.5%
Under \$1 million	1.1%	67.8%	Under \$1 million	0.04%	2.4%
Counties	31.6%	6.5%	Constitutional Officers	3.3%	7.4%
Top 10	25.6%	1.2%	Top 10	1.1%	1.2%
\$100 million or more	21.1%	0.7%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	9.9%	1.9%	\$10 million up to \$100 million	2.5%	0.7%
\$1 million up to \$10 million	0.5%	1.0%	\$1 million up to \$10 million	0.8%	2.0%
Under \$1 million	0.1%	2.9%	Under \$1 million	0.1%	4.6%
Municipalities	16.5%	27.3%	Special Districts	19.2%	40.9%
Top 10	9.6%	1.2%	Top 10	13.5%	1.2%
\$100 million or more	2.9%	0.1%	\$100 million or more	7.8%	0.2%
\$10 million up to \$100 million	10.8%	3.2%	\$10 million up to \$100 million	9.6%	3.0%
\$1 million up to \$10 million	2.5%	6.0%	\$1 million up to \$10 million	1.4%	4.0%
Under \$1 million	0.4%	18.0%	Under \$1 million	0.5%	33.7%
School Boards	17.2%	10.7%	Other	5.4%	2.5%
Top 10	13.9%	1.2%	Top 10	4.8%	1.2%
\$100 million or more	8.9%	0.2%	\$100 million or more	2.0%	0.1%
\$10 million up to \$100 million	6.7%	2.0%	\$10 million up to \$100 million	3.0%	0.9%
\$1 million up to \$10 million	1.5%	2.6%	\$1 million up to \$10 million	0.5%	1.0%
Under \$1 million	0.1%	5.9%	Under \$1 million	0.0%	0.5%



Total Fund Value: \$6,570,948,800



Total Active Participant Count: 802

Note: Active accounts include only those participant accounts valued above zero.

COMPLIANCE WITH INVESTMENT POLICY FOR AUGUST 2015

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG meets monthly and on an ad hoc basis to review compliance exceptions, to document responses to exceptions, and to formally escalate recommendations for approval by the Executive Director & CIO. The IOG also reviews the Federated compliance report each month, as well as the results of independent compliance testing conducted by SBA Risk Management and Compliance. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
<u>Florida PRIME's Investment Policy</u>	
Securities must be USD denominated.	Pass
<u>Ratings requirements</u>	
The Florida PRIME investment portfolio must purchase exclusively first-tier securities. Securities purchased with short-term ratings by an NRSRO, or comparable in quality and security to other obligations of the issuer that have received short-term ratings from an NRSRO, are eligible if they are in one of the two highest rating categories.	Pass
Securities purchased that do not have short-term ratings must have a long-term rating in one of the three highest long-term rating categories.	Pass
Commercial Paper must be rated by at least one short-term NRSRO.	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life - maximum 90 days ¹	Pass
<u>Maturity</u>	
Securities, excluding Government floating rate notes/variable rate notes, purchased did not have a maturity in excess of 397 days.	Pass
Government floating rate notes/variable rate notes purchased did not have a maturity in excess of 762 days.	Pass
The Florida PRIME investment portfolio must maintain a Spread WAM of 120 days or less.	Pass
<u>Issuer Diversification</u>	
First-tier issuers (limit does not apply to cash, cash items, U.S. Government securities refunded securities and repo collateralized by these securities) are limited, at the time of purchase, to 5% of the Florida PRIME investment portfolio's total assets. ²	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First-tier securities issued by or subject to demand features and guarantees of a non-controlled person, at time of purchase, are limited to 10% with respect to 75% of the Florida PRIME investment portfolio's total assets.	Pass
First-tier securities issued by or subject to demand features and guarantees of a control person, at time of purchase, are limited to 10% with respect to the Florida PRIME investment portfolio's total assets.	Pass
<u>Money Market Mutual Funds</u>	
The account, at time of purchase, will not have exposure to any one Money Market Mutual Fund in excess of 10% of the Florida PRIME investment portfolio's total assets.	Pass
<u>Concentration Tests</u>	
The account, at time of purchase, will not have exposure to an industry sector, excluding the financial services industry, in excess of 25% of the Florida PRIME investment portfolio's total assets.	Pass
The account, at time of purchase, will not have exposure to any single Government Agency in excess of 33.33% of the Florida PRIME investment portfolio's total assets.	Pass
The account, at time of purchase, will not have exposure to illiquid securities in excess of 5% of the Florida PRIME investment portfolio's total assets.	Pass
The account, at time of purchase, will invest at least 10% of the Florida PRIME investment portfolio's total assets in securities accessible within one business day.	Pass
The account, at time of purchase, will invest at least 30% of the Florida PRIME investment portfolio's total assets in securities accessible within five business days. ³	Pass
<u>S&P Requirements</u>	
The Florida PRIME investment portfolio must maintain a Dollar Weighted Average Maturity of 60 days or less.	Pass
The account, at time of purchase, will invest at least 50% of the Florida PRIME investment portfolio's total assets in Securities in Highest Rating Category (A-1+ or equivalent).	Pass

¹ The fund may use floating rate government securities to extend the limit up to 120 days

² This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to liquidate positions if the exposure in excess of the specified percentage is caused by account movements.

³ This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to take immediate corrective measures if asset movements cause the exposure to be below the specified percentage.

TRADING ACTIVITY FOR AUGUST 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Buys								
BANK OF NOVA SCOTIA/THE	10/09/15	08/05/15	08/10/15	320,000	320,179	807	320,986	0
BANK OF NOVA SCOTIA/HOUSTON	05/09/16	08/12/15	08/12/15	50,000,000	50,000,000	0	50,000,000	0
BANK OF MONTREAL (CCDYAN	08/31/15	08/24/15	08/24/15	50,000,000	50,000,000	0	50,000,000	0
BANK OF MONTREAL (CCDYAN	08/31/15	08/24/15	08/24/15	28,000,000	28,000,000	0	28,000,000	0
CANADIAN IMPERIAL BCDYAN	08/11/15	08/04/15	08/04/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	08/11/15	08/04/15	08/04/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	08/11/15	08/04/15	08/04/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	08/11/15	08/04/15	08/04/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	08/11/15	08/04/15	08/04/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	08/11/15	08/04/15	08/04/15	50,000,000	50,000,000	0	50,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	02/22/16	08/20/15	08/21/15	5,000,000	5,000,000	0	5,000,000	0
RABOBANK NEDERLAND,CDYAN	12/16/15	08/14/15	08/14/15	50,000,000	50,000,000	0	50,000,000	0
RABOBANK NEDERLAND,CDYAN	12/16/15	08/14/15	08/14/15	50,000,000	50,000,000	0	50,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/06/15	08/05/15	08/05/15	50,000,000	49,999,847	0	49,999,847	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/06/15	08/05/15	08/05/15	50,000,000	49,999,847	0	49,999,847	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/27/15	08/26/15	08/26/15	50,000,000	49,999,819	0	49,999,819	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/27/15	08/26/15	08/26/15	50,000,000	49,999,819	0	49,999,819	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/27/15	08/26/15	08/26/15	50,000,000	49,999,819	0	49,999,819	0
RABOBANK NEDERLAND CP	08/28/15	08/27/15	08/27/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	08/28/15	08/27/15	08/27/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	08/28/15	08/27/15	08/27/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	08/28/15	08/27/15	08/27/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/31/15	08/28/15	08/28/15	30,000,000	29,999,700	0	29,999,700	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/31/15	08/28/15	08/28/15	50,000,000	49,999,500	0	49,999,500	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/31/15	08/28/15	08/28/15	50,000,000	49,999,500	0	49,999,500	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/31/15	08/28/15	08/28/15	50,000,000	49,999,500	0	49,999,500	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/31/15	08/28/15	08/28/15	24,445,000	24,444,756	0	24,444,756	0
CREDIT AGRICOLE CORCDYAN	12/01/15	08/25/15	08/25/15	12,000,000	12,000,000	0	12,000,000	0
FAIRWAY FINANCE CO,CPABS4	12/22/15	08/17/15	08/17/15	20,000,000	19,975,306	0	19,975,306	0
GENERAL ELECTRIC CAPITAL CORP	05/09/16	08/28/15	09/02/15	11,911,000	12,102,553	110,293	12,212,845	0
GENERAL ELECTRIC CAPITAL CORP	01/08/16	08/17/15	08/20/15	45,697,000	45,786,109	53,313	45,839,422	0

TRADING ACTIVITY FOR AUGUST 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
GOTHAM FUNDING CORPCABS4	09/17/15	08/18/15	08/18/15	50,000,000	49,991,667	0	49,991,667	0
GOTHAM FUNDING CORPCABS4	09/17/15	08/18/15	08/18/15	3,000,000	2,999,500	0	2,999,500	0
GOTHAM FUNDING CORPCABS4	09/23/15	08/19/15	08/19/15	20,000,000	19,996,111	0	19,996,111	0
GOTHAM FUNDING CORPCABS4	09/23/15	08/19/15	08/19/15	50,000,000	49,990,278	0	49,990,278	0
GOTHAM FUNDING CORPCABS4	10/01/15	08/24/15	08/24/15	50,000,000	49,989,444	0	49,989,444	0
GOTHAM FUNDING CORPCABS4	10/01/15	08/24/15	08/24/15	25,000,000	24,994,722	0	24,994,722	0
GOTHAM FUNDING CORPCABS4	10/02/15	08/28/15	08/28/15	50,000,000	49,990,278	0	49,990,278	0
KAISER FOUNDATION HCP	09/01/15	08/31/15	08/31/15	50,000,000	49,999,792	0	49,999,792	0
KAISER FOUNDATION HCP	09/01/15	08/31/15	08/31/15	50,000,000	49,999,792	0	49,999,792	0
LMA-AMERICAS LLCPCABS4-2	08/25/15	08/18/15	08/18/15	10,000,000	9,999,728	0	9,999,728	0
LMA-AMERICAS LLCPCABS4-2	09/10/15	08/17/15	08/17/15	9,000,000	8,998,920	0	8,998,920	0
MIZUHO BANK LTD,CDYAN	11/13/15	08/05/15	08/05/15	20,000,000	20,000,000	0	20,000,000	0
SUMITOMO MITSUI BANC DYAN	11/16/15	08/12/15	08/12/15	40,000,000	40,000,000	0	40,000,000	0
SVENSKA HANDELSBANK CDYAN	11/30/15	08/05/15	08/06/15	25,000,000	25,000,402	0	25,000,402	0
TORONTO DOMINION BAC DYAN	08/08/16	08/05/15	08/07/15	10,000,000	10,000,000	0	10,000,000	0
TORONTO-DOMINION BANK/NY	02/24/16	08/24/15	08/24/15	50,000,000	50,000,000	0	50,000,000	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/03/15	08/03/15	1,064,179	1,064,179	0	1,064,179	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/05/15	08/05/15	3,228,868	3,228,868	0	3,228,868	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/06/15	08/06/15	809,894	809,894	0	809,894	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/07/15	08/07/15	429,297	429,297	0	429,297	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/11/15	08/11/15	571,363	571,363	0	571,363	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/13/15	08/13/15	2,105,967	2,105,967	0	2,105,967	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/18/15	08/18/15	5,783,849	5,783,849	0	5,783,849	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/20/15	08/20/15	813,603	813,603	0	813,603	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/21/15	08/21/15	2,366,152	2,366,152	0	2,366,152	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/25/15	08/25/15	4,846,203	4,846,203	0	4,846,203	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/26/15	08/26/15	2,462,805	2,462,805	0	2,462,805	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/28/15	08/28/15	718,483	718,483	0	718,483	0
BANK OF AMERICA TRIPARTY	08/04/15	08/03/15	08/03/15	600,000,000	600,000,000	0	600,000,000	0
BANK OF AMERICA TRIPARTY	08/05/15	08/04/15	08/04/15	410,000,000	410,000,000	0	410,000,000	0
BANK OF AMERICA TRIPARTY	08/06/15	08/05/15	08/05/15	275,000,000	275,000,000	0	275,000,000	0
BANK OF AMERICA TRIPARTY	08/07/15	08/06/15	08/06/15	310,000,000	310,000,000	0	310,000,000	0
BANK OF AMERICA TRIPARTY	08/10/15	08/07/15	08/07/15	290,000,000	290,000,000	0	290,000,000	0
BANK OF AMERICA TRIPARTY	08/11/15	08/10/15	08/10/15	410,000,000	410,000,000	0	410,000,000	0
BANK OF AMERICA TRIPARTY	08/12/15	08/11/15	08/11/15	710,000,000	710,000,000	0	710,000,000	0
BANK OF AMERICA TRIPARTY	08/13/15	08/12/15	08/12/15	700,000,000	700,000,000	0	700,000,000	0
BANK OF AMERICA TRIPARTY	08/14/15	08/13/15	08/13/15	635,000,000	635,000,000	0	635,000,000	0
BANK OF AMERICA TRIPARTY	08/17/15	08/14/15	08/14/15	620,000,000	620,000,000	0	620,000,000	0
BANK OF AMERICA TRIPARTY	08/18/15	08/17/15	08/17/15	575,000,000	575,000,000	0	575,000,000	0

TRADING ACTIVITY FOR AUGUST 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
BANK OF AMERICA TRIPARTY	08/19/15	08/18/15	08/18/15	645,000,000	645,000,000	0	645,000,000	0
BANK OF AMERICA TRIPARTY	08/20/15	08/19/15	08/19/15	370,000,000	370,000,000	0	370,000,000	0
BANK OF AMERICA TRIPARTY	08/21/15	08/20/15	08/20/15	350,000,000	350,000,000	0	350,000,000	0
BANK OF AMERICA TRIPARTY	08/24/15	08/21/15	08/21/15	555,000,000	555,000,000	0	555,000,000	0
BANK OF AMERICA TRIPARTY	08/25/15	08/24/15	08/24/15	405,000,000	405,000,000	0	405,000,000	0
BANK OF AMERICA TRIPARTY	08/26/15	08/25/15	08/25/15	455,000,000	455,000,000	0	455,000,000	0
BANK OF AMERICA TRIPARTY	08/27/15	08/26/15	08/26/15	490,000,000	490,000,000	0	490,000,000	0
BANK OF AMERICA TRIPARTY	08/28/15	08/27/15	08/27/15	385,000,000	385,000,000	0	385,000,000	0
BANK OF AMERICA TRIPARTY	08/31/15	08/28/15	08/28/15	360,000,000	360,000,000	0	360,000,000	0
BANK OF AMERICA TRIPARTY	09/01/15	08/31/15	08/31/15	570,000,000	570,000,000	0	570,000,000	0
STANDARD CHARTERED TD 0.14 20150820	08/20/15	08/19/15	08/19/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.14 20150821	08/21/15	08/20/15	08/20/15	310,000,000	310,000,000	0	310,000,000	0
Total Buys				12,554,573,663	12,554,776,885	164,412	12,554,941,297	0
Deposits								
STANDARD CHARTERED TD 0.13 20150804	08/04/15	08/03/15	08/03/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150805	08/05/15	08/04/15	08/04/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150806	08/06/15	08/05/15	08/05/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150807	08/07/15	08/06/15	08/06/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150810	08/10/15	08/07/15	08/07/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.13 20150811	08/11/15	08/10/15	08/10/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.13 20150812	08/12/15	08/11/15	08/11/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150813	08/13/15	08/12/15	08/12/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.14 20150814	08/14/15	08/13/15	08/13/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.14 20150817	08/17/15	08/14/15	08/14/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.14 20150818	08/18/15	08/17/15	08/17/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.14 20150819	08/19/15	08/18/15	08/18/15	310,000,000	310,000,000	0	310,000,000	0
SVENSKA HANDELSBANKTDCAY 0.13 20150820	08/20/15	08/19/15	08/19/15	200,000,000	200,000,000	0	200,000,000	0
SVENSKA HANDELSBANKTDCAY 0.13 20150821	08/21/15	08/20/15	08/20/15	200,000,000	200,000,000	0	200,000,000	0
STANDARD CHARTERED TD 0.14 20150824	08/24/15	08/21/15	08/21/15	305,000,000	305,000,000	0	305,000,000	0
STANDARD CHARTERED TD 0.14 20150825	08/25/15	08/24/15	08/24/15	305,000,000	305,000,000	0	305,000,000	0
STANDARD CHARTERED TD 0.14 20150826	08/26/15	08/25/15	08/25/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150827	08/27/15	08/26/15	08/26/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150828	08/28/15	08/27/15	08/27/15	305,000,000	305,000,000	0	305,000,000	0
STANDARD CHARTERED TD 0.14 20150831	08/31/15	08/28/15	08/28/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.07 20150901	09/01/15	08/31/15	08/31/15	305,000,000	305,000,000	0	305,000,000	0
Total Deposits				6,275,000,000	6,275,000,000	0	6,275,000,000	0

TRADING ACTIVITY FOR AUGUST 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
<i>Maturities</i>								
ATLANTIC ASSET SECUCPABS4	08/18/15	08/18/15	08/18/15	125,000,000	125,000,000	0	125,000,000	0
BANK OF MONTREAL/CHICAGO IL	08/20/15	08/20/15	08/20/15	5,000,000	5,000,000	0	5,000,000	0
BANK OF MONTREAL (CCDYAN	08/12/15	08/12/15	08/12/15	20,000,000	20,000,000	0	20,000,000	0
BANK OF MONTREAL (CCDYAN	08/31/15	08/31/15	08/31/15	78,000,000	78,000,000	0	78,000,000	0
ABN AMRO BANK NVCDEUR	08/12/15	08/12/15	08/12/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	08/11/15	08/11/15	08/11/15	300,000,000	300,000,000	0	300,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/06/15	08/06/15	08/06/15	100,000,000	100,000,000	0	100,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/27/15	08/27/15	08/27/15	150,000,000	150,000,000	0	150,000,000	0
RABOBANK NEDERLAND CP	08/28/15	08/28/15	08/28/15	200,000,000	200,000,000	0	200,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	08/31/15	08/31/15	08/31/15	204,445,000	204,445,000	0	204,445,000	0
GENERAL ELECTRIC CAPITAL CORP	08/11/15	08/11/15	08/11/15	7,293,000	7,293,000	0	7,293,000	0
GOTHAM FUNDING CORPCPABS4	08/04/15	08/04/15	08/04/15	100,000,000	100,000,000	0	100,000,000	0
GOTHAM FUNDING CORPCPABS4	08/18/15	08/18/15	08/18/15	25,000,000	25,000,000	0	25,000,000	0
GOTHAM FUNDING CORPCPABS4	08/20/15	08/20/15	08/20/15	100,000,000	100,000,000	0	100,000,000	0
GOTHAM FUNDING CORPCPABS4	08/25/15	08/25/15	08/25/15	40,000,000	40,000,000	0	40,000,000	0
HSBC USA, INC, CP	08/21/15	08/21/15	08/21/15	25,000,000	25,000,000	0	25,000,000	0
HSBC USA, INC, CP	08/26/15	08/26/15	08/26/15	50,000,000	50,000,000	0	50,000,000	0
ING (U.S.) FUNDING CP	08/06/15	08/06/15	08/06/15	25,000,000	25,000,000	0	25,000,000	0
ING (U.S.) FUNDING CP	08/24/15	08/24/15	08/24/15	100,000,000	100,000,000	0	100,000,000	0
ING (U.S.) FUNDING CP	08/26/15	08/26/15	08/26/15	25,000,000	25,000,000	0	25,000,000	0
LMA-AMERICAS LLCCPABS4-2	08/25/15	08/25/15	08/25/15	10,000,000	10,000,000	0	10,000,000	0
MIZUHO BANK LTD, CDYAN	08/05/15	08/05/15	08/05/15	10,000,000	10,000,000	0	10,000,000	0
MIZUHO BANK LTD/NY	08/14/15	08/14/15	08/14/15	30,000,000	30,000,000	0	30,000,000	0
NATIONAL AUSTRALIA BANK LTD/NEW YORK	08/07/15	08/07/15	08/07/15	900,000	900,000	0	900,000	0
SOCIETE GENERALE, PCDYAN	08/31/15	08/31/15	08/31/15	25,000,000	25,000,000	0	25,000,000	0
SUMITOMO MITSUI BANKING CORP/NEW YORK	08/10/15	08/10/15	08/10/15	28,000,000	28,000,000	0	28,000,000	0
UBS AGCDYAN	08/31/15	08/31/15	08/31/15	50,000,000	50,000,000	0	50,000,000	0
BANK OF AMERICA TRIPARTY	08/03/15	08/03/15	08/03/15	620,000,000	620,000,000	0	620,000,000	0
BANK OF AMERICA TRIPARTY	08/04/15	08/04/15	08/04/15	600,000,000	600,000,000	0	600,000,000	0
BANK OF AMERICA TRIPARTY	08/05/15	08/05/15	08/05/15	410,000,000	410,000,000	0	410,000,000	0
BANK OF AMERICA TRIPARTY	08/06/15	08/06/15	08/06/15	275,000,000	275,000,000	0	275,000,000	0
BANK OF AMERICA TRIPARTY	08/07/15	08/07/15	08/07/15	310,000,000	310,000,000	0	310,000,000	0
BANK OF AMERICA TRIPARTY	08/10/15	08/10/15	08/10/15	290,000,000	290,000,000	0	290,000,000	0

TRADING ACTIVITY FOR AUGUST 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
BANK OF AMERICA TRIPARTY	08/11/15	08/11/15	08/11/15	410,000,000	410,000,000	0	410,000,000	0
BANK OF AMERICA TRIPARTY	08/12/15	08/12/15	08/12/15	710,000,000	710,000,000	0	710,000,000	0
BANK OF AMERICA TRIPARTY	08/13/15	08/13/15	08/13/15	700,000,000	700,000,000	0	700,000,000	0
BANK OF AMERICA TRIPARTY	08/14/15	08/14/15	08/14/15	635,000,000	635,000,000	0	635,000,000	0
BANK OF AMERICA TRIPARTY	08/17/15	08/17/15	08/17/15	620,000,000	620,000,000	0	620,000,000	0
BANK OF AMERICA TRIPARTY	08/18/15	08/18/15	08/18/15	575,000,000	575,000,000	0	575,000,000	0
BANK OF AMERICA TRIPARTY	08/19/15	08/19/15	08/19/15	645,000,000	645,000,000	0	645,000,000	0
BANK OF AMERICA TRIPARTY	08/20/15	08/20/15	08/20/15	370,000,000	370,000,000	0	370,000,000	0
BANK OF AMERICA TRIPARTY	08/21/15	08/21/15	08/21/15	350,000,000	350,000,000	0	350,000,000	0
BANK OF AMERICA TRIPARTY	08/24/15	08/24/15	08/24/15	555,000,000	555,000,000	0	555,000,000	0
BANK OF AMERICA TRIPARTY	08/25/15	08/25/15	08/25/15	405,000,000	405,000,000	0	405,000,000	0
BANK OF AMERICA TRIPARTY	08/26/15	08/26/15	08/26/15	455,000,000	455,000,000	0	455,000,000	0
BANK OF AMERICA TRIPARTY	08/27/15	08/27/15	08/27/15	490,000,000	490,000,000	0	490,000,000	0
BANK OF AMERICA TRIPARTY	08/28/15	08/28/15	08/28/15	385,000,000	385,000,000	0	385,000,000	0
BANK OF AMERICA TRIPARTY	08/31/15	08/31/15	08/31/15	360,000,000	360,000,000	0	360,000,000	0
STANDARD CHARTERED TD 0.08 20150803	08/03/15	08/03/15	08/03/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150804	08/04/15	08/04/15	08/04/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150805	08/05/15	08/05/15	08/05/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150806	08/06/15	08/06/15	08/06/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150807	08/07/15	08/07/15	08/07/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150810	08/10/15	08/10/15	08/10/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.13 20150811	08/11/15	08/11/15	08/11/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.13 20150812	08/12/15	08/12/15	08/12/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.13 20150813	08/13/15	08/13/15	08/13/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.14 20150814	08/14/15	08/14/15	08/14/15	315,000,000	315,000,000	0	315,000,000	0
STANDARD CHARTERED TD 0.14 20150817	08/17/15	08/17/15	08/17/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.14 20150818	08/18/15	08/18/15	08/18/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.14 20150819	08/19/15	08/19/15	08/19/15	310,000,000	310,000,000	0	310,000,000	0
SVENSKA HANDELSBANKTD CAY 0.13 20150820	08/20/15	08/20/15	08/20/15	200,000,000	200,000,000	0	200,000,000	0
SVENSKA HANDELSBANKTD CAY 0.13 20150821	08/21/15	08/21/15	08/21/15	200,000,000	200,000,000	0	200,000,000	0
STANDARD CHARTERED TD 0.14 20150824	08/24/15	08/24/15	08/24/15	305,000,000	305,000,000	0	305,000,000	0
STANDARD CHARTERED TD 0.14 20150825	08/25/15	08/25/15	08/25/15	305,000,000	305,000,000	0	305,000,000	0
STANDARD CHARTERED TD 0.14 20150826	08/26/15	08/26/15	08/26/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150827	08/27/15	08/27/15	08/27/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150828	08/28/15	08/28/15	08/28/15	305,000,000	305,000,000	0	305,000,000	0
STANDARD CHARTERED TD 0.14 20150831	08/31/15	08/31/15	08/31/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150820	08/20/15	08/20/15	08/20/15	310,000,000	310,000,000	0	310,000,000	0
STANDARD CHARTERED TD 0.14 20150821	08/21/15	08/21/15	08/21/15	310,000,000	310,000,000	0	310,000,000	0
Total Maturities				18,958,638,000	18,958,638,000	0	18,958,638,000	0

TRADING ACTIVITY FOR AUGUST 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Sells								
J.P. MORGAN SECURITCP4-2	10/09/15	08/07/15	08/07/15	3,000,000	2,998,845	0	2,998,845	945
TORONTO-DOMINION BANK/NY	09/04/15	08/24/15	08/24/15	50,000,000	50,001,554	7,826	50,009,380	1,554
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/04/15	08/04/15	114,998	114,998	0	114,998	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/04/15	08/04/15	2,383,650	2,383,650	0	2,383,650	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/04/15	08/04/15	306,909	306,909	0	306,909	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/10/15	08/10/15	1,056,878	1,056,878	0	1,056,878	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/12/15	08/12/15	7,752	7,752	0	7,752	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/12/15	08/12/15	11,880	11,880	0	11,880	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/12/15	08/12/15	2,514,241	2,514,241	0	2,514,241	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/12/15	08/12/15	1,250,639	1,250,639	0	1,250,639	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/14/15	08/14/15	16,123	16,123	0	16,123	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/17/15	08/17/15	473,324	473,324	0	473,324	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/17/15	08/17/15	7,301	7,301	0	7,301	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/17/15	08/17/15	3,228,868	3,228,868	0	3,228,868	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/17/15	08/17/15	809,894	809,894	0	809,894	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/17/15	08/17/15	108,766	108,766	0	108,766	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/19/15	08/19/15	4,120,275	4,120,275	0	4,120,275	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/24/15	08/24/15	320,531	320,531	0	320,531	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/24/15	08/24/15	571,363	571,363	0	571,363	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/24/15	08/24/15	2,105,967	2,105,967	0	2,105,967	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/24/15	08/24/15	1,663,574	1,663,574	0	1,663,574	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/24/15	08/24/15	813,603	813,603	0	813,603	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/24/15	08/24/15	2,366,152	2,366,152	0	2,366,152	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/27/15	08/27/15	2,146,828	2,146,828	0	2,146,828	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	08/31/15	08/31/15	1,793,433	1,793,433	0	1,793,433	0
FEDERATED PRIME CASH OBLIGATIONS FUND	10/01/40	08/10/15	08/10/15	5,000,000	5,000,000	0	5,000,000	0
FEDERATED PRIME CASH OBLIGATIONS FUND	10/01/40	08/26/15	08/26/15	20,000,000	20,000,000	0	20,000,000	0
FEDERATED PRIME OBLIGATIONS FUND	10/01/40	08/10/15	08/10/15	5,000,000	5,000,000	0	5,000,000	0
FEDERATED PRIME OBLIGATIONS FUND	10/01/40	08/26/15	08/26/15	20,000,000	20,000,000	0	20,000,000	0
Total Sells				131,192,950	131,193,349	7,826	131,201,175	2,499



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www.sbafla.com/prime

Our Mission

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

Federated



MONTHLY SUMMARY REPORT

September 2015

State Board of Administration of Florida

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Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from September 1, 2015 through September 30, 2015, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

PRIME™ STATISTICS

(As of September 30, 2015)

Total Participants
800

Florida PRIME™ Assets
\$6,185,653,929

Total Number of Accounts
1,542

FACTS-AT-A-GLANCE

Florida PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAAm” rating, full transparency, and best-in-class financial reporting.

PORTFOLIO MANAGER COMMENTARY

MARKET CONDITIONS

When the Federal Reserve decided to leave rates near zero in its September policymaking meeting, it was more than disappointing. It struck a serious blow for its credibility. While the Fed cannot and should not make promises, it has been giving strong indications in its economic projections and in most speeches that the economy is finally conducive to a hike. Our view of Chair Janet Yellen and company is now a case of “watch what they do, not what they say.” The markets have lost some faith, too. When in a speech last week Yellen floated—yet again—the possibility that a rate hike could still happen this year, few believed her. The market is pricing in far less of a probability.

Yellen has been praised as a consensus builder, apt at finding common ground between differing opinions. But she had a consensus on a hike and did not go with it. Thirteen of the 17 Fed governors and presidents, according to the last release of economic projections, indicated they thought the Fed should raise rates in 2015. That is more than 75%—closer to a mandate than a majority.

It is worrisome that the Fed seems to be letting the implications of a China slowdown derail it even in the face of solid domestic figures. Macroeconomic disturbances are always going to happen somewhere in the world, and the Fed cannot be swayed by any but the most potentially disastrous. China is important, but it does not drive U.S. activity and GDP (the latter just revised up to a strong 3.9%). The Fed is letting what has little negative implications on the U.S. sway policy, when significant issues could eventually arise, such as rising inflation, slowing retail sales or stagnating manufacturing. The Fed cannot get any more stimulative if it is already as stimulative as it can get.

So where does it put us and most money market

managers? Pretty much right where we were ahead of the September meeting. We will continue to position ourselves for the Federal Open Market Committee (FOMC) to announce a move this month or in December, but we will not be surprised if there is not one this year. We are not doing an about face in any way, shape or form regarding what we are buying or how our portfolios are positioned, with most holdings in the high 30s to low 40s from a weighted average maturity (WAM) perspective.

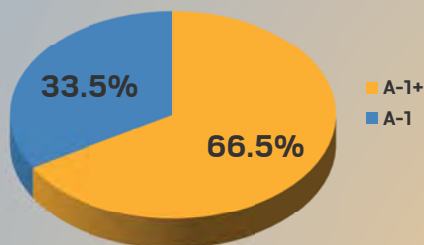
INVESTMENT STRATEGY

The Fed inaction actually did not have much effect on the short end of the LIBOR curve in September. One-month Libor ended the month at 19 basis points, 3-month at 33 basis points and 6-month at 53 basis points. Only the 1-year part of the curve notably changed, up a basis point to 85. But the expectations of a Fed move already had pushed LIBOR upward in late summer and the portfolio gained from that with a substantial jump in yield from 25 to 28 basis points in September.

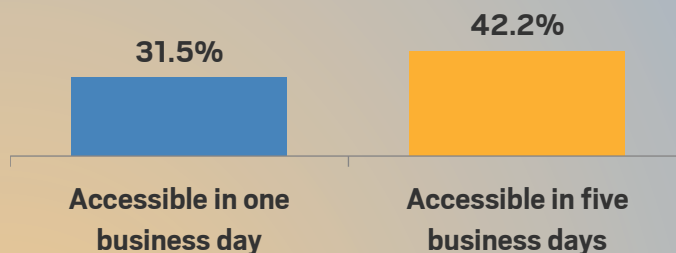
The changes in the portfolio composition last month were not due to investment decisions, but to rebalancing allocation shorter to accommodate the typical outflow of Pool assets in summer. Assets declined by \$385 million to \$6.2 billion in September, reflecting participants needing cash for expenses before tax income begins to be collected in the fall. Allocations to commercial paper increased (to 23% of holdings from 17% in August), variable-rate paper decreased (to 29% from 31%) and fixed-rate banking paper decreased (to 19% from 23%). Holdings of money market funds and repo did not change from August (at 20% and 9%, respectively).

PORTFOLIO COMPOSITION FOR SEPTEMBER 2015

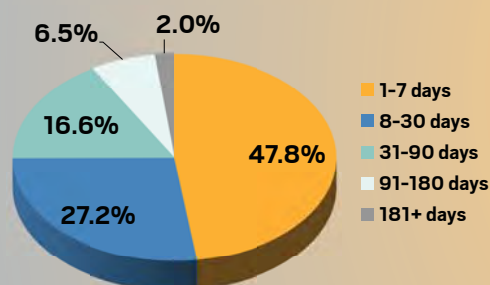
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

1. Federated Prime Obligations Fund	9.8%
2. Federated Prime Cash Obligations Fund	9.8%
3. Mitsubishi UFJ Financial Group, Inc.	5.1%
4. Sumitomo Mitsui Financial Group, Inc.	5.1%
5. JPMorgan Chase & Co.	5.1%
6. Royal Bank of Canada, Montreal	4.9%
7. North Rhine-Westphalia, State of	4.8%
8. Bank of Montreal	4.5%
9. General Electric Co.	4.3%
10. DZ Bank AG Deutsche Zentral-Genossenschaftsbank	4.1%

Average Effective Maturity (WAM)

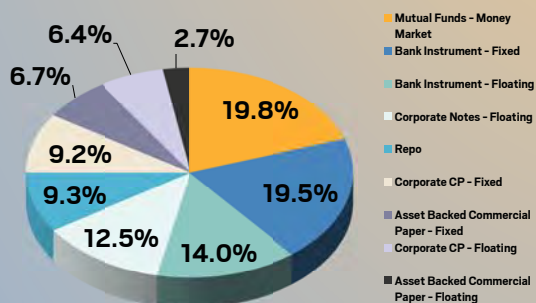
28.4 Days

Weighted Average Life (Spread WAM)

81.5 Days

Percentages based on total value of investments

PORTFOLIO COMPOSITION



FUND PERFORMANCE THROUGH SEPTEMBER 30, 2015

Florida PRIME Performance Data			
	Net Participant Yield ¹	Net-of-Fee Benchmark ²	Above (Below) Benchmark
One Month	0.25%	0.09%	0.16%
Three Months	0.24%	0.08%	0.16%
One Year	0.20%	0.06%	0.14%
Three Years	0.19%	0.06%	0.13%
Five Years	0.23%	0.08%	0.15%
Ten Years	1.56%	1.43%	0.13%
Since 1/96	2.80%	2.59%	0.21%

Note: Net asset value at month end: \$6,185.4 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

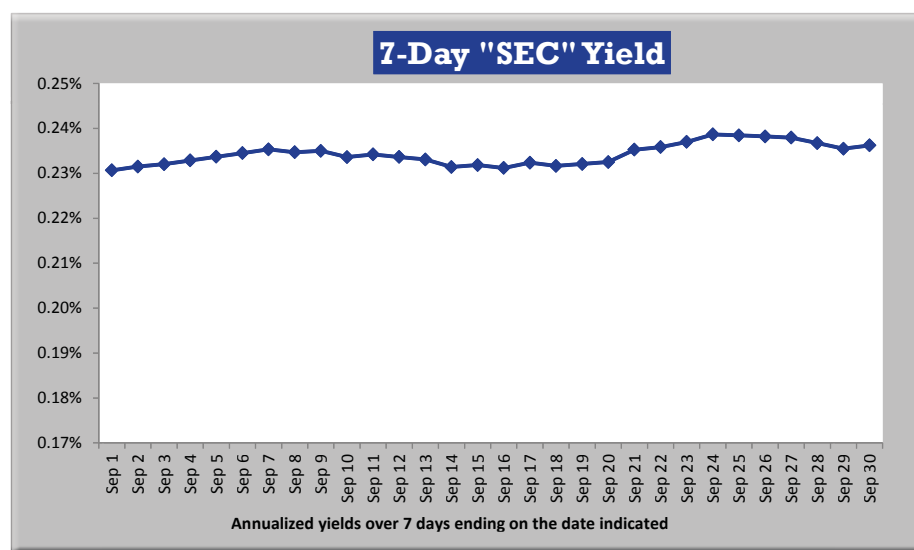
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds.

The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365.

Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

PRIME ACCOUNT SUMMARY FOR SEPTEMBER 2015

Summary of Cash Flows		
Opening Balance (09/01/15)	\$	6,570,948,800
Participant Deposits		955,217,398
Gross Earnings		1,410,052
Participant Withdrawals		(1,341,833,765)
Fees		(88,557)
Closing Balance (09/30/15)	\$	6,185,653,928.00
Net Change over Month	\$	(385,294,872)

Detailed Fee Disclosure		
September 2015	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 53,099.92	1.00
Federated Investment Management Fee	14,805.98	0.28
BNY Mellon Custodial Fee**	8,615.36	0.16
Bank of America Transfer Agent Fee	4,182.35	0.08
S&P Rating Maintenance Fee	3,287.67	0.06
Audit/External Review Fees	4,565.83	0.09
Total Fees	\$ 88,557.11	1.67

*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was 6,378,301,364.

**All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges will fluctuate month-to-month.

INVENTORY OF HOLDINGS FOR SEPTEMBER 2015

Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
ABN Amro Bank NV CDEUR	CERTIFICATE OF DEPOSIT - EURO	0.00	10/13/2015		50,000,000	0.34	\$49,993,866	\$49,995,700	\$1,834
ABN Amro Bank NV CDEUR	CERTIFICATE OF DEPOSIT - EURO	0.00	1/5/2016		100,000,000	0.39	\$99,899,823	\$99,899,823	-\$0
Australia & New Zealand Banking Group, Melbourne, Dec 18, 2015	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.31	12/18/2015	10/19/2015	100,000,000	0.32	\$100,000,000	\$99,997,500	-\$2,500
BMO Harris Bank, N.A., Mar 14, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.42	3/14/2016	10/14/2015	10,000,000	0.42	\$10,000,000	\$9,999,140	-\$860
BMO Harris Bank, N.A., Oct 23, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.34	10/23/2015	10/23/2015	25,000,000	0.34	\$25,000,000	\$24,999,575	-\$425
BMW US Capital LLC, Jul 06, 2016	VARIABLE EURO MEDIUM TERM NOTE	0.45	7/6/2016	10/6/2015	51,000,000	0.41	\$51,000,000	\$50,852,100	-\$147,900
BNP Paribas SA Dublin CP4-2	COMMERCIAL PAPER - 4-2		12/1/2015		100,000,000	0.37	\$99,938,000	\$99,957,806	\$19,806
Bank of America N.A. BNOTE	BANK NOTE	0.34	12/1/2015		25,000,000	0.34	\$25,000,000	\$25,001,525	\$1,525
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.12	10/1/2015		585,000,000	0.12	\$585,000,000	\$585,000,000	\$0
Bank of Montreal, Dec 10, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.31	12/10/2015	10/13/2015	100,000,000	0.32	\$100,000,000	\$99,995,900	-\$4,100
Bank of Montreal, May 23, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.36	5/23/2016	10/23/2015	50,000,000	0.36	\$50,000,000	\$49,996,650	-\$3,350
Bank of Montreal, Series MTN, 1.300%, 07/15/2016	CORPORATE BOND	1.30	7/15/2016		14,430,000	0.81	\$14,485,483	\$14,487,922	\$2,439
Bank of Montreal, Sr. Unsec'd. Note, Series MTN, .8%, 11/06/2015	CORPORATE NOTE	0.80	11/6/2015		2,000,000	0.39	\$2,000,830	\$2,000,606	-\$224
Bank of Montreal, Sr. Unsec'd. Note, Series MTN, .8%, 11/06/2015	CORPORATE NOTE	0.80	11/6/2015		1,300,000	0.49	\$1,300,404	\$1,300,394	-\$10
Bank of Montreal, Sr. Unsec'd. Note, Series MTN, 7/15/2016	CORPORATE BOND	0.81	7/15/2016	10/15/2015	15,000,000	0.40	\$15,049,830	\$15,036,975	-\$12,855
Bank of Montreal, Sr. Unsec'd. Note, Series MTN, 7/15/2016	CORPORATE BOND	0.81	7/15/2016	10/15/2015	10,000,000	0.44	\$10,029,906	\$10,024,650	-\$5,256
Bank of Montreal, Sr. Unsec'd. Note, Series MTN, 7/15/2016	CORPORATE BOND	0.81	7/15/2016	10/15/2015	54,250,000	0.49	\$54,396,754	\$54,383,726	-\$13,028
Bank of Nova Scotia, Tor, 2.05%, 10/07/2015	CORPORATE BOND	2.05	10/7/2015		50,000,000	0.41	\$50,015,654	\$50,005,400	-\$10,254
Bank of Nova Scotia, Tor, Sr. Unsec'd. Note, .75%, 10/09/2015	CORPORATE NOTE	0.75	10/9/2015		4,200,000	0.30	\$4,200,471	\$4,200,248	-\$223
Bank of Nova Scotia, Tor, Sr. Unsec'd. Note, .75%, 10/09/2015	CORPORATE NOTE	0.75	10/9/2015		320,000	0.41	\$320,027	\$320,019	-\$8
Bank of Nova Scotia, Toronto, Jan 15, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.36	1/15/2016	10/15/2015	40,000,000	0.36	\$40,000,000	\$39,998,680	-\$1,320
Bank of Nova Scotia, Toronto, May 09, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.41	5/9/2016	11/9/2015	50,000,000	0.42	\$50,000,000	\$49,993,800	-\$6,200
Bank of Tokyo-Mitsubishi Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/15/2015		40,000,000	0.30	\$40,000,000	\$40,002,164	\$2,164
Barton Capital LLC, Nov 06, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.29	11/6/2015	10/6/2015	50,000,000	0.30	\$50,000,000	\$49,998,700	-\$1,300

See notes at end of table.

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Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Barton Capital LLC, Nov 10, 2015	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.30	11/10/2015	10/13/2015	20,000,000	0.31	\$20,000,000	\$19,999,760	-\$240
Bedford Row Funding Corp., Apr 14, 2016	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.35	4/14/2016	10/14/2015	25,000,000	0.35	\$25,000,000	\$24,997,200	-\$2,800
Bedford Row Funding Corp., Jun 07, 2016	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.42	6/7/2016	10/7/2015	25,000,000	0.43	\$25,000,000	\$24,996,700	-\$3,300
Bedford Row Funding Corp., May 10, 2016	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.35	5/10/2016	10/13/2015	50,000,000	0.36	\$50,000,000	\$49,996,750	-\$3,250
Chase Bank USA, N.A. CD	CERTIFICATE OF DEPOSIT	0.65	6/8/2016		50,000,000	0.66	\$50,000,000	\$50,060,356	\$60,356
Commonwealth Bank of Australia, Apr 04, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.37	4/4/2016	10/6/2015	50,000,000	0.39	\$50,000,000	\$49,995,050	-\$4,950
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.38	12/1/2015		12,000,000	0.39	\$12,000,000	\$12,003,593	\$3,593
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.29	10/2/2015		25,000,000	0.29	\$25,000,000	\$25,000,286	\$286
Credit Suisse, Zurich CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/13/2015		100,000,000	0.28	\$100,000,000	\$100,007,979	\$7,979
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/8/2015		70,000,000	0.28	\$70,000,000	\$70,001,241	\$1,241
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.28	10/2/2015		100,000,000	0.28	\$100,000,000	\$100,000,443	\$443
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/16/2015		30,000,000	0.30	\$30,000,000	\$30,001,331	\$1,331
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.41	2/8/2016		50,000,000	0.42	\$50,000,000	\$50,000,000	\$0
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.41	2/10/2016		10,000,000	0.42	\$10,000,000	\$10,000,000	\$0
Dreyfus Government Cash Management Fund OVNMF	OVERNIGHT MUTUAL FUND	0.01	10/1/2015		6,218,894	0.01	\$6,218,894	\$6,218,894	\$0
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		12/22/2015		20,000,000	0.36	\$19,983,861	\$19,984,507	\$645
Federated Prime Cash Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	0.23	10/1/2015	10/1/2015	618,004,827	0.11	\$618,004,827	\$618,004,827	\$0
Federated Prime Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	0.22	10/1/2015	10/1/2015	618,016,811	0.10	\$618,016,811	\$618,016,811	\$0
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		6,510,000	0.54	\$6,604,840	\$6,603,601	-\$1,239
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		7,500,000	0.54	\$7,609,267	\$7,607,835	-\$1,432
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		10,000,000	0.54	\$10,145,706	\$10,143,780	-\$1,926
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		6,100,000	0.54	\$6,188,862	\$6,187,706	-\$1,157
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		11,911,000	0.60	\$12,081,099	\$12,082,256	\$1,158
General Electric Capital Corp., Sr. Unsec'd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		1,000,000	0.66	\$1,013,841	\$1,014,378	\$537

See notes at end of table.

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Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
General Electric Capital Corp., Sr. Unsecd. Note, 2.950%, 05/09/2016	CORPORATE BOND	2.95	5/9/2016		1,000,000	0.66	\$1,013,836	\$1,014,378	\$542
General Electric Capital Corp., Sr. Unsecd. Note, Series MTN, 1.000%, 01/08/2016	CORPORATE BOND	1.00	1/8/2016		45,697,000	0.49	\$45,760,198	\$45,772,629	\$12,431
General Electric Capital Corp., Sr. Unsecd., Jun 20, 2016	VARIABLE EURO MEDIUM TERM NOTE	0.55	6/20/2016	12/21/2015	85,000,000	0.40	\$85,096,877	\$85,024,735	-\$72,142
General Electric Capital, Floating Rate Note - Sr. Note, Series MTN, 1/08/2016	CORPORATE BOND	0.92	1/8/2016	10/8/2015	10,000,000	0.34	\$10,015,286	\$10,010,310	-\$4,976
General Electric Capital, Series GMTN, 1.5%, 7/12/2016	CORPORATE BOND	1.50	7/12/2016		4,626,000	0.76	\$4,652,614	\$4,659,215	\$6,601
General Electric Capital, Sr. Note, 1/14/2016	CORPORATE NOTE	0.52	1/14/2016	10/14/2015	14,225,000	0.34	\$14,232,683	\$14,227,034	-\$5,649
General Electric Capital, Sr. Note, 1/14/2016	CORPORATE NOTE	0.52	1/14/2016	10/14/2015	10,000,000	0.35	\$10,005,143	\$10,001,430	-\$3,713
General Electric Capital, Sr. Note, Series MTN, 1/08/2016	CORPORATE BOND	0.48	1/8/2016	10/8/2015	255,000	0.37	\$255,087	\$254,999	-\$88
General Electric Capital, Sr. Unsecd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		9,952,000	0.41	\$9,972,037	\$9,970,292	-\$1,746
General Electric Capital, Sr. Unsecd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		1,089,000	0.41	\$1,091,192	\$1,091,002	-\$190
General Electric Capital, Sr. Unsecd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		8,000,000	0.41	\$8,016,096	\$8,014,704	-\$1,392
General Electric Capital, Sr. Unsecd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		10,000,000	0.41	\$10,019,972	\$10,018,380	-\$1,592
General Electric Capital, Sr. Unsecd. Note, 2.25%, 11/09/2015	CORPORATE BOND	2.25	11/9/2015		1,000,000	0.51	\$1,001,900	\$1,001,838	-\$62
General Electric Capital, Sr. Unsecd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		3,967,000	0.43	\$4,016,174	\$4,014,334	-\$1,840
General Electric Capital, Sr. Unsecd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		400,000	0.46	\$404,941	\$404,773	-\$168
General Electric Capital, Sr. Unsecd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		10,000,000	0.46	\$10,123,380	\$10,119,320	-\$4,060
General Electric Capital, Sr. Unsecd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		7,650,000	0.51	\$7,743,644	\$7,741,280	-\$2,364
General Electric Capital, Sr. Unsecd. Note, Series MTN, 5%, 1/08/2016	CORPORATE BOND	5.00	1/8/2016		1,185,000	0.61	\$1,199,194	\$1,199,139	-\$54
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/1/2015		75,000,000	0.20	\$74,999,583	\$74,999,636	\$52
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/2/2015		50,000,000	0.20	\$49,999,444	\$49,999,509	\$64
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/7/2015		35,000,000	0.21	\$34,998,571	\$34,998,707	\$136
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/20/2015		50,000,000	0.25	\$49,993,056	\$49,994,167	\$1,111

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Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/23/2015		73,000,000	0.20	\$72,990,672	\$72,990,206	-\$467
ING (U.S.) Funding LLC CP	COMMERCIAL PAPER		12/16/2015		50,000,000	0.31	\$49,966,847	\$49,969,200	\$2,353
J.P. Morgan Securities LLC CP4-2	COMMERCIAL PAPER - 4-2		10/9/2015		22,000,000	0.41	\$21,997,800	\$21,999,175	\$1,375
J.P. Morgan Securities LLC CP4-2	COMMERCIAL PAPER - 4-2		11/10/2015		25,000,000	0.35	\$24,990,319	\$24,994,448	\$4,129
J.P. Morgan Securities LLC, Apr 22, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.46	4/22/2016	10/22/2015	10,000,000	0.46	\$10,000,000	\$9,998,890	-\$1,110
J.P. Morgan Securities LLC, Dec 04, 2015	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.40	12/4/2015	12/4/2015	50,000,000	0.41	\$50,000,000	\$49,994,650	-\$5,350
J.P. Morgan Securities LLC, Feb 09, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.40	2/9/2016	10/9/2015	100,000,000	0.41	\$100,000,000	\$99,996,200	-\$3,800
J.P. Morgan Securities LLC, Feb 16, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.41	2/16/2016	10/16/2015	25,000,000	0.41	\$25,000,000	\$24,998,950	-\$1,050
J.P. Morgan Securities LLC, May 31, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.50	5/31/2016	10/30/2015	25,000,000	0.51	\$25,000,000	\$24,996,750	-\$3,250
JPMorgan Chase Bank, N.A., Nov 04, 2016	VARIABLE RATE BANK NOTE	0.49	11/4/2016	10/7/2015	15,000,000	0.50	\$15,000,000	\$14,999,805	-\$195
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2015		100,000,000	0.30	\$99,995,000	\$99,996,883	\$1,883
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		12/4/2015		20,000,000	0.33	\$19,988,083	\$19,989,167	\$1,083
Mizuho Bank Ltd. CDEUR (London)	CERTIFICATE OF DEPOSIT - EURO	0.00	10/13/2015		45,000,000	0.37	\$44,994,155	\$44,996,220	\$2,065
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	10/27/2015		40,000,000	0.30	\$40,000,000	\$40,003,176	\$3,176
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.30	11/13/2015		20,000,000	0.30	20,000,000	20,001,757	\$1,757
Mizuho Bank Ltd., Oct 30, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.34	10/30/2015	10/30/2015	50,000,000	0.32	50,001,277	49,999,250	-\$2,027
NRW Bank CP	COMMERCIAL PAPER		10/5/2015		100,000,000	0.08	99,998,889	99,997,556	-\$1,333
NRW Bank CP	COMMERCIAL PAPER		10/5/2015		200,000,000	0.09	\$199,997,639	\$199,995,112	-\$2,527
National Australia Bank Ltd., Melbourne, Jan 29, 2016	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.36	1/29/2016	10/13/2015	40,000,000	0.36	\$40,000,000	\$39,997,360	-\$2,640
New York City, NY Municipal Water Finance Authority, Second General Resolution (Fiscal 2007 Series C-C1), 06/15/2038	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.12	6/15/2038	10/1/2015	46,400,000	0.12	\$46,400,000	\$46,400,000	\$0
Rabobank Nederland NV, Utrecht, Feb 22, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.37	2/22/2016	10/22/2015	5,000,000	0.38	\$5,000,000	\$4,999,615	-\$385
Rabobank Nederland NV, Utrecht, Mar 18, 2016	VARIABLE RATE EUR CERTIFICATE OF DEPOSIT	0.41	3/18/2016	10/19/2015	40,000,000	0.42	\$40,000,000	\$39,973,400	-\$26,600
Rabobank Nederland NV, Utrecht, Oct 09, 2015	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.32	10/9/2015	10/9/2015	5,000,000	0.33	\$5,000,141	\$4,999,935	-\$206
Rabobank Nederland, Utrecht CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.36	12/16/2015		100,000,000	0.37	\$100,000,000	\$100,022,634	\$22,634
Royal Bank of Canada, Montreal, Jan 13, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.31	1/13/2016	10/13/2015	25,000,000	0.31	\$25,000,000	\$24,996,425	-\$3,575

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Royal Bank of Canada, Montreal, May 12, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.35	5/12/2016	10/13/2015	50,000,000	0.35	\$50,000,000	\$49,996,850	-\$3,150
Royal Bank of Canada, Montreal, Oct 03, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.48	10/3/2016	10/5/2015	125,000,000	0.41	\$125,000,000	\$124,983,625	-\$16,375
Royal Bank of Canada, Montreal, Sr. Unsecd. Note, Series MTN, 2.625%, 12/15/2015	CORPORATE BOND	2.63	12/15/2015		9,550,000	0.50	\$9,592,183	\$9,591,266	-\$917
Royal Bank of Canada, Montreal, Sr. Unsecd. Note, Series MTN, 2.625%, 12/15/2015	CORPORATE BOND	2.63	12/15/2015		785,000	0.55	\$788,384	\$788,392	\$8
Standard Chartered Bank plc CP4-2	COMMERCIAL PAPER - 4-2		2/5/2016		78,000,000	0.40	\$77,891,840	\$77,894,336	\$2,496
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.37	1/7/2016		100,000,000	0.38	\$100,000,000	\$100,009,865	\$9,865
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/9/2015		50,000,000	0.32	\$50,000,000	\$50,005,935	\$5,935
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.33	12/2/2015		4,000,000	0.33	\$4,000,000	\$4,000,580	\$580
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.33	12/1/2015		100,000,000	0.33	\$100,000,000	\$100,014,608	\$14,608
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/16/2015		40,000,000	0.32	\$40,000,000	\$40,005,059	\$5,059
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.31	10/26/2015		28,000,000	0.31	\$28,000,000	\$28,002,322	\$2,322
Svenska Handelsbanken, Stockholm CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/30/2015		25,000,000	0.31	\$25,000,212	\$25,003,510	\$3,298
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.75	8/8/2016		10,000,000	0.76	\$10,000,000	\$10,013,783	\$13,783
Toronto Dominion Bank, Apr 15, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.32	4/15/2016	10/15/2015	40,000,000	0.32	\$40,000,000	\$39,995,280	-\$4,720
Toronto Dominion Bank, Feb 12, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.34	2/12/2016	11/12/2015	25,000,000	0.35	\$25,000,000	\$24,997,200	-\$2,800
Toronto Dominion Bank, Feb 24, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.36	2/24/2016	10/26/2015	50,000,000	0.36	\$50,000,000	\$49,996,350	-\$3,650
Toronto Dominion Bank, Jul 01, 2016	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.35	7/1/2016	10/1/2015	75,000,000	0.36	\$75,000,000	\$74,988,600	-\$11,400
Toronto Dominion Bank, Sr. Unsecured, Sep 09, 2016	VARIABLE MEDIUM TERM NOTE	0.79	9/9/2016	12/9/2015	24,000,000	0.49	\$24,071,023	\$24,057,120	-\$13,903
Toyota Motor Credit Corp., Apr 15, 2016	VARIABLE MEDIUM TERM NOTE	0.30	4/15/2016	10/15/2015	100,000,000	0.30	\$100,000,000	\$99,988,300	-\$11,700
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	21,100,000	0.34	\$21,137,759	\$21,119,243	-\$18,516
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	1,420,000	0.35	\$1,422,444	\$1,421,295	-\$1,149
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	300,000	0.35	\$300,518	\$300,274	-\$244
Toyota Motor Credit Corp., Sr. Unsecured, May 17, 2016	VARIABLE MEDIUM TERM NOTE	0.61	5/17/2016	11/17/2015	2,000,000	0.36	\$2,003,487	\$2,001,824	-\$1,663
Wells Fargo & Co., Sr. Unsecd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	1,277,000	0.33	\$1,277,185	\$1,277,073	-\$112

See notes at end of table.

INVENTORY OF HOLDINGS FOR SEPTEMBER 2015

Security Name	Security Classification	Cpn/Dis	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Wells Fargo & Co., Sr. Unsecd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	2,750,000	0.35	\$2,750,365	\$2,750,157	-\$209
Wells Fargo & Co., Sr. Unsecd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	33,400,000	0.38	\$33,403,077	\$33,401,904	-\$1,173
Wells Fargo & Co., Sr. Unsecd. Note, 10/28/2015	CORPORATE BOND	0.49	10/28/2015	10/28/2015	19,216,000	0.40	\$19,217,817	\$19,217,095	-\$721
Wells Fargo Bank, N.A., Oct 19, 2016	VARIABLE RATE BANK NOTE	0.52	10/19/2016	12/21/2015	100,000,000	0.52	\$100,000,000	\$99,999,400	-\$600
Wells Fargo Bank, N.A., Oct 21, 2016	VARIABLE MEDIUM TERM NOTE	0.50	10/21/2016	12/22/2015	50,000,000	0.51	50,000,000	49,996,700	-\$3,300
Total Value of Assets					6,281,005,532		\$6,282,287,084	\$6,282,030,801	-\$256,283

Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

² Amortized cost is calculated using a straight line method.

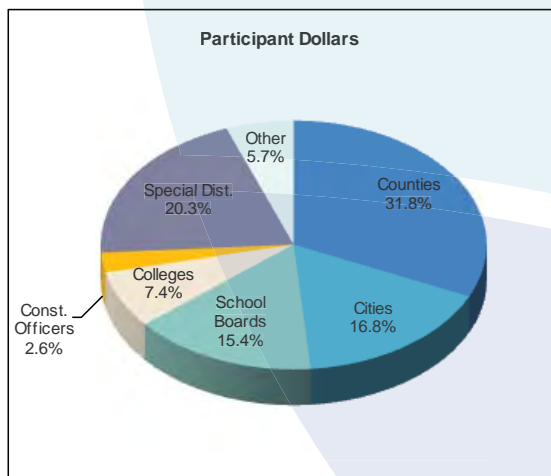
Audit confirms for 2014-2015 need to be mailed to:

**Florida State Board of Administration
Attention: Donna Owens
1801 Hermitage Blvd Suite 100
Tallahassee FL 32308**

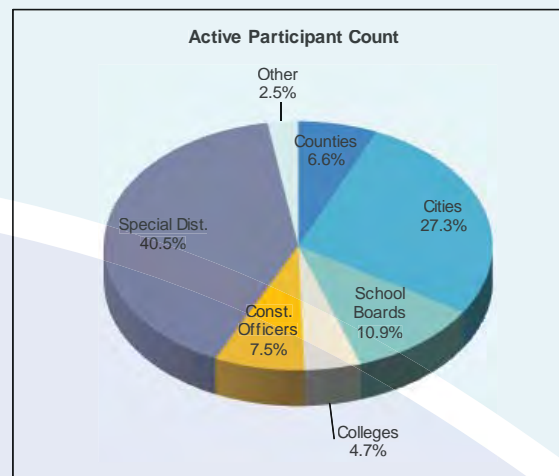
**For more information on PRIME visit our website:
<https://www.sbafla.com/PRIME>.**

PARTICIPANT CONCENTRATION DATA - AS OF SEPTEMBER 2015

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
All Participants	100.0%	100.0%	Colleges & Universities	7.4%	4.7%
Top 10	41.2%	1.3%	Top 10	6.8%	1.3%
\$100 million or more	47.7%	1.6%	\$100 million or more	4.0%	0.1%
\$10 million up to \$100 million	41.6%	11.5%	\$10 million up to \$100 million	2.5%	0.9%
\$1 million up to \$10 million	9.5%	18.9%	\$1 million up to \$10 million	0.9%	1.4%
Under \$1 million	1.1%	67.9%	Under \$1 million	0.04%	2.3%
Counties	31.8%	6.6%	Constitutional Officers	2.6%	7.5%
Top 10	26.3%	1.3%	Top 10	1.0%	1.3%
\$100 million or more	21.9%	0.8%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	9.3%	1.8%	\$10 million up to \$100 million	1.5%	0.5%
\$1 million up to \$10 million	0.6%	1.0%	\$1 million up to \$10 million	1.0%	2.2%
Under \$1 million	0.1%	3.0%	Under \$1 million	0.1%	4.8%
Municipalities	16.8%	27.3%	Special Districts	20.3%	40.5%
Top 10	9.5%	1.3%	Top 10	14.5%	1.3%
\$100 million or more	2.6%	0.1%	\$100 million or more	8.5%	0.3%
\$10 million up to \$100 million	10.7%	3.0%	\$10 million up to \$100 million	9.8%	2.8%
\$1 million up to \$10 million	3.1%	6.5%	\$1 million up to \$10 million	1.6%	4.2%
Under \$1 million	0.4%	17.6%	Under \$1 million	0.5%	33.2%
School Boards	15.4%	10.9%	Other	5.7%	2.5%
Top 10	12.4%	1.3%	Top 10	5.0%	1.3%
\$100 million or more	8.8%	0.3%	\$100 million or more	1.9%	0.1%
\$10 million up to \$100 million	4.7%	1.6%	\$10 million up to \$100 million	3.2%	0.9%
\$1 million up to \$10 million	1.9%	2.8%	\$1 million up to \$10 million	0.5%	0.9%
Under \$1 million	0.1%	6.2%	Under \$1 million	0.0%	0.6%



Total Fund Value: \$6,185,653,929



Total Active Participant Count: 788

Note: Active accounts include only those participant accounts valued above zero.

COMPLIANCE WITH INVESTMENT POLICY FOR SEPTEMBER 2015

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG meets monthly and on an ad hoc basis to review compliance exceptions, to document responses to exceptions, and to formally escalate recommendations for approval by the Executive Director & CIO. The IOG also reviews the Federated compliance report each month, as well as the results of independent compliance testing conducted by SBA Risk Management and Compliance. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
<u>Florida PRIME's Investment Policy</u>	
Securities must be USD denominated.	Pass
<u>Ratings requirements</u>	
The Florida PRIME investment portfolio must purchase exclusively first-tier securities. Securities purchased with short-term ratings by an NRSRO, or comparable in quality and security to other obligations of the issuer that have received short-term ratings from an NRSRO, are eligible if they are in one of the two highest rating categories.	Pass
Securities purchased that do not have short-term ratings must have a long-term rating in one of the three highest long-term rating categories.	Pass
Commercial Paper must be rated by at least one short-term NRSRO.	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life - maximum 90 days ¹	Pass
<u>Maturity</u>	
Securities, excluding Government floating rate notes/variable rate notes, purchased did not have a maturity in excess of 397 days.	Pass
Government floating rate notes/variable rate notes purchased did not have a maturity in excess of 762 days.	Pass
The Florida PRIME investment portfolio must maintain a Spread WAM of 120 days or less.	Pass
<u>Issuer Diversification</u>	
First-tier issuers (limit does not apply to cash, cash items, U.S. Government securities refunded securities and repo collateralized by these securities) are limited, at the time of purchase, to 5% of the Florida PRIME investment portfolio's total assets. ²	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First-tier securities issued by or subject to demand features and guarantees of a non-controlled person, at time of purchase, are limited to 10% with respect to 75% of the Florida PRIME investment portfolio's total assets.	Pass
First-tier securities issued by or subject to demand features and guarantees of a control person, at time of purchase, are limited to 10% with respect to the Florida PRIME investment portfolio's total assets.	Pass
<u>Money Market Mutual Funds</u>	
The account, at time of purchase, will not have exposure to any one Money Market Mutual Fund in excess of 10% of the Florida PRIME investment portfolio's total assets.	Pass
<u>Concentration Tests</u>	
The account, at time of purchase, will not have exposure to an industry sector, excluding the financial services industry, in excess of 25% of the Florida PRIME investment portfolio's total assets.	Pass
The account, at time of purchase, will not have exposure to any single Government Agency in excess of 33.33% of the Florida PRIME investment portfolio's total assets.	Pass
The account, at time of purchase, will not have exposure to illiquid securities in excess of 5% of the Florida PRIME investment portfolio's total assets.	Pass
The account, at time of purchase, will invest at least 10% of the Florida PRIME investment portfolio's total assets in securities accessible within one business day.	Pass
The account, at time of purchase, will invest at least 30% of the Florida PRIME investment portfolio's total assets in securities accessible within five business days. ³	Pass
<u>S&P Requirements</u>	
The Florida PRIME investment portfolio must maintain a Dollar Weighted Average Maturity of 60 days or less.	Pass
The account, at time of purchase, will invest at least 50% of the Florida PRIME investment portfolio's total assets in Securities in Highest Rating Category (A-1+ or equivalent).	Pass

¹ The fund may use floating rate government securities to extend the limit up to 120 days

² This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to liquidate positions if the exposure in excess of the specified percentage is caused by account movements.

³ This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to take immediate corrective measures if asset movements cause the exposure to be below the specified percentage.

TRADING ACTIVITY FOR SEPTEMBER 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Buys								
BMO HARRIS BANK NA	03/14/16	09/11/15	09/14/15	10,000,000	10,000,000	0	10,000,000	0
BANK OF MONTREAL	07/15/16	09/01/15	09/04/15	50,000,000	50,147,426	57,290	50,204,716	0
BANK OF MONTREAL	07/15/16	09/01/15	09/04/15	4,250,000	4,262,531	4,870	4,267,401	0
BANK OF NOVA SCOTIA/THE	10/09/15	09/14/15	09/17/15	4,200,000	4,201,151	13,825	4,214,976	0
BEDFORD ROW FUNDING CORP	06/07/16	09/09/15	09/09/15	25,000,000	25,000,000	0	25,000,000	0
BNP PARIBAS SACP4-2	12/01/15	09/01/15	09/01/15	50,000,000	49,954,500	0	49,954,500	0
BNP PARIBAS SACP4-2	12/01/15	09/01/15	09/01/15	50,000,000	49,954,500	0	49,954,500	0
RABOBANK NEDERLAND NV UTRECHT 20160318 +20BP	03/18/16	09/16/15	09/18/15	40,000,000	40,000,000	0	40,000,000	0
ABN AMRO BANK NVCDEUR	01/05/16	09/30/15	10/02/15	100,000,000	99,899,823	0	99,899,823	0
CANADIAN IMPERIAL BCDYAN	09/25/15	09/18/15	09/18/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	09/25/15	09/18/15	09/18/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	09/25/15	09/18/15	09/18/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	09/25/15	09/18/15	09/18/15	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	09/25/15	09/18/15	09/18/15	50,000,000	50,000,000	0	50,000,000	0
COMMONWEALTH BANK OF AUSTRALIA	04/04/16	09/01/15	09/03/15	50,000,000	50,000,000	0	50,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	10/09/15	09/24/15	09/24/15	5,000,000	5,000,236	3,457	5,003,693	0
RABOBANK NEDERLAND CP	09/03/15	09/02/15	09/02/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/03/15	09/02/15	09/02/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/03/15	09/02/15	09/02/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/03/15	09/02/15	09/02/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/04/15	09/03/15	09/03/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/04/15	09/03/15	09/03/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/04/15	09/03/15	09/03/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/08/15	09/04/15	09/04/15	50,000,000	49,999,333	0	49,999,333	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/08/15	09/04/15	09/04/15	50,000,000	49,999,333	0	49,999,333	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/09/15	09/08/15	09/08/15	16,000,000	15,999,947	0	15,999,947	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/09/15	09/08/15	09/08/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/09/15	09/08/15	09/08/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/09/15	09/08/15	09/08/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/09/15	09/08/15	09/08/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/10/15	09/09/15	09/09/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/10/15	09/09/15	09/09/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/10/15	09/09/15	09/09/15	39,500,000	39,499,868	0	39,499,868	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/10/15	09/09/15	09/09/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/10/15	09/09/15	09/09/15	29,000,000	28,999,903	0	28,999,903	0
RABOBANK NEDERLAND CP	09/11/15	09/10/15	09/10/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/11/15	09/10/15	09/10/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/14/15	09/11/15	09/11/15	50,000,000	49,999,500	0	49,999,500	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/14/15	09/11/15	09/11/15	50,000,000	49,999,500	0	49,999,500	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/14/15	09/11/15	09/11/15	50,000,000	49,999,500	0	49,999,500	0
COOPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK BA/NY	09/14/15	09/11/15	09/11/15	50,000,000	49,999,500	0	49,999,500	0

TRADING ACTIVITY FOR SEPTEMBER 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/16/15	09/15/15	09/15/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/16/15	09/15/15	09/15/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/16/15	09/15/15	09/15/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/16/15	09/15/15	09/15/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/17/15	09/16/15	09/16/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/17/15	09/16/15	09/16/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/17/15	09/16/15	09/16/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/17/15	09/16/15	09/16/15	15,000,000	14,999,950	0	14,999,950	0
RABOBANK NEDERLAND CP	09/18/15	09/17/15	09/17/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/18/15	09/17/15	09/17/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/18/15	09/17/15	09/17/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/25/15	09/24/15	09/24/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/25/15	09/24/15	09/24/15	50,000,000	49,999,833	0	49,999,833	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/25/15	09/24/15	09/24/15	50,000,000	49,999,833	0	49,999,833	0
RABOBANK NEDERLAND CP	09/28/15	09/25/15	09/25/15	20,000,000	19,999,817	0	19,999,817	0
RABOBANK NEDERLAND CP	09/28/15	09/25/15	09/25/15	50,000,000	49,999,542	0	49,999,542	0
RABOBANK NEDERLAND CP	09/28/15	09/25/15	09/25/15	50,000,000	49,999,542	0	49,999,542	0
RABOBANK NEDERLAND CP	09/28/15	09/25/15	09/25/15	50,000,000	49,999,542	0	49,999,542	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/30/15	09/29/15	09/29/15	50,000,000	49,999,875	0	49,999,875	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/30/15	09/29/15	09/29/15	50,000,000	49,999,875	0	49,999,875	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/30/15	09/29/15	09/29/15	50,000,000	49,999,875	0	49,999,875	0
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK BA/NY	09/30/15	09/29/15	09/29/15	19,500,000	19,499,951	0	19,499,951	0
DZ BANK AG DEUTSCHECDYAN	02/08/16	09/28/15	09/30/15	50,000,000	50,000,000	0	50,000,000	0
DZ BANK AG DEUTSCHECDYAN	02/10/16	09/29/15	09/30/15	10,000,000	10,000,000	0	10,000,000	0
DU PONT (E.I.) DE NCP4-2	09/17/15	09/04/15	09/04/15	40,000,000	39,998,267	0	39,998,267	0
GOTHAM FUNDING CORPCPABS4	10/07/15	09/03/15	09/03/15	35,000,000	34,993,058	0	34,993,058	0
GOTHAM FUNDING CORPCPABS4	10/20/15	09/17/15	09/17/15	50,000,000	49,988,542	0	49,988,542	0
GOTHAM FUNDING CORPCPABS4	10/23/15	09/23/15	09/23/15	23,000,000	22,996,167	0	22,996,167	0
GOTHAM FUNDING CORPCPABS4	10/23/15	09/23/15	09/23/15	50,000,000	49,991,667	0	49,991,667	0
ING (U.S.) FUNDING CP	12/16/15	09/18/15	09/18/15	50,000,000	49,961,681	0	49,961,681	0
JP MORGAN SECURITIES LLC	05/31/16	09/04/15	09/08/15	25,000,000	25,000,000	0	25,000,000	0
LMA-AMERICAS LLCPCPABS4-2	12/04/15	09/02/15	09/02/15	20,000,000	19,982,950	0	19,982,950	0
NRW,BANKCP	09/28/15	09/21/15	09/21/15	50,000,000	49,998,688	0	49,998,688	0
NRW,BANKCP	09/28/15	09/21/15	09/21/15	25,000,000	24,999,344	0	24,999,344	0
NRW,BANKCP	09/28/15	09/21/15	09/21/15	50,000,000	49,998,688	0	49,998,688	0
NRW,BANKCP	10/05/15	09/28/15	09/28/15	50,000,000	49,999,174	0	49,999,174	0
NRW,BANKCP	10/05/15	09/28/15	09/28/15	50,000,000	49,999,174	0	49,999,174	0
NRW,BANKCP	10/05/15	09/28/15	09/28/15	50,000,000	49,999,174	0	49,999,174	0
NRW,BANKCP	10/05/15	09/28/15	09/28/15	50,000,000	49,999,174	0	49,999,174	0
NRW,BANKCP	10/05/15	09/28/15	09/28/15	50,000,000	49,999,222	0	49,999,222	0
NRW,BANKCP	10/05/15	09/28/15	09/28/15	50,000,000	49,999,222	0	49,999,222	0
SOCIETE GENERALE, PCP4-2	09/17/15	09/10/15	09/10/15	9,125,000	9,124,769	0	9,124,769	0
SOCIETE GENERALE, PCP4-2	09/17/15	09/10/15	09/10/15	50,000,000	49,998,736	0	49,998,736	0
SOCIETE GENERALE, PCP4-2	09/17/15	09/10/15	09/10/15	50,000,000	49,998,736	0	49,998,736	0
SOCIETE GENERALE, PCP4-2	09/22/15	09/21/15	09/21/15	50,000,000	49,999,819	0	49,999,819	0
SOCIETE GENERALE, PCP4-2	09/22/15	09/21/15	09/21/15	50,000,000	49,999,819	0	49,999,819	0

TRADING ACTIVITY FOR SEPTEMBER 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
SOCIETE GENERALE, PCP4-2	09/22/15	09/21/15	09/21/15	50,000,000	49,999,819	0	49,999,819	0
SOCIETE GENERALE, PCP4-2	09/23/15	09/22/15	09/22/15	46,000,000	45,999,847	0	45,999,847	0
SOCIETE GENERALE, PCP4-2	09/23/15	09/22/15	09/22/15	50,000,000	49,999,833	0	49,999,833	0
SOCIETE GENERALE, PCP4-2	09/24/15	09/23/15	09/23/15	50,000,000	49,999,833	0	49,999,833	0
SOCIETE GENERALE, PCP4-2	09/24/15	09/23/15	09/23/15	50,000,000	49,999,833	0	49,999,833	0
SOCIETE GENERALE, PCP4-2	09/30/15	09/29/15	09/29/15	50,000,000	49,999,875	0	49,999,875	0
SOCIETE GENERALE, PCP4-2	09/30/15	09/29/15	09/29/15	25,000,000	24,999,938	0	24,999,938	0
SOCIETE GENERALE, PCP4-2	09/30/15	09/29/15	09/29/15	50,000,000	49,999,875	0	49,999,875	0
STANDARD CHARTERED CP4-2	02/05/16	09/23/15	09/23/15	50,000,000	49,926,875	0	49,926,875	0
STANDARD CHARTERED CP4-2	02/05/16	09/23/15	09/23/15	28,000,000	27,959,050	0	27,959,050	0
SUMITOMO MITSUI BANC DYAN	01/07/16	09/02/15	09/02/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANC DYAN	01/07/16	09/02/15	09/02/15	50,000,000	50,000,000	0	50,000,000	0
TORONTO-DOMINION BANK/THE	09/09/16	09/02/15	09/08/15	24,000,000	24,075,552	0	24,120,518	0
WESTPAC BANKING CORP	09/25/15	09/03/15	09/09/15	3,750,000	3,751,456	19,219	3,770,675	0
WESTPAC BANKING CORP	09/25/15	09/02/15	09/08/15	1,500,000	1,500,557	3,252	1,503,810	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/01/15	09/01/15	904,166	904,166	0	904,166	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/02/15	09/02/15	1,809,408	1,809,408	0	1,809,408	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/04/15	09/04/15	3,689,557	3,689,557	0	3,689,557	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/11/15	09/11/15	3,922,266	3,922,266	0	3,922,266	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/15/15	09/15/15	3,670,715	3,670,715	0	3,670,715	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/17/15	09/17/15	590,173	590,173	0	590,173	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/18/15	09/18/15	979,832	979,832	0	979,832	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/22/15	09/22/15	622,544	622,544	0	622,544	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/24/15	09/24/15	1,770,028	1,770,028	0	1,770,028	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/25/15	09/25/15	423,267	423,267	0	423,267	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/30/15	09/30/15	986,938	986,938	0	986,938	0
BANK OF AMERICA TRIPARTY	09/02/15	09/01/15	09/01/15	630,000,000	630,000,000	0	630,000,000	0
BANK OF AMERICA TRIPARTY	09/03/15	09/02/15	09/02/15	400,000,000	400,000,000	0	400,000,000	0
BANK OF AMERICA TRIPARTY	09/04/15	09/03/15	09/03/15	485,000,000	485,000,000	0	485,000,000	0
BANK OF AMERICA TRIPARTY	09/08/15	09/04/15	09/04/15	455,000,000	455,000,000	0	455,000,000	0
BANK OF AMERICA TRIPARTY	09/09/15	09/08/15	09/08/15	430,000,000	430,000,000	0	430,000,000	0
BANK OF AMERICA TRIPARTY	09/10/15	09/09/15	09/09/15	495,000,000	495,000,000	0	495,000,000	0
BANK OF AMERICA TRIPARTY	09/11/15	09/10/15	09/10/15	580,000,000	580,000,000	0	580,000,000	0
BANK OF AMERICA TRIPARTY	09/14/15	09/11/15	09/11/15	495,000,000	495,000,000	0	495,000,000	0
BANK OF AMERICA TRIPARTY	09/15/15	09/14/15	09/14/15	690,000,000	690,000,000	0	690,000,000	0
BANK OF AMERICA TRIPARTY	09/16/15	09/15/15	09/15/15	280,000,000	280,000,000	0	280,000,000	0
BANK OF AMERICA TRIPARTY	09/17/15	09/16/15	09/16/15	300,000,000	300,000,000	0	300,000,000	0
BANK OF AMERICA TRIPARTY	09/18/15	09/17/15	09/17/15	475,000,000	475,000,000	0	475,000,000	0
BANK OF AMERICA TRIPARTY	09/21/15	09/18/15	09/18/15	295,000,000	295,000,000	0	295,000,000	0
BANK OF AMERICA TRIPARTY	09/22/15	09/21/15	09/21/15	275,000,000	275,000,000	0	275,000,000	0
BANK OF AMERICA TRIPARTY	09/23/15	09/22/15	09/22/15	370,000,000	370,000,000	0	370,000,000	0
BANK OF AMERICA TRIPARTY	09/24/15	09/23/15	09/23/15	320,000,000	320,000,000	0	320,000,000	0
BANK OF AMERICA TRIPARTY	09/25/15	09/24/15	09/24/15	340,000,000	340,000,000	0	340,000,000	0
BANK OF AMERICA TRIPARTY	09/28/15	09/25/15	09/25/15	656,000,000	656,000,000	0	656,000,000	0
BANK OF AMERICA TRIPARTY	09/29/15	09/28/15	09/28/15	545,000,000	545,000,000	0	545,000,000	0
BANK OF AMERICA TRIPARTY	09/30/15	09/29/15	09/29/15	215,000,000	215,000,000	0	215,000,000	0
BANK OF AMERICA TRIPARTY	10/01/15	09/30/15	09/30/15	585,000,000	585,000,000	0	585,000,000	0
STANDARD CHARTERED TD 0.14 20150916	09/16/15	09/15/15	09/15/15	325,000,000	325,000,000	0	325,000,000	0
Total Buys				14,053,193,894	14,053,016,993	101,913	14,053,163,872	0
Deposits								
STANDARD CHARTERED TD 0.14 20150902	09/02/15	09/01/15	09/01/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150903	09/03/15	09/02/15	09/02/15	300,000,000	300,000,000	0	300,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
STANDARD CHARTERED TD 0.14 20150904	09/04/15	09/03/15	09/03/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150908	09/08/15	09/04/15	09/04/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.14 20150909	09/09/15	09/08/15	09/08/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.14 20150910	09/10/15	09/09/15	09/09/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.14 20150911	09/11/15	09/10/15	09/10/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150914	09/14/15	09/11/15	09/11/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150915	09/15/15	09/14/15	09/14/15	325,000,000	325,000,000	0	325,000,000	0
SVENSKA HANDELSBANKTDCA 0.13 20150916	09/16/15	09/15/15	09/15/15	300,000,000	300,000,000	0	300,000,000	0
SVENSKA HANDELSBANKTDCA 0.13 20150917	09/17/15	09/16/15	09/16/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150917	09/17/15	09/16/15	09/16/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150918	09/18/15	09/17/15	09/17/15	325,000,000	325,000,000	0	325,000,000	0
SVENSKA HANDELSBANKTDCA 0.13 20150918	09/18/15	09/17/15	09/17/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150921	09/21/15	09/18/15	09/18/15	320,000,000	320,000,000	0	320,000,000	0
SVENSKA HANDELSBANKTDCA 0.13 20150921	09/21/15	09/18/15	09/18/15	295,000,000	295,000,000	0	295,000,000	0
STANDARD CHARTERED TD 0.14 20150922	09/22/15	09/21/15	09/21/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150923	09/23/15	09/22/15	09/22/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150924	09/24/15	09/23/15	09/23/15	245,000,000	245,000,000	0	245,000,000	0
STANDARD CHARTERED TD 0.13 20150925	09/25/15	09/24/15	09/24/15	240,000,000	240,000,000	0	240,000,000	0
STANDARD CHARTERED TD 0.13 20150928	09/28/15	09/25/15	09/25/15	240,000,000	240,000,000	0	240,000,000	0
STANDARD CHARTERED TD 0.13 20150929	09/29/15	09/28/15	09/28/15	245,000,000	245,000,000	0	245,000,000	0
STANDARD CHARTERED TD 0.13 20150930	09/30/15	09/29/15	09/29/15	240,000,000	240,000,000	0	240,000,000	0
Total Deposits				6,875,000,000	6,875,000,000	0	6,875,000,000	0
Maturities								
ATLANTIC ASSET SECUCPABS4	09/24/15	09/24/15	09/24/15	90,400,000	90,400,000	0	90,400,000	0
BARTON CAPITAL LLCPCABS4-	09/17/15	09/17/15	09/17/15	25,000,000	25,000,000	0	25,000,000	0
BEDFORD ROW FUNDINGCPABS4	09/14/15	09/14/15	09/14/15	12,000,000	12,000,000	0	12,000,000	0
BEDFORD ROW FUNDING CORP	09/09/15	09/09/15	09/09/15	26,000,000	26,000,000	0	26,000,000	0
ABN AMRO BANK NVCEUR	09/15/15	09/15/15	09/15/15	75,000,000	75,000,000	0	75,000,000	0
CANADIAN IMPERIAL BCDYAN	09/25/15	09/25/15	09/25/15	250,000,000	250,000,000	0	250,000,000	0
RABOBANK NEDERLAND CP	09/03/15	09/03/15	09/03/15	200,000,000	200,000,000	0	200,000,000	0
RABOBANK NEDERLAND CP	09/04/15	09/04/15	09/04/15	150,000,000	150,000,000	0	150,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK BA/NY	09/08/15	09/08/15	09/08/15	100,000,000	100,000,000	0	100,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK BA/NY	09/09/15	09/09/15	09/09/15	216,000,000	216,000,000	0	216,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK BA/NY	09/10/15	09/10/15	09/10/15	218,500,000	218,500,000	0	218,500,000	0
RABOBANK NEDERLAND CP	09/11/15	09/11/15	09/11/15	100,000,000	100,000,000	0	100,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK BA/NY	09/14/15	09/14/15	09/14/15	200,000,000	200,000,000	0	200,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK BA/NY	09/16/15	09/16/15	09/16/15	200,000,000	200,000,000	0	200,000,000	0
RABOBANK NEDERLAND CP	09/17/15	09/17/15	09/17/15	165,000,000	165,000,000	0	165,000,000	0
RABOBANK NEDERLAND CP	09/18/15	09/18/15	09/18/15	150,000,000	150,000,000	0	150,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK BA/NY	09/25/15	09/25/15	09/25/15	150,000,000	150,000,000	0	150,000,000	0
RABOBANK NEDERLAND CP	09/28/15	09/28/15	09/28/15	170,000,000	170,000,000	0	170,000,000	0
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK BA/NY	09/30/15	09/30/15	09/30/15	169,500,000	169,500,000	0	169,500,000	0
CREDIT AGRICOLE CORCDYAN	09/03/15	09/03/15	09/03/15	30,000,000	30,000,000	0	30,000,000	0
DU PONT (E.I.) DE NCP4-2	09/17/15	09/17/15	09/17/15	40,000,000	40,000,000	0	40,000,000	0
GENERAL ELECTRIC CAPITAL CORP	09/21/15	09/21/15	09/21/15	8,933,000	8,933,000	0	8,933,000	0
GENERAL ELECTRIC CAPITAL CORP	09/23/15	09/23/15	09/23/15	2,755,000	2,755,000	0	2,755,000	0
GENERAL ELECTRIC CAPITAL CORP	09/15/15	09/15/15	09/15/15	3,800,000	3,800,000	0	3,800,000	0
GOTHAM FUNDING CORPCPABS4	09/17/15	09/17/15	09/17/15	53,000,000	53,000,000	0	53,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
GOTHAM FUNDING CORCPABS4	09/23/15	09/23/15	09/23/15	70,000,000	70,000,000	0	70,000,000	0
HSBC USA, INC,CP	09/01/15	09/01/15	09/01/15	30,000,000	30,000,000	0	30,000,000	0
KAISER FOUNDATION HCP	09/01/15	09/01/15	09/01/15	100,000,000	100,000,000	0	100,000,000	0
LMA-AMERICAS LLCCPABS4-2	09/02/15	09/02/15	09/02/15	20,600,000	20,600,000	0	20,600,000	0
LMA-AMERICAS LLCCPABS4-2	09/10/15	09/10/15	09/10/15	9,000,000	9,000,000	0	9,000,000	0
MIZUHO BANK LTD,CDYAN	09/17/15	09/17/15	09/17/15	50,000,000	50,000,000	0	50,000,000	0
NRW,BANKCP	09/28/15	09/28/15	09/28/15	125,000,000	125,000,000	0	125,000,000	0
SOCIETE GENERALE, PCP4-2	09/01/15	09/01/15	09/01/15	50,000,000	50,000,000	0	50,000,000	0
SOCIETE GENERALE, PCP4-2	09/17/15	09/17/15	09/17/15	109,125,000	109,125,000	0	109,125,000	0
SOCIETE GENERALE, PCP4-2	09/22/15	09/22/15	09/22/15	150,000,000	150,000,000	0	150,000,000	0
SOCIETE GENERALE, PCP4-2	09/23/15	09/23/15	09/23/15	96,000,000	96,000,000	0	96,000,000	0
SOCIETE GENERALE, PCP4-2	09/24/15	09/24/15	09/24/15	100,000,000	100,000,000	0	100,000,000	0
SOCIETE GENERALE, PCP4-2	09/30/15	09/30/15	09/30/15	125,000,000	125,000,000	0	125,000,000	0
STANDARD CHARTERED CP	09/03/15	09/03/15	09/03/15	25,000,000	25,000,000	0	25,000,000	0
STARBIRD FUNDING COCPABS4	09/09/15	09/09/15	09/09/15	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANC DYAN	09/02/15	09/02/15	09/02/15	16,000,000	16,000,000	0	16,000,000	0
TORONTO DOMINION BACDYAN	09/10/15	09/10/15	09/10/15	25,000,000	25,000,000	0	25,000,000	0
TOYOTA MOTOR CREDIT CORP	09/03/15	09/03/15	09/03/15	100,000,000	100,000,000	0	100,000,000	0
WELLS FARGO BANK NA	09/08/15	09/08/15	09/08/15	95,700,000	95,700,000	0	95,700,000	0
WESTPAC BANKING CORP	09/25/15	09/25/15	09/25/15	3,750,000	3,750,000	0	3,750,000	0
WESTPAC BANKING CORP	09/25/15	09/25/15	09/25/15	1,500,000	1,500,000	0	1,500,000	0
BANK OF AMERICA TRIPARTY	09/01/15	09/01/15	09/01/15	570,000,000	570,000,000	0	570,000,000	0
BANK OF AMERICA TRIPARTY	09/02/15	09/02/15	09/02/15	630,000,000	630,000,000	0	630,000,000	0
BANK OF AMERICA TRIPARTY	09/03/15	09/03/15	09/03/15	400,000,000	400,000,000	0	400,000,000	0
BANK OF AMERICA TRIPARTY	09/04/15	09/04/15	09/04/15	485,000,000	485,000,000	0	485,000,000	0
BANK OF AMERICA TRIPARTY	09/08/15	09/08/15	09/08/15	455,000,000	455,000,000	0	455,000,000	0
BANK OF AMERICA TRIPARTY	09/09/15	09/09/15	09/09/15	430,000,000	430,000,000	0	430,000,000	0
BANK OF AMERICA TRIPARTY	09/10/15	09/10/15	09/10/15	495,000,000	495,000,000	0	495,000,000	0
BANK OF AMERICA TRIPARTY	09/11/15	09/11/15	09/11/15	580,000,000	580,000,000	0	580,000,000	0
BANK OF AMERICA TRIPARTY	09/14/15	09/14/15	09/14/15	495,000,000	495,000,000	0	495,000,000	0
BANK OF AMERICA TRIPARTY	09/15/15	09/15/15	09/15/15	690,000,000	690,000,000	0	690,000,000	0
BANK OF AMERICA TRIPARTY	09/16/15	09/16/15	09/16/15	280,000,000	280,000,000	0	280,000,000	0
BANK OF AMERICA TRIPARTY	09/17/15	09/17/15	09/17/15	300,000,000	300,000,000	0	300,000,000	0
BANK OF AMERICA TRIPARTY	09/18/15	09/18/15	09/18/15	475,000,000	475,000,000	0	475,000,000	0
BANK OF AMERICA TRIPARTY	09/21/15	09/21/15	09/21/15	295,000,000	295,000,000	0	295,000,000	0
BANK OF AMERICA TRIPARTY	09/22/15	09/22/15	09/22/15	275,000,000	275,000,000	0	275,000,000	0
BANK OF AMERICA TRIPARTY	09/23/15	09/23/15	09/23/15	370,000,000	370,000,000	0	370,000,000	0
BANK OF AMERICA TRIPARTY	09/24/15	09/24/15	09/24/15	320,000,000	320,000,000	0	320,000,000	0
BANK OF AMERICA TRIPARTY	09/25/15	09/25/15	09/25/15	340,000,000	340,000,000	0	340,000,000	0
BANK OF AMERICA TRIPARTY	09/28/15	09/28/15	09/28/15	656,000,000	656,000,000	0	656,000,000	0
BANK OF AMERICA TRIPARTY	09/29/15	09/29/15	09/29/15	545,000,000	545,000,000	0	545,000,000	0
BANK OF AMERICA TRIPARTY	09/30/15	09/30/15	09/30/15	215,000,000	215,000,000	0	215,000,000	0
STANDARD CHARTERED TD 0.07 20150901	09/01/15	09/01/15	09/01/15	305,000,000	305,000,000	0	305,000,000	0
STANDARD CHARTERED TD 0.14 20150902	09/02/15	09/02/15	09/02/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150903	09/03/15	09/03/15	09/03/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150904	09/04/15	09/04/15	09/04/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150908	09/08/15	09/08/15	09/08/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.14 20150909	09/09/15	09/09/15	09/09/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.14 20150910	09/10/15	09/10/15	09/10/15	320,000,000	320,000,000	0	320,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2015

Security Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
STANDARD CHARTERED TD 0.14 20150911	09/11/15	09/11/15	09/11/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150914	09/14/15	09/14/15	09/14/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150915	09/15/15	09/15/15	09/15/15	325,000,000	325,000,000	0	325,000,000	0
SVENSKA HANDELSBANKTDCAY 0.13 20150916	09/16/15	09/16/15	09/16/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150916	09/16/15	09/16/15	09/16/15	325,000,000	325,000,000	0	325,000,000	0
SVENSKA HANDELSBANKTDCAY 0.13 20150917	09/17/15	09/17/15	09/17/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150917	09/17/15	09/17/15	09/17/15	325,000,000	325,000,000	0	325,000,000	0
STANDARD CHARTERED TD 0.14 20150918	09/18/15	09/18/15	09/18/15	325,000,000	325,000,000	0	325,000,000	0
SVENSKA HANDELSBANKTDCAY 0.13 20150918	09/18/15	09/18/15	09/18/15	300,000,000	300,000,000	0	300,000,000	0
STANDARD CHARTERED TD 0.14 20150921	09/21/15	09/21/15	09/21/15	320,000,000	320,000,000	0	320,000,000	0
SVENSKA HANDELSBANKTDCAY 0.13 20150921	09/21/15	09/21/15	09/21/15	295,000,000	295,000,000	0	295,000,000	0
STANDARD CHARTERED TD 0.14 20150922	09/22/15	09/22/15	09/22/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150923	09/23/15	09/23/15	09/23/15	320,000,000	320,000,000	0	320,000,000	0
STANDARD CHARTERED TD 0.13 20150924	09/24/15	09/24/15	09/24/15	245,000,000	245,000,000	0	245,000,000	0
STANDARD CHARTERED TD 0.13 20150925	09/25/15	09/25/15	09/25/15	240,000,000	240,000,000	0	240,000,000	0
STANDARD CHARTERED TD 0.13 20150928	09/28/15	09/28/15	09/28/15	240,000,000	240,000,000	0	240,000,000	0
STANDARD CHARTERED TD 0.13 20150929	09/29/15	09/29/15	09/29/15	245,000,000	245,000,000	0	245,000,000	0
STANDARD CHARTERED TD 0.13 20150930	09/30/15	09/30/15	09/30/15	240,000,000	240,000,000	0	240,000,000	0
Total Maturities				20,963,563,000	20,963,563,000	0	20,963,563,000	0
Sells								
BANK OF TOKYO-MITSUCDYAN	09/08/15	09/03/15	09/03/15	35,000,000	35,000,583	32,122	35,032,705	583
BEDFORD ROW FUNDING CORP	09/09/15	09/04/15	09/04/15	4,000,000	4,000,088	838	4,000,926	88
JP MORGAN SECURITIES LLC	11/10/15	09/04/15	09/08/15	40,000,000	40,004,289	12,290	40,016,578	4,289
SUMITOMO MITSUI BANKING CORP/NEW YORK	09/17/15	09/02/15	09/02/15	50,000,000	50,001,624	6,613	50,008,237	1,624
SUMITOMO MITSUI BANKING CORP/NEW YORK	09/17/15	09/02/15	09/02/15	50,000,000	50,001,624	6,613	50,008,237	1,624
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/03/15	09/03/15	206,220	206,220	0	206,220	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/08/15	09/08/15	699,722	699,722	0	699,722	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/08/15	09/08/15	975,137	975,137	0	975,137	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/09/15	09/09/15	1,980,713	1,980,713	0	1,980,713	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/10/15	09/10/15	1,208,692	1,208,692	0	1,208,692	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/14/15	09/14/15	278,975	278,975	0	278,975	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/14/15	09/14/15	718,483	718,483	0	718,483	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/14/15	09/14/15	904,166	904,166	0	904,166	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/14/15	09/14/15	1,809,408	1,809,408	0	1,809,408	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/14/15	09/14/15	883,562	883,562	0	883,562	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/16/15	09/16/15	825,282	825,282	0	825,282	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/16/15	09/16/15	2,489,517	2,489,517	0	2,489,517	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/21/15	09/21/15	1,289,756	1,289,756	0	1,289,756	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/23/15	09/23/15	142,993	142,993	0	142,993	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/23/15	09/23/15	174,009	174,009	0	174,009	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/28/15	09/28/15	286,522	286,522	0	286,522	0
DREYFUS GOVT CASH MGMT FUND	06/01/18	09/29/15	09/29/15	2,364,072	2,364,072	0	2,364,072	0
FEDERATED PRIME CASH OBLIGATIONS FUND	10/01/40	09/10/15	09/10/15	750,000	750,000	0	750,000	0
FEDERATED PRIME CASH OBLIGATIONS FUND	10/01/40	09/30/15	09/30/15	32,000,000	32,000,000	0	32,000,000	0
FEDERATED PRIME OBLIGATIONS FUND	10/01/40	09/10/15	09/10/15	1,100,000	1,100,000	0	1,100,000	0
FEDERATED PRIME OBLIGATIONS FUND	10/01/40	09/30/15	09/30/15	32,000,000	32,000,000	0	32,000,000	0
Total Sells				262,087,230	262,095,436	58,476	262,153,912	8,206



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CHIEF FINANCIAL OFFICER
JEFF ATWATER
STATE OF FLORIDA

December 1, 2015

Ambassador Chuck Cobb
Senior Managing Director and CEO of Cobb Partners
P. O. Box 14-4200
Coral Gables, FL 33114-4200

Dear Ambassador Cobb:

Pursuant to section 215.444, Florida Statutes, it is my pleasure to select you to continue your service on the State Board of Administration Investment Advisory Council. The Florida Cabinet will vote on your reappointment at the December 8 meeting. Once approved by the Cabinet, you will serve a four year term expiring December 1, 2019.

The Investment Advisory Council was created to review the investments made by the staff of the State Board of Administration and to make recommendations to the Board of Trustees. Your valuable knowledge in identifying and evaluating investment opportunities is an asset to the Council.

I appreciate your willingness to continue serving Florida and its' citizens in this role, and look forward to working with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Atwater".

Jeff Atwater
Chief Financial Office

/sm

c: Ash Williams

Charles E. Cobb

Corporate Career: Chuck Cobb is the CEO and senior managing director of Cobb Partners, Ltd., an investment firm. He was the chair and CEO of Arvida Corporation and Disney Development Company during the 1970s and 1980s. Arvida was a public company and then a subsidiary of Penn Central and later of Walt Disney Company. He also served as a member of the Walt Disney Board of Directors and the Executive Committee of the Disney Board. Earlier he was the COO and a board of director of Penn Central Corporation, a multi-industry company that had approximately 40,000 employees. He led a leveraged buy-out of Arvida from Penn Central with the Bass family of Texas and subsequently merged Arvida with Walt Disney. Earlier he was an investment manager with Dodge & Cox and the CEO of subsidiaries of Kaiser Aluminum.

Government Career: Ambassador Cobb was the U.S. ambassador to Iceland during the George H. W. Bush administration. During the Reagan administration, he served as undersecretary and assistant secretary at the U.S. Department of Commerce. In the 1950s he served as an officer in the U.S. Navy. Florida Governor Jeb Bush appointed Ambassador Cobb as chair of Florida FTAA and Gateway Florida, which had the responsibility for Florida's international trade agenda. Ambassador Cobb created the Charles E. Cobb Award for Initiative and Success in Trade Development within the U.S. Department of State that is awarded annually to the career ambassador who best leads U.S. trade policy.

Community Development Career: In his 50 years as CEO of Arvida, Disney Development, Kaiser Community Development, and Cobb Partners, Cobb has had the responsibility for the development of more than fifty new towns and master-planned communities including McCormick Ranch, Boca Resort and Club, Boca West, Sawgrass, Weston, Long Boat Key Club, Walt Disney World, Euro Disney, Cocoplum, Telluride, Kirkwood Mountain Resort, Durango Mountain Resort and many others. Calvin Platt has chronicled this career in a book entitled *Master-Planned Communities, Lessons from the Developments of Chuck Cobb*, which was published by the Urban Land Institute.

Education Involvement: Cobb was educated at Stanford University where he received a BA and MBA. He is the past chair of the Board of Trustees of the University of Miami, having been the chair, vice chair or past chair of the trustees for over forty years. He is a former trustee of the Stanford Business School Trust Fund, a member of the Advisory Council for the Stanford Business School, and the past president of two Stanford alumni organizations. He was the chair of the board of the Florida Business/Higher Education Partnership, the co-founder and trustee of the Barry University Charter School, a director of the South Florida Annenberg Challenge, a director of the Council for Educational Change and a former member of the Florida Governor's Commission on Education.

Directorships and Civic Affairs: Cobb has served on the boards of nine publicly-traded corporations (Arvida, Penn Central, Walt Disney, LNR Property, WCI Communities, Ameritas, Pan Am Corporation, CLC of America, and Southeast Banking) and many private corporate boards (Florida Savings, Kirkwood, Durango, Telluride, Tubac, and Observer Media Group). Cobb has been an officer and/or member of the Executive Committee of The Florida Council of 100 (chair 2000-2002), Florida Chamber of Commerce, the South Florida Coordinating Council (chair 1980-1989), the Greater Miami Chamber of Commerce and several other economic development organizations. Cobb also serves on the board and the investment committees for the University of Miami, Woodrow Wilson International Center for Scholars, Eisenhower Fellowships, Orange Bowl Committee, Council of American Ambassadors, Miami Heart Research Institute, Plymouth Congregational Church, and Cobb Family Foundation. He was the co-chair of the committee that secured \$9 billion of federal funds for South Florida after Hurricane Andrew. Other civic boards and memberships include The American-Scandinavian Foundation, Icelandic-American Chamber of Commerce, Council on Foreign Relations, Urban Land Institute, and Lincoln Institute of Land Policy.

Honors: Cobb has received the Order of the Falcon Grand Cross Star from the Nation of Iceland (Iceland's highest honor to a non-Icelandic citizen), The Florida Council of 100 Governor's Award, NCCJ Silver Medallion Award, South Florida Achievement of the Decade Award, Junior Achievement Hall of Fame, United Way Tocqueville Award, Harvard Business Club of South Florida Business Statesman of the Year, Chief Executive Officer Annual Award for the Hotel and Real Estate Industry, Honorary Doctorate from Barry University, Liberty Bell Award for Florida Higher Education and was a member of the U.S. Olympic Team as an alternate in the 110m high hurdles in 1960.

Family: Cobb has been married for 56 years to Ambassador Sue McCourt Cobb, former U.S. ambassador to Jamaica and secretary of state of Florida. Ambassador Sue is a lawyer, sportswoman, and author who chronicled her 1988 attempt to be the first U.S. woman to reach the summit of Mount Everest with a book entitled *The Edge of Everest*. They have two sons, Christian (architect and Harvard MBA) and Tobin (investment banker and NYU MBA) who are owners of Florida real estate development company, Grass River Property that has a portfolio of approximately \$500 million of real estate under development, and seven grandchildren.

Duane L. Ottenstroer
Chairman
Investor

Robert C. Champion
Morgan Stanley Wealth
Management

Marshall M. Criser III
Chancellor
State University System
of Florida

Philip E. Marshall
Advantage Capital Partners

Madeline Pumariega
Chancellor
Division of Florida Colleges

Executive Director
Kevin Thompson

To: Ash Williams

From: Kevin Thompson

Date: November 23, 2015

Re: 2015/2016 Budget Request for the
Florida Prepaid College Trust Fund



The purpose of this memorandum is to request approval of a Florida Prepaid College Trust Fund budget amendment from the Trustees of the State Board of Administration. The amendment is for five new positions and was approved by the Florida Prepaid College Board (the Board) on September 24, 2015. The agenda item discussed at the Board meeting is provided as Attachment 1 for your convenience.

Background

Currently, the Board has 15 full-time equivalent (FTE) positions. Staff responsibilities include conducting quarterly Board meetings and providing oversight of the finances, investments, operations, and marketing for the Florida Prepaid College Plan, the Florida 529 Savings Plan and the Board's two direct-support organizations (DSOs) - the Florida Prepaid College Foundation and Florida ABLE, Inc.

Business Environment

An overview of the current business environment is provided below:

- Record Sales
 - Over 50,000 prepaid plans sold in FY 14/15. 220% increase over FY 13/14.
 - Over 8,000 new savings plans opened in FY 14/15. 59% increase over FY 13/14.
- Growth Outlook
 - With affordable prepaid plan prices continuing and more targeted marketing to hundreds of thousands of parents through new partnerships with the Department of Health, Early Learning Coalitions, and School Superintendents around the state, continued growth is anticipated in both the Prepaid and Savings Plans.
- New ABLE Program
 - The ABLE Program is a new savings program to help persons with a disability save for their health, independence and quality of life. It is scheduled for launch on July 1, 2016. The Program works like a 529 college savings plan but has key differences such as the ability for the state to recapture payments for Medicaid upon the death of the beneficiary.

2015/2016 Budget Request
Page 2

• Untapped Potential

- Prepaid College Foundation – The Foundation’s primary scholarship program is Project STARS which focuses on providing scholarships and mentoring to Florida’s at-risk youth. The Board believes the opportunity exists to serve more youth and promote the importance of saving for college by growing existing programs and developing new scholarship programs in partnership with private companies and foundations throughout Florida.

Florida 529 Savings Plan – The Plan is direct-sold and available online through Florida Prepaid only. It is ranked 40th out of all state savings plans. The Board believes significant opportunity exists to expand the Plan by distributing it through a bank(s) and/or registered investment advisors.

- Major Technology Changes

- The Board is in the midst of a major data conversion with its new Prepaid system and is working on system enhancements that will include a Foundation portal and a gifting portal. In addition, implementation of a new system is underway to support the ABLE program.

- Risk and Compliance

- The growth of existing programs, the new ABLE program, new IT systems, changing business processes, the prevalence of cybercrimes – all of these factors are creating the need for a more rigorous control environment to maintain integrity of the Prepaid brand.

- Declining Budget as a Percentage of Assets Under Management (AUM)

- The chart below compares the Board’s budget (including the new positions) to AUM.



2015/2016 Budget Request

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New Positions with Key Objectives

The five new positions requested by the Board and the key objective of each position are summarized below. A proposed organization chart is also provided as Attachment 2 for your convenience.

Program	Position	Key Objective
529 Savings Plan	Savings Plan and Inv. Policy Director	Accelerated growth in the 529 Savings Plan
Prepaid College Foundation	Foundation Director	Growth of scholarship programs offered by the Florida Prepaid College Foundation with an emphasis on the importance of saving for college
ABLE Savings Plan	ABLE Savings Plan Director	Successful implementation, operation and growth of the new Florida ABLE Program
Prepaid College Plan	Operations Manager	Greater bandwidth to achieve strategic objectives and initiatives of the Board
All	Risk and Compliance Director	A greater emphasis on enterprise risk management and operational compliance

Budget Request

The total amount of salaries and benefits budget requested is \$751,294.40. However, the Board has \$400,000 of excess budget in its Records Administration line item which it proposes for deletion. Therefore, the net impact of this amendment to the Board's budget is an increase of \$351,294.40. Please note that the salaries and benefits for the new positions are consistent with existing salaries and benefits for similar Board positions

If you or your staff have any questions or would like to further discuss this budget amendment request, please let me know.

KT: ks

Attachments

cc: Ms. Kathy Whitehead
Ms. Teresa Butler

**Florida Prepaid College Board
Proposal for New Positions
September 24, 2015**

The purpose of this Discussion Item is to request new positions to support and further the mission and strategic objectives of the Board.

Background

The mission of the Florida Prepaid College Board ("Board") is to help Floridians save for future qualified higher education expenses by providing a cost-effective, financially sound Prepaid College Plan and other college savings programs. The Board has three strategic objectives – Protect the Program, Focus on the Customer and Increase Savings and Participation.

Currently, the Board has a total of 15 full-time equivalent (FTE) positions. Staff responsibilities include conducting quarterly Board meetings and providing oversight of the finances, investments, operations, and marketing for the Florida Prepaid College Plan, the Florida 529 Savings Plan and the Board's two direct-support organizations (DSOs).

- The **Florida Prepaid College Plan** is the largest and most successful prepaid college plan in the nation. It is guaranteed by the State of Florida. The program allows eligible individuals to pay in advance for the future cost of college using a fixed payment plan. The Prepaid Plan has \$12.4 billion in assets and has more than 500,000 plan holders.
- The **Florida 529 Savings Plan** allows eligible individuals to save at their own pace for college and invest their savings in the investment options offered by the Savings Plan. Earnings in the Plan grow tax free as long as they are spent on higher education expenses. Investments are not guaranteed and are subject to market fluctuations. The Savings Plan has over \$400 million in assets and over 45,000 participants.
- The **Florida Prepaid College Foundation** is a DSO of the Board which provides scholarships primarily through public/private partnerships to students who may not otherwise have the opportunity to go to college. Scholarships are awarded to economically disadvantaged students who are at risk of dropping out of school and to other deserving students in need of assistance. Project STARS ("Scholarship Tuition for At-Risk Students") is the hallmark program of the Foundation. Since inception, more than 37,600 scholarships have been purchased through the Foundation.
- **Florida ABLE, Inc.** is a DSO of the Board and its mission is to encourage and assist individuals and families in saving private funds for the purpose of supporting individuals with disabilities to maintain health, independence, and quality of life. The Florida ABLE Plan will allow eligible individuals to save for these needs at their own pace and invest their savings in the investment options offered by the ABLE Plan. Legislation which was recently passed to establish this Plan requires that the Plan be made available by July 1, 2016.

To carry out their responsibilities, staff procures and manages contracts with 24 service providers, including 11 investment managers.

Proposed New Positions

Five new FTE positions are proposed to support and further the mission and strategic objectives of the Board. The Board should expect the following results from the addition of these new positions:

- Accelerated growth in the 529 Savings Plan
- More scholarship programs offered by the Florida Prepaid College Foundation
- Successful implementation, operation and growth of the new Florida ABLE Program
- A greater emphasis on enterprise risk management and operational compliance
- Greater bandwidth to achieve the Key Initiatives included in the Board's annual Strategy Map (for reference purposes, see Attachment A)

The proposed new positions are as follows:

Florida Prepaid College Plan (1 FTE)

- **Operations Manager** – Will help manage the operations of the Prepaid Plan and the 529 Savings Plan and assist in the implementation of the Board's Key Initiatives included in the Board's Strategy Map. With regard to operations, an emphasis will be placed on conducting operational compliance reviews for the Prepaid Plan and the Savings Plan.

Florida 529 Savings Plan (1 FTE)

- **529 Savings Plan and Investment Policy Director** – Emphasis will be on growing the Florida 529 Savings Plan. Out of the 50 other states with 529 savings plans, the market value of Florida's plan is ranked 40th as of December 31, 2014. The plan is available only online through the Florida Prepaid College Board's website. Increasing the distribution of the plan (e.g. through a bank, registered investment advisors, etc.) can significantly enhance participation in the plan. In addition to capitalizing on growth opportunities this position will be responsible for the Program Description, Participation Agreement, business rules and the Comprehensive Investment Plans for the ABLE, Prepaid and 529 Savings Plan.

Florida Prepaid College Foundation (1 FTE)

- **Prepaid Foundation Director** – Emphasis will be on growing the Foundation. Opportunities exist to raise money for new scholarship programs and to partner with other organizations to promote saving for college. The position will be responsible for fundraising efforts, serving as a community liaison, developing relationships with other corporations, creating partnerships and strategic alliances. In addition to capitalizing on growth opportunities, this position will be responsible for overseeing existing scholarship programs and development of Board meeting materials.

Florida ABLE, Inc. (1 FTE)

- **ABLE Savings Plan Director** - Will direct, plan, organize, and staff the overall activities and functions related to the operations of the Florida ABLE Program. The position will also be responsible for growing the ABLE Savings Plan which is expected to rely heavily on developing and maintaining relationships with advocacy groups for persons with disabilities.

All Programs (1 FTE)

- **Risk and Compliance Director** – Will be responsible for evaluating enterprise risks and developing risk mitigation strategies. The position will also be responsible for developing and monitoring a comprehensive compliance program to ensure that requirements related to policies/procedures, contracts/agreements, and legal/regulatory mandates are met by the Board. The position will provide reports to the Audit Committee on enterprise risk management and compliance efforts.

Budget Request

The current salary and benefits budget for the Board is \$1,782,857.18. The salary budget requested for the new positions is based on a review of applicable paygrades and salary ranges maintained by the SBA. The amounts requested should allow the Board to offer competitive starting salaries and allow some room for growth based on performance. The budget requested for the new positions is as follows:

Program	Position	Salary	Benefits	Total
529 Savings Plan	Savings Plan and Inv. Policy Director	\$120,000.00	\$37,193.28	\$157,193.28
Prepaid College Foundation	Foundation Director	\$120,000.00	\$37,193.28	\$157,193.28
ABLE Savings Plan	ABLE Savings Plan Director	\$120,000.00	\$37,193.28	\$157,193.28
Prepaid College Plan	Operations Manager	\$90,000.00	\$32,522.28	\$122,522.28
All	Risk and Compliance Director	\$120,000.00	\$37,193.28	<u>\$157,193.28</u>
				\$751,294.40

Based on a review of the budget in other categories, the Board currently has \$400,000 of excess budget in the Records Administration budget category. It is recommended that this budget be deleted to help offset the overall budget impact of adding the new positions.

Budget Category	Amount
ADD: Salaries and Benefits	\$751,295.40
DELETE: Records Administration	<u>(400,000.00)</u>
Net Increase to Budget	\$351,295.40

It is important to note also that while the salaries and benefits budget for Florida ABLE, Inc. resides with the Board, the Board will be reimbursed by Florida ABLE, Inc. for the cost of the ABLE Director position.

Florida Prepaid College Board Strategy Map 2015/2016

Mission

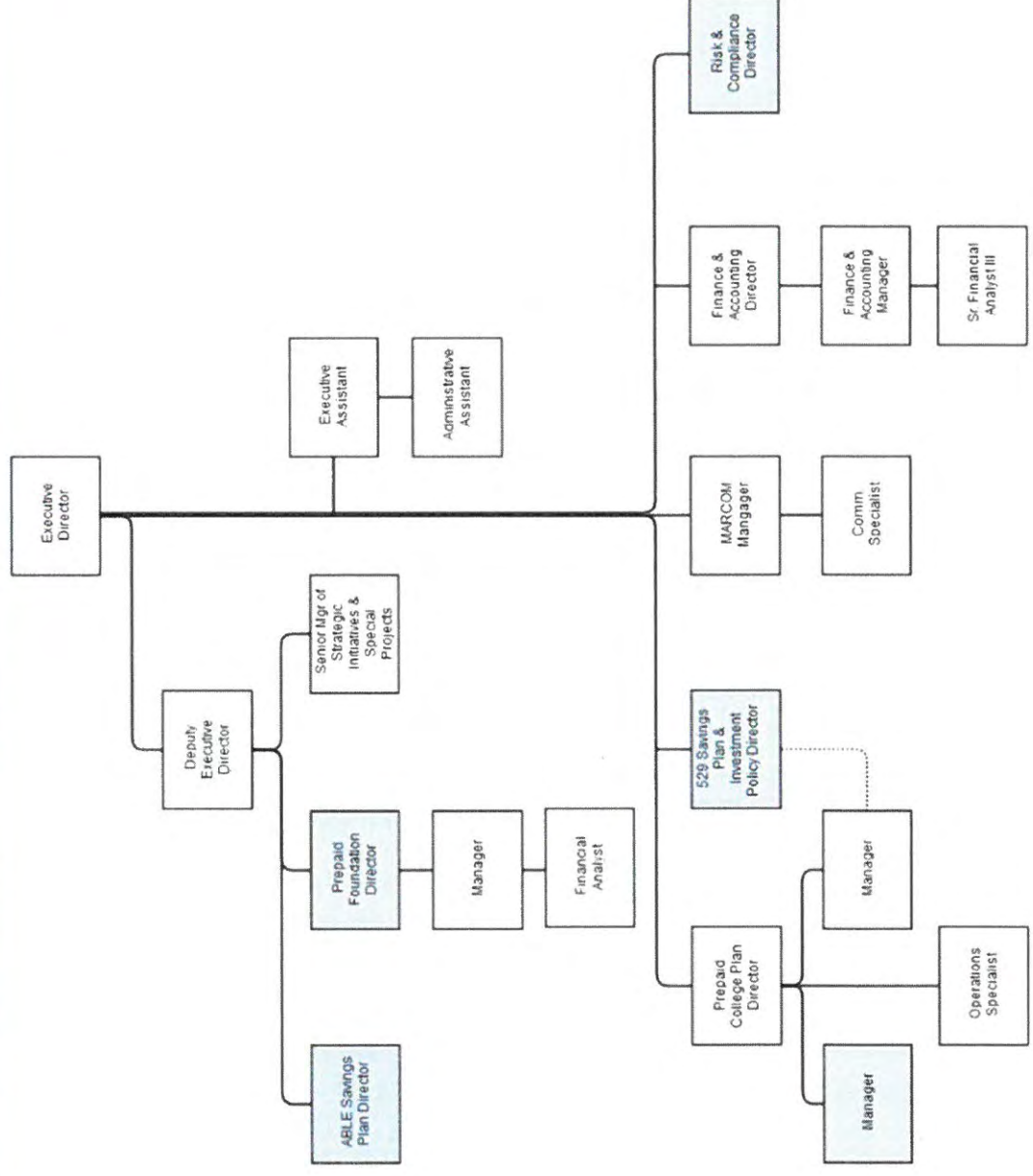
The Florida Prepaid College Board is committed to helping Floridians save for future qualified higher education expenses by providing a cost-effective, financially sound Prepaid College Plan and other college savings programs.

Strategic Objectives

Protect the Program Be active in state and federal legislation. Implement and follow sound business and investment policies.	Focus on the Customer Strive to exceed customer expectations.	Increase Savings and Participation Create value propositions for our products that are second to none. Focus on marketing channels with highest ROI to reach target audiences.
Key Initiatives	Key Initiatives	Key Initiatives
<p><u>Short-term</u></p> <ul style="list-style-type: none"> •Implement the Florida ABLE Program. •Develop an ITN for customer service and records administration services. •Review the Board's immunization investment strategy. •Restructure the Prepaid and Savings Plan CIPs to provide more flexibility for program enhancements. •Develop an internal tool to assist in the evaluation of actuarial adequacy. •Evaluate and enhance the formal operational compliance program. •Develop business continuity plan. <p><u>Long-term</u></p> <ul style="list-style-type: none"> •Reduce investment risk resulting from interest rate volatility during open enrollment. •Evaluate use of derivatives and cross-trades to enhance investment performance and reduce tracking error. •Verify birth date on applications and change of beneficiaries. •Evaluate policy for late fee waivers. 	<p><u>Short-term</u></p> <ul style="list-style-type: none"> •Complete migration of legacy Prepaid data to PRIMA. •Begin implementation of a Customer Relationship Management (CRM) tool. •Implement an electronic gifting portal. •Refine the age-based glide path used in the 529 Savings Plan. •Increase Spanish translations of print and electronic materials. •Update the website with an emphasis on education (e.g., cost of saving vs. borrowing, how Bright Futures, Financial Aid and Prepaid work together, etc.). <p><u>Long-term</u></p> <ul style="list-style-type: none"> •Offer upgrade options for Prepaid Plans. •Implement a "personalized" email campaign to advise customers of their progress toward saving for college and encourage additional savings. •Create a "My College Savings Plan" website feature that allows participants to create individualized savings plans with electronic reminders, reports, etc. •Offer automated Plan changes, if applicable, in lieu of involuntary cancellation for non-payment. 	<p><u>Short-term</u></p> <ul style="list-style-type: none"> •Leverage state resources to directly reach target markets and promote saving for college. •Evaluate options that would encourage and easily allow for a 529 Savings Plan to be opened for every newborn in Florida. •Remove the minimum investment requirement from the 529 Savings Plan. •Provide "value added" product or service offerings to Prepaid and 529 Savings Plan participants. •Evaluate additional investment options and the introduction of "name brand" funds to 529 Savings Plan. <p><u>Long-term</u></p> <ul style="list-style-type: none"> •Automatically establish a 529 Savings Plan for new Prepaid Plan account holders unless they check box to decline. •Create an incentive to encourage Floridians to invest in the 529 Savings Plan (e.g., fee reductions for state residents). •Establish relationships with banks and/or brokers for distribution of the 529 Savings Plan. •Allow for year-round sign-up of newborns in Prepaid. •Accept rollovers in Prepaid. •Research why individuals do not open a Prepaid or 529 Savings Plan to identify opportunities for increased conversion rates. •Establish relationships with registered investment advisors to promote Prepaid and 529 Savings Plans. •Redesign how payroll deduction is handled by employers and participants to encourage additional participation.

Proposed Organization Structure

► Starting is Believing



STATE BOARD OF ADMINISTRATION
Florida Prepaid College Board
Proposed FY 2015-16 Budget Amendment Summary

Description	Approved FY 2015-16 Budget	Dollar Increase/ (Decrease)	Amended FY 2015-16 Budget	% Change
FTE	15	5	20	
77100 Salary	\$ 1,249,298.41	\$ 570,000.00	\$ 1,819,298.41	45.6%
77110 Leave Liability & Incentive Reserve	46,558.52	-	46,558.52	0.0%
77101 Social Security	90,723.43	47,138.00	137,861.43	52.0%
77102 Retirement	128,188.32	41,382.00	169,570.32	32.3%
77103 Health Insurance	256,096.80	85,743.60	341,840.40	33.5%
77104 Life Insurance	817.20	272.40	1,089.60	33.3%
77105 Disability Insurance	499.72	228.00	727.72	45.6%
77106 Dental Insurance	18,786.72	6,530.40	25,317.12	34.8%
Salaries & Benefits Total	\$ 1,790,969.12	\$ 751,294.40	\$ 2,542,263.52	41.9%
Other Personal/Contractual Srvcs	18,154,007.00	(400,000.00)	17,754,007.00	-2.2%
Expense	274,861.00	-	274,861.00	0.0%
Other Capital Outlay	41,100.00	-	41,100.00	0.0%
Total	\$ 20,260,937.12	\$ 351,294.40	\$ 20,612,231.52	1.7%

The Florida Prepaid College Board approved an amendment to their FY 2015-16 Budget at the September 24, 2015 Meeting. Five new FTE were approved including associated benefits for a Salary & Benefits budget increase of \$751,294 (42%). Record sales, growth of existing programs, new technology, and the addition of the new Florida Able Trust Program adopted by the 2015 Legislature for a July 1, 2016 launch date necessitate the critical need for additional staff. The Salary & Benefits budget increase is offset by a corresponding reduction of \$400,000 (-2.2%) to the Other Personal/Contractual Services category from resources planned for Records Administration expenses. The net affect of this reduction results in a total budget amendment request of \$351,294.40 (1.7%) over the current budget.

MINUTES
INVESTMENT ADVISORY COUNCIL
September 28, 2015

A meeting of the Investment Advisory Council (IAC) was held on Monday, September 28, 2015, in the Hermitage Room of the State Board of Administration of Florida (SBA), Tallahassee, Florida. The attached transcript of the September 28, 2015 meeting is hereby incorporated into these minutes by this reference.

Members Present: **Chuck Cobb, Chair**
 Peter Collins
 Vinny Olmstead

SBA Employees: **Ash Williams**
 Trent Webster
 Subhasis Das
 Alison Romano
 Scott Seery
 Brian Geller
 Steve Spook
 John Bradley
 Joan Haseman
 Michael McCauley
 John Kuczwanski

Consultants: **Steve Cummings, Aon Hewitt**
 Katie Comstock, Aon Hewitt
 Samit Chhabra, Cambridge Associates
 Andre Mehta, Cambridge Associates
 Jim Mnookin, Cambridge Associates
 Jane Nelson, Cambridge Associates
 Richard Brown, The Townsend Group
 Seth Marcus, The Townsend Group
 David Helgerson, Hamilton Lane
 Greg Baty, Hamilton Lane
 Gustavo Cardenas, Hamilton Lane
 Nayef Perry, Hamilton Lane

WELCOME/CALL TO ORDER/APPROVAL OF MINUTES

Mr. Chuck Cobb, Chair, called the meeting to order at 1:00 P.M. He welcomed everyone to the meeting, and he welcomed Mr. Vinny Olmstead to the IAC. Mr. Cobb then asked Mr. Olmstead to introduce himself. Mr. Olmstead briefly summarized his background and said that he is looking forward to contributing as a member of the IAC. Mr. Cobb asked whether anyone had joined via telephone. As there was not an immediate response, he explained that they would wait until they had a quorum before they voted to approve the previous minutes.

OPENING REMARKS/REPORTS

Mr. Ash Williams, Executive Director and Chief Investment Officer, provided a brief overview of the SBA's performance, reporting that year-to-date, Pension Fund performance was down by 115 basis points, which is about 115 basis points ahead of target. Mr. Williams added that the SBA does not take risk at a level that allows huge dispersion between its performance and broad market performance. Mr. Williams reported on the progress of the Chief Risk and Compliance Officer search, stating that the position had been advertised nationally. Mr. Williams explained the extensive interview process and told the IAC that, after the interviews had been completed, there had been an overwhelming consensus to choose Ms. Karen Chandler. He further explained that the Trustees' offices had been briefed and that the selection of Ms. Chandler would be submitted for affirmation at the Trustees meeting the following day.

Mr. Cobb requested that Ms. Chandler explain certain risk calculations at the December IAC meeting. Ms. Chandler agreed to do so.

STRATEGIC INVESTMENTS ASSET CLASS REVIEW

Mr. Trent Webster, Co-Senior Investment Officer – Strategic Investments and Private Equity, introduced Mr. Subhasis Das, a Senior Portfolio Manager in Strategic Investments, and provided details on his background. Additionally, he pointed out other staff members of Strategic Investments in the audience. Mr. Webster began his presentation with a discussion of the four asset class policy objectives, namely: generating a five percent real return, diversifying the Florida Retirement System, providing a hedge against inflation, and investing opportunistically. Mr. Cobb made the comment that diversification is too broad a term and that protecting the downside would be a more appropriate goal. Mr. Webster responded that he believes that diversification is in itself downside protection. Mr. Williams also explained that the second goal was written broadly for the aggregate asset class, but that downside protection is definitely referenced on the individual components and on individual write-ups of specific investments. Mr. Webster continued by presenting a timeline of significant events for the asset class, beginning with its creation in June of 2007 and going through March of 2014 when the target weight was raised to 12 percent. There was a brief discussion about the asset class target weight and how it compares to other state pension funds and other endowments.

Mr. Das discussed the asset class fund selection process, sharing the high-level objectives and presenting a flow chart which indicated the steps that are followed. Mr. Das continued by discussing the asset class processes for risk management as well as for manager monitoring. He provided a slide which illustrated the classic manager selection "funnel" and included details on meetings and calls, review summaries, and investment memos. Mr. Collins asked if it would be possible for IAC members to periodically see an investment memo. Mr. Williams indicated he would look into the matter.

Mr. Webster continued his presentation with a discussion of the Strategic Investments asset allocation process, including the policy target allocation, the allocation range, the statutory restriction, the current weight of 6.9 percent and their intention to rise to a weight of nine to ten percent within the next 18 to 36 months. He indicated that the net asset value of the portfolio is about \$10 billion; including unfunded commitments, the asset class portfolio is \$13.6 billion. Mr. Webster noted that the portfolio is split roughly equally between private market funds and evergreen funds, and he also noted that half of the portfolio is benchmarked to CPI plus five percent, their long-term goal. He explained that the portfolio has allocations to six broad strategies including debt, equity, real assets, diversifying strategies, flexible mandates, and special situations. Mr. Webster presented slides which showed the progression of exposures by strategy over time. He also presented the allocation by sub-strategy. Mr. Webster discussed Strategic Investments' performance, indicating that the cumulative outperformance over the last five years has been 28 percent. He also discussed performance compared to the entire FRS, their Sharpe Ratio, and FRS volatility including and excluding Strategic Investments. There was a brief discussion about how it is decided that an investment will be in Strategic Investments and not in another

asset class. Mr. Webster explained the decision making process and elaborated on the asset class's optimization process.

Mr. Das concluded the presentation with a discussion about the four diversifying strategies in which the asset class is invested, focusing on CTAs (Commodity Trading Advisors), discretionary global macro, relative value, and royalties. He indicated that they are also researching insurance-linked securities and style premia type funds. Mr. Webster added that, in fiscal year 2015, the asset class had investment activity of \$3 billion in 19 funds. Mr. Cobb commented that he admires the opportunistic nature and the discipline of the SBA, but he is concerned about the lack of emphasis on the downside. Mr. Collins agreed that the SBA has done an excellent job and asked Mr. Webster to share what the asset class is doing to put focus on the downside. Mr. Webster assured the IAC members that diversifying strategies have been the primary thing that the Strategic Investments staff has been focused on for the last two years as that has been the area where most of the downside protection will happen. Mr. Collins asked how much direct investing the asset class does versus through funds. Mr. Webster explained why they are committed to the fund model.

Mr. Jim Mnookin, Cambridge Associates, briefly discussed the role of hedge funds and explained that different hedge fund programs have different goals. He told the IAC that one of the reasons that this program has been so successful is that it has protected quite well on the downside.

Mr. Samit Chhabra, Cambridge Associates, presented slides on the SBA's hedge fund program performance since inception as well as the evolution of the SBA's hedge fund portfolio.

Mr. Andre Mehta, Cambridge Associates, stated that the portfolio has performed well, and explained that there are a number of headwinds that hedge funds face. He commented on the factors that have led to the strong performance by the SBA.

Mr. Seth Marcus, The Townsend Group, explained that Townsend works with the Strategic Investments team on real estate debt, distressed opportunities, and timber. He stated that the combined performance of the real estate debt and timber investments has outperformed the CPI plus 500 benchmark across all of the typical measurement periods.

Mr. Richard Brown, The Townsend Group, added that two of the original pooled fund investments have already liquidated in a very short time period. Additionally, he stated that this portfolio has returned a significant amount of capital in the form of distributions.

Mr. Marcus concluded his presentation with a slide about Strategic Investments' performance, explaining that there has been significant outperformance over the last five years. There was a brief discussion about benchmark returns for Strategic Investments.

FLORIDA GROWTH FUND UPDATE

Mr. Williams introduced the Florida Growth Fund, providing a short history, beginning with the legislation that passed in 2008.

Mr. David Helgerson, Hamilton Lane, introduced his colleagues and partners who would be providing an overview of the Florida Growth Fund.

Mr. Greg Baty, Hamilton Lane, began his presentation by discussing the program's launch in 2009 and the reasons for which it was designed. He provided highlights from the Florida Growth Fund timeline slide, and he discussed the three tranches of Florida Growth Fund I and the new tranche of Florida Growth Fund II.

Mr. Nayef Perry, Hamilton Lane, provided additional details on Fund I, including the capital commitment, the gross and net IRR, the portfolio construction, information on the Credit Tranche, and the number of jobs that the Florida Growth Fund has helped to create. Mr. Perry also provided more specific details on the Credit Tranche and Florida Growth Fund II.

Mr. Baty continued his presentation with a summary of the Florida Growth Fund I portfolio cash flow and liquidity, with information on portfolio diversification, and with a slide which provided the Florida Growth Fund footprint.

Mr. Helgersen continued by discussing some macro-level and micro-level takeaways from their activity to date. Mr. Vinny Olmstead asked Mr. Helgersen to comment on the issue of co-investment versus partnership, and there was a brief discussion.

ASSET CLASS SIO UPDATES, DC PROGRAMS OFFICER UPDATE, AND INVESTMENT PROGRAMS & GOVERNANCE OFFICER UPDATE

Ms. Alison Romano, Co-Senior Investment Officer – Global Equity, began her presentation by discussing the three asset class mandates which are to provide equity market beta, to take active risk where it is rewarded, and to provide liquidity. She elaborated on performance, specifically on risk and returns, stating that the asset class has had consistent active returns. Ms. Romano also discussed second quarter sources of alpha, the asset class focus on execution and operations, and the asset class focus on internal management.

Mr. Scott Seery, Co-Senior Investment Officer – Global Equity, reviewed what had happened in the second quarter in the equity market, and he described major market themes. Mr. Seery also discussed a slide which provided a long-term focus on market conditions.

Mr. Brian Geller, Senior Portfolio Manager – Fixed Income, reported on the asset class's 12-month returns, overall risk, and annualized active risk. Mr. Geller concluded his presentation by discussing global accommodative policies and security selection.

Mr. Steve Spook, Senior Investment Officer – Real Estate, discussed the asset class's allocation and let the IAC members know that they are working toward a target of ten percent of the Total Fund. He stated that Real Estate returns have been very strong, particularly over the 1-, 3-, and 5-year periods. Mr. Spook elaborated on sector allocation as well as property type diversification compared to ODCE. He updated the council on recent activity and concluded his remarks by discussing current initiatives of the asset class. There was a discussion about meeting the investment target versus meeting the regional allocation targets. Mr. Williams commented on the role of regional diversification relative to the ODCE and how the SBA incorporates that information into its decision making.

Mr. John Bradley, Co-Senior Investment Officer – Strategic Investments and Private Equity, began his presentation with an update on the private equity market environment. He discussed their exposures by sector relative to their benchmark, their portfolio weightings by geography, and their asset class performance. Mr. Bradley concluded his presentation with a discussion of 2015 Private Equity commitment activity.

Ms. Joan Haseman, Senior Defined Contribution Programs Officer, provided a snapshot of the FRS Investment Plan. She provided details on the assets, the members, the average account balance, the average age, the average number of years of service, the retirees, and the distributions. Ms. Haseman provided a breakout of where Investment Plan members are investing their money. She concluded her presentation with an update on the Financial Guidance Program.

Mr. Michael McCauley, Senior Officer – Investment Programs and Governance, discussed SBA proxy voting, providing a breakdown by country, a global snapshot, and a summary by issue. He continued by presenting a slide which highlighted company voting. As Mr. Cobb requested, Mr. McCauley specifically detailed the recent Bank of America vote, an independent chair bylaw ratification that the company put on the ballot somewhat late. Mr. McCauley also explained that there has been a fairly active regulatory environment. He elaborated on the 2015 proxy season highlights, including proxy access, executive compensation, and director elections. Mr. McCauley provided a slide which indicated the most prevalent shareowner proposals in 2014 and 2015 and the SBA voting direction. He discussed proxy access and dueling proxy access proposals, lowest say-on-pay support among Russell 3000 companies and concluded his presentation with a brief discussion on the vote study. IAC members discussed their preference concerning the frequency of receiving reports from Mr. McCauley going forward and decided that twice a year would be fine.

MAJOR MANDATE PERFORMANCE REVIEWS

Mr. Steve Cummings, Aon Hewitt, commented briefly on the current environment of low interest rates, low return expectations, and some disappointing equity results. He then introduced Ms. Katie Comstock, Aon Hewitt.

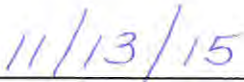
Ms. Comstock provided a brief overview of some of the SBA's major mandates and their performance, including presentations on the Pension Plan, the Investment Plan, the CAT Fund, the Lawton Chiles Endowment Fund, and Florida PRIME and Fund B.

AUDIENCE COMMENTS/DECEMBER MEETING DATE/CLOSING REMARKS/ADJOURN

Mr. Cobb asked if there were any audience comments. Mr. Jim Baker of Unite Here and several members of the public spoke briefly urging the SBA to engage with TPG Capital and Leonard Green & Partners on the subject of labor relations at specific fund-owned properties. Mr. Williams explained that, as a limited partner in the referenced investment partnerships, the SBA is not in a position to intervene in the matter. Mr. Williams thanked them for coming. As there were no other comments or questions, the meeting was adjourned at 4:05 P.M.



Chuck Cobb, Chair



Date

STATE BOARD OF ADMINISTRATION OF FLORIDA

INVESTMENT ADVISORY COUNCIL MEETING

MONDAY, SEPTEMBER 28, 2015
1:00 P.M. - 4:05 P.M.

1801 HERMITAGE BOULEVARD
HERMITAGE ROOM, FIRST FLOOR
TALLAHASSEE, FLORIDA

REPORTED BY: JO LANGSTON
Registered Professional Reporter

ACCURATE STENOGRAPHY REPORTERS, INC.
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APPEARANCES

IAC MEMBERS:

CHUCK COBB
PETER COLLINS
VINNY OLMSTEAD

SBA EMPLOYEES:

ASH WILLIAMS, EXECUTIVE DIRECTOR
MICHAEL McCAULEY
TRENT WEBSTER
SUBHASIS DAS
BRIAN GELLER
STEVE SPOOK
SCOTT SEERY
ALISON ROMANO
JOHN BRADLEY
JOAN HASEMAN
JOHN KUCZWANSKI

CONSULTANTS:

JIM MNOOKIN - (Cambridge Associates)
SAMIT CHHABRA - (Cambridge Associates)
ANDRE MEHTA - (Cambridge Associates)
JANE NELSON - (Cambridge Associates)
RICHARD BROWN - (The Townsend Group)
SETH MARCUS - (The Townsend Group)
GUSTAVO CARDENAS - (Hamilton Lane)
NAYEF PERRY - (Hamilton Lane)
GREG BATY - (Hamilton Lane)
DAVID HELGERSON - (Hamilton Lane)
STEVE CUMMINGS - (Aon Hewitt)
KATIE COMSTOCK - (Aon Hewitt)

ACCURATE STENOGRAPHY REPORTERS, INC.

1 INVESTMENT ADVISORY COUNCIL MEETING

2 * * *

3 MR. COBB: So welcome, everybody. Call the
4 meeting to order. Vinny, why don't you briefly
5 introduce yourself in a few moments, tell everybody
6 about yourself and welcome aboard.

7 MR. OLMSTEAD: I'm Vinny Olmstead. Thanks for
8 having me today. I'm honored to be on the Investment
9 Advisory Council. I am a private equity venture guy,
10 have a fund that invests out of Vero Beach, Florida,
11 although I have an office up in Atlanta also,
12 broad-based investments up and down the East Coast.
13 Prior to that I operated a business, and prior to
14 that I did investing with a large corporation, a
15 public company, a lot of buying and selling of
16 companies. So it's a pleasure to be here, and I look
17 forward to contributing over the next few years.

18 MR. COBB: Good. Welcome. Who do we have on
19 the phone? So we're expecting, I think, two others,
20 so we will wait to approve the minutes until we get a
21 full quorum on the phone. So, Ash, take over,
22 please.

23 MR. WILLIAMS: Thank you, Mr. Chair. A couple
24 of announcements in terms of where we are so far.
25 Year to date, funds down as of Friday's close by 115

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1 basis points, which is about 115 basis points ahead
2 of target, which is to say we would be down more but
3 for value added of portfolio management. Still on an
4 absolute basis not where any of us would like to be.
5 As a client once said to me, I can't put gas in my
6 boat with relative performance. It's also not
7 edible.

8 But at any rate, we can do a bit better than the
9 markets will do by themselves, but we're not
10 magicians, and we don't take risk at a level that
11 allows huge dispersion between our performance and
12 broad market performance.

13 The only other thing I wanted to touch on is an
14 evolution of the management team. You may recall
15 that we had a retirement of our chief risk and
16 compliance officer the better part of a year ago.
17 Karen Chandler stepped into an acting responsibility
18 as chief risk and compliance officer at that time.
19 She has done an exemplary job since that time. Karen
20 is with us. Say hello, Karen.

21 And we went ahead with the process, through
22 which we advertised the position nationally. We had
23 46 external applicants from all over the country, two
24 internal applicants. We set up a team of people to
25 do interviews, created a matrix of questions to ask

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1 each of the candidates, interviewed all of them,
2 interviewed a short list of three externals and two
3 internals, debriefed after each interview and after
4 all interviews, and it was an overwhelming consensus
5 to go in the direction of Karen Chandler.

6 For that reason we will submit her name for
7 affirmation to the trustees tomorrow. All of their
8 offices, of course, have been briefed on this, and
9 she's been around to meet them, et cetera. So I
10 suspect by close of business tomorrow she will
11 officially be our chief risk and compliance officer
12 without any modifications to that title.

13 So at the risk of being presumptive, welcome,
14 Karen, and congratulations.

15 MR. COBB: Ash, let me interrupt there and say,
16 Karen, in an earlier meeting, we discussed pages 11,
17 12 and 13 of the July 31st report. The SBA has made
18 all the (inaudible) focused on risk. And so at the
19 next meeting what we'd like to do as a board is to
20 totally understand these risk calculations and how
21 they were arrived at, how they're checked, so we can
22 all gain more confidence in understanding these risk
23 levels.

24 MS. CHANDLER: Absolutely. That will be fine.

25 MR. COBB: Good. Go ahead. Excuse me, Ash.

1 MR. WILLIAMS: I'm really good, Mr. Chair. We
2 have a lot of ground to cover, and rather than take
3 up time, I think we'd be better served getting
4 underway.

5 MR. COBB: Good. So item three on the agenda is
6 to focus on our strategic investments. So, Trent,
7 introduce your colleagues, and let's focus on this
8 important part of our portfolio.

9 MR. WEBSTER: Thanks, Ambassador. I think most
10 of you know who I am. I'm Trent Webster. I'm the
11 senior investment officer of the strategic
12 investments asset class. To my left I'd like to
13 introduce to you all Mr. Subhasis Das. Subhasis is a
14 senior portfolio manager in strategic investments.
15 He joined us over three years ago. And during the
16 time that he's been with us, he's focused on activist
17 equity, equity long-short, royalties, CTAs, managed
18 futures and multi-strategy hedge funds. He's also
19 spearheading our research into insurance strategies.

20 Prior to joining us in strategic investments,
21 Subhasis had spent ten years with Scott in global
22 equity, where he was responsible for analytics and
23 external manager oversight. Subhasis has a
24 bachelor's of the arts from Presidency College in
25 Calcutta, India, a master's in economics from

1 Jawaharlal Nehru -- did I say that right?

2 MR. DAS: Yes.

3 MR. WEBSTER: Okay. Good. Close enough. I
4 practiced. Jawaharlal Nehru University in New Delhi.
5 He has a master's in economics and a Ph.D. in
6 economics from the University of Florida. He also
7 has an MBA from the University of Florida and a
8 master of science in computer science from Florida
9 State. He's also a chartered alternative investment
10 analyst.

11 And I just realized, Subhasis, you've got more
12 letters behind your name than I have in my name. So
13 I'm going to embarrass Subhasis a little bit to say
14 that he's a very talented individual. He's part of a
15 group of talented individuals in the strategic
16 investments asset class. And they're all sitting in
17 the crowd there. Guys, just wave your hands. Let
18 everyone know.

19 That group is excellent. They're mostly
20 responsible for the strong performance we'll see
21 later. So if you have any hard questions, they're
22 the people to ask, and I'm more than happy to field
23 all the easy ones.

24 Well, who is strategic investments, for those
25 who are maybe not familiar with us? You see here my

1 colleagues to my left, they all represent different
2 asset classes. They represent global equity, fixed
3 income, private equity and real estate. And anything
4 that doesn't fit nice and neatly into those four
5 asset classes, it comes to us. So you can think of
6 us as the alternative asset class for the Florida
7 Retirement System.

8 So we have four objectives by policy. The first
9 one is to generate a real return over a long period
10 of time of 5 percent. That doesn't mean we're always
11 going to generate a real turn of 5 percent each and
12 every year, but when we construct a portfolio of
13 alternative assets, that's what our ultimate goal is.

14 Our second policy objective is to diversify the
15 Florida Retirement System. So what does that mean?
16 The fact that you have all these asset classes here,
17 aren't we trying to diversify the Florida Retirement
18 System? That's a broad way of saying that we're
19 going to invest in assets, structures and strategies
20 that the other asset classes generally do not invest
21 in.

22 And if we're doing our job, we should be able to
23 to see the benefits of strategic investments through
24 the risk-adjusted return, either by higher return for
25 the same amount of risk or a lower risk for the same

1 amount of return or some combination thereof.

2 The third policy objective we have is to provide
3 a hedge against inflation. We don't see any
4 inflation today, at least any consumer price
5 inflation. We obviously have a lot of asset
6 inflation. But we don't see a lot of consumer price
7 inflation. If it does, it's something we'll start
8 thinking about. So we will take into consideration
9 inflation if it arises.

10 Finally, we're here to invest opportunistically.
11 What makes us a little different is that all the
12 asset classes have a target and bands around the
13 target in which they tend to fluctuate in terms of
14 asset allocation. We too have a target of
15 12 percent. However, we think of ours a little
16 differently.

17 We think of our target as a ceiling and that we
18 can be between zero and 12 percent of the total FRS.
19 Strategic investments was in part created to provide
20 a flexible pool of capital to invest
21 opportunistically. In theory, we're probably never
22 going to be zero percent. But on the other hand, we
23 don't necessarily feel the need to rush out and
24 invest in things where we think things are
25 unattractive.

1 We tend to look out three to five years. We're
2 not nimble enough and I don't know if we're smart
3 enough to look out three to five days or three to
4 five weeks or three to five months. But we look out
5 three to five years to try to find the best
6 risk-adjusted returns.

7 And that means that we generally execute a
8 contrarian philosophy, either by investing in assets
9 that are attractive on a risk-adjusted basis or
10 investing in strategies where there's been capital
11 that's moved outside of the strategy.

12 MR. COBB: Trent, I'd like to ask a question on
13 the previous slide. And I've made this comment
14 before, and maybe there's a disagreement on it. But
15 it seems to me that the diversification, number two,
16 is too narrow or maybe too broad, excuse me, maybe
17 it's too broad, and where downside protection really
18 is what you're talking about here.

19 And I'm not sure it's the right word just to
20 say -- because you can get diversification lots of
21 different ways. And some ways don't provide downside
22 protection. But I do believe it's your philosophy to
23 provide downside protection for the portfolio. And
24 in fact you have.

25 Other committees I'm on state this more

1 definitively. One of them states their objective in
2 this area is to have 75 percent of the ups and only
3 have 50 percent of the downs. In other words, a very
4 precise objective. And I'm not suggesting that.
5 Maybe that's too precise. But it seems to me that we
6 need to make that number two more specific really
7 than downside protection. What's your response that?

8 MR. WEBSTER: I hear you. I think it's a very
9 good argument. The things that I would caution,
10 though, is I think that diversification in itself is
11 downside protection, which is why we have a variety
12 of different asset classes. Much of our portfolio
13 will go down in a bear market. So we've done
14 scenario analysis of what we think the portfolio will
15 do in a bear market.

16 We think strategic will go down. The typical
17 bear market, say if stocks went up 30 percent, we
18 think we'll be down 10 to 15 percent. And there will
19 be times where you won't want us to focus on downside
20 protection. You'll want us to be aggressive if
21 you've got PEs in the market of eight, nine or ten or
22 spreads are a thousand wide, that's when you want us
23 to be focusing on generating good returns as opposed
24 to downside protection, because the down side has
25 probably already happened.

1 I also would think that we've got to be a little
2 careful because the first thing with generating a
3 5 percent real return, if we focus too much on the
4 down side, I think the odds of hitting that first one
5 are probably reduced.

6 And we have been spending a lot of time --
7 Subbasis is going to talk a little bit later about
8 the diversifying strategies. We have been spending a
9 lot of time on investing in things which should help
10 protect the down side. And I absolutely hear you on
11 our focus, because that's what we -- we've been more
12 focused on that than anything. But it's really meant
13 to be a flexible pool of capital and to diversify the
14 FRS.

15 There are some people here who know more about
16 this than I do. Some pension plans have slices where
17 that's all they do, is focus on downside protection.
18 We don't have that, but we view that as part of our
19 mandate.

20 MR. COBB: I'm going to try one more time. You
21 have four objectives, four objectives. And I don't
22 have a problem with all four of them, and I would
23 think a hedge against inflation is kind of a second
24 area. And investing opportunistic, yes, in a low
25 price earnings ratio, high interest rate environment,

1 we'd want you to invest. But you don't say there
2 anywhere to protect the down side, which is one of
3 your key objectives, seems to me.

4 MR. WEBSTER: I guess I would say that
5 diversifying the FRS is what -- we would consider
6 that to be protecting the down side.

7 MR. WILLIAMS: Maybe I can help out, Ambassador.
8 When we went to the legislature and gained the legal
9 authority to double our alternative investment
10 exposure, a big component of that dialogue was the
11 notion of increased diversification and buying
12 alternative investments that have minimal or negative
13 correlations to other positions we hold as a means to
14 do exactly what you have expressed, reduce downside
15 exposure by, over the fullness of time, better
16 protecting capital in down markets, leaving more
17 capital there that has not been subject to permanent
18 impairment for compounding over the fullness of time.

19 So our intent is to do that. We've deliberately
20 left it written broadly at this level. And if you
21 look -- and if you'll stand by, when we go through
22 the presentation and when we come down for example to
23 the section on hedge funds, we specifically say, I
24 believe, in the slide deck we have today that that is
25 one of the things we're doing.

1 And for the aggregate asset class, we left it
2 broad, so we have flexibility for portfolio
3 construction. But on the individual components of it
4 and on individual write-ups of specific investments,
5 it is very definitely something that's referenced.
6 For example, one of the things you'll see in our
7 standard dilly on any proposed partnership with an
8 investment manager will be their performance history.

9 Part of what we're looking at is how do they do
10 in down markets in particular. And of course, given
11 where we are in financial history, if the manager was
12 around during the '08 downturn, what they did and how
13 they handled it during that crucible of reality is
14 very interesting to us and very important. And if
15 they did preserve capital, reduce down side, improve
16 long-term portfolio efficiency by the way they were
17 positioned going into and coming out of that period,
18 that's useful for us to know.

19 MR. COBB: Any other comments from management or
20 the board on the subject? If not, we'll go ahead.
21 Hearing none, excuse me, Trent, for interrupting.

22 MR. WEBSTER: Thank you, Ambassador. Strategic
23 investments was formed in 2007. In June 2007 we were
24 funded with a \$6 billion global equity portfolio.
25 The idea at the time, another reason why strategic

1 investments came into being was to be able to go
2 across asset classes, to invest across different
3 asset classes.

4 We were originally funded with a \$6 billion
5 global equity portfolio, and that's all the assets
6 that were in the portfolio at the time, were in
7 strategic investments at the time. The idea was, was
8 that we would sell down the global equity portfolio
9 and use it to fund up alternative investment
10 strategies. And that indeed happened.

11 What also happened was the global financial
12 crisis. So from June 2007 onward, we got hammered
13 like the rest of the FRS did. And even though we
14 were funding other strategies, what happened was that
15 we didn't provide a whole lot of protection to the
16 down side, and we went down a lot.

17 In 2010, with the formation of the global equity
18 asset class, the remaining amount in the global
19 equity portfolio was transferred out of strategic
20 investments into global equity. And from that time,
21 you'll see through the presentation, that we use
22 June 2010 as a demarcation point because it's around
23 then when we view that time as being when the vision
24 of an alternative investment portfolio came into
25 being.

1 So does anybody have any questions before I turn
2 it over to Subhasis?

3 MR. COLLINS: I have one question.

4 MR. COBB: Yes, sir.

5 MR. COLLINS: How long did it take to determine
6 the proper target weight that strategics should play
7 within FRS? It started out as an idea, right, and a
8 group of assets. And then obviously between '07 and
9 '10 there was a lot of thought given to your role
10 within the FRS, right, on the asset allocation. How
11 did we get to six, how did we pick six?

12 MR. WEBSTER: I actually wasn't here when that
13 happened, so I'm not sure. Originally there was
14 no -- there was zero. There was no -- I mean, we
15 could invest in it, but the idea would be a flexible
16 pool of capital, and there would be no set target
17 allocation.

18 I do know that it went to 12 because that was
19 part of the recommendation from the IAC, and I think
20 it went to 11 because we found ourselves bumping up
21 against our original allocation, and there was a lot
22 more that we could invest in. There was a greater
23 desire to diversify. But how originally they decided
24 five or six, I don't know.

25 MR. COLLINS: I guess I bring that up,

1 Mr. Chairman, to say I think we all realize the
 2 strategic, for lack of a better word, importance of
 3 the asset class to the FRS. But I think there was
 4 probably a lot of thought that went through the
 5 process of getting to 6 percent. And, you know, a
 6 mere two years later we were at 11, and now four
 7 years later we're at 12. So we've doubled from our
 8 initial, where we decided to set it up. It's bigger
 9 than the -- what's the real estate portfolio today
 10 percentage-wise?

11 MR. SPOOK: Eight percent.

12 MR. COLLINS: Yeah. So it's a major program.
 13 And we've gone from 6 percent to 14 percent or
 14 12 percent in four years.

15 MR. COBB: I guess I have a question to
 16 Cambridge on that. I think we're still relatively
 17 low compared to other state pension funds and other
 18 endowments.

19 MR. MNOOKIN: Ambassador, the fund is certainly
 20 low relative to other endowments, many of which have
 21 15 or 20 or 25 percent in sort of so-called strategic
 22 investments. But I'm not sure that they're that much
 23 behind other pension plans. I think pension plans
 24 are newer in this. And what -- you know, the SBA
 25 separates out private equity from strategic, and you

1 can see that the target weight for strategics is 12,
 2 and I think the target weight for private equity
 3 is --

4 MR. BRADLEY: Six.

5 MR. MNOOKIN: -- six. So you're talking, you
 6 know, approaching 20 percent, which is not that much
 7 behind what other institutions have.

8 MR. COBB: Ash just shared with me the ten other
 9 large pension funds, and they were at 17 all together
 10 and we were at 13. So we're still a little bit low.

11 MR. MNOOKIN: Right. We are not yet at this
 12 target of 18. We have a little less than 7 percent
 13 in the strategics, and we have a little less than
 14 6 percent in --

15 MR. COLLINS: So you're saying that our universe
 16 of peers, with strategics and private equity, is at
 17 what?

18 MR. COBB: 17 compared to our 13.

19 MR. COLLINS: Well, we'd be 18, because they
 20 lump strategics and private equity together to come
 21 up with that.

22 MR. WILLIAMS: Right. But if you look under Tab
 23 6, which is Aon Hewitt materials, go to slide 13, you
 24 can see the comparison of the FRS versus the top 10
 25 DB plans. And as the ambassador said, the top 10

1 show alternatives at 17 percent. We show -- we don't
 2 have a category for alternatives. It's slide 13
 3 under Tab 6. If you sum our 6.9 of strategic and
 4 6 percent of private equity, we're right about on 13.
 5 So we're a little south of the 17 combined
 6 alternatives exposure of our large public plan peers.

7 So it lines up with what Jim was saying. We're
 8 still in the building mode. And we have the high
 9 class problem of trying to move net allocations at a
 10 time when we have a lot of cash coming back to us
 11 from prior investments. So to get that reinvested
 12 and invest more and move the dial is tricky because
 13 we're always going to be driven by valuations and
 14 discipline on that front rather than just filling
 15 against a target allocation.

16 MR. COLLINS: I'm good.

17 MR. COBB: Okay. No further questions on that.
 18 Excuse us. Keep going.

19 MR. WEBSTER: Okay. I'll pass it over to
 20 Subhasis.

21 MR. DAS: Thank you, Trent. These are the high
 22 level objectives or things we look at when we are
 23 trying to select funds. First thing is, funds have
 24 to have a high ethical standard and a very good
 25 reputation in the marketplace. Institutional quality

1 is also very important. If a fund has good
 2 performance but can't meet our information and
 3 reporting needs, it's not for us. It's going to be
 4 difficult for us to monitor those kinds of funds.

5 And last but not the least, we need funds to
 6 have a clear investment process, which we can break
 7 down into a sequence of actions, starting from
 8 defining risk-return parameters, all the way to
 9 actually coming up with a portfolio. That kind of
 10 process-driven investment vehicle gives us the
 11 confidence that this is repeatable and we can expect
 12 to get the kind of high risk-adjusted returns that we
 13 seek.

14 This slide is a flow chart of all the different
 15 things that we do within our fund selection process.
 16 The fund selection process begins with an idea, and
 17 if it's something that we have not done before, then
 18 we'll take the time to research it in depth, maybe
 19 write a white paper, and in certain cases as
 20 required, we'll seek the approval of the senior
 21 management groups, the senior investment group and
 22 the senior operating group as well. And finally,
 23 obviously, we need the approval of the CIO to
 24 proceed.

25 Sourcing of investment ideas can come by

1 observing market dislocations such as the
2 dislocations we observed in the energy markets, or it
3 can come bottom up through discussions with funds who
4 are presenting ideas to us. For example, our royalty
5 investment idea started with a fund presenting to us
6 a health care royalty fund, and that made us ask
7 ourselves, okay, what else is there in this kind
8 of -- in this space. And we took a good hard look at
9 the entire space and then finally made a couple of
10 investments.

11 Our diligence process is multistage. It starts
12 with an introductory call to get to know the basics
13 of a strategy and ultimately ends with an investment
14 approval memo. At all stages we go back and forth to
15 the funds and our consultants to gain better insight
16 into each of the funds.

17 It's important to stress that at any stage a
18 fund may be declined for a variety of reasons, such
19 as maybe identification of key personnel turnover,
20 inadequate alignment of interests or a bad reference.

21 This slide shows all the different things we do
22 as part of our risk management. I won't go through
23 every one of these bullet points. But broadly there
24 are things that are done -- three types of activities
25 occur here. First is processes that are external to

1 strategic investments, and these primarily are done
2 by risk management and compliance, where they look
3 into the guidelines and portfolio restrictions that
4 are being met as specified in contract on a regular
5 basis.

6 Also it's important to point out that the senior
7 investment group discusses all major initiatives
8 undertaken by the asset classes, and the CIO approves
9 the final work plan that gives direction to those
10 classes over the next 12 months.

11 Then we have a set of processes which are
12 external to SBA. So what that is is we would conduct
13 channel checks on funds and PMs using our
14 consultants, our fund of fund relationships and any
15 other contacts that we may have with other
16 institutions. So that kind of provides third party
17 verification that funds are doing what they are
18 supposed to be doing or what we think they should be
19 doing.

20 And then last but not the least are processes
21 which are internal to strategic investments. So we
22 will go into the operational capabilities of funds.
23 The overall SI portfolio risk control is done through
24 diversification of strategies and management of
25 exposures that check using holding based exposure

1 reporting. And also it's a point to note that we
2 have a very high bar for new funds on the public side
3 or first time funds on the private side. Such funds
4 would have to have something really compelling for us
5 to invest in them.

6 Our monitoring processes begin with quarterly
7 calls. Calls are usually done on a quarterly basis,
8 but we will do them more frequently, such as monthly,
9 if there's some change going on within a fund or we
10 feel that the market climate is such that their
11 performance may be affected.

12 Calls and exposure reports and newsletters are
13 reviewed for additional information on performance,
14 organizational changes, growth and introduction of
15 new products by managers. We lean on our consultants
16 heavy for color on managers, things that they may
17 learn from their colleagues at the firm, at their
18 firm, or anything they may have come across in their
19 talking to their contacts.

20 On the private side, we ask for membership on LP
21 advisory committees, and we will always attend the
22 annual general meetings of the funds. We have now
23 on-boarded our hedge funds into a portfolio
24 monitoring and risk system. This helps us gain
25 additional insight in terms of seeing trends over

1 time.

2 This slide represents the classic investment
3 funnel. We refrained from putting the actual graphic
4 on there, but as you can see, we try to cast a very
5 wide net and speak with as many managers as we can.
6 Investment approval memo does not always mean an
7 investment will be made. It may not happen, as I
8 stated earlier, if something comes up at a late stage
9 or if legal agreement doesn't quite work out.

10 And then the two bullets at the bottom represent
11 calls done for monitoring purposes and external party
12 calls for references or checking with other investors
13 in the fund.

14 At this point, I'll hand it back to Trent unless
15 there are any questions.

16 MR. COLLINS: Could I ask one question,
17 Mr. Chairman?

18 MR. COBB: Yes, sir.

19 MR. COLLINS: On the 12 investment memos, is it
20 possible for us to see one of those, you know,
21 periodically? I'd love to see the thought process
22 and the work. I know you guys put a lot into them.
23 I'm also aware that you like to keep things
24 confidential. So I don't know if it's possible for
25 us to see one of those. If we have to go into a room

1 under a guard, you know, we could do that. I'd just
2 be curious to see the product.

3 MR. WILLIAMS: Sure. The answer is I'm not
4 entirely sure on that. That could be investment work
5 product that's confidential until such time as we
6 exit the --

7 MR. COLLINS: So we do have to go in the room?

8 MR. WILLIAMS: It could be as long as we do a
9 mind wipe on you afterward.

10 MR. COLLINS: That wouldn't be hard, I assure
11 you.

12 MR. WILLIAMS: Let me check on that. Certainly
13 we have nothing to hide and we're very proud of our
14 work product.

15 MR. COLLINS: At the same time I have respect
16 for the process and respect for the work product. I
17 don't want to do anything that --

18 MR. WILLIAMS: Those documents are very honest
19 as well, and I don't necessarily want something
20 showing up somewhere and having some manager call me
21 and saying, You said what?

22 MR. COLLINS: I totally understand.

23 MR. COBB: Okay. Trent.

24 MR. WEBSTER: Okay. Thanks. Just to finish up
25 on asset allocation, I had mentioned earlier that we

1 can invest opportunistically and that we can move
2 capital across a variety of different asset classes,
3 but we want to make sure that we're disciplined when
4 we're allocating capital. We don't want to fall too
5 much in love with a strategy or with a group of
6 managers.

7 So throughout the year we're meeting both
8 formally and informally with our consultants, with
9 our managers, with our peers, amongst ourselves,
10 across a variety of different meetings, I'm sorry,
11 across a variety of different venues, and come up
12 with a market view that we hash out at the beginning
13 of the year and we incorporate into our annual work
14 plan.

15 And that looks forward three to five years, and
16 it's an estimate of where we think we want to
17 allocate capital over the intermediate term. Now, we
18 can change because markets will change, opportunities
19 will change. It's meant to be a guideline rather
20 than a fixed target. But it does impose some
21 discipline into our process such that we can continue
22 to manage a well-diversified portfolio.

23 Currently we're just under 7 percent of the
24 total FRS. It's our current intention that if
25 current market conditions hold, and they keep

1 slipping away every day it seems, but if they
 2 continue to hold, it's our intention to rise to 9 to
 3 10 percent of the FRS and then float and take
 4 advantage of whenever the next bear market occurs.
 5 Perhaps it's occurring right now. We're not sure.

6 You can see here, this is our weight within the
 7 FRS. We're currently at 7 percent. We blame this on
 8 Scott and Alison for doing such a great job in global
 9 equity, making it so hard to keep up with them. But,
 10 again, we expect to get up to that 9 to 10 percent,
 11 if we get there, within the next, depending on market
 12 conditions, the next 18 to 36 months.

13 Currently the portfolio is about \$10 billion.
 14 Including unfunded commitments, we're at 13 and a
 15 half billion dollars. It's split roughly equally
 16 between private market funds and evergreen funds.
 17 And evergreen funds is our catchall for everything
 18 that's not a private market fund. So that's where
 19 most of our hedge funds reside.

20 What's important to note is that roughly half --
 21 well, half the portfolio is benchmarked to CPI plus
 22 5 percent, which is our long-term goal. What this
 23 means is that when we do have a downdraft in the
 24 market or a sustained bear market, we will
 25 underperform. And I'll show you in a little bit,

1 we'll talk about performance here in a bit.

2 Currently we have allocations to six broad
 3 strategies. You see debt equity, real assets,
 4 diversifying strategies, flexible mandates and
 5 special situations. So our plan is to get that
 6 purple part of the pie, that diversifying strategies,
 7 which is currently 12 percent, that's the area where
 8 most of our uncorrelated and lowly correlated
 9 strategies reside, to get that up to 20 to
 10 30 percent, and then the other parts of the pie,
 11 particularly the debt equity, real assets, will
 12 shrink.

13 Now, if the S&P is at 1200 next week, God
 14 forbid, if it were, then we'll shift our thinking.
 15 And if we're doing our job properly, at the bottom,
 16 or when equity markets and credit is cheap again,
 17 you'd see that expand and diversifying strategies
 18 come down.

19 I've got a couple of slides here on allocation
 20 to show you the progression of exposures by strategy
 21 over time. So that bright red part of the graph is
 22 our global equity portfolio. And you can see there
 23 that for the first several months in strategic we
 24 were 100 percent global equity. We then funded up a
 25 variety of debt funds, primarily distressed debt and

1 senior loan funds, until June 2010, when the global
 2 equity portfolio was taken out of strategic
 3 investments. During that time period global equity
 4 was 75 percent of the asset class, meaning that our
 5 risk was dominated by public equities in the face of
 6 a fierce bear market.

7 That light blue part of the graph there, that's
 8 high yield. And we were funded with a \$2 billion
 9 high yield portfolio as well, which we then
 10 liquidated early but then totally got out of a couple
 11 of years ago. You can see that purple part there of
 12 that graph continuing to expand.

13 This is another iteration of it excluding the
 14 global equity portfolio and the high yield portfolio.
 15 What you saw, that when global equity went away, we
 16 became dominated by debt. And so for the last
 17 several years we had a very high bar. We actually
 18 put a halt on most new debt investments because we
 19 were so dominated by it.

20 We were looking at a variety of different
 21 strategies to bring into the portfolio. As it's
 22 worked its way down, it's becoming less imperative
 23 that we diversify away from it. It's our intention
 24 that we will get that somewhere below 30 percent
 25 under current market conditions and take it from

1 there.

2 This is the allocation by sub-strategy. You can
 3 see our largest allocation is distressed. We like
 4 distressed as a strategy. It will go down if there
 5 is a prolonged bear market, but we like the
 6 risk-adjusted returns it offers over time. You see
 7 in that green part of the pie, that's real estate.
 8 You're saying, Well, what do you have real estate
 9 for? Steve is here. He's a smart guy. They invest
 10 in real estate. How come you guys are doing it?

11 And the reason is because that's distressed real
 12 estate, and it is also real estate debt. It is our
 13 intention to bring that down a little bit over time
 14 as well. And in the purple part of the pie, under
 15 diversifying strategies, CTAs at 8 percent is about
 16 where we like it and keep it. It's the global macro
 17 where we've been spending a lot of time as of late.
 18 And we want to get that out to somewhere between 8
 19 and 12 percent, to get that purple part, diversifying
 20 strategies, up to 20, 25 percent of the asset class.

21 Now, it's important to stress that even though
 22 we have spent a lot of time on global macro, if we do
 23 not find funds that we do not like or we do not feel
 24 comfortable with, we will not populate the portfolio
 25 with them. First and foremost they all must stand on

1 their own, and we're not going to force money into
2 the fund just to get an exposure. But we have been
3 spending a lot of time on global macro.

4 Here's strategic investments performance.
5 June 2010 was our five-year anniversary. You can see
6 that we've done pretty well. The cumulative
7 outperformance during that time period has been
8 28 percent. Now, this has been right in the middle
9 of a fantastic bull market in risk assets. We think
10 that in a bear market, in a typical bear market,
11 we'll give back a third to a quarter of that relative
12 performance. But we still should outperform our
13 benchmark over the cycle.

14 We compare ourselves many different ways.
15 Benchmarking is hard in alternative assets. So one
16 of the things that we do is that we benchmark
17 ourselves or we compare ourselves, amongst other
18 things, to the rest of the FRS. So we take out
19 strategic investments and say, okay, how did we do
20 relative to the rest of the fund. And over the five
21 years since June 2010, we've outperformed the rest of
22 the FRS by 70 basis points a year.

23 And to note, you saw the graph earlier about how
24 dominated we were with debt. So debt was by far and
25 away our most important allocation, being as high as

1 three, four times that of our equity portfolio. And
2 that is in contrast to the entire FRS, where equity
3 has been two to three times that of fixed income.

4 We also want to see if we're adding value on a
5 risk-adjusted basis. We think this is exaggerated,
6 but we'll take it. Our Sharpe ratio is just under
7 four. We expect -- well, we will. That will come
8 down when we go into a bear market. We think over
9 the long-term an appropriate Sharpe ratio for an
10 alternative strategy is around one.

11 MR. COLLINS: And why do you think it's
12 exaggerated?

13 MR. WEBSTER: Because we've been in a bull
14 market. This doesn't include the downdraft. So my
15 caveat through all this is that since June 2010 to
16 June 2015 it's been a great time to be in risk
17 assets. We'll come back. That will come back.
18 Volatility will go up. That ratio will come down.

19 This looks at the correlation of strategic
20 investments versus the rest of the fund. You can see
21 here that at the middle of 2010 you were over
22 90 percent correlated as you would expect with a
23 portfolio which contained nothing but publicly traded
24 global equity securities. It's come down once we got
25 rid of global equity, and as we've diversified the

1 portfolio and broadened the portfolio, you can see
2 that the correlation of strategic investment at
3 roughly 30 percent.

4 The next graph looks at volatility including and
5 excluding strategic investments. This is also since
6 June 2010. This has been on average -- the FRS
7 volatility with strategic investments has been just
8 over 8 percent, and without it it's been about
9 8.35 percent. So the inclusion of the strategic
10 investments has reduced volatility of the fund by 30
11 basis points. During this time we've only averaged
12 5 percent of the whole fund.

13 And before I hand it over to Subhasis, he's
14 going to talk about the diversifying strategies
15 component of the portfolio, are there any questions
16 on performance or the fund? Or the asset class, I'm
17 sorry.

18 MR. COLLINS: One more question.

19 MR. COBB: Yes, sir.

20 MR. COLLINS: How do you decide -- you talked
21 about Steve and real estate. So 12 percent of your
22 portfolio is real estate. How do you decide, when
23 something comes in, that it fits in strategics and
24 not in real estate? And is it as simple as, oh, this
25 is distressed, so that Steve just really can't touch

1 anything that's distressed, so he can't buy in a down
2 market like you can buy in a down market? How do
3 you -- is there an arbiter, right, of, oh, no, this
4 is not Steve's, this is Trent's, or vice versa? How
5 do you do that?

6 MR. WEBSTER: We get all of Steve's castoffs.

7 MR. COLLINS: Okay.

8 MR. WEBSTER: The way we've approached this, the
9 way I've approached this is that there are things
10 that we invest in which theoretically could be in the
11 other asset classes. So we've always approached it
12 that they get the first bite at the apple. And
13 oftentimes what happens is, well, that's just outside
14 of their mandate or what have you, and it can come to
15 us.

16 So in Steve's group, I mean, typically, if there
17 is any -- if there's any gray area, we'll always
18 defer to real estate first, just as we would to John
19 in private equity or to Alison and Scott in global
20 equity, because there are so many different things
21 that we can do.

22 MR. COLLINS: And so my follow-up to that would
23 be, just as when you got rid of global equity the
24 correlation got better, if you were to get rid of
25 real estate, would the correlation get better?

1 MR. WEBSTER: That's an excellent question. I
 2 mentioned earlier that in our asset allocation
 3 process, we didn't talk about it, but on our bullet
 4 points it was -- we run an optimization.
 5 Optimizations are -- it's not something you rely
 6 heavily on, but we use it for the relationships that
 7 the asset classes have. And we can go in so many
 8 different ways.

9 When we run the optimization, what it tells us
 10 is that real estate has a diversifying aspect to it.
 11 And so for us that's attractive, and it's a pretty
 12 significant diversifying aspect for us. So we're
 13 happy to go into it because we do think it's
 14 diversifying. So we think -- and our current model
 15 is at 12, and we'll probably get it down to high
 16 single digits, we don't know, you know, over time.

17 But there are a lot of interesting things in
 18 terms of like distressed. So we've got a manager
 19 buying distressed commercial properties in Germany.
 20 I don't know if that's something Steve would be
 21 interested in, but for us that's kind of cool, so we
 22 do that. And we certainly think that that's
 23 diversifying for the whole FRS. Can you do that,
 24 Steve?

25 MR. SPOOK: Yes.

1 MR. WEBSTER: Okay, good.

2 MR. COBB: Okay. Continue.

3 MR. DAS: This section is about the diversifying
 4 strategies that we are looking at. So we chose to
 5 focus on these four areas, CTAs, global macro,
 6 relative value and royalties, because really these
 7 are the things that did pretty well during the global
 8 financial crisis, and we felt that if they were able
 9 to perform well during a major crisis such as that,
 10 they should be pretty robust as diversifying
 11 strategies.

12 The whole objective of including the
 13 diversifying strategies is to move the efficient
 14 frontier for the asset class to the left. So by
 15 combining assets that are not perfectly correlated,
 16 what happens is that the overall risk can be dropped
 17 down. So you get -- you could get the same level of
 18 returns but with a lower level of risk. And that's
 19 why you see the frontier moving to the left.

20 Now, the benefits that diversification brings is
 21 reduction in risk of losses as well as an overall
 22 reduction in portfolio volatility. So you win on a
 23 risk-adjusted returns basis.

24 Our diversifying strategies that were shown in
 25 the previous slide have low correlations to credit

1 and equity investments. With CTAs and global macro,
2 with their ability to be more flexible and they can
3 invest in such a wide variety of markets and
4 geographies, there is the potential that returns
5 might be enhanced as well, which would then account
6 for the upward movement of the efficient frontier.

7 The first category of diversifying strategies
8 that we are invested in are the CTAs. These
9 primarily refer to quantitative investment strategies
10 that buy or sell futures contracts across four
11 primary markets; commodities, currencies, equities
12 and rates. The CTA industry is very diverse, but the
13 majority of assets have flowed to managers that use
14 market trend following models.

15 The basic philosophy there is that markets trend
16 in the same direction over short and medium term time
17 periods. And by identifying market trends in the
18 same direction, these trends early, investors can
19 make money by investing in them.

20 Some CTAs are specialized by regional markets,
21 but a large majority of them are very diversified.
22 Some of them will invest in as many as 140 different
23 markets. In model CTAs the major dimension of
24 differentiation is the investment time horizon. Some
25 tend to be very short-term oriented, where they might

1 turn over the portfolio two to three times a week or
2 even sometimes intraday, to others which are more
3 medium- to long-term oriented, 30- to 90-day turnover
4 time. We have funded this mandate with two
5 diversified fund of funds, as well as one pure
6 medium- to long-term trend-following fund.

7 MR. WEBSTER: In CTAs -- and that's a good
8 example of how we invest opportunistically. So we
9 mentioned earlier that we had gotten out of high
10 yield because we didn't think it was attractive
11 relative to what we were trying to accomplish. CTAs
12 were the opposite of that. We went into it when a
13 lot of people were leaving.

14 So managed futures were down three years in a
15 row, and we've seen a lot of pain amongst investors.
16 And that made it interesting to us, not just in
17 diversification benefits, but also that a lot of
18 capital was leaving. And in 2014 the Credit Suisse
19 Managed Futures Index was up 31 percent, which made
20 it the best performing hedge fund strategy by far
21 last year.

22 MR. DAS: This graph shows that CTAs have
23 historically capitalized on various forms of
24 volatility, which you get with any market
25 dislocation, and of any type, and they've managed to

1 do well in crisis periods. Some of the CTAs will
 2 show historical dynamic correlation to the equity
 3 markets, meaning that they'll be positively
 4 correlated in up markets and negatively correlated in
 5 down markets. And that is because they can go long
 6 and short in any and all equity markets. So when the
 7 equity markets are trending down, they can take
 8 advantage of it by being short in those markets.

9 The majority of CTAs can be described as
 10 long-haul strategies and tend to produce positively
 11 skewed distribution of returns. Our CTA investments
 12 have to date done what we've expected. We funded our
 13 first one in, I believe, September of 2014. And
 14 since September until August 2015, we are up
 15 10.3 percent on a composite basis, while the S&P 500
 16 over the same period is up about 50 BPs. So it has
 17 done what we expected it to do. In the months where
 18 equity markets were down, it's shown the performance
 19 in the other direction.

20 MR. WEBSTER: And a real life example of that is
 21 when markets were boiling over in August, the peak to
 22 trough for the S&P 500 was -- it was down 11 percent,
 23 and our CTA portfolio was up 1 percent during that
 24 time. So it's doing what we expect it to do.

25 MR. COBB: Gentlemen, we just have 20 minutes

1 left on this, and we've got a lot left to do, plus we
 2 want to hear from Cambridge and Townsend, so maybe
 3 pick it up a little bit.

4 MR. DAS: I'll go quick. The next category of
 5 diversifying investments that we've already kind of
 6 talked about is discretionary global macro. These
 7 strategies work by deploying directional positions at
 8 the asset class level, to express positive or
 9 negative top down view of the markets, typically
 10 based on forecast analysis about interest rate
 11 trends, general flow of funds, political changes,
 12 government policies, central government policies, et
 13 cetera, et cetera, very top down in nature.

14 Risk is a very important element in these
 15 strategies. Many of these guys are very focused on
 16 risk management. And these did really well, as
 17 pointed out, during 2008. We already hired one
 18 global macro manager and are at advanced stages of
 19 due diligence with one more.

20 MR. COBB: With each of these strategies, could
 21 you give us a sense of fees, so on CTAs, on average,
 22 what kind of fees we're paying, and on global macro?
 23 Is it one and a half and 20 or --

24 MR. DAS: On the CTA side, I believe we are
 25 right at a little over one and a half and 20.

1 MR. WEBSTER: Well, actually, on a blended
2 basis, it's actually less than that. The management
3 fee might be a little bit more. I think it's like
4 1.6. I think the carry is -- I think it's like 14.
5 So you think of like instead of one and a half and
6 20, it's like 1.6 and 14, something along those
7 lines.

8 MR. COBB: In global macro?

9 MR. WEBSTER: Well, one and a half to two and
10 20.

11 MR. DAS: We've managed to get some lower fees
12 that they've been offering for institutional
13 investors.

14 MR. COBB: And the diversification strategies
15 and royalties, similar?

16 MR. WEBSTER: Well, thanks to some very adept
17 negotiating by some of our staff, it's significantly
18 lower on the royalties. And we only have I think, is
19 it two or three --

20 MR. DAS: Two.

21 MR. WEBSTER: Two royalty funds. So it's lower.

22 MR. COBB: Thank you.

23 MR. DAS: I'll go quick here. The third type of
24 diversifying strategies are the relative value ones.
25 These try to profit by identifying discrepancies in

1 prices among securities that have similar economic or
2 financial characteristics, such as interest rates.
3 So fixed income, our managers will profit from
4 interest rate swap arbitrage or bond arbitrage, yield
5 curve arbitrage or MBS. All our managers essentially
6 try to take advantage of differences between implied
7 volatile option and the forecast of future realized
8 vol of the options underlying securities.

9 We've hired one manager, and another one is in
10 the final stages approval. Again, in keeping with
11 the overall theme, we've targeted funds that did well
12 during the global financial crisis, as an indicator
13 of performance in stressed markets.

14 For royalties, as you know, it's a monetary
15 compensation paid to owners of assets in exchange for
16 receiving a future economic benefit. You can have
17 direct royalty rights. You can have loans secured by
18 royalty payments or structured royalties, with fixed
19 payments or with some equity optionality. These
20 funds purchase rights and patents on products, from
21 natural resources all the way to intellectual
22 property.

23 Strategic investments has focused mainly on
24 healthcare royalties and some on
25 entertainment-oriented royalty funds. The healthcare

1 royalty fund area is probably where there are the
2 largest number of options in terms of institutional
3 investing opportunities.

4 We are also researching two additional areas.
5 One is insurance-linked securities, which try to
6 invest in financial instruments issued by insurers or
7 reinsurers that are trying to manage their exposure
8 to low frequency but high severity losses. An
9 example would be the losses coming out of Hurricane
10 Andrew in 1992. In fact, right after that was the
11 time when the insurance-linked securities space sort
12 of came about.

13 Also we are looking at style premia type funds.
14 These offer a disciplined and systematic method of
15 investing that produces, we think, unique long-term
16 positive average returns across markets, with asset
17 classes, and with low to zero correlation with major
18 asset types. Examples of style premia are value,
19 carry, momentum and defensive or low ball assets.

20 So to take advantage, you go long cheap, high
21 recent winners in low risk assets, while going short
22 expensive, low-yielding laggards performance-wise.
23 This is something we are still looking at. Because
24 of the relative youth of these strategies, they don't
25 have a very long track record. And that's something

1 we still need to think about whether it's suitable
2 for our diversifying purposes.

3 MR. WEBSTER: Any questions for Subhasis? 2015,
4 fiscal year 2015, we put up \$3 billion in 19 funds.
5 Typically we do 2 to \$3 billion a year. So we were
6 on the high side last year. Market opportunities
7 haven't changed a whole lot. What I did -- one thing
8 we are starting to look at is we're looking at
9 higher-beta long/short equity strategies for the next
10 bear market.

11 Using a baseball analogy, we're stepping into
12 the batter's box in the top of the first inning on
13 this. We've been spending a lot of time thinking
14 about what we want to do going into the bear market,
15 with a lot of the diversifying strategies that
16 Subhasis spoke about.

17 Now, because we're thinking three to five years
18 out, we're now starting to think about what we want
19 to do when we're in the bear market, whenever that
20 may be. So we're starting to identify some
21 higher-beta long/short equity funds for possible
22 inclusion somewhere down the road.

23 Now, before I turn it over to my good friends at
24 Cambridge, any questions?

25 MR. COBB: I have a comment, which I'd sort of

1 like to address to our consultants and also
2 management, just an observation. It's in many ways
3 following my earlier comments on down side. First,
4 the performance of this team is the best that I'm
5 aware of. I'm on nine investment committees, and you
6 guys have a better performance than any other
7 long/short hedge fund, strategic, whatever you want
8 to call it, group that I've been involved in. So
9 it's really extraordinary performance.

10 For that reason, I have supported going up in
11 percentages, because I still think we're a little bit
12 short. My concern is -- and it's sort of been
13 reinforced by the presentation -- is that the -- let
14 me make one other point. I think, the other thing I
15 really admire is the opportunistic nature and the
16 discipline of your organization. You didn't talk
17 much about discipline, but I think there's terrific
18 discipline. You haven't chased things.

19 So I'm really impressed with that. My concern
20 is this lack of emphasis on down side. It was really
21 only mentioned once, and that was just by the high
22 beta long/short equity and a little bit the CTA and
23 some other, that there was a correlation of down side
24 protection. But only 5 percent in long/short
25 position at this point in the whole portfolio I think

1 is really low.

2 And it sort of relates to my concern that the
3 fees of one and a half and 20 is really going to be
4 tough over time to continue to have as good a
5 performance as you have. I mean, you just -- I mean,
6 you were really in the right spot at the right time.
7 From my point of view, that's why you've had some
8 great performance. But over time the fees are going
9 to make it tough.

10 But to provide downside protection, I guess I
11 think it's worth it. But there's not that -- there's
12 not enough emphasis on the down side, both in the
13 language and in the presentation and in the process.
14 That's just one person's judgment. But let's hear
15 from others on the committee or hear from the
16 consultants, and then we'll come back to those
17 comments. Peter.

18 MR. COLLINS: I think the only thing that I
19 would say is I would echo that you guys have done an
20 amazing job. Whether it's all market timing or
21 whether you guys are really smart, you know, I think
22 it's a little bit of both. I think that it's tough
23 maybe when you're in the middle of it. As the
24 ambassador says, it doesn't show up in the report, so
25 I don't know if you think about it or if you guys

1 talk about it every day. We have no real way of
2 knowing where the down side or where you are in this
3 current cycle weighs on your mind in making some of
4 the decisions that you're making on a daily basis
5 today.

6 So without that knowledge, we just want to make
7 sure that there is a focus being put on that and
8 we're not just trying to get to 12 percent or 9 or
9 10 percent. So maybe you could share that with us.

10 MR. WEBSTER: First of all, let me express my
11 gratitude and thank you very much for those kind
12 words. They very much mean a lot to me. And I
13 apologize if I didn't make it clear enough. I can
14 promise you that with my staff this has been the
15 primary thing that we have been focused on for the
16 last two years, has been that purple part of the pie.
17 To us that is the area where most of the downside
18 protection will happen. And so, for example, in --
19 and we use 2008 as a good -- 2008 is getting far
20 away.

21 MR. COLLINS: Thank God.

22 MR. WEBSTER: Knock wood. Hopefully, it's not
23 getting closer. CTAs were up 18 percent in 2008 when
24 the S&P was down 38. Global macro was up 5. All of
25 the relative value managers that we are looking at,

1 all of them went through the 2008 financial crisis.
2 All of them were either up or down just a little bit.
3 All the hedge funds that we have -- I won't say all
4 the hedge funds. When we first started looking at
5 hedge funds, we didn't want to be -- we kind of,
6 going into this, we wanted to find -- because we've
7 got other parts of the portfolio which are leveraged
8 to the economy, to find funds which had done a very
9 good job of protecting capital. Our average hedge
10 fund in 2008 was down less than 10 percent.

11 So the debt part is going to go down in a bear
12 market. The equity part will go down in a bear
13 market. Even the long/short equity will go down.
14 But over the past ten years in the Credit Suisse
15 hedge fund indices, the number one performing
16 strategy has been global macro. And that's because
17 of what happened in and around the financial crisis.

18 Now, over the last five years it's about the
19 middle of the pack. So if I haven't emphasized
20 enough in this presentation about protecting on the
21 down side, then that's my bad, that's on me. But I
22 can assure you, my staff can attest to this, that's
23 been the number one focus of this organization or
24 this group of bringing in new strategies.

25 MR. COLLINS: So my next comment on that,

1 Ambassador, would be how much direct investing do you
2 do versus through funds? Because obviously I think
3 in a downturn it's a little bit more difficult if
4 your portfolio is funds, right, because you don't
5 have as much tactical capability at that point.

6 So are you thinking about that today, where
7 you're saying, hey, we've got quite a number of
8 funds, maybe we're going to do some of these direct,
9 maybe we're going to do this one direct? Distressed
10 real estate, for example, or something else. But do
11 you start to think about that from a risk standpoint?

12 MR. WEBSTER: I go back here to this portfolio
13 slide. We have four portfolio managers and one
14 analyst covering 99 funds. That's where our time is.
15 If we looked at every deal, we wouldn't be able to do
16 the funds. And this is what our area of expertise
17 is, is we're essentially an internal fund of funds.
18 And so it's our job to find the people who can
19 protect us. Ideally what you'd like are the guys who
20 are out of the market at the top and then they're in
21 full at the bottom. If I could find a hundred
22 managers like that, it would be, we'd have a --

23 MR. COLLINS: My sense is that your fees would
24 be higher.

25 MR. WEBSTER: It would probably be worth it.

1 MR. COLLINS: It might be worth it, but they'd
2 probably be higher.

3 MR. WEBSTER: Right. But we have staff --

4 MR. COLLINS: So you're committed to the fund
5 model.

6 MR. WEBSTER: Yeah, we are. I mean, we have
7 staff who have done direct investments, where we have
8 done direct investing. But it's just the amount of
9 time it takes just to oversee the funds, if we're
10 doing it properly, just overwhelms what it is to go
11 direct.

12 MR. COBB: We're at 2:15, and we have to hear
13 from Cambridge and Townsend.

14 MR. MNOOKIN: We will try to be quick. If you
15 turn to -- go over the next green page, you see just
16 this pie chart. We wanted to just show the strategic
17 investments and all of the different kinds of
18 strategies that are part of strategic investments.
19 We're going to focus on hedge funds for this
20 discussion.

21 MR. COLLINS: We're skipping ahead?

22 MR. MNOOKIN: Yes. So if we go ahead a couple
23 of pages, just wanted to give you an idea of where
24 these funds play in --

25 MR. COBB: Page three and four.

1 MR. MNOOKIN: On page four. Where hedge funds
2 play in the marketplace. You have traditional fixed
3 income here on the left. You have traditional equity
4 on the right, and then hedge funds in the center.
5 And hedge funds really, if you look at the different
6 areas, can and do play in all these different areas.
7 You know, there are stressed and distressed
8 securities, global macro, the long/short equity.
9 They can be in cash. They can do value investing.
10 They can do growth investing, et cetera. And if you
11 have talented money managers who sort of have a
12 bigger sandbox to play in, our view is that they can
13 and do add value.

14 Turning to page five, different hedge fund
15 programs have different goals. And it can be
16 diversification. It can be sort of a return, or it
17 can be a blend of these things. And as Trent and
18 Subhasis had indicated, this program has been
19 focusing on the diversification of the portfolio.

20 And, Ambassador, I think you will see, and when
21 Samit talks about returns, how we have -- one of the
22 reasons this program has been successful is it has
23 had very little downside capture. It has protected
24 quite well on the down side.

25 MR. CHHABRA: Flipping ahead to page seven, and

1 this is where we get into the downside protection.
2 Ambassador Cobb mentioned another institution you
3 work with had an explicit goal of three-quarters of
4 the market up side and a half of the market down
5 side. If you look at the left side of this page,
6 there's two graphs in one here. The top side of that
7 graph is annualized returns. On the far left, in the
8 purple, is the hedge fund allocation here. And on
9 the far right, in the royal blue, is the broad public
10 global benchmark. And you can see that's about
11 75 percent of the up side.

12 The bottom part of that graph is in the max
13 drawdown. And you can see the max drawdown under the
14 public equities has been about 20 percent and hedge
15 funds a quarter of that thus far. So essentially how
16 this performance of -- you know, I think it's fairly
17 good performance over time that's been achieved.
18 It's protecting on the down side in months where the
19 markets have pulled back. And so I can tell you,
20 working with Trent and his team, that is a loud and
21 clear goal of this collective group. On the right
22 side you can see lower volatility protection in down
23 side has led to this good risk-return profile and the
24 high Sharpe ratio.

25 Flipping ahead to page nine, Trent and Subhasis

1 talked a lot about the emphasis on strategies that
2 provide diversification and downside protection over
3 the last year and going forward. And I think this
4 graphic really shows that. And you can see we've
5 divided this into pre-April 2014 and post-April 2014.
6 And if you look at the left side, you'll see that
7 there is a portfolio that doesn't have global macro
8 in there. And it provided fairly good
9 diversification.

10 If you look at the right side now, there's the
11 inclusion of global macro, which is now about a
12 quarter of the total hedge fund allocation. And you
13 can see that what that's done is in the middle
14 column, you'll see global macro, and on the bottom
15 you can see its correlation versus the total pension
16 ex-strategic investments as well as some market
17 benchmarks. And you see the negative correlations.
18 That's great diversification.

19 Farther on the right you can see the correlation
20 for the total FRS ex-strategics versus -- or sorry.
21 You can see the correlation of total hedge funds
22 versus these indices. And it's fairly low, much
23 lower than you saw pre-April 2014. The point of this
24 is the inclusion of these strategies diversifying has
25 really had an effect on the total allocation and I

1 think will continue to do so as we push forward with
2 this push on global macro.

3 MR. MEHTA: In the interest of time, just
4 flipping ahead a few pages. As has been mentioned in
5 the past, one of the things that we all worry about
6 is the state of the economy, the valuations of the
7 markets and so forth. On page 15 we have a view of
8 the equity market valuations over time. We would
9 argue they are definitely not cheap. And on the next
10 page you will see the bond market yields. And that
11 also is very unattractive.

12 And so just emphasizing the goals of the overall
13 program, when we think about performance -- and I'm
14 using that word "performance" deliberately -- it's
15 not just return, but it's also the risk that you've
16 taken to get there and the diversification that it
17 provides the rest of the portfolio; that is, doing
18 things in this portfolio that you can't do in
19 traditional assets, as Jim pointed out on that slide
20 with the hexagons.

21 So just in terms of concluding, and then we
22 welcome the opportunity to answer any questions you
23 might have, the portfolio has performed well, as
24 you've seen. There are a number of headwinds that
25 face hedge funds. You pointed out one in particular,

1 which are fees. But the low state of interest rates,
2 strong equity markets, increased number of hedge
3 funds do make it a challenge.

4 In terms of the strong performance that has been
5 generated by the SBA, there are a number of ways that
6 that's been accomplished. The first is really
7 thinking deliberately about the state of the world
8 and how you wish to invest. That is, taking
9 advantage of the opportunities as they present
10 themselves and being flexible, so being flexible
11 within an already flexible mandate.

12 The second, as we pointed out, is doing things
13 that are very different than other parts of the
14 portfolio, diversifying the economic sources of
15 return. And, finally, the ability to access top-tier
16 managers, which is no small feat. And that's in
17 large part due to the reputation of the SBA, the
18 government structure, the tenure of the staff and the
19 management, the leadership you have here, their
20 experiences, the governance structure you have. And
21 all that makes the SBA a very attractive partner for
22 many of these top-tier funds.

23 And so we at Cambridge, we're doing all that we
24 can in support of Trent and his team and Ash and the
25 broader SBA folks.

1 MR. COBB: Comments, questions? So is Townsend
2 going to give a presentation, too, Ash? So, Ash, why
3 don't you explain or Trent explain what we look to to
4 Cambridge and what do we look to to Townsend.

5 MR. WEBSTER: With Townsend, we piggyback on top
6 of Steve's group, who uses them as their primary
7 consultant for real estate. And so we use Townsend
8 for real estate related investments.

9 MR. COBB: So we've lost Cambridge. I guess I
10 did have -- I had a concluding question, so I'll ask
11 you. My sense is that we've had this outstanding
12 performance that has both done well on the up side
13 and only -- and we've had 25 percent fall-off on the
14 down side, which is extraordinary performance,
15 because of the mix of the portfolio, and that next
16 time we have -- and we've done this in an up market,
17 with just a few downs.

18 But if we have a 20 percent correction, our
19 previous portfolio, my sense is, is not going to help
20 us as much as it helped us the last five years.

21 MR. WEBSTER: I would think that what we've done
22 is -- if you look at the portfolio five years ago to
23 where it is today, we have a lot more protection to
24 protect capital. I mean, that's what the global
25 macro is for. That's what the CTAs are for. I would

1 expect that the portfolio would do well in the great
2 bear market of 2018 or whenever that's coming,
3 compared to, say, downdrafts like in 2011 when stocks
4 were down 15, 20 percent. That's how we expect it to
5 happen. We think that the portfolio as a whole will
6 be a quarter to a third, maybe a little bit more, the
7 down side. That includes all the distressed debt and
8 mezzanine and senior loans and the like.

9 We would expect our evergreen or hedge fund
10 portfolio to do better than that. So the strategies
11 which are more leveraged to the economy will do
12 relatively worse. We expect our hedge fund
13 portfolios to do relatively better.

14 MR. COBB: Okay. Hearing no other questions,
15 welcome.

16 MR. MARCUS: So we'll keep it brief. There's
17 about 15 slides, and we can probably just talk about
18 one or two of them. But just to reiterate the
19 initial question, where Townsend works with Trent and
20 his team is on the real estate debt, distressed
21 opportunities, as well as timber. Across the FRS we
22 also work with Steve's team on real estate and
23 agriculture as well.

24 But moving to slide 12 in your book, to
25 highlight the significant events, the real estate

1 credit and timber portfolio within the strategic
2 asset class is represented by 12 different real
3 estate credit investments and two timber separate
4 accounts. So when you -- an earlier question about
5 some of the direct investments, there are two
6 separate accounts within the timber portfolio and
7 also one separate account within the real estate
8 credit portfolio. These are very, in a relative
9 mandate or relatively speaking, it is a smaller
10 portion of the overall portfolio. But it represents
11 about, as Trent mentioned, 12 percent of the
12 strategic portfolio.

13 The combined performance of the real estate debt
14 and timber investments has outperformed the CPI 500
15 benchmark across all of the typical measurement
16 periods, quarter, one, three, five year periods, and
17 just with kind of that seven year historical time
18 frame, has generated a 9.7 percent net IRR.

19 I think what's important to highlight and what
20 Trent mentioned earlier is that we do think that the
21 strategic portion that's allocated to real estate
22 credit will come down in allocation over the coming
23 time frame, and it's really a result of the
24 opportunity set and the mandate of the portfolio.
25 Being searching for distress in real estate, it's a

1 difficult mandate today to execute, and we're not
2 looking to just put money out for no reason other
3 than that.

4 And for the same reason, as Subhasis mentioned,
5 there's a very high threshold to add a new manager to
6 the portfolio. As you'll see under the significant
7 investments, there's been a number of new
8 investments, but those have all been with existing
9 managers that have performed well within the
10 portfolio and are continuing their existing mandate.

11 MR. BROWN: One other thing, two of the original
12 pooled fund investments have already liquidated, so
13 in a very short time period. The other key thing is
14 that this portfolio has returned a significant amount
15 of capital in the form of distributions, over
16 \$800 million since inception. So it's recycling the
17 capital very quickly.

18 MR. MARCUS: We highlight performance on slide
19 13. Over those time periods, you can see here the
20 outperformance over the 5 percent, the CPI plus 500
21 basis point benchmark, as expected, given the
22 environment we've been investing into over the last
23 five years, we've been significantly outperforming.

24 If we look at where this is coming from within
25 the portfolio, whether it's coming from the timber

1 investments, is it coming from the real estate debt
2 investments, it's a mixture of both. When you look
3 over either portfolio, the IRR for the debt
4 investments is north of 9 percent. The IRR for the
5 timber investments is north of 8 percent. So they
6 blend together pretty nicely.

7 And other than really the initial investment,
8 the portfolio has generated very strong returns. And
9 as Dick mentioned -- and we'll just talk about one
10 more slide before concluding.

11 MR. COLLINS: Can I ask you one question real
12 quick?

13 MR. MARCUS: Sure.

14 MR. COLLINS: Can you go back to that slide? So
15 the benchmark for strategic investments is CPI plus
16 500. Is that the proper benchmark for the real
17 estate and timber component of the strategic
18 investments?

19 MR. WEBSTER: Actually, the benchmark is of
20 course problematic in alternative investments.

21 MR. COLLINS: I hear you.

22 MR. WEBSTER: In timber we use a NCREIF
23 benchmark. There's a timber -- we use that one for
24 our timber portfolio.

25 MR. COLLINS: Okay.

1 MR. WEBSTER: For our debt funds in real estate
2 we use CPI plus 500.

3 MR. COLLINS: So how would you blend that? If
4 I'm looking at that, how would that get blended? So
5 it's not really CPI plus 500 here. It is here, but
6 it shouldn't be. It should be the NCREIF for timber,
7 and it should be maybe CPI plus 500 for the debt?

8 MR. WEBSTER: In the numbers that I had showed
9 earlier, the benchmark return, that includes the
10 NCREIF for timber. So that's baked into those
11 numbers. And then for our debt funds in real estate,
12 we use CPI plus 500.

13 MR. COLLINS: I just think looking at this is a
14 little unrealistic. Is that just me?

15 MR. WEBSTER: I would say that that's not what
16 you should expect going forward.

17 MR. COLLINS: I just don't think it's a fair
18 comparison. I just don't think that real estate debt
19 and timber is a -- you know, the fair comparison
20 would be CPI plus 500.

21 MR. WILLIAMS: Mr. Chairman. I don't think the
22 idea was to have those two things be directly
23 comparable. The idea is to look at how those two
24 things have contributed to the aggregate portfolio's
25 benchmark, which is the 5 percent.

1 MR. COLLINS: I hear you on that. I just want
2 to make sure that we're not looking at that as --
3 because that could be bad performance relative to the
4 NCREIF. I'm not saying it is, but it could be bad
5 performance, right?

6 MR. WILLIAMS: Yeah.

7 MR. COLLINS: It's good relative to the overall,
8 but if you're going to take out two subclasses of
9 strategic investments, you should compare them to --

10 MR. COBB: Peter, you can't have 15 benchmarks
11 for strategic.

12 MR. COLLINS: I totally agree with you. But
13 they pulled it out. I totally agree with you, but
14 they're the ones that pulled it out and said, oh,
15 here's your performance.

16 MR. COBB: We're just talking about one of the
17 15 right now.

18 MR. COLLINS: And all I'm saying is they pulled
19 it out, and I think they compared it to CPI plus 500,
20 and I don't think that that's a good benchmark for
21 performance. Now, if you're just showing, hey, did
22 we add value relative to CPI plus 500, sure, I agree
23 with you, to Ash's point. But it could have been
24 underperformance at the same time relative to like
25 investments.

1 MR. WEBSTER: We're always open to ideas on
2 benchmarking. It's a difficult thing, it really is.

3 MR. COBB: Okay. Other questions and comments
4 for Townsend? Trent, why don't you or Ash summarize
5 this excellent presentation we've heard on strategic.
6 Excuse me. Was Townsend still going? Okay.

7 MR. BROWN: There was a slide in there on how
8 the timber compared against their own timber --

9 MR. COBB: Okay. Concluding comment?

10 MR. WEBSTER: Yeah. Well, we come into work
11 every day thinking we're working for the 600,000 or
12 so participants in the fund, and we'll just try to
13 keep doing our best. Thank you.

14 MR. COBB: Thank you. Okay. We now have the
15 very important Florida Growth Fund update. And, Ash,
16 do you want to give a preamble to this before
17 Hamilton Lane makes their presentation?

18 MR. WILLIAMS: Sure. Just an intro. We started
19 the Florida Growth Fund in the wake of legislation
20 passed in 2008. We rolled the fund out in June of
21 '09 with a model which involves basically contracting
22 out the investment functions with a third-party
23 fiduciary, Hamilton Lane, taking their seats
24 currently. They operate with a mandate for making
25 investments in state in a range of different areas.

1 They don't have to be hard in state. They can be,
2 but they must at least have a Florida nexus.

3 There will be a mix of venture capital, growth
4 capital, et cetera, in there. They'll give you a
5 little bit of a historical intro here. But suffice
6 it to say, broadly, they've done a great job and
7 they're a terrific long-term partner of the board.

8 MR. COBB: Okay. Welcome.

9 MR. HELGERSON: Thank you. My name is David
10 Helgersen. I'm a managing director at Hamilton Lane.
11 Thank you. That's a little bit louder. I'm David
12 Helgersen. I'm a managing director at Hampton Lane.
13 It's a pleasure to be here before you to give you an
14 overview of the Florida Growth Fund.

15 I'll introduce my colleagues and partners. Greg
16 Baty, principal at Hamilton Lane who has been with us
17 since the founding of the Florida Growth Fund, and
18 he's provided leadership in the activity along the
19 way, as well as Nayef Perry and Gustavo Cardenas.

20 Today we're going to just provide an overview of
21 the history of the Florida Growth Fund, including
22 some of its background and evolution. We'll talk a
23 little bit about performance and portfolio makeup and
24 construction, how we built Florida Growth Fund I, the
25 evolution of the credit tranche, and now, as we've

1 initiated Florida Growth Fund II. We'll also touch a
2 little bit on liquidity and some kind of high level
3 geographic overview of how we built the portfolio,
4 before wrapping up with some just overview
5 observations. So without further ado, I'd like to
6 turn it over to Greg Baty.

7 MR. BATY: Thank you, Dave. First of all, Ash,
8 it's really hard to believe it's been six years since
9 this launched. To everybody on the IAC and everybody
10 in the audience, it's really been a pleasure to be
11 part of this program for the last six years, and we
12 look forward to telling you a little bit about it.

13 So as you heard, this program was launched,
14 officially launched in August of 2009, and it was
15 designed for two different reasons. One -- well, it
16 was to provide private equity returns to the State
17 Board of Administration through two different
18 vehicles, through making fund investments, so that's
19 investing in funds that then invest in Florida
20 companies, and also by making direct investments,
21 always in the form of a co-investment, always
22 alongside of an expert investor in the space, so
23 providing technical expertise in whatever investment
24 we're making. We always make an investment alongside
25 of an institutional technical investor.

1 You know, when we launched this fund, it was
2 funny. I went around the state, and I had this one
3 presentation that had ten different -- it had the ten
4 goals of the Florida Growth Fund. And the top nine,
5 as they scrolled by one by one, were provide a great
6 return, provide a great return. The tenth one was to
7 do so while investing and by investing in Florida, in
8 Florida companies and funds that are invested in
9 Florida.

10 And sometimes it's important to understand, to
11 understand a program, it's important to understand
12 what it is not. This is not a grant program, and
13 this is not an economic development program. And if
14 you saw some of the calls that we got or if you heard
15 some of the calls we got the first year we launched
16 this, you would be amazed at everybody that thought
17 that there was a handout coming because they were a
18 company here in Florida. So we had to set them
19 straight.

20 Here's a timeline of what we've done at the
21 Florida Growth Fund. You can see -- I don't want to
22 reiterate too much. I'll point out some highlights.
23 We opened the office in Fort Lauderdale. So our
24 office is in Fort Lauderdale, opened that in 2009.
25 We were out of the J curve within four quarters, so

1 2010. So I think that was a good highlight.

2 We launched the second tranche of \$250 million,
3 because we had some successes in the first tranche,
4 in 2011. Gustavo, my colleague, joined in 2012, so
5 we expanded our team. And then, you know, in working
6 in conjunction with the SBA, we saw an opportunity
7 for a credit fund. And I'll let Nayef talk a little
8 bit more about that in the presentation. But working
9 together, we launched a credit fund in 2013, and
10 Nayef joined us, bringing his credit experience to
11 the table. And then recently, in 2014, because again
12 we had some successes, we launched Florida Growth
13 Fund II with another tranche of \$250 million.

14 Here is -- you can see, Tranche I was \$250
15 million, 12 fund investments, 17 direct investments,
16 again in the form of co-investments. That tranche is
17 fully invested, fully committed. Tranche II started
18 out at \$250 million. We, again working in
19 conjunction with the SBA, we launched a credit fund,
20 so we kind of carved out \$100 million for credit
21 investments. So that fund, that tranche was
22 \$150 million, 11 fund investments and 8 equity
23 co-investments; again, fully invested and fully
24 committed.

25 The credit tranche was launched in 2013. We

1 have five investments to date. And then in 2014 we
2 launched a new tranche of the Florida Growth Fund II,
3 another \$250 million.

4 MR. PERRY: And I apologize in advance for the
5 state of my voice. Just to build on what Greg said
6 and to give you a look under the hood of the Florida
7 Growth Fund, so Fund I, we've now committed about
8 \$400 million of capital. We've got about --
9 generating about a 15.2 percent gross IRR and almost
10 an 11 percent net IRR. I'd just like to comment that
11 that net number is based on conservative fees
12 estimates.

13 In terms of the construction of the portfolio to
14 date, we've got about 23 fund investments in the
15 portfolio, 30 co-investments, and I'm pleased to
16 report that we've had four full realizations for
17 gross returns of 32.9 percent IRR and a 3.1 percent
18 MOIC.

19 As Greg referenced, in 2013 we did launch the
20 Florida credit tranche. To date we've put five
21 investments into the fund. And then lastly, as Greg
22 referenced, while we are not an economic development
23 fund, we do carefully track some of the performance
24 in terms of our economic contributions to the state.
25 And so as a result of that, actually our latest

1 figures are a little bit more impressive than what
2 you see listed there. We are closer to about north
3 of 14,000 jobs that through our investments we have
4 contributed to, as well as about an average salary of
5 about \$65,000 in the state of Florida.

6 So in terms of the credit tranche, our mandate
7 is quite simple. We are making 3 to \$15 million
8 sized investments across the state, and we're doing
9 that across flexible structures to Florida-based
10 companies. We've had some early liquidity in the
11 fund, and we are also happy to announce that, as of
12 our first investment in May of 2014, four quarters
13 later we broke the J curve.

14 In terms of how the portfolio is actually coming
15 together, all of our companies are sponsor-backed
16 companies. We've got a first lien on two of our
17 investments. We've got liens on four out of five
18 investments in the fund. And then lastly we've been
19 able to get equity co-investment or warrants in four
20 out of the five investments in the fund to enhance
21 some of the return.

22 And so to date we've had about \$22 million of
23 deployment. We've got a gross MOIC of about 1.2 and
24 a gross IRR of about 25 and a net IRR of about 7
25 percent to date.

1 MR. COBB: So why is the net so low there
2 compared to gross?

3 MR. PERRY: We are still quite young. Our first
4 investment that we put in the ground was in May of
5 last year. So it's going to take some time.

6 MR. COBB: So is it G and A cost?

7 MR. PERRY: It's fund administration cost
8 basically.

9 MR. HELGERSON: And it's really, as you know,
10 with private equity, there's often a J curve to
11 getting -- you know, getting positive. In this case
12 we've had an early realization that's lifted the
13 gross actually quite high in the first year. We
14 expect that gross to come down a bit over time
15 because this is a credit investment strategy. So
16 they'll come down closer together.

17 MR. PERRY: So lastly, in terms of Florida
18 Growth Fund II, in late 2014 we were thankful that
19 the SBA approved Florida Growth Fund II, so we were
20 granted another \$250 million in capital. We are
21 pleased to report that up until this point in the
22 fund, we have actually deployed or committed about
23 \$35 million thus far, three of those -- or across
24 four investments. Three of them being in direct
25 co-investments and one being in a fund investment.

1 MR. BATY: This next slide is what it's all
2 about. It's providing liquidity and cash to the SBA
3 and the beneficiaries. The first slide or the first
4 part -- well, so far our co-investment portfolio has
5 returned \$115 million, just north of \$115 million on
6 investments, and our fund partnerships have
7 contributed almost \$32 million. If you look at the
8 chart on the left, that's just contributions,
9 commitments by vintage year and the returns
10 associated with those commitments.

11 If you look at the chart on the right, that's
12 the actual dollars put in the ground and when
13 those -- and when the distributions started to be
14 made. So the gold column is really what we're
15 focused on, and you can see that recently we've had
16 some good successes. And it kind of is in line with
17 the longevity of the fund itself.

18 Also happy to announce that today we got a call
19 from one of our GPs on a co-investment, and they
20 announced the sale of one of our portfolio companies.
21 We had a meeting this morning with staff, and we
22 couldn't even update them on that. But it's going to
23 be more than a 4X return and over 70 percent IRR on
24 that fully realized investment.

25 Next, when we launched this, our initial goal

1 was really to invest roughly 50-50, but we didn't
2 know -- and I say 50-50, between fund investing and
3 direct investing. And we weren't really sure how
4 that was going to shake out because this was new to
5 all of us. Happy to report back six years later that
6 we're at -- call it 53 percent direct and 47 percent
7 in fund investing. So right along the lines of where
8 we wanted to be.

9 You can see in the upper right pie chart, we're
10 very well diversified in terms of industry
11 investments. The lower left pie chart is by stage.
12 So we have regular buyout investments. We have
13 growth capital. We have credit, and we have some
14 earlier stage venture type investments.

15 I think that the chart that I'm most proud of is
16 this lower right one, because I think we've exceeded
17 what our goals were. Eighty-one percent of the
18 capital that we've invested, so that \$401 million
19 that's been committed so far, has been invested in
20 the state of Florida. And when you're investing in
21 funds who may or may not invest in Florida and that
22 kind of skews the number down, we're very happy that
23 we found great funds that invest here and commit to
24 investing here in Florida.

25 Next slide, this shows, you can see the blue

1 dots, those are places that companies that we've
2 invested in have operations or headquarters. The
3 gold dots are funds that we've invested in, where
4 they have offices. And on the left what's important
5 is when we launched this, we really had -- we had to
6 get out there and be known. So we've attended a lot
7 of conferences. We've spoken at many events.

8 And when this was first launched, many people
9 thought that this was \$250 million for venture
10 capital, for early stage, early seed stage companies.
11 And although we don't invest a lot in that sector or
12 that phase of investment, we're very committed to
13 working with the ecosystem. And we speak to
14 entrepreneurs all the time. We're very involved with
15 universities and tech centers. So we try to help
16 these companies along the way so that -- it's
17 self-serving, because we want them to be successful
18 so that we can invest in them when they're at a
19 growth stage.

20 MR. HELGERSON: So six years in, we wanted to
21 just pause for a second and kind of look back at some
22 of the macro level take-aways from our activity to
23 date. And I think the first thing we want to
24 emphasize is the importance of really combining the
25 Florida resources, the team on the ground, with the

1 Hamilton Lane platform, as well as the SBA team, and
2 making sure that we're all aligned and collaborating
3 well.

4 And that's something that we really kicked off
5 at the beginning of this activity, where we sat down
6 with the SBA staff and leadership to outline goals
7 and objectives, focus on returns and portfolio
8 makeup. And over time that strategy has evolved and
9 adapted as market conditions have changed and as
10 we've seen the opportunity to build out the credit
11 strategy as we've already discussed.

12 Second, we want to comment on the Florida
13 market. As Greg mentioned, when this started, this
14 activity started, it was more of a hypothesis that
15 there were enough opportunities to fill out a
16 strategy like this in the state. But we think we've
17 proven it and found ample opportunities to invest in
18 across the state. Florida is a dynamic, diverse
19 economy. We found it very attractive. And we're
20 also finding that it's under-capitalized, given the
21 opportunity set. From a private equity perspective,
22 we think there's less capital to meet the overall
23 opportunities in the private equity world here in
24 Florida.

25 So we're fairly early still in the overall

1 Florida Growth Fund life. But in the earliest years,
2 the team focused really on building relationships
3 across the Florida state, leveraging of the network
4 that Hamilton Lane has and really building a brand of
5 the Florida Growth Fund, which we've been able to
6 establish and really build a presence in the state.
7 Now that we have those relationships, we're looking
8 at really harvesting them further and harvesting the
9 investments we've made to generate liquidity for the
10 SBA.

11 On a more micro level, we're kicking off the
12 second fund, the second Florida Growth Fund capital
13 base of 250 million. We've invested both in deals,
14 be it our GP commitments alongside you, but also in
15 our team, in building out resources locally and
16 across the Hamilton Lane network to support the
17 activity. And we continue to work thoughtfully to
18 build, appropriately build a pacing strategy in the
19 portfolio construction with the SBA team.

20 I guess just in closing, as we kind of look
21 forward, I think we want to continue to build this
22 partnership with the SBA. We thank you for the
23 confidence you've placed in us in building out the
24 strategy and want to continue to work on being close
25 to the opportunities here in Florida, leveraging the

1 Hamilton Lane network and platform and also
2 leveraging the relationship and collaboration we have
3 with you. Thank you.

4 MR. COBB: Vinny, this is your area of
5 expertise. Any comments?

6 MR. OLMSTEAD: First of all, you guys have a
7 great reputation, so marvelous job in doing that.
8 And congratulations on -- it's been six years. I
9 remember hearing about this six years ago. It's
10 amazing how quick that's gone by. A couple of quick
11 questions. So you do both sort of the co-investment
12 and then the partnerships. Any musings or
13 observations on -- it's early to tell ultimately
14 which are going to perform better. But are you guys
15 seeing anything on the co-investment side versus the
16 partnership side? It seems like you've skewed more
17 towards the investment on your own side than the
18 partnership side.

19 MR. HELGERSON: I'll make a quick comment. I
20 think we thought we may end up skewing more towards
21 the directs, even more than we have today. But we've
22 actually found a pretty good talent base in Florida
23 in terms of partnerships that are investing that are
24 either based in Florida or based around Florida, in
25 the Southeast, and able to find attractive

1 opportunities.

2 The opportunity set from a direct basis has been
3 pretty broad. We've been able to find large
4 companies, large buyout type transactions, as well as
5 small growth companies. So that's been appealing. I
6 think it's the ability to invest across that spectrum
7 that's allowed us to kind of pick and choose our
8 places. Greg, you may have some anecdotes.

9 MR. BATY: I would say conceptually, you'd like
10 to probably skew a little bit towards the co-invest
11 because it's not fees on fees, because we have fees
12 and then funds that we invest in have fees. So
13 conceptually and based on the opportunity set, we
14 prefer -- not prefer, but we would skew it a little
15 bit towards the co-invest.

16 But there's also an element of knowing what we
17 do well. So for instance we have started to -- and
18 this has evolved through the life of the fund. But
19 we are doing less direct venture investing and more
20 venture fund investing, because the venture funds,
21 they have time to dig into each company. They have
22 expertise. They can work with those companies,
23 whereas our platform, being a co-investor, it's
24 harder to spend the amount of time, have the
25 expertise that it takes to do that.

1 So there's definitely a reason to invest in
2 funds, and we'll continue to do so. But you can see
3 maybe a little bit more skewing towards the
4 co-investment side.

5 MR. OLMSTEAD: And are you attracting folks from
6 outside of the state, capital-wise and premium
7 type --

8 MR. BATY: Yeah. That's -- well, it's a success
9 story and something that we're still working on. So
10 we've successfully attracted two different life
11 science investors to the state that didn't have a
12 presence in the state before that have created
13 sub-funds to their nationally and world-renowned
14 funds. And they've set up shop here in Florida and
15 are investing in the life science and health care
16 industries in Florida. So we think that's a huge
17 win.

18 On the other, we're still looking for an IT
19 company, an IT venture firm that we can attract to
20 the state that can bring that kind of panache and
21 that kind of -- just kind of institutional will to
22 the state of Florida. And I think with investments
23 like Magic Leap and a \$500 million investment on a
24 \$2.5 billion investment or overall valuation, I think
25 that has woken up the venture community, and they're

1 saying, wow, there really is some good technology in
2 Florida.

3 MR. OLMSTEAD: I like your point from earlier,
4 which I do think Florida is underserved, lots of
5 opportunities here. And your map on page nine
6 shows -- I like the map on page nine, which you
7 pointed out.

8 MR. BATY: Thank you.

9 MR. COBB: Any other comments or questions?
10 Thank you. Good report. So we're next going to go
11 to our updates. And, Scott, you and Alison, who is
12 going to go first here?

13 MS. ROMANO: Good afternoon. I will walk
14 through the performance and progress that we've made
15 in this group, and Scott will go through some market
16 color. Turning on page three, to state it very
17 simply, global equity has three mandates. We provide
18 equity market beta. Over the long term equity
19 markets should be a key driver in the returns of this
20 plan.

21 We take active risk where it's rewarded, meaning
22 we take it -- we invest in active management where it
23 makes sense, in the confines of a very narrow risk
24 budget, and we provide liquidity within IF cost and
25 an opportunity to rebalance among our managers.

1 Under those three mandates, you can see on page three
2 what we've achieved. Over the last year, for
3 instance, a total return of 1.9 percent, 14.3 percent
4 over three years. And within our narrow risk budget,
5 which I'll hit on a little bit more on the next page,
6 we've delivered significant excess returns, around
7 1 percent over the last year.

8 We've done that all while raising a lot of
9 liquidity. We are usually the asset class that is
10 tasked to meet payments. That's \$2 billion raised in
11 this quarter alone, \$3.5 billion year to date.

12 On page four, how have we done this? We've done
13 it in a very risk-controlled manner, where we've been
14 compensated. How have we done it? Half of our
15 assets are in low cost passively managed strategies.
16 We have a diversification of active managers. And I
17 highlight, we can have high tracking error managers
18 and diversify risk with the number and types of
19 managers that we have. And we have an eye on
20 downside protection. While we still generally are a
21 beta of one, we invest in managers that will protect
22 on the down side, and we've been seeing success with
23 that in the third quarter to date.

24 Putting this all together, what it means is that
25 we have a high IR. And just to put an IR in context,

1 it's active returns and consistent active returns.
2 And you can see on the bottom graph, our
3 risk-adjusted return standard is .25. We have
4 consistently been well above that over the last
5 several years.

6 Getting into a little bit more of the specifics
7 on how we achieve this on page five. Q2 sources of
8 alpha. The majority of what I'll call are regional
9 fund of funds, so our emerging market managers or our
10 small cap U.S. managers, outperformed in the quarter,
11 as well as our passive strategies delivered as
12 expected.

13 We maintain our focus on execution and
14 operation. As I said before, we raised quite a lot
15 of liquidity over the past quarter. We finalized our
16 prime brokerage agreement, which should let us more
17 effectively use our currency managers to generate
18 alpha.

19 And we continue to be focused on internal
20 management. That lets us get passive exposure in a
21 very cost-effective manner, but it also has other
22 advantages. We're able to do in-house transitions
23 when we're raising liquidity in a cost-effective way,
24 and we're even able to assist other asset classes in
25 dealing with currency and other trades that need to

1 be done.

2 The other thing that we accomplished this
3 quarter is an ongoing emphasis on our team. We
4 continue to develop the team. And in fact more
5 recently, we've filled two additional spots, so now
6 we are fully staffed to be able to execute on all of
7 these objectives.

8 MR. SEERY: We just have a couple of slides to
9 provide a little backdrop on the markets, first on
10 the second quarter and then quarter to date. If you
11 look at the graph on the left on page six, you can
12 see that returns were generally positive but somewhat
13 subdued. In the U.S., slowdown in corporate earnings
14 growth and Fed worries negatively impacted sentiment,
15 and the Russell 3 only gained 14 basis points.

16 In Europe concerns about the ongoing debt crisis
17 versus signs of improved economic growth, resulting
18 in again modest 42 basis point gain. Japan was the
19 standout for the quarter. It gained 5 percent as
20 corporate reforms and an accommodative central bank
21 cheered investors and lifted equity prices.

22 In emerging markets, they posted a 1 percent
23 return overall, but China returned 6 percent on at
24 that point still an accommodative central bank
25 policy, while Russia and Brazil gained on high energy

1 prices.

2 The graph on the right just gives some
3 perspective on global valuations. They are
4 undoubtedly stretched relative to the period on this
5 page and also relative to history, and it really just
6 underscores the needs for earnings to grow to support
7 these levels of equity valuations.

8 Turning on the next page to the third quarter,
9 basically everything changed. We really wanted to
10 provide some perspective on these moves relative to
11 the longer-term history. They were undoubtedly sharp
12 moves. But if you look at the graph on the left
13 compared to the graph on the right, on the top
14 section of the page, they are not disproportionate to
15 what history has provided.

16 On the bottom of the page on the left is the
17 U.S. dollar. I think really the feature of the
18 quarter wasn't so much dollar weakness as dollar
19 paused in the ongoing strength, and it was the
20 emerging market currencies that weakened for the
21 quarter.

22 A lot of talk since the end of the quarter about
23 volatility in equity markets. Undoubtedly they were
24 more volatile. But, again, putting in the
25 perspective of history, it's not out of line with

1 what we've seen historically. And that's all we
2 have.

3 MR. COBB: Good. Questions on global equity?
4 Hearing none, we'll go to fixed income. Brian,
5 welcome.

6 MR. GELLER: Thank you. Katy sends her regards.
7 Just to start off here, 12 month returns for the
8 fixed income benchmark, the Barclays Intermediate Ag,
9 which we switched to a while back, is actually
10 finally showing the benefits of it. Had a
11 1.88 percent return versus the old benchmark. It's
12 finally starting to bear some fruit.

13 Returns were challenged a little bit, especially
14 in the third quarter here. Summer doldrums are
15 definitely in full effect in the fixed income market,
16 along with global issues in China and just the Fed,
17 uncertainty of the Fed that was coming up in
18 September, now not uncertain, but at the time caused
19 some spreads widening in credit space. So with that
20 going on and the volatility from equities, et cetera,
21 we felt a little pain in fixed income across the
22 board. But that's not necessarily a bad thing.

23 We look at our overall risk. It's about 200
24 basis points annualized. But our annualized active
25 risk, which is our tracking error, is running pretty

1 low at about 30 basis points. So this has given us
2 the opportunity to hopefully take advantage of some
3 of these widenings in the spread market.

4 With global accommodative policies definitely
5 easing, Japan, Europe and most likely China here,
6 volatility is definitely on the increase, a lot of
7 risk on, risk off daily, it feels like. But in the
8 U.S. we feel that the fundamental backdrop is still
9 in place, given these ebbs and flows. So with that
10 and what the Fed is doing and hopefully the timing of
11 their trajectory will allow us and give us the
12 ability to take advantage of some of these
13 opportunities as they present themselves in the fixed
14 income market.

15 And the final slide here, although security
16 selection has become challenged and volatility has
17 increased and in spreads of higher quality and even
18 lesser quality, the liquidity -- liquidity challenges
19 has shown its teeth a little bit and created some
20 gaps as far as performance is concerned.

21 But like I stated, fundamentally we like the
22 backdrop, and that with the low risk that we've taken
23 up to here, this is giving us some opportunities
24 here, especially investment grade space, to add to
25 our exposure. Thank you very much.

1 MR. COBB: Questions? Okay. Steve.

2 MR. SPOOK: Good afternoon. So real estate is
3 currently -- our actual allocation is just above
4 8 percent. Our target is 10 percent. As I've told
5 you before, we're working to get to the 10 percent
6 over a number of years using a pacing model, very
7 similar to the pacing model that Trent described.

8 This first slide shows, particularly for the
9 five, three and one year returns, very strong
10 absolutes and relative returns. Most of that return
11 is made up of appreciation, as there's a lot of
12 capital seeking out real estate investments. I wish
13 I could tell you that's going to continue on forever.
14 I can't tell you when that party is going to be over.
15 The markets feel good as far as interest rates and
16 capital flows coming into the United States. So
17 we'll see.

18 So the next slide, we chose what our private and
19 public allocations are. We have a target to public
20 global securities of 10 percent of the portfolio. At
21 the time of measurement here, which is 3/31/2015, we
22 were a little bit over-allocated at 11 percent,
23 although well within our range of 5 to 15 percent.
24 Today it's at 10 or probably less, given the turmoil
25 in the global equity markets, which global real

1 estate securities have not escaped that. And then on
2 the private market we do target 80 percent core and
3 20 percent non-core, and we're right on target.

4 We have risk ranges established by policy for
5 each property type. And as you can see, we're well
6 within those ranges. Those ranges are based on what
7 actual ODCE, which is a NCREIF open end fund index,
8 exposures are. So we're pretty much right on top of
9 that. Where we differ a bit is the ODCE funds don't
10 do a lot of other property types, which include ag,
11 student housing, senior housing, which we all do
12 directly and through funds, and hotel is just through
13 funds.

14 Again, the next page, we have risk ranges
15 established by policy based on the ODCE weightings,
16 and we're very close to that. The ODCE doesn't
17 include any international. As you know, we are
18 targeting some international, so that's where you see
19 a major difference between us and our major index.

20 Recent activity, this isn't entirely accurate.
21 At the time I had to prepare this report was well in
22 advance of this meeting. So there's some
23 transactions that didn't make it on here because it
24 was unsure at the time whether there would be actual
25 transactions that closed prior to this meeting. So

1 in addition to what you're seeing up there as far as
2 acquisitions, we closed on a 72 million equity
3 commitment on a multifamily deal in the Northwest.

4 We did a \$12 million buyout of a partner, also
5 multifamily in the Northwest. That was very
6 successful. That was one of our build to core
7 projects, where we developed an apartment project.
8 And the intent always was, as soon as the project is
9 stabilized, buy out our partner and keep it in the
10 portfolio long-term at a lower cost basis than buying
11 it direct.

12 We also closed on an agricultural deal for
13 45 million, and another buyout of a partner,
14 programmatic retail joint venture, where we agreed to
15 keep one of the properties, and we bought them out
16 for 52 million. They bought seven of the properties
17 from us, and that should be in the disposition slide.
18 And so it's kind of a moving target, what to put on
19 here at the time I prepared the chart.

20 I also did put on there two multifamily deals in
21 the Midwest that we are going to bring to market.
22 We've already hired brokers for that. So the
23 marketing has begun. Perfectly fine assets. They've
24 been in the portfolio for a long time, but they're
25 starting to get capital intensive. They're older.

1 There's only so much you can do to keep them as
2 competitive as we would like. So over time we
3 just -- the plan would be to replace them with more
4 modern stock. And finally, we closed on a European
5 opportunistic fund, that also does German
6 investments.

7 And our current initiatives is we have three
8 core separate account advisers, for diversification
9 and greater access to deals. We decided then --
10 until a few years ago we did have four, and one
11 dropped out, so we have been engaged in a very
12 intense separate account manager search. Getting
13 ready to start narrowing down the list and doing site
14 visits.

15 The second bullet point is, in an effort to help
16 manage our portfolio, we are looking at executing a
17 minority interest sale of select assets. And
18 typically what happens there is you have a foreign
19 entity who, for tax reasons, can't owe more than
20 49 percent of an asset and they can't have a
21 controlling interest in the asset. So it's a way for
22 us to manage our portfolio over-exposures to certain
23 large assets that have appreciated over the years or
24 where we have more exposure to a certain metro than
25 we would prefer. And there's a lot of foreign money

1 looking for investments in the states currently.

2 And then execute on the identified dispositions,
3 a couple of which I've pointed out on the previous
4 page, but there are some others that are still --
5 where we're not at the broker stage, but we're pretty
6 sure we're going to go to market with them. And
7 that's all I have, if you have any questions.

8 MR. COBB: I have a question. And maybe it's to
9 Ash. And it relates to the priority of meeting first
10 our investment target and then secondly to meet our
11 regional allocation targets. And I understand the
12 risk profile issue. But I guess I feel that real
13 estate is so opportunistic that having targets of
14 allocations can be counter to maximizing returns in
15 real estate.

16 And I know we talked at the last meeting, or the
17 meeting before, I forget, about 3 percent cap rates
18 for a project in Boston that we could sell at a huge
19 premium at the top of the market, but that one of the
20 reasons we didn't want to do that was that we would
21 miss our allocation in Boston.

22 And I guess I had a real problem with that
23 concern with regional diversification. And I would
24 want to encourage Steve and his team to be more
25 opportunistic if I was in your shoes. So what

1 instructions are you giving Steve about allocations?

2 MR. WILLIAMS: Well, I think the credo that we
3 tend to follow is more bottom up, more value driven
4 and more -- more colored by what we think the market
5 gives us in the way of opportunity because of
6 pricing. That's far more important than slavishly
7 following any of this. The regional diversifications
8 relative to ODCE are to help us keep an eye on the
9 aggregate portfolio construction risk we're taking as
10 reflected by our geographic exposures in the book.

11 And that doesn't mean we would either enter a
12 market solely because we were at variance from its
13 component in the ODCE, it's component weight in the
14 ODCE, or exit a market. I think we would be more
15 colored by the fundamentals of a project one way or
16 another.

17 Maybe the other thing that colors things a bit
18 is you have certain things that will shade valuation
19 in one market or another, New York City, for example,
20 or some of the major gateways that we're in. There
21 can be some dislocation.

22 Steve mentioned two projects in the Northwest.
23 You have two things going on in the Northwest right
24 now that color the opportunity for develop to core.
25 One is you've got a terrific amount of technology

1 investment there, and two is you have key markets,
2 notably Seattle, that have some physical constraints
3 on access.

4 You see the same thing on the far west in
5 California, where you have both hard geographic
6 barriers to development and entry, and also what I
7 would call man-made barriers in the form of
8 extraordinarily rigorous environmental and
9 development limitations, which are great barriers to
10 entry.

11 So in places like that, you could have something
12 like a major international company that comes along
13 when you're looking at a residential development and
14 says, oh, by the way, could we lease a meaningful
15 percentage of your business, your available units for
16 the next decade-plus at a very attractive price.
17 That greatly reduces our risk to develop in that
18 market.

19 That's a whole lot more important than where are
20 we relative to our component exposure in the ODCE.
21 So it's a risk check on our fundamental thinking. I
22 don't think it's a driver. Is that a fair
23 assessment, Steve?

24 MR. SPOOK: I think it is.

25 MR. COBB: I'm delighted to hear that, as one

1 member of the committee. So maybe in future reports
 2 we focus on -- I mean, I really liked your story of
 3 buying out a partner hopefully at a good price. I
 4 don't know what the cap rate was but --

5 MR. COLLINS: Two.

6 MR. COBB: I don't know what it was, but I hope
 7 it was a good deal. It sounded like a good deal.

8 MR. SPOOK: We're very happy when our partners
 9 make a lot of money because that means they've made
 10 us a lot of money. Back to the ranges --

11 MR. COBB: A six cap or a seven cap hopefully.
 12 What was it?

13 MR. COLLINS: Got to go in the room.

14 MR. SPOOK: Our partner might consider that
 15 proprietary. But back to the ranges, we do have a
 16 fair amount of latitude to operate within those
 17 ranges, because it is an ODCE weights, plus or minus
 18 15 percent. So we don't have to slavishly follow the
 19 ODCE. It does give us the ability to make bets where
 20 we see the bets are best taken.

21 MR. COBB: Good. Any other questions, comments?
 22 So, John.

23 MR. BRADLEY: Thank you. I'll start with a
 24 quick update on the market environment. Private
 25 equity fundraising continues to be strong, on pace to

1 exceed the amount raised in 2014. And given the
 2 record amount of distributions coming back to LPs,
 3 it's not surprising to see investors allocating more
 4 and more capital to the asset class.

5 Purchase price multiples remain elevated
 6 relative to historical averages. And while larger
 7 deals grab the headlines, we are starting to see
 8 price appreciation at the smaller end of the market,
 9 which is likely a sign that we're in the late innings
 10 of the current cycle.

11 Average debt multiples dropped slightly to five
 12 and a half times EBITDA, down from 5.7 times. And as
 13 you would expect, if prices are increasing and debt
 14 multiples are dropping, we are seeing equity
 15 contributions rising. And through May year to date
 16 they've averaged around 40 percent.

17 Exit activity remains strong, continuing to
 18 outpace new investments. Our private equity
 19 portfolio remains a net contributor of cash to the
 20 total fund, both through GP generated liquidity as
 21 well as staff generated liquidity through sales of
 22 fund interest on the secondary market.

23 Next we have our exposures by sector relative to
 24 our benchmark. No large changes here. Our GPs
 25 remain underweight in the financial sector, while

1 consumer and IT sectors make up our largest portfolio
2 overweights.

3 Next we have our weightings by geography. The
4 U.S. remains our largest exposure, and it's grown to
5 approximately 80 percent of the portfolio. As we
6 discussed at the last IAC meeting, we sold a large
7 portion of our European portfolio last fall. And we
8 have been actively rebuilding our exposure in Europe
9 as well as other non-U.S. markets. So we would
10 expect our exposure outside the U.S., particularly in
11 Europe and Asia, to begin to increase.

12 Next we have performance of the asset class. As
13 you can see, we trail the benchmark slightly over the
14 three and five year periods. This isn't surprising,
15 given the strength of the equity markets over this
16 time period. And in our portfolio performance is
17 consistent with the performance of the private equity
18 industry in general. However, as returns in the
19 public equity markets slow, we would expect our
20 relative performance to strengthen. And our one year
21 performance number reflects this. Our longer term
22 performance, the 10 year and since inception time
23 periods, show a slight outperformance relative to the
24 benchmark.

25 And you will have noticed we have moved the

1 legacy portfolio track record to the end of the
2 presentation in the appendix. This was based on a
3 discussion that we had at the last meeting -- thank
4 you, Peter -- which included the directive for staff
5 to come back with a recommendation of a way to
6 de-clutter performance and present a track record
7 that's relevant and that allows for proper
8 measurement of the effectiveness of our asset class
9 and our staff, and it's also consistent with industry
10 best practices and internal best practices.

11 I'd be happy to discuss the legacy portfolio if
12 there are any questions. It has been fully realized,
13 and only a few million in sale proceeds held in
14 escrow remain.

15 Here we have performance since inception versus
16 our secondary benchmark, as well as performance of
17 our various sub-strategies. Overall the asset class
18 has outperformed its peer benchmark. Adding value
19 have been our U.S. buyout, distressed and secondary
20 portfolios.

21 MR. COBB: So let me make sure I understand.
22 Every one of these charts is from '99; is that right?

23 MR. BRADLEY: Correct.

24 MR. COBB: Both this chart and the next chart
25 are '99 forward.

1 MR. BRADLEY: Correct. This chart does include,
2 the second line from the bottom, legacy. But
3 everything above that, so all these subcategories,
4 are post-'99. So the sub-strategies that have
5 detracted from value have been venture, growth equity
6 and non-U.S. buyouts, have trailed their benchmarks
7 slightly.

8 And finally we have our -- I apologize. This
9 slide should read 2015 commitment activity through
10 June 30. We've committed about 1.2 billion to 17
11 funds during the first half of the year. That breaks
12 out as 876 million to 11 buyout funds. And in an
13 effort to add a little bit more detail as to our
14 activity, you can see these numbers are by dollars
15 invested.

16 Forty-nine percent of our commitments went to
17 what we would classify as small market funds. And so
18 these are funds who focus on companies with
19 enterprise values less than 250 million.
20 Thirty percent went to middle market and 21 percent
21 to large market funds. Committed 100 million to one
22 growth equity fund. Peter?

23 MR. COLLINS: Can I ask a question, Mr.
24 Chairman?

25 MR. COBB: Yes, sir.

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1 MR. COLLINS: How many of those were new funds,
2 of the 17?

3 MR. BRADLEY: Of the 17, three. And those
4 three, two were small European funds, and then the
5 other one was a small venture fund.

6 MR. COLLINS: How small?

7 MR. BRADLEY: I think they raised 300 million,
8 250 million.

9 MR. COLLINS: That is small for you guys.

10 MR. BRADLEY: Absolutely.

11 MR. COLLINS: Okay.

12 MR. BRADLEY: We committed 187 million to four
13 venture funds, 50 million to a secondary fund. And
14 then you can see, consistent with our geographic
15 focus -- and this is again by dollars invested,
16 50 percent of those dollars went to funds focused in
17 the U.S., 22 percent in Europe and 28 percent in
18 funds with a global mandate. That's all I have.

19 MR. COBB: Thank you. Questions, comments?
20 Okay. So, Joan, let's hear about the defined
21 contribution plan.

22 MS. HASEMAN: This is a quick snapshot of where
23 we are as of 6/30, \$9.137 billion. Our calendar year
24 to date return was 2.49. Our membership growth was
25 fair, 163,456 at the end of June. We're currently at

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1 about 164,400 as of the end of August. Our active
2 membership is 115,000. These are members who are
3 receiving ongoing contributions into their accounts.
4 Inactive members, 48,000, a little over 48,000.
5 These are members who have taken a distribution, are
6 considered retired from the investment plan or from
7 the FRS, or they are beneficiaries, alternate payees
8 as a result of a QDRO, or some of our DROP membership
9 who have rolled money over into the investment plan
10 from the pension plan.

11 Our average account balance is about 55-, almost
12 56,000. The average age of our membership, we
13 thought this might be of interest to you, is 48 years
14 of age. This is taking into consideration both
15 genders. We haven't broken it out, but we certainly
16 can if it's of interest to anyone. Our average years
17 of service, which I think is very interesting, is
18 7.57. These are members who -- counting all service
19 or all members in the investment plan. What's of
20 interest is, to vest in the pension plan is eight
21 years, so as you can see, this is riding just below
22 that a little bit.

23 Our retirees are growing. It's 93,000, almost
24 94,000 members have taken a distribution. These are
25 members who have, regardless of the amount taken, are

1 considered retirees under Florida statute. Our
2 distributions almost equal our assets, at
3 \$8.6 billion. And the good news is most of that is
4 rollovers, 61 percent of that.

5 I wanted to show you a breakout of where our
6 members are investing their money, and this is what
7 this graph, what this chart is intended to show you.
8 I think the biggest asset holding is in our
9 retirement date funds. As you'll remember, we rolled
10 these out a year ago. It's holding about 43 percent
11 of the assets today, or as of June 30. It's pretty
12 close to that still.

13 Fixed income is still about 7 percent. Real
14 assets, which is one of the diversifying funds that
15 we introduced also in June of last year, is holding
16 about 1 percent.

17 MR. COLLINS: You just recently created the
18 self-directed, right?

19 MS. HASEMAN: We had rolled the self-directed
20 out in January of 2014, six months ahead of our
21 retirement date fund. The assets in that are about
22 what we would expect to see, about 2 to 3 percent of
23 total assets.

24 Membership is about 2 percent, which is also
25 what we would expect to see. The people who are

1 investing in it consider themselves savvy investors.

2 MR. COBB: Can I ask a question? In terms of
3 the last few months, how would this pie chart look
4 for new entrants?

5 MS. HASEMAN: Well, it's not going to change so
6 much the pie chart itself. New entrants are still
7 going to be into the retirement date funds. It's
8 actually the performance of these funds that is
9 unfortunate. We've gone through a very bumpy road
10 over the last three months. So this time, when we
11 come to see you for the 3Q, you'll see a shift in
12 some of these dollars down. We have lost a bit of
13 assets due to investments.

14 Our Financial Guidance Program, which I think
15 is --

16 MR. COBB: Ash wants to add to your --

17 MR. WILLIAMS: Thank you, Mr. Chair. I was just
18 going to say, for benefit of our new member, we went
19 to a regime of target date funds effective July 1 of
20 '14, and did that with a view that that's best
21 practice in this field, because asking people to
22 populate an asset allocation who don't do that in
23 their day job is a not very welcome responsibility to
24 put on them.

25 And by optimizing, working with Aon Hewitt, a

1 mix of investment products that, again, looking at
2 the optimization, you reset every three years, you
3 ask somebody a simple question when they come to the
4 plan, When do you plan to retire? Give me that
5 answer. I'll handle the rest of it and not bother
6 you again, except to send you the statements. That
7 works well. And it manages the risk curve
8 appropriately for that individual beneficiary.

9 MR. COBB: Excuse us.

10 MS. HASEMAN: No. That's fine. Thanks, Ash.
11 The Financial Guidance Program, of course, this is
12 the free program to all of our members, and we are
13 currently seeing 273-, almost 274,000 planner calls.
14 This is down a little bit compared to last year, but
15 still very robust. We're glad to see it's still
16 holding at a significant number. Remembering that
17 this is open to both DB and DC members, defined
18 benefit and defined contribution members across all
19 FRS. Financial planning workshops, we're down a
20 little bit in numbers there. Attendance at the
21 workshops however is up.

22 Education highlights, we've now started using an
23 e-mail reminder in addition to two letters to remind
24 people to make an active choice, reminding them what
25 their deadline is, trying to get them engaged in

1 what's the right choice for them. Focus groups are
2 being held to discuss why members are defaulting, why
3 are we seeing a change in the default numbers going
4 up. A lot of it, I think, has to do with the
5 structure of contributions into the plan, and we are
6 anxious to see what the membership has to say.

7 We're increasing our number of annuity
8 purchases, which is nice to see. Prior to bringing
9 in Met Life, we had less than a handful of annuities
10 in ten years. Since having them on board, we've seen
11 that increase to about 25 or more. We've also
12 introduced chats online. Particularly during the
13 workshops, to engage our members, we have Ernst &
14 Young planners on the chat with the members. As
15 questions come in, we can immediately respond to
16 them, engage with them, hopefully leading to planning
17 phone calls.

18 The other big step for us is the Spanish prompt
19 that we've added to the financial guidance line as
20 well, encouraging members who have a primary language
21 of Spanish to become engaged also in financial
22 planning. That has picked up, and we're glad to see
23 that as well. It's also available for their choice
24 calls. And that's my report.

25 MR. COBB: Thank you. Any questions, comments?

1 So, Michael, I've congratulated you on your B of A
2 vote. But I'm interested you didn't have it listed
3 as a highlight.

4 MR. McCAULEY: No, we did not. It occurred
5 about a week ago, so that was after the meeting
6 material deadline, but I'll touch on it a little bit.
7 We have a slide that kind of goes over some of our
8 highlighted votes.

9 Voting levels over the last quarter, over the
10 second quarter, were fairly dominated by the U.S.
11 proxy season. The vast majority of U.S. corporates
12 have their annual shareowner meeting in April, May or
13 June, so that kind of drives the uptick in the second
14 quarter. And then on the full fiscal year, we
15 clocked in at a little over 10,000 votes. Again,
16 this year, it's the second or third year that we've
17 been over 10,000.

18 Again, U.S. markets, the equity market is the
19 top market, but we had India in the top five for the
20 first time this year, given the increased allocation
21 in that market. But for the most part it was pretty
22 stable year over year. And we'll have more
23 information in the fourth quarter when we publish our
24 more detailed annual summary on governance.

25 This table covers similar statistics for both

1 the second quarter as well as the full fiscal year
2 through June. Kind of touches on some things I just
3 mentioned. Given the fact that about 70 percent of
4 all of the global votes are U.S. oriented or close to
5 it from a U.S. perspective, they are very close to
6 the full fiscal year statistics as well. You don't
7 see a whole lot of deviation, whereas in the first,
8 third and fourth quarter, you'll see more marked
9 contrast between the full fiscal years.

10 This is another kind of perspective. This data
11 comes to us from a relatively new voting database,
12 Proxy Insight. And this actually covers about 24
13 months of data on a global basis. It reconciles very
14 nicely with our fiscal year numbers, but it's a
15 little different cast in terms of the way that they
16 characterize the proposal types, but very much in
17 line with the longer-term trends.

18 And then as Ambassador Cobb mentioned, Bank of
19 America is not on this list, given the recent vote.
20 We did want to include a little bit more information
21 about individual company voting, and we've got a lot
22 more information on each of these votes in the
23 standing report that goes to the trustees, which is
24 included in the meeting materials.

25 So unless there's a desire to go into any of

1 these votes, I'll just say a few things maybe on Bank
2 of America, if you'd like me to cover that. This was
3 an independent chair bylaw ratification that the
4 company put on the ballot somewhat late. They had
5 made the change about a year ago, back in October.
6 And largely due to investor discontent, they decided
7 to put it on a special meeting earlier this month, on
8 a ballot for a special meeting.

9 They had relatively low director support levels
10 back in their annual shareholder meeting earlier in
11 the year. We actually withheld from three or four
12 members of the governance and nominating committee.
13 And it kind of goes back to a 2009 vote that was a
14 binding proposal to split the roles, to create an
15 independent chair. And that was essentially embedded
16 in the bylaws.

17 And then fast-forward several years through last
18 fall, the board unilaterally changed the bylaws, from
19 what we can tell, with very little company
20 engagement, excuse me, shareholder engagement. They
21 didn't talk to us. They didn't seem to talk to other
22 large investors, to the best extent that we can tell.
23 It was only after the backlash and kind of the
24 displeasure with the recombination of the bylaw
25 amendment that they decided to put it up for a vote

1 and ratify.

2 We did talk to the management. We didn't get a
3 chance to talk to any of the board members directly,
4 but we did talk to management extensively. Didn't
5 really talk to other investors necessarily because
6 it's a fairly black and white issue. It's not like a
7 merger or some other recapitalization issue or proxy
8 contest.

9 But in a nutshell we kind of came to the
10 conclusion that the company's performance was rather
11 mediocre. They have improved on a couple of fronts
12 but lag their peers, both on an absolute and relative
13 basis, had failed several stress tests, that sort of
14 thing.

15 So even though I think they've righted the ship
16 in some respects, it was still -- at the end of the
17 day, we felt it wasn't quite time for any
18 consideration for them to recombine the roles.
19 Adding to that you have a scenario in which they
20 clearly deviated from the prior shareowner franchise.
21 You go back to '09, with really little to no input
22 from the investor base. So we felt, all in, it was
23 just not the right time. The bylaw ratification did
24 in fact pass, so now they have that kind of
25 shareowner approval precedent, and they will go

1 forward and maintain the combined roles. So we'll
2 just hopefully wait and see, and hopefully
3 performance will improve going forward.

4 So those are some of the highlighted votes.
5 Just real quickly, it was a fairly active regulatory
6 environment. There were a couple of Dodd-Frank
7 items, the pay ratio rule the SEC put forth, passed,
8 as well as the pay for performance compensation rule
9 that was tied to Dodd-Frank and a couple of other
10 issues here. And unless anybody has any questions,
11 I'll roll through those.

12 And then just real briefly, some highlights from
13 the proxy season. By far the most important takeaway
14 from this season was proxy access. This was an
15 initiative that the New York comptroller's office had
16 taken up late last year and went to fruition on a lot
17 of ballots. I'll touch on it in a minute, some of
18 the voting outcomes. But this chart gives you an
19 idea of the strong uptick both in the volume of proxy
20 access resolutions as well as the marked increase in
21 support levels.

22 And the New York comptroller's initiative was
23 really focused on what they call the SEC standard,
24 which is a 3 percent ownership over three years. It
25 goes back to the prior SEC research and prior

1 rule-making attempts. And it's essentially turned
2 out to become the market standard. I mean, this is
3 where investors have put their support, behind a
4 three and three.

5 There's a lot of moving parts with access. I'll
6 touch on a few of them in a couple of slides. But it
7 was by far the most prevalent shareowner resolution,
8 got by far the most attention, and we supported most
9 of them, virtually all of the ones that were
10 submitted by investors, because they did kind of meet
11 this three and three standard.

12 In some cases companies would put forth their
13 own management version of the proposal. We did not
14 support those nearly as often because we felt they
15 had one or more deficiencies. Usually the ownership
16 stake was just too high in our view, five or even
17 higher in some cases. But from a market perspective,
18 very high levels of support, and many of these
19 passed, which is in our view kind of a positive from
20 a shareowner rights perspective.

21 On say-on-pay with respect to executive
22 compensation, another Dodd-Frank hangover that's been
23 around since 2010, 2011, I think is when it went into
24 effect, initially 2011. It's more or less gotten the
25 same level of support. There was a little bit of an

1 increase in the -- or a decrease, rather, in the
2 number of companies that failed to get 70 percent,
3 which is kind of the perceived level of -- you know,
4 kind of a red flag of anything above 70 percent the
5 market accepts the compensation framework as being
6 adequate. Anything below that, there are some red
7 flags. Certainly if they don't get 50 percent, it's
8 a fail.

9 Director elections were relatively stable, as
10 they have been historically. And, again, this table
11 just touches on -- it just ranks the shareowner
12 proposals, not all proposals or management proposals,
13 but just those that are submitted by investors in
14 terms of their -- the number that were submitted, and
15 these were all voted on, at least through July.

16 And we have the comparative 2014 stats as well
17 as our own voting direction, where you can see we
18 were a pretty strong proponent, supporter of proxy
19 access, right to act by written consent, declassify
20 the board, kind of the core fundamental issues,
21 supermajority vote requirements as well.

22 MR. COBB: And generally you were for all of
23 these issues?

24 MR. McCAULEY: Well, if you look at that middle
25 column that's shaded, that's the actual support

1 level.

2 MR. COBB: Okay, got it.

3 MR. McCAULEY: So you'll see we do deviate from
4 the average support, sometimes more than others. But
5 these are for the most part on the left-hand column
6 the primary corporate governance resolutions that are
7 submitted. To some extent we've been active on the
8 declassification of the board of directors, moving
9 towards annual director elections.

10 MR. COBB: So with a company that has
11 traditionally had supermajority for 30 or 40 years,
12 what do you do? Do you vote against the whole board,
13 or do you vote -- how do you --

14 MR. McCAULEY: No, not necessarily. These are
15 resolutions that are put before investors. In almost
16 all cases, they're precatory or advisory, so the
17 board is not legally bound to follow the voting
18 result. Most do, and that's the expectation that
19 investors have.

20 But for supermajority voting requirements, that
21 would be the case where a company has embedded in its
22 bylaws 67, 75, sometimes 85 or 90 percent voting
23 requirements to make a change, sometimes just to
24 change the bylaws, which is a pretty onerous
25 requirement and challenge to investors to make any

1 changes, substantive changes to the governance
2 structure and practices for the company. So, many
3 investors have worked on that as a topic in and of
4 itself. We've never submitted a resolution just
5 solely on that issue but do support them.

6 This table just kind of goes over, expands on
7 the 3 percent three year ownership, kind of the SEC
8 standard. There's a lot of moving parts with respect
9 to proxy access. It's very early days. There's
10 only -- to date there's only a few dozen companies
11 that have either put in place some bylaw amendments
12 or language that would deal with it over the last few
13 years or even very recently just in the last few
14 months.

15 So it's never really been tested. It's never
16 gone through the process. So it's a little bit of an
17 unknown in terms of how it would actually function in
18 the wild. But a lot of these issues are being dealt
19 with by companies and investors. But for those
20 companies that received the proxy access resolutions,
21 they passed, they're now, you know, noodling on how
22 best to implement it at their own company.

23 One of the issues that I think has gotten the
24 most attention is -- a couple of them really. One is
25 whether or not investors have the ability to

1 aggregate ownership. So if the SBA owns, let's say
2 for example, .4 percent of a company, would we then
3 be able to join with another investor, adding their
4 shares to meet that 3 percent shareowner ownership
5 requirement. Some companies include that, some
6 don't.

7 Most of the three and three investor proposals
8 had that aggregation element in them. Not all
9 companies include that. So these are a lot of things
10 that really just have to get worked out at the
11 company level.

12 And then, like I said earlier, some companies
13 actually decided to go forward with their own
14 management resolution side by side the shareowner
15 proposal. And, again, most of the shareowner
16 proposals, generally speaking, were of the three and
17 three category, whereas the management proposals
18 deviated from that, and as a result, they got a
19 fairly significantly lower level of support. In some
20 cases it was flipped, depending on the shareowner
21 footprint of the company. But by and large that was
22 the case. The market clearly preferred the three and
23 three standard.

24 And then just again to touch on say-on-pay, this
25 is something that we vote on every year. These five

1 companies were kind of the lowest support receiving
2 companies among the Russell 3. And you can see
3 there's, at least in a couple of cases, some pretty
4 significant breakdowns year over year in terms of the
5 voting level.

6 We, the SBA, voted against all five of these
7 companies in 2015, primarily due to pay for
8 performance disconnect or deficiencies, structural
9 deficiencies within the long-term incentive plans,
10 disclosure, performance metrics. So we go through
11 and we have various models that we apply, and we
12 evaluate the compensation framework, ultimately
13 making a yes/no vote. So we voted against all five
14 of these.

15 And then last but not least, we touched on at
16 the last meeting the value in the vote study, where
17 we looked at our voting impact on performance,
18 portfolio value with respect to proxy contests. We
19 have also been involved over the years with the
20 Harvard Law School's Shareholder Rights Project, the
21 SRP. And that started in 2010, culminating in the
22 first resolutions that we submitted in 2011 on
23 classified boards, which were attempts to move the
24 company towards an annual election cycle.

25 So we were interested to see what effect that

1 targeting had on the company performance, so at least
 2 from a correlation point of view. And this is what
 3 we did. We went back and basically used a
 4 since-inception date of the resolution, when we
 5 submitted it. We were lucky enough to receive about
 6 80, 81 percent support level on average for our
 7 resolutions. So almost all of them passed. Many in
 8 fact, management adopted it without even putting it
 9 up for a vote.

10 But if you look at the ones that went to a vote
 11 and compared it to broad market indexes, this is how
 12 it stacked up. So the blue line is the portfolio
 13 that we had targeted since inception in May 2011
 14 through -- I think this was through the end of
 15 August. So it has been correlated with a positive
 16 impact on performance, which is what we like to see
 17 whenever we're targeting companies.

18 MR. COBB: I think that's an excellent report.
 19 Where do we stand? Are we going to get this report
 20 twice a year or quarterly or once a year? What's
 21 your judgment on that? I think the more the better,
 22 but I don't know --

23 MR. WILLIAMS: What's your preference?

24 MR. COBB: At least twice a year. What do the
 25 other -- or four times a year.

1 MR. COLLINS: I think twice a year is fine. I
 2 don't know.

3 MR. COBB: What do you think, Michael?

4 MR. McCAULEY: I think twice a year is
 5 reasonable. We can do it at the end of the fiscal
 6 year, whether it's the second or third quarter. And
 7 then we do have not only an annual summary, the
 8 governance summary report, but we'll also have
 9 proposed policy amendments for our voting guidelines,
 10 which will go into effect for next year. So that's I
 11 think what we had planned on scheduling in the fourth
 12 quarter.

13 MR. WILLIAMS: And what we do -- and that makes
 14 complete sense, because what we try and do is, before
 15 proxy season, get our guidelines ratified by the
 16 trustees, so there's no ambiguity about what we're
 17 standing for and why, and we have complete buy-in,
 18 and then we'll move forward on that basis and then
 19 report on what we did thereafter.

20 MR. COBB: Okay. Any other questions or
 21 comments? If not, we're about ten minutes behind.
 22 We'll next go to our major mandate performance review
 23 with our consultants.

24 MR. CUMMINGS: Good afternoon.

25 MR. COBB: Good afternoon.

1 MR. CUMMINGS: As you know, one of our routine
2 responsibilities for the SBA is to provide quarterly
3 reports on the major mandates, which is the subject
4 of our next brief ten minutes together. Just echoing
5 the comments you've heard from other presenters
6 today, we're living in an environment of low interest
7 rates and low return expectations and some
8 disappointing equity results.

9 Those are starting to manifest in the numbers
10 that we're going to summarize with you today.
11 Obviously these are struck through June 30th for the
12 most part. So we, too, anxiously await the rest of
13 this calendar year.

14 Usually to my right is Kristen Doyle. She has a
15 conflict today and was unable to join us. So instead
16 I have Katie Comstock, who has been a member of the
17 SBA team at Aon Hewitt for some time now, and I'm
18 going to let her step through the highlights of the
19 major mandate report, and we'll be pleased to take
20 any questions that you have.

21 MS. COMSTOCK: Good afternoon, everyone. Steve
22 mentioned I will jump through performance. This is
23 through 6/30, June 30, 2015. And I'll start with the
24 FRS pension plan and spend a little bit of time on
25 the one year period, given that it was the fiscal

1 year. Over the period the plan's assets decreased by
2 just over a billion dollars due to investment
3 earnings of about \$5.3 billion, and that offsetting
4 net withdrawal of about six and a half billion
5 dollars.

6 This amount translates into a return over the
7 one year for the fiscal year period of 3.7 percent,
8 one of the more modest fiscal year returns we've seen
9 over the -- that the FRS has experienced over the
10 past several years, especially on the heels of two
11 very strong fiscal year periods. In 2014 the FRS
12 experienced 17.4 percent. In 2013 fiscal year FRS
13 earned a 13.1 percent return.

14 Some of the drivers on an absolute basis of that
15 return, as Steve had mentioned, was some weak
16 performance or more modest performance out of the
17 global equity markets, as well as continued modest
18 returns from fixed income. Bright spots in the
19 portfolio came from alternative investments,
20 including real estate and private equity, which both
21 produced double digit returns for the one year
22 period, as well as just under, just shy of a
23 7 percent return from strategic investments.

24 On this page we look at, on a relative basis, we
25 look at performance relative to first the performance

1 benchmark, which is represented by the blue bar, and
2 that's a representation of a passive allocation of
3 the underlying asset, asset class benchmarks. Not
4 only over the one year period but over all trailing
5 periods shown here the FRS pension plan has
6 outperformed this benchmark, which really speaks to
7 the very successful management of those plans that
8 the team here has done over all periods.

9 The second benchmark that we compare performance
10 to is the absolute nominal target rate of return,
11 which is an annualized 5 percent plus the rate of
12 inflation or CPI. And you'll notice some more mixed
13 results over these periods here. When markets
14 experience increased volatility, specifically when we
15 see weak equity market returns or negative equity
16 market returns, this benchmark becomes extremely more
17 challenging to reach and to exceed.

18 And so you'll notice the underperformance over
19 the shorter time periods, over the one year as well
20 as over the trailing 15 year period. That period
21 includes 2001, 2002 as well as the '08, '09 periods,
22 where we saw very negative equity market returns.

23 This is a benchmark that we like to look at over
24 longer time periods. So we do include that here on
25 the next slide. And you'll notice very favorable

1 relative performance. Over the trailing 30 years the
2 FRS plan has outperformed the absolute nominal target
3 rate of return by 2 percentage points on an
4 annualized basis.

5 The third benchmark that we -- or performance
6 comparison that we like to do was mentioned earlier,
7 and that's a peer group of defined benefit plans, and
8 these represent the top largest defined benefit plans
9 in the U.S. It's a group of ten plans, so a small
10 universe, but a big peer comparison.

11 And we touched on this earlier, but I do want to
12 just provide a little more context before we look at
13 performance comparison. One noticeably is a greater
14 allocation the FRS has to global equities. And this
15 is over the corresponding underweight to fixed income
16 and alternative investments. However, if we were to
17 look at peers relative to the long-term targets of
18 the FRS pension plan, it would be more in line.
19 Long-term target to global equities, 53 percent, and
20 strategic investments and private equity, as noted
21 earlier, is at 18 percent.

22 One other note on this page can't be seen in the
23 pie charts, but if you look at the footnote at the
24 bottom, it has had an impact on the fiscal year
25 performance. The global equity asset class for the

1 FRS has a market weight exposure to global equities,
2 which is roughly a 50-50 weight to U.S. securities
3 and non-U.S. securities. And if you look at where
4 peers are, the median peer plan has a home country
5 bias or greater allocation to U.S. securities. And
6 over the year we saw foreign equities decline about 5
7 percent. Domestic equities were up north of
8 7 percent. And so that greater allocation to foreign
9 equities had a -- was a headwind keeping up with peer
10 plans over the year.

11 And that can be seen on this page. The beige
12 bar is the total FRS gross returns relative to the
13 median plan in the TUCS Top 10 Universe. Broadly
14 speaking, the plan has performed in line with its
15 peers. You see modest underperformance over the one
16 year period, which is likely due to the overweight to
17 foreign equities.

18 This slide shows the same information in a
19 slightly different format. And I draw your attention
20 to those numbers at the bottom, which is where the
21 FRS ranks in this universe, one being the top
22 performer, 100 would be the worst performer. And
23 with the exception of the one year, where FRS
24 performed modestly behind the median plan,
25 performance relative to peers has been very strong

1 and above median.

2 MR. CUMMINGS: One other quick comment. I'm
3 always struck by the tightness of these bands. You
4 see the skinniness of those gray bands is an
5 indication of how closely clustered the returns of
6 those top 10 funds are.

7 So it's always a little bit dangerous to do a
8 percentile ranking with a universe of very, very
9 similar results. But we do think it is probably the
10 most relevant peer comparison, and we know that's a
11 question that often comes up here.

12 MS. COMSTOCK: Also, just one more comment on
13 peer plans. We do on a quarterly basis also look at
14 the performance relative to a broader universe, which
15 is inclusive of only public pension plans that have
16 assets greater than \$1 billion in assets under
17 management. And that's a universe of about 70
18 different plans.

19 And over these trailing periods, one, three,
20 five and ten years, the FRS has ranked in the top
21 quartile across all these periods. So relative to
22 both the smaller peer universe as well as a broader
23 peer universe, performance is very, very competitive.

24 MR. COBB: I have a question to these narrow
25 bands. At a previous meeting we focused on how low

1 our fees were, and we had one of the lowest of our
 2 peers, as I recall. And that made up a high
 3 percentage of our superior performance. Are these
 4 results still gross, or are they net of fees?

5 MS. COMSTOCK: These results are gross of fees.
 6 So they show the same returns that were on the
 7 previous page.

8 MR. COBB: But we might even be better than this
 9 net of fees --

10 MS. COMSTOCK: Right.

11 MR. COBB: -- with our relatively low fees
 12 compared to our competitors.

13 MS. COMSTOCK: Right, correct. That's a very
 14 good point. I'll pause there quickly and see if
 15 there are any questions on the pension plan before
 16 moving on.

17 I'll touch on the investment plan results. We
 18 have two tables shown here. The top shows the
 19 aggregate investment plan return over these trailing
 20 time periods relative to the plan's benchmark, which
 21 is an aggregate of the underlying plan options'
 22 benchmarks, where participants are investing their
 23 assets.

24 And I focus your attention on that last row
 25 there. It is a coincidence that that number is the

1 same, but I point out that it is positive, which it
 2 shows that the active managers chosen for
 3 participants are outperforming, in aggregate, their
 4 respective benchmarks. And even looking under the
 5 hood a little bit further, when we look across the
 6 different asset classes and options, it's widespread
 7 there, outperformance across all asset classes.

8 The second table there shows the FRS relative to
 9 a peer group. You'll notice this is the same data
 10 that has been shown, I think, over the past three
 11 quarters. The survey comes out once a year. We
 12 expect it, I think, within the next month. So next
 13 quarter we will have updated numbers.

14 But just to put some perspective with how the
 15 FRS is performing relative to peers, we focus on that
 16 middle column there, which represents the net value
 17 added, meaning how is the FRS pension plan's options
 18 outperforming their respective benchmarks relative to
 19 peer plans. And again that number at the bottom
 20 represents that the FRS has outperformed other peer
 21 plans by about 40 basis points over a five year
 22 period for the calendar year 2013 and has done so at
 23 a very similar cost.

24 The next major mandate that we will touch on are
 25 the Florida Hurricane Catastrophe Funds. Just as a

1 reminder, these funds, the focus of these funds is to
2 focus on the preservation of principal and liquidity.
3 So they are invested in very high quality securities
4 that are liquid, very low credit risk. And so you'll
5 see here very modest absolute returns, given the low
6 interest rate environment we've been in. We probably
7 sound like a broken record up here, but that's the
8 nature of the investment environment we've been in.

9 However, relative performance continues to be
10 very strong, with the exception of the second
11 quarter. The CAT Funds have outperformed their
12 benchmark over the trailing one, three, five and ten
13 year periods.

14 Next we'll touch on the Lawton Chiles Endowment
15 Fund. Just as a reminder, this fund is primarily
16 comprised of global equities, and so performance is
17 largely driven by how the global equity market has
18 performed.

19 As noted, it's been fairly volatile lately,
20 which shows the more modest returns over the quarter
21 and the one year period, though trailing returns do
22 remain on, an absolute basis, fairly strong.
23 Relatively speaking, returns are very competitive as
24 well. The fund has outperformed its benchmark over
25 all trailing time periods, with modest

1 underperformance over the one year.

2 And then last but not least the Florida PRIME
3 investment results, this portfolio is managed
4 similarly to the CAT Funds, very high quality, liquid
5 short-term investments, and so we see these more
6 modest returns still over all trailing time periods
7 really. But, again, very strong relative performance
8 over all time periods shown here. The benchmark here
9 is a peer group of other local government investment
10 pools that are also rated by the S&P AAA and AA. So
11 outperformance over all time periods.

12 And we also look at, for Florida PRIME,
13 investment results relative to risk as well. So it's
14 hard to see on the screen, but Florida PRIME is up at
15 the top in that green box. And so on the vertical
16 axis we see returns. So they have done very well on
17 a relative basis.

18 And to back up, this scatter plot here is our
19 other registered 2a-7 money market funds, so
20 competitors to Florida PRIME. And you'll see that
21 Florida PRIME has earned a greater level of return at
22 a similar level of risk. And the horizontal axis is
23 also somewhat stretched, given the very low level of
24 risk. So if we were to tighten that up, it would be
25 pretty much a vertical line and you wouldn't be able

1 to see all those other dots there.

2 MR. COLLINS: Is this a gross or a net?

3 MS. COMSTOCK: This should be net.

4 MR. COLLINS: Okay.

5 MS. COMSTOCK: Yeah, it's net. And lastly, Fund
6 B status, as I think was mentioned at the previous
7 meeting, last year the original principal was -- 100
8 percent of the original principal was returned to
9 Fund B participants, and then earlier in July the
10 remaining reserves were also distributed to those
11 remaining participants that had assets at that time.
12 And I believe B, if it's not already, the fund will
13 be terminated by the end of this month.

14 MR. COLLINS: So we won't get reporting on this
15 anymore.

16 MS. COMSTOCK: Only if you want it. So that
17 concludes our prepared remarks. I'm happy to take
18 any questions or comments.

19 MR. COBB: Good. Any questions? Comments?
20 Okay. We're now open for audience comments if there
21 are any. Mr. Baker. So about how long is it going
22 to be, Mr. Baker?

23 MR. BAKER: Less than five minutes.

24 MR. COBB: Less than five minutes. Okay. Thank
25 you.

1 MR. BAKER: Good afternoon, Mr. Chairman and
2 members of the board. My name is Jim Baker. I'm
3 with Unite Here, the hotel and hospitality workers
4 union. I'm here to talk about private equity firms
5 TPG Capital and Leonard Green & Partners, both
6 significant partners for the Florida State Board of
7 Administration. Jointly the two firms own the Palms
8 Casino in Las Vegas, Nevada.

9 The private equity industry has sought to make
10 the case that private equity ownership leads to job
11 creation. TPG Capital's and Leonard Green &
12 Partners' Palms Casino provided a powerful
13 counterexample just a month or so ago when it
14 recently told hundreds of food service employees that
15 it was outsourcing their jobs.

16 In a moment you'll hear from Juan Sanchez, a
17 porter, and Pastor Leonard Jackson from Las Vegas.
18 For months employees of the Palms have been seeking a
19 neutral environment, free from intimidation and
20 hostility. The Palms management has refused to be
21 neutral.

22 We have a petition that we presented and signed
23 by a majority of Palms workers expressing their
24 desire for labor peace. Instead of honoring the
25 employees' request, a month ago the Palms announced

1 it was outsourcing hundreds of food and beverage jobs
2 as of November 2nd.

3 We've been reaching out to both Leonard Green
4 and TPG for several months seeking labor peace.
5 Neither Leonard Green nor TPG has responded to calls
6 regarding the recently announced outsourcing. We're
7 concerned that this negative response is odd, given
8 the many other employers in Las Vegas that have
9 reached agreements with over 55,000 casino workers
10 ensuring labor peace. The industry has grown and
11 profited, while ensuring job security, health
12 benefits and fair wages for employees.

13 TPG and Leonard Green create unnecessary risk
14 for LPs such as Florida. We have worked positively
15 with private equity firms. One example from the same
16 market is Blackstone, which took over the
17 Cosmopolitan Casino in Las Vegas earlier this year.
18 Blackstone committed to retain all employees and
19 resolved a labor dispute that lasted for years under
20 previous ownership.

21 We urge Florida, as a significant investor with
22 both TPG and Leonard Green, to engage with them and
23 encourage them to commit to labor peace for the
24 benefit of all stakeholders. Thank you.

25 MR. SANCHEZ: Good afternoon, everyone. My name

1 is Juan Sanchez. I have worked at the Palms Casino
2 Resort for four and a half years as a porter, and I
3 have been in Las Vegas for 20 years. I am also a
4 family man supporting a wife and three children.

5 Migrant workers and I have met several times
6 with the CEO of the Palms, Todd Greenberg. The
7 majority of migrant workers signed a petition calling
8 for labor peace. We ask management to (inaudible) so
9 that as workers we could make our own decisions
10 without fear of retaliation or intimidation.

11 But Palms management has refused and instead
12 announced they would outsource over 220 jobs, almost
13 one-third of the employees. We are all very worried.
14 Migrant workers have had to reapply for jobs we
15 already have. We are proud to be employees of the
16 Palms and work hard to serve customers and build the
17 casino's (inaudible).

18 All we are asking for is the same process that
19 most other Las Vegas casinos have. We believe we
20 deserve the chance to have the same protections as
21 the more than 50,000 unionized casino workers in Las
22 Vegas. We do the same hard work but with lower pay.
23 Sorry. We do the same hard work but with lower pay
24 and fewer benefits. I ask you as investors to urge
25 TPG and Leonard Green to commit to labor peace.

1 Thank you.

2 MR. COBB: Mr. Baker, we're about four minutes
3 into your five minutes here, so we've got about 60
4 seconds left.

5 MR. JACKSON: Thank you and good afternoon. My
6 name is Reverend Leonard Jackson. And I lead an
7 organization called CLUE, Clergy and Laity United for
8 Economic Justice. I am also an associate minister
9 with the First African Methodist Episcopal Church,
10 one of the largest faith institutions of Las Vegas,
11 Nevada.

12 As people of faith, we recognize the dignity of
13 all people and all workers. Our religious traditions
14 affirm the right of workers to freely organize
15 themselves to improve their wages, benefits, working
16 conditions and assert the right to a voice on the
17 job. Oppression of workers is an insult to human
18 dignity and an affront to God. All workers deserve
19 the opportunity to provide for their families, to
20 participate fully in their communities economically,
21 socially and spiritually. This is the American way.

22 Thousands of workers in Las Vegas are
23 represented by unions. Through collective action
24 they have been able to earn their fair wages, enjoy
25 health care for their families and, most important,

1 have respect on the job. Our congregations in the
2 faith community of Las Vegas are made up of all kinds
3 of workers, including many who are represented by
4 unions.

5 Our communities benefit when families have job
6 stability and access to affordable health care.
7 Palms workers are seeking the same opportunity as
8 thousands of other casino and hotel workers in Las
9 Vegas. I am deeply concerned that the private equity
10 firms that own the Palms haven't committed to labor
11 peace and fair process for their workers.

12 I am even more concerned by the announcement
13 that 220 Palms workers' jobs will be outsourced in
14 November. When workers face job instability and
15 economic insecurity, it has a ripple effect on the
16 community. I urge you as investors to call upon TPG
17 and Leonard Green to ensure labor peace and job
18 security for all workers at the Palms. Thank you in
19 advance for your consideration. May God continue to
20 bless you and God bless America.

21 MS. MARTINEZ: Good afternoon, everybody. My
22 name is Asela Martinez. I represent Unite Here and
23 Local 226 in Las Vegas. We really appreciate your
24 attention. And we urge the TPG -- to send them the
25 right message. Thank you very much and we're

1 grateful for your cooperation. Bye.

2 MR. COBB: So I understand the trustees have
3 dealt with similar situations in the past, Ash. So
4 why don't you brief the committee on how you and the
5 trustees have dealt with similar situations in the
6 past and what kind of guidance you might give us on
7 this request.

8 MR. WILLIAMS: Well, the nature of the situation
9 we have here is that we are a limited partner in two
10 different funds referred to here, Leonard Green and
11 TPG. They in turn have done, in these cases,
12 investments that wound up with them having equity
13 ownerships in this particular casino, Las Vegas
14 Palms.

15 And we are limited partners, meaning we have
16 limited liability and limited involvement. We are
17 not general partners, meaning we do not have
18 management say in what's done to add value in the
19 management of the asset, whether it's through
20 increasing top line revenue, decreasing costs,
21 increasing profit margin, et cetera. We have no
22 control over that.

23 And in fact, to the extent we try to assert
24 control, then we would no longer be a limited
25 partner, limited liability partner. We would become

1 a liable partner, and we would put on the line the
2 assets of the Florida Retirement System Trust Fund,
3 which we don't want to do.

4 So at this point, while we have dialogue with
5 the general partners of our private equity firms, we
6 do not have the authority or a pattern of inserting
7 ourselves on behalf of particular components of
8 individual portfolio investments. Both of the
9 portfolios you refer to here in these management
10 companies have numerous investments. Each of those
11 investments has numerous components of management for
12 adding value over time and creating an accretive
13 experience for the Florida Retirement System on
14 behalf of our million beneficiaries.

15 And given that we represent working people who
16 have given their lives to public service, we
17 completely understand what you're talking about in
18 terms of labor fairness. One of my daughters is in
19 the food service industry, so I'm very familiar with
20 the benefits structure and comp and hours and all of
21 the wonderful things that go with that business.

22 But we're really not in a position to say to you
23 today we can intervene on your behalf and change this
24 situation. We just don't have the authority to do
25 it. So probably the best we can do for you is allow

1 you to have the forum that you've just taken
 2 advantage of to make your views clear. And I'm sure
 3 at the appropriate time, when we're next in contact
 4 with these firms, we'll ask them what's going on.
 5 But we're not in a position to call them up and say,
 6 Reverse your decision, put back all these employees
 7 and don't go to an outsourcing decision, because the
 8 same decision could be made with accounting services
 9 or painting the building or anything else. That's
 10 just a normal course of business.

11 So that may sound cold. It's not intended to.
 12 I think we respect the dignity of working people,
 13 want to treat them with equity and gratitude. We're
 14 all working people ourselves. We're all in public
 15 service. So that's where we are. But thank you for
 16 being with us today.

17 MR. BAKER: Thank you.

18 MR. COBB: Any other comments from board members
 19 or management? So thank you for coming. Are there
 20 any other -- anybody else want to -- audience
 21 participation from the public that has comments or
 22 questions? Hearing none, we stand adjourned. Thank
 23 you.

24 (Whereupon, the meeting was concluded at 4:05
 25 p.m.)

ACCURATE STENOGRAPHIC REPORTERS, INC.

1
 2 CERTIFICATE OF REPORTER
 3

4 STATE OF FLORIDA)
 5 COUNTY OF LEON)
 6

7 I, Jo Langston, Registered Professional
 8 Reporter, do hereby certify that the foregoing pages 3
 9 through 135, both inclusive, comprise a true and correct
 10 transcript of the proceeding; that said proceeding was
 11 taken by me stenographically and transcribed by me as it
 12 now appears; that I am not a relative or employee or
 13 attorney or counsel of the parties, or a relative or
 14 employee of such attorney or counsel, nor am I interested
 15 in this proceeding or its outcome.

16 IN WITNESS WHEREOF, I have hereunto set my hand
 17 this 22nd day of October 2015.
 18
 19
 20
 21

22 _____
 23 JO LANGSTON
 24 Registered Professional Reporter
 25

ACCURATE STENOGRAPHIC REPORTERS, INC.



**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

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CHIEF FINANCIAL OFFICER**

**PAM BONDI
ATTORNEY GENERAL**

**ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

MEMORANDUM

To: Board of Trustees
From: Doug Belden, Chairman
Participant Local Government Advisory Council (PLGAC)
Date: November 23, 2015
Subject: Quarterly Update – Florida PRIME™

The Participant Local Government Advisory Council (the "Council") last met on September 24, 2015 and will meet next on December 3, 2015. Over the prior quarter, the Council continued to oversee the operations and investment management of Florida PRIME™, as well as the final distribution of remaining reserves held within Fund B.

CASH FLOWS / PERFORMANCE

- Over the quarter ending September 30, 2015 participant deposits totaled \$2.5 billion; participant withdrawals totaled \$3.3 billion; providing a net decrease of approximately \$817 million.
- During the 3rd quarter, Florida PRIME™ delivered an aggregate \$4.4 million in investment earnings.
- Performance of Florida PRIME™ has been consistently strong over short-term and long-term time periods. For the period ending September 30, 2015, Florida PRIME™ generated excess returns (performance above the pool's benchmark) of approximately 13 basis points (0.13 percent) over the last 12 months, 13 basis points (0.13 percent) over the last three years, and 15 basis points (0.15 percent) over the last five years.
- For the fourth quarter in a row, and through the five year period ending September 30, 2015, Florida PRIME™ was ranked as the highest performing investment vehicle among all registered money market funds within iMoneyNet's First Tier Institutional Fund Universe.

POOL CHARACTERISTICS

- As of September 30, 2015, the total market value of Florida PRIME™ was approximately \$6.2 billion.
- As of September 30, 2015, the investment pool had a seven-day SEC Yield equal to 0.24 percent, a Weighted Average Maturity (WAM) equal to 28.4 days, and a Weighted Average Life (WAL or Spread WAM) equal to 81.5 days.

FUND B

- In early September 2014, 100 percent of the original principal balance was returned to participants with no loss of principal.
- As of June 30, 2015, the remaining assets held within Fund B totaled approximately \$43.3 million.
- On July 13, 2015, the SBA distributed the remaining reserve tied to Fund B based on each participant's proportional share of the total November 2007 interest earned. Proceeds were allocated to those with Florida PRIME™ accounts directly into their accounts, and for those with no corresponding Florida PRIME™ account, checks were sent directly to the organization.
- As of November 20, 2015, only \$103,825 of the remaining reserve from Fund B is yet to be distributed to 14 former Fund B participants because of participants' challenges in administering the distribution and receipt of eligible funds.



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Date: November 18, 2015
To: Board of Trustees
From: Judy Goodman, Audit Committee Chair *JMG*
Subject: Quarterly Audit Committee Report

The State Board of Administration's (SBA) Audit Committee met on November 16, 2015 and discussed the following:

I. External Audits and Assessments

We reviewed and discussed the following:

A. Results of financial statement audits:

1. Ernst & Young's (EY) audit of the June 30, 2015 financial statements of the Florida Retirement System (FRS) Trust Fund and the FRS Investment Plan Trust Fund. Copies of the audited financial statements were submitted to your office on November 9, 2015.
2. EY's financial statement audits of two joint ventures of the SBA with a December 31, 2014 year-end.

All of the audited financial statements received unmodified or clean opinion.

- B. Reports on agreed upon procedures, tax compliance, and internal control over financial reporting for two joint ventures of the SBA with a December 31, 2014 year-end.**
No findings were reported.

- C. Status of KPMG's audit of the June 30, 2015 combined financial statements of the Florida Hurricane Catastrophe Fund (FHCF) and its component unit, the State Board of Administration Finance Corporation.** There is a delay in the issuance of the audited financial statements because information regarding pension liability, as required by GASB 68, is still pending. We expect to receive from the Department of Financial Services all of the required information on pension liability soon.

D. Real estate financial statement oversight:

The Office of Internal Audit (OIA) proposed and the Audit Committee approved that the external audit oversight of the final joint venture (Millennium) be transferred to the SBA Real Estate group that now oversees the financial statement audits of the real estate entities.

II. SBA Pool of Auditors

The SBA's procurement policy requires that we re-bid the SBA Pool of Auditor contracts after the expiration of the allowable extension (March 2016) by issuing a Request for Quote (RFQ). The Audit Committee approved the RFQ and a list of providers to whom the RFQ will be sent, in addition to posting the RFQ on SBA's website. The proposed members of the evaluation team will be presented to the Audit Committee for approval at the December 22, 2015 special meeting.

III. Internal Audit

- A. We received the following reports:
1. OIA Fiscal Year 2015-16 First Quarter Follow-up Audit
 2. OIA WIRE Application Access Controls Audit
- B. We received a quarterly update on the following:
1. Status of 2015-16 Annual Audit Plan - planned work is on schedule
 2. Status of Open Recommendations

The tables below summarize the progress made on open recommendations as of November 16, 2015. Additional details are presented in Appendices 1 and 2.

CATEGORY "A" RECOMMENDATIONS

	As of 8/17/2015	Changes from 8/17 to 11/16	As of 11/16/2015
Total number of recommendations	225	6	225
Closed recommendations	(149)	(3)	(151)
Open recommendations	76	3	79

Category "A" refers to recommendations made either by internal or external auditors. The OIA monitors and performs follow-up procedures on these recommendations in accordance with The IIA Standard 2500.A1. In certain cases, follow-up procedures are performed by external auditors.

Of the 79 open Category "A" recommendations, 11 are considered "high risk". The 11 "high risk" recommendations resulted from the assessments of the SBA's internet and web applications, post-implementation assessment of the Charles River Investment Management Solution, disaster recovery plan, Florida PRIME application access controls audit, accounts payable continuous audit, and WIRE application access controls audit.

CATEGORY "B" RECOMMENDATIONS

	As of 8/17/2015	Changes from 8/17 to 11/16	As of 11/16/2015
Total number of recommendations	3	0	3
Closed recommendations	0	0	0
Open recommendations	3	0	3

Breakdown of Category B Open Recommendations

	As of 8/17/2015	Changes from 8/17 to 11/16	As of 11/16/2015
Not yet implemented	3	(3)	0
Implemented, per SBA Management	0	3	3
Open recommendations	3	0	3

Category "B" refers to recommendations made by consultants resulting from an assessment of a program or activity such as governance, risk management, compliance, ethics, disaster recovery preparedness program, etc. The OIA monitors the disposition of these recommendations in accordance with the IIA Standard 2500.C1. The IIA Standard does **not** require the CAE to establish a follow-up process for consulting engagements, but the OIA does take into account the disposition of these recommendations when performing a risk assessment for purposes of establishing the nature, timing, and scope of audit engagements involving the affected areas.

The three Category "B" recommendations have been implemented, as represented by SBA management. The OIA continues to consider these as open until they are considered in its annual risk assessment as specified above.

3. OIA quality initiatives:

The OIA's annual internal quality assurance self-assessment found that the OIA generally conforms to The IIA Standards, Definition of Internal Auditing and Code of Ethics. The self-assessment also resulted in quality initiatives to improve the OIA's current practices. As of November 6, 2015, the OIA has taken actions to address all quality initiatives.

4. OIA department goals: 11 of 20 actions have been completed that support four key goals.

- C. We approved a request from the CAE to pursue an OPS (Other Personnel Services) position for the OIA in order to provide temporary assistance to the OIA for the remainder of the fiscal year 2015-16. If the OIA is unable to find a qualified OPS staff member, a revised annual audit plan will be presented to the Audit Committee at the February 22, 2016 meeting.

IV. Risk Management and Compliance (RMC)

A. Enterprise Risk Management Presentation

The Chief Risk and Compliance Officer (CRCO) gave a presentation to the Audit Committee on the RMC unit's risk assessment process.

B. Semi-Annual Risk Assessment

We received and reviewed the results of the semi-annual risk assessment.

C. Annual self-assessment

We received and reviewed the results of the RMC unit's annual self-assessment.

D. Charles River Compliance

The SBA has negotiated a statement of work with Charles River to implement the next phase of the Charles River compliance system, to be used for the Global Equity portfolios.

APPENDIX 1
STATUS OF CATEGORY "A" RECOMMENDATIONS
AS OF NOVEMBER 18, 2015

1. OPEN RECOMMENDATIONS BY YEAR & RISK RATING

Year	Risk Rating				%
	High	Medium	Low	Total	
2012			1	1	1.3%
2013		2	1	3	3.8%
2014	2	10	8	20	25.3%
2015	9	26	20	55	69.6%
	11	38	30	79	100%
	14%	48%	38%		

2. DETAILS OF OPEN RECOMMENDATIONS

Report Title	Report Date	Risk Rating				Status				%
		High	Medium	Low	Total	NYI	PIRP	OTV	Total	
Accounting Reconciliations Operational Audit (OIA)	09/14/2012			1	1		1		1	1.27%
Strategic Investments Operational Audit (OIA)	08/05/2013			1	1	1			1	1.27%
Investment Policy & Economics Operational Audit (OIA)	11/01/2013		1		1	1			1	1.27%
Systems/Server Backup Operational Audit (OIA)	11/01/2013		1		1			1	1	1.27%
Network Security Assessment 2014 (Ernst & Young)	02/12/2014		3	5	8	1		7	8	10.13%
Disaster Recovery Plan Assessment 2014 (Ernst & Young)	03/28/2014	2	3	3	8	4		4	8	10.13%
Fixed Income Operational Audit (OIA)	10/15/2014		4		4	4			4	5.06%
Operational Audit of the SBA's Procurement and Contract Monitoring (Auditor General)	01/01/2015		1	2	3			3	3	3.80%
Network Security Assessment 2015 (Ernst & Young)	02/13/2015	1	10	10	21	3		18	21	26.58%
Post-implementation assessment of the Charles River Investment Management Solution (Ernst & Young)	02/13/2015	4	3	1	8	6		2	8	10.13%
Travel Services Operational Audit (OIA)	02/13/2015		2	1	3	3			3	3.80%
Data Loss Prevention Assessment 2015 (Ernst & Young)	02/19/2015		1	1	2	1		1	2	2.53%
Florida PRIME Application Access Controls Audit (OIA)	07/10/2015	2	3	2	7	6		1	7	8.86%
Accounts Payable Continuous Audit (OIA)	08/07/2015	1	5		6	6			6	7.59%
WIRE Application Access Controls Audit (OIA)	11/09/2015	1	1	3	5	5			5	6.33%
		11	38	30	79	41	1	37	79	100%

Category A - Recommendations were made by either by internal or external auditors. The OIA monitors and performs follow-up procedures on these recommendations in accordance with the IIA Standard 2500.A1.

NYI - Not Yet Implemented

PIRP - Partially Implemented and the Remainder is in Progress

OTV - OIA to Verify

APPENDIX 2
STATUS OF CATEGORY "B" RECOMMENDATIONS
AS OF NOVEMBER 18, 2015

DETAILS OF OPEN RECOMMENDATIONS

Report Title	Report Date	Status		%
		IMP	Total	
Right to Audit Advisory (OIA)	07/09/2015	3	3	100%
		3	3	100%

Category B - Recommendations made by consultants resulting from an assessment of a program or activity such as governance, risk management, compliance, ethics, disaster recovery preparedness program, etc. The Office of Internal Audit monitors the disposition of these recommendations in accordance with the IIA Standard 2500.C1.

IMP - Implemented, as represented by SBA management



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**ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

MEMORANDUM

To: Ash Williams
From: Michael McCauley
Date: November 23, 2015
Subject: Board of Trustees Meeting – Standing Report / Investment Programs & Governance

CORPORATE GOVERNANCE & PROXY VOTING OVERSIGHT GROUP

The SBA's Corporate Governance & Proxy Voting Oversight Group (Proxy Committee) met last on September 21, 2015, and will meet next on December 16, 2015. The Proxy Committee continues to discuss ongoing governance issues including the volume and trends for recent SBA proxy votes, company-specific voting scenarios, corporate governance policies, governance-related investment factors, major regulatory developments and individual company research related to the Protecting Florida's Investments Act (PFIA).

GLOBAL EQUITY PROXY VOTING & OPERATIONS

For the trailing twelve months ending on September 30, 2015, the SBA voted 10,284 public company proxies covering 97,853 individual voting items. Individual voting items included director elections, audit firm ratification, executive compensation plans, merger & acquisitions, and various other management and shareowner proposals. The table below provides major statistics on the SBA's proxy voting activities during the 3rd quarter ending September 30, 2015:

Votes in Favor of Directors 72.2% (FY15=75.1%)	Votes with Management's Recommendations 75.6% (FY15=76.7%)
Votes in Favor of Auditors 95.2% (FY15=92.5%)	Total Eligible Ballot Items 8,973 (FY15=99,320)
% of Meetings with ≥ 1 Against Votes 70.8% (FY15=74.8%)	Total Eligible Proxies 1,145 (FY15=10,296)

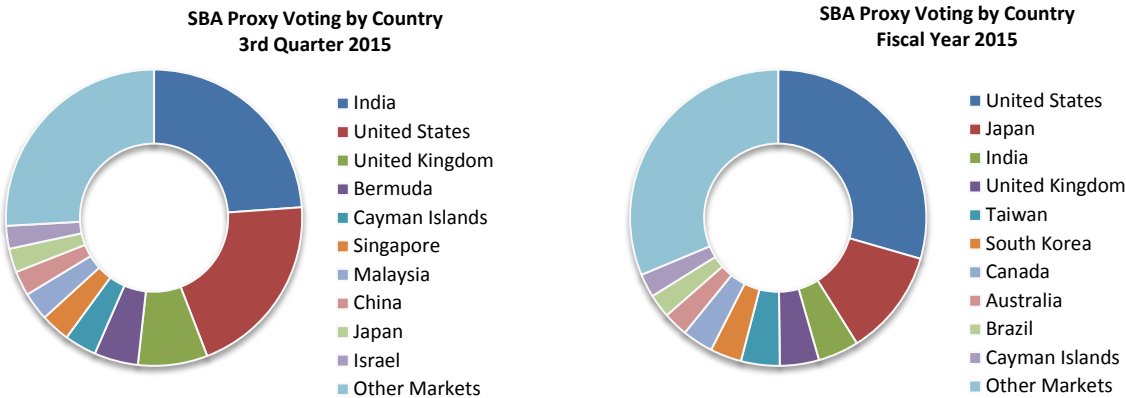
During the 3rd quarter, SBA staff completed the implementation of several enhancements to the electronic voting platform. Using Institutional Shareholder Services (ISS) PolicyEngine tool, staff adjusted the policy flags tied to dozens of U.S. and international voting guidelines, incorporating more specific rationale for certain voting issues related to directors, compensation, and auditor ratification. For example, several criteria were added to the SBA's policy screen for Advisory Votes on Golden Parachutes, as this is a relatively new issue. Executive compensation, including say-on-pay advisory votes,

was a key area of focus due to the complexity of the issue and the need to identify key metrics. Within the scope of director elections, one adopted policy flag identifies instances of abuse against minority shareowner interests, which is a particular concern in several foreign equity markets. These adjustments do not reflect changes in SBA voting policies; rather they allow staff to more efficiently identify where companies may diverge from SBA guidelines, and concurrently, to reduce the number of ‘false positive’ meeting items flagged for review. This is a significant productivity enhancement, since SBA voting procedures are based on staff review and vote entry for each domestic and international proxy meeting. The process reflects the importance of highlighting the most relevant outliers or exceptions to voting guidelines.

In addition, staff created notifications that may signal exceptions to SBA policies, but would not otherwise be reflected in proxy advisor voting recommendations. For example, on certain executive compensation ballot items, a system flag was added to identify meetings associated with equivocal external consultant recommendations because of “contentious” elements requiring more nuanced analysis. This allows staff to identify voting issues that may require additional research and qualitative judgment. For each voting item, the voting process entails a comparison among policy recommendations from external research providers (proxy advisors ISS and Glass Lewis & Co.) and ultimately alignment with SBA proxy voting guidelines.

ACTIVE OWNERSHIP & CORPORATE ENGAGEMENT

From September through late November, SBA staff conducted engagements with 9 companies, including Coca-Cola, Prudential, Bank of Yokohama, Chevron Corporation, Bank of America, ENI, Amgen, Ethan Allen, and Oracle.



LEADERSHIP & SPEAKING EVENTS

Staff periodically participates in and often is an invited presenter at investor and other key governance conferences or events. Typically these events include significant involvement by corporate directors, senior members of management, and other key investor or regulatory stakeholders. The following items detail involvement at events that occurred recently:

- On September 8th through 10th, staff was invited to attend and speak at the 2015 Public Funds Forum, which covered global governance trends, improving corporate boards, and engaging for value. The forum’s agenda is designed to be relevant to corporate governance practitioners as well as fund trustees.
- September 22nd—a staff member attended a symposium offered by the U.S. Treasury’s Office of Foreign Asset Control (OFAC) reviewing recent and expected changes to Federal trade sanctions in several countries.

- September 29th through October 2nd—several staff members attended both the International Corporate Governance Network's (ICGN) Fall Conference and the Council of Institutional Investors (CII) Fall Conference, held concurrently in Boston. Staff participated as speakers on several investor panels and also provided instructional course work to other CII members on the topic of executive compensation.

HIGHLIGHTED VOTES

Bank of America (United States)—On September 18th, SBA staff voted 21.7 million shares in accordance with proxy voting guidelines, voting against the management proposal to ratify the bylaw amendments previously made by the Bank of America board in late 2014. Although the SBA governance policies support the principle of seeking investor ratification of material bylaw amendments, the earlier structure of the bank's bylaw governing board leadership did not adequately represent direction from its investor base and effectively overturned prior investor input received in 2008. The decision by the board in the Fall of 2014 to unilaterally amend the bylaws [recombining the CEO and Chairman roles] did not appear to be the outcome of any comprehensive investor outreach or engagement effort, and could be viewed as a clear breach of the previous shareowner voting franchise. Importantly, during the tenure of the current management team, both the short and long-term stock performance of the company has lagged its direct financial peers as well as broad stock indices, with some recent positive improvement. Voting investors did ultimately support the management-proposed bylaw change at the September 18th meeting, and the company is expected to retain the combined CEO/Chair governance structure, at least in the short term. SBA staff had concerns that the recombination of the CEO and Chair roles may not be in the best interest of all shareowners at the current time and is scheduled to conduct additional engagement on the bank's governance practices in December.

GLOBAL REGULATORY & MARKET DEVELOPMENTS

Organization of Economic Cooperating & Development (OECD) releases 2015 Principles of Corporate Governance—On September 5th, the OECD and G20 countries released an update to its Principles of Corporate Governance. Originally developed by the OECD in 1999 and updated in 2004, the 2015 revision of the Principles addresses emerging governance issues and globally-recognized benchmarks for assessing and improving corporate governance practices. The Principles have been adopted as one of the Financial Stability Board's key standards for sound financial systems and have been used by the World Bank Group in more than 60 country reviews worldwide. They also serve as the basis for the guidelines on corporate governance of banks issued by the Basel Committee on Banking Supervision. The SBA has incorporated elements of the OECD Principles within its own Corporate Governance Principles & Proxy Voting Guidelines.

SEC Executive Compensation "Clawbacks" Proposed Rule—On September 15th, the SBA submitted comments to the SEC regarding the Proposed Rule for Listing Standards for Recovery of Erroneously Awarded Compensation, developed in accordance with Section 954 of the Dodd-Frank Act. In line with SBA governance principles and proxy voting guidelines, we emphasized that effective recovery of erroneously awarded compensation (clawback provisions) is essential to maintain effective performance-based compensation plans. To align executive interests with the interests of shareowners, executives should be compensated for achieving performance benchmarks. Equally, an executive should not be rewarded if he or she does not achieve established performance goals. If restated financial statements reveal that the executive was falsely rewarded, then he or she should be forced to repay any unjust compensation received. SBA comments supported consistent policies across all listed issuers, as the burden to issuers is relatively innocuous, while exemptions for certain issuers would likely add uncertainty for investors. In response to SEC questions regarding the scope of compensation clawbacks, SBA staff noted that any reduction in earned compensation based on performance and measurement shortfalls should result in application of the recovery process. The uncertain links between performance, performance measurement, resulting compensation, and the potential variation in the definition of restatement could create an extensive disconnect for investors. Once it is established that a reduction in incentive-based compensation has occurred, there should not be another variable added regarding the likelihood of the recovery process going forward. As noted in comments by the Council of Institutional Investors, the "establishment of a broad clawback arrangement is an essential element of a meaningful pay for performance philosophy. If executive officers are to be rewarded for "hitting their numbers"—and it turns out they failed to do so—the unearned compensation should generally be recovered notwithstanding the cause of the revision.

SEC Division of Corporation Finance Staff Legal Bulletin #14H—On October 22nd, the SEC issued new guidance (“SLB14H”) limiting the application of the “(i)(9)” provision of SEC Rule 14a-8 for omitting various shareowner proposals. The change strengthens investors’ right to propose resolutions and will enable more shareowner resolutions to actually come to a vote at annual meetings. Rule 14a-8(i)(9) permits a company to exclude a shareowner proposal that otherwise complies with Rule 14a-8 from its proxy statement, “if the proposal directly conflicts with one of the company’s own proposals to be submitted to shareholders at the same meeting.” Historically, the SEC had allowed investor resolutions to be excluded from the proxy if they were deemed to conflict with a similar resolution put forth by management. For example, if a shareowner proposal sought the right to call special meetings at a 10 percent threshold, the company could move to give shareowners the right to call a special meeting at a higher threshold, typically 25 percent, and exclude the investor proposal altogether. Until last year, the Commission took an encompassing approach when determining if a management and shareowner proposal “directly conflicted”. If the two proposals dealt with the same subject matter, the Commission was likely in most cases to grant (i)(9) relief, signaling to the company that the SEC would not recommend enforcement action if the company omitted the proposal.

Going forward, the Commission has indicated it will look more closely at the subject matter in question and only grant relief to the company under the (i)(9) provision if shareowners couldn’t logically support both shareowner and management sponsored proposals. For instance, shareowners may generally support proxy access and could reasonably choose to support both management and shareowner proposals that each specified access to the proxy with different hurdles. The Commission agreed that there may be value to the company in being able to review the support for each version of proxy access. For the 2016 proxy season, companies may still obtain no-action relief to exclude “directly conflicting” shareholder proposals in favor of the company’s own proposals only if “a reasonable shareholder could not logically vote in favor of both proposals, *i.e.*, a vote for one proposal is tantamount to a vote against the other proposal” as “they are, in essence, mutually exclusive proposals.”

The SEC’s guidance under the rules is not legally binding, and companies retain the right to omit proposals from shareowners without the SEC’s support. The SEC grants a “no action” letter when it agrees with a company’s rationale to omit a shareowner proposal, which states the Commission would not recommend enforcement action against the company under the 14a-8 rule. A company that is not granted “no action” relief may still omit the shareowner’s proposal and seek relief in the courts, if challenged by the shareowner submitting the proposal. Shareowners have the right to seek court relief if a company omits a proposal, whether “no action” relief was granted or not. Historically, very few cases have headed to the courts; the vast majority of proposals are successfully mediated by the SEC.

Department of Labor (DOL) Issues Interpretive Bulletin 2015-01—On October 22nd, U.S. Labor Secretary Thomas Perez announced new guidance that pension fund fiduciaries can properly consider environmental, social and governance (ESG) factors in their investment decisions. Interpretive Bulletin 2015-01 (IB2015-01) states that ESG factors may “have a direct relationship to economic value” of an investment, and in such cases, “are proper components of the fiduciary’s primary analysis of the merits of competing investment choices.” A prior Bulletin issued in 2008 stated that retirement fund managers could only incorporate ESG factors in investment decisions in “very rare circumstances.” The Labor Department previously addressed issues relating to ESG factors in 1994 in Interpretive Bulletin 94-1 (IB 94-1) and in 2008 in Interpretive Bulletin 2008-1 (IB 2008-1). The 2015 Bulletin reverses the 2008 recommendation and also withdraws the 2008 guidance. While the Employee Retirement Income Security Act (ERISA) and the DOL Bulletin are only legally applicable to corporate and Taft-Hartley (labor) pension funds, the DOL’s interpretation of the scope of trustees’ fiduciary duty is relevant and influential to public pension plan trustees, as the elements of fiduciary duty are generally consistent under federal and state law. Notably, IB2015-01 clarifies that consideration of ESG factors is consistent with fiduciary duty and may even be necessary to satisfy a trustee’s fiduciary duty when the ESG factors are likely to have a substantial economic or financial impact on the company or asset in question. DOL staff considered IB 2008-01 to have unduly discouraged fiduciaries from considering ESG factors and may have dissuaded fiduciaries from pursuing investment strategies that consider ESG factors, even where they are used solely to evaluate the economic benefits of investments and identify economically superior investments. IB 2015-01 confirms DOL’s longstanding view that plan fiduciaries may invest using ESG factors based, in part, on their collateral benefits so long as the investment is appropriate for the plan and economically and financially equivalent with respect to the plan’s investment objectives, return, risk, and other financial attributes as competing investment choices. In its release, the Bulletin states “in some cases ESG factors may have a direct relationship to the economic and

financial value of the plan's investment. In such instances, the ESG issues are not merely collateral considerations or tie-breakers, but rather are proper components of the fiduciary's primary analysis of the economic merits of competing investment choices.”

SEC Issues Guidance for M&A Governance Provisions—on October 27th, the SEC issued guidance in the form of a new Compliance & Disclosure Interpretation relating to Exchange Act Rule 14a-4(a)(3)'s unbundling of proposals in the context of merger/acquisition transactions. Rule 14a-4(a)(3) requires that the form of proxy “identify clearly and impartially each separate matter intended to be acted upon.” The SEC’s recent guidance identifies several material governance provisions that are frequently involved in merger/acquisition transactions and that substantively affect shareowner rights, and thus requires a separate vote by investors—these include:

- Classified or staggered boards;
- Limitations on removal of directors;
- Supermajority voting provisions;
- Delaying the annual meeting for more than a year;
- Eliminating ability to act by written consent; and
- Changes in minimum quorum requirements

The SEC guidance notes, in contrast, that provisions relating to name changes, charter restatements, or other technical amendments would likely be immaterial and not require separate voting.

India Proxy Season

The 2015 proxy season came to a close in India on September 30th, with the largest proportion of investor meetings occurring in July, August, and September. InGovern, a major proxy advisor in India, reported a total of 1,228 meetings at companies listed on the National Stock Exchange (NSE) or Bombay Stock Exchange (BSE) for the calendar year to date. These meetings included Annual General Meetings (AGMs), Extraordinary General Meetings (EGMs), Court Convened Meetings (CCMs) and Postal Ballots (PBs). InGovern also reported a total of 9,909 resolutions were proposed by these 1,228 companies, including 7,048 resolutions classified as ordinary resolutions and 2,861 as special resolutions, with 8,333 resolutions proposed by management and 1,576 resolutions proposed by shareowners. Resolutions at Siemens, JSW Holdings, Apollo Hospitals, Adani Ports, Yes Bank, and United Spirits, all received dissenting levels above 20 percent, a reflection of increasing activism by both domestic and foreign institutional investors. SBA executed 468 proxy votes in India for the trailing 12 months ending September 30th, 2015.



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ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

MEMORANDUM

To: Ashbel C. Williams, Executive Director & CIO

From: Maureen M. Hazen, General Counsel *Maureen M. Hazen*

Date: November 10, 2015

Subject: Office of General Counsel: Standing Report
For Period September 1, 2015 – November 6, 2015

SBA Agreements.

During the period covered by this report, the General Counsel's Office drafted, reviewed and negotiated: (i) 25 new agreements – including a new Master Repurchase Agreement and Custodial Undertaking for Fixed Income, 4 private equity investments, 2 strategic investments and 6 real estate investments; (ii) 52 contract amendments, addenda or renewals; and (iii) 8 contract or related terminations.

SBA Litigation.

(a) Passive. As of November 6, 2015, the SBA was monitoring (as an actual or putative passive member of the class) 526 securities class actions. From September 1, 2015 – October 31, 2015, the SBA collected recoveries in the amount of \$853,904.74 as a passive member in 28 securities class actions.

(b) Active.

(i) In re Tribune Litigation. On January 24, 2012, the SBA was served a complaint (along with other defendants) now pending in the U.S. Bankruptcy Court, Southern District of New York by the Official Committee of Unsecured Creditors of the Tribune Company alleging damages for fraudulent conveyance and requesting the return of proceeds received by all defendant investors in a leveraged buy-out of the Tribune Company (which subsequently declared bankruptcy). Pursuant to a plan approved in the bankruptcy proceeding, the claim was transferred to the U.S. District Court, Southern District of New York (the "Court") and consolidated with additional parallel cases for multi-district litigation. The SBA received approximately \$11 million in connection with this leveraged buy-out. Pursuant to the Court's master scheduling order, the Court has stayed all answer and motion filing deadlines pending resolution of similar issues in a parallel class case. Several amended complaints have been filed in the action in which the SBA was originally served in January, 2012 (the "FitzSimons Action"). While responses

remain stayed in the FitzSimons case, the court has ruled on the pending motions in the related Deutsche Bank case, and it is expected that a deadline for filing individualized motions to dismiss in FitzSimons will be set by the Court soon. The Court has asked the parties to confer as to how best to proceed with the next round of more individualized motions, which will include motions directed at the FitzSimons case, but no agreement has been reached, and the Court is expected to set out a protocol for dealing with individualized motions to dismiss. There are approximately 1,700 defendants in the FitzSimons case, and the Court has appointed liaison counsel to represent each type of defendant group, including pension fund defendants. At the appropriate time, the SBA plans to seek dismissal on sovereign immunity grounds.

(c) FRS Investment Plan. During the period from September 1, 2015 through November 6, 2015, the General Counsel's Office monitored and/or managed the following cases for the Florida Retirement System Investment Plan (the "Investment Plan"). The SBA issued five (5) Final Orders, received notice of filing of three (3) new cases, and continued to litigate eight (8) cases that were pending during the periods covered by previous reports, including defending one (1) appellate case and receiving notice of the Court's affirmation of the SBA's Final Order in one (1) appellate case.

Other Matters.

(a) Public Records. During the period covered by this report, the General Counsel's Office received 13 new public records requests and provided responses to 21 requests. As of the date of this report, the General Counsel's Office continues to work on 6 open requests.

(b) SBA Rules.

(i) Rule 19-7.010- Pooled Investment Accounts- Repeal: On October 6, 2015, this rule was repealed. The SBA had determined that the rule was unnecessary because it indicated the rules set forth in Rule Chapter 19-7, F.A.C. apply to the Local Government Surplus Funds Trust Fund. That information is self-evident from the various rules themselves. Further, this rule did not meet the definition of a rule set forth in Section 120.52(16), Florida Statutes.

(ii) Rule 19-9.001- Investment Policy Statement- Amendment: The SBA has proposed amendments to this rule which would adopt the most recent version of the Investment Policy Statement which was approved by the Trustees effective February 6, 2014 for the Florida Retirement System Investment Plan. On September 1, 2015, the Trustees granted approval to file for notice the amendments to this rule and to file the rule amendments for adoption if no member of the public timely requested a rule hearing. The SBA filed a Notice of Proposed Rule with OFARR and then with both JAPC and the Bureau of Administrative Code. No rule hearing has been requested by the public, so the rule amendments will be filed for adoption shortly.

(iii) Rule Chapter 19-11: Amendments to Rules 19-11.001-Definitions; 19-11.002- Beneficiary Designations and Distributions for FRS Investment Plan; 19-11.003- Distributions from FRS Investment Plan Accounts; 19-11.004- Excessive Trading in the FRS Investment Plan; 19-11.005- FRS Investment Plan Complaint Procedures; 19-11.006- Enrollment Procedures for New Hires; 19-11.007-Second Election Enrollment Procedures for the FRS Retirement Programs; 19-11.008- Forfeitures; 19-11.011- Employer and Employee Contributions and ABO or Present Value Transfer Procedures; 19-11.012-Rollovers or Plan to Plan Transfers to or from the FRS Investment Plan; 19-11.013-FRS Investment Plan Self-Directed Brokerage Account: The SBA has proposed various amendments for these rules which would serve to adopt the latest versions of forms that have been incorporated by reference in the various rules, such as the beneficiary designation form, the various enrollment forms, the second

election forms and the rollover forms. Other amendments would clarify or expand information and would update the names of the default investment vehicles where no funds are selected by the members. The changes proposed all are non-substantive – i.e. the changes involve adopting new forms and making a few clarifications. On September 1, 2015, the Trustees granted approval to file for notice the amendments to the rules and further to file the rules for adoption if no member of the public timely requested a rule hearing. The SBA filed a Notice of Proposed Rule with OFARR and then with both JAPC and the Bureau of Administrative Code. No rule hearing has been requested by the public, so the rule amendments will be filed for adoption shortly.

(iv) Rules 19-13.001- Roles and Responsibilities of the State Board of Administration of Florida; and Rule 19-13.004- Role and Responsibilities of Third Party Vendors- Amendments: The SBA has proposed a few amendments for these two rules which would serve to update certain information regarding the duties and responsibilities of the SBA and its third party vendors concerning the FRS Investment Plan. The amendments also note that the ten (10) Target Date Funds (TDF) have replaced the three balanced fund options. The changes are not substantive. On September 1, 2015, the Trustees granted approval to file for notice the amendments to the rules and further to file the rule amendments for adoption if no member of the public timely requested a rule hearing. The SBA filed a Notice of Proposed Rule with OFARR and then with both JAPC and the Bureau of Administrative Code. No rule hearing has been requested by the public, so the rule amendments will be filed for adoption shortly.

(v) Rule 19-7.002- Investment Policy Statements- Amendment: The SBA has proposed amendments to to adopt the revised Investment Policy Statement for the Local Government Surplus Funds Trust Fund and to delete all references to the Investment Policy Statement for the Fund B Surplus Funds Trust Fund (Non-Qualified) which now has been liquidated. On September 29, 2015, the Trustees granted approval to file the proposed amendments for notice and further to file the rule amendments for adoption if no member of the public timely requested a rule hearing. The SBA filed a Notice of Proposed Rule with OFARR and then with JAPC and the Bureau of Administrative Code. Within the next month, the amendments should be filed for adoption if no member of the public timely requests a rule hearing.

(vi) Rule 19-4.0035- Florida Retirement System Defined Benefit Plan Investment Policy Statement- Amendments: The SBA has proposed rule amendments which serve to adopt the most recent version of the Investment Policy Statement for the FRS Defined Benefit Plan. On September 29, 2015, the Trustees granted approval to file the proposed amendments for notice and further to file the rule amendments for adoption if no member of the public timely requested a rule hearing. The SBA filed a Notice of Proposed Rule with OFARR and then with JAPC and the Bureau of Administrative Code. Within the next month, the amendments should be filed for adoption if no member of the public timely requests a rule hearing.



**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

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GOVERNOR
AS CHAIRMAN
JEFF ATWATER
CHIEF FINANCIAL OFFICER
PAM BONDI
ATTORNEY GENERAL
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

MEMORANDUM

DATE: November 13, 2015
TO: Board of Trustees
FROM: Ken Chambers, Inspector General
SUBJECT: Quarterly Report on SBA Inspector General Activities

The SBA Inspector General (IG) is responsible for serving as the organization's ethics officer; conducting internal investigations; overseeing investment protection principles (IPP) compliance; and handling special projects as directed by the Executive Director.

Ethics and Training

- Mandatory ethics training and certification of compliance are required for all SBA employees on an annual basis. The on-line training covers gifts, conflicts of interest, financial disclosure, outside employment, lobbyist/principal restrictions, honorarium related events, etc. In addition to ethics training, mandatory training is annually required for all employees in the areas of sexual harassment, information security, personal investment activity, and insider trading. The deadline for completing the courses was June 30, 2015, and all SBA employees are in compliance.
- During the period September 5, 2015 to November 13, 2015, no instances were reported to the Inspector General concerning non-compliance with the SBA gift policy.

Investment Protection Principles Compliance

In September 2002, the Trustees of the SBA adopted Investment Protection Principles (IPPs) for broker-dealers and investment managers in the wake of Wall Street scandals involving tainted equity research and conflicts of interest. The IPPs are geared toward promoting independence, transparency and regulatory compliance, and adherence to the highest standards of ethics and professionalism. On an annual basis, written

certification is required from equity, fixed income and real estate investment managers, and broker-dealers. Additionally, annual certifications have been developed for the investment services related consulting firms engaged by the SBA. These consulting firms are required to certify their compliance with certain independence and disclosure principles.

An analysis of the 2014 certifications indicated either full compliance with the IPP's, or explanations were provided supporting that the firms were in compliance with the spirit of the IPP's. In early January 2016, the certification process will begin for the 2015 reporting period, beginning with the investment consultants.

SBA Fraud Hotline

Since July 2006, The Network Inc. has been the independent provider of SBA Fraud Hotline services. Through an 800 number, SBA employees may anonymously report tips or information related to fraud, theft, or financial misconduct. The telephone number and information is prominently displayed on the SBA intranet home page. Additionally, the hotline information is available on the SBA internet site.

During the quarter, one complaint was received by the Hotline. However, the complaint concerned a consumer fraud issue that was not applicable to the SBA. The complaint was forwarded to the appropriate state agency for handling.

Financial Disclosure Forms

The Commission on Ethics requires certain state employees and officials who meet the reporting requirement to file an annual Financial Disclosure Form. The Financial Disclosure Forms for the year ending December 31, 2014 were due by July 1, 2015. All SBA employees who met this requirement have filed a Financial Disclosure Form with the Commission on Ethics.

cc: Ash Williams



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ATTORNEY GENERAL

ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

DATE: November 17, 2015

TO: Ash Williams, Executive Director & CIO

FROM: Karen Chandler, Chief Risk & Compliance Officer

SUBJECT: Trustee Update – December 2015

The role of the Risk Management and Compliance (RMC) unit is to assist the Executive Director & CIO in maintaining an appropriate and effective risk management and compliance program to identify, monitor and mitigate key investment and operational risks. RMC plays a critical role in developing and enhancing the enterprise-wide system of internal controls. RMC proactively works with the Executive Director & CIO and designees to ensure issues are promptly and thoroughly addressed by management.

SBA senior management has created a culture of risk management and compliance through the governance structure, allocation of budgetary resources, policies and associated training and awareness. Management is committed to ethical practices and to serving the best interests of the SBA's clients. The SBA's mission statement further supports this culture: *"To provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary and professional standards."*

The following is a brief status report of RMC activities and initiatives completed or in progress during the period September 8, 2015 through November 17, 2015:

- No material compliance exceptions were reported during the period.
- The Risk and Compliance Committee (RCC) met on November 6, 2015 and evaluated results of the semi-annual risk assessment process, as of September 30, 2015. The RCC reviewed existing action plans based on the assessment and updated plans accordingly. Results of the risk assessment process will be used in development of SBA strategic priorities going forward. In addition, the RCC formalized risk appetite/tolerance levels for the thirteen top-line strategic risks in the SBA Enterprise Risk Management framework. This action supports risk tolerance levels delineated throughout SBA policies.

- The annual “Risk Management and Compliance Program Self-Assessment” process for FY 2014-15 is complete. The report includes the results of both external and internal assessments.
 - External Assessment - Results of the triennial Governance, Risk and Compliance (GRC) assessment conducted by Crowe Horwath, LLC, an independent consultant selected by the SBA’s Audit Committee. With an appropriate organizational structure in place, the external assessment concluded the overall maturity of the SBA’s GRC program has moved from “Developed” to “Advanced” and Crowe Horwath anticipates it continuing in this direction in the future.
 - Internal Assessment - Includes a high level description of significant functions performed by the RMC unit and an internal evaluation by SBA senior management of the effectiveness of each major function performed by RMC. Results of the internal assessment were positive overall, with constructive feedback to inform prioritization of efforts and goal setting going forward.
- Phase II of the Charles River compliance module implementation is scheduled to begin in December 2015. Upon completion, the SBA will have enhanced reporting functionality and expanded capability in testing compliance on the internally managed Global Equity portfolios. Used in conjunction with the Charles River trading platform, the compliance module will be consistent with industry best practices.
- Automation efforts continue and significant progress has been made in in the last phase of the conversion to Eagle DataMart for performance reporting. This results in greater data processing capability, increased customization of reporting and significant gains in efficiency in both internal and external performance reporting. Performance data used in the Annual Investment Report, internally generated performance estimates and asset allocation reporting are now produced using DataMart. The previously used SQL database will be discontinued once remaining files have been converted to the new system.



State Board of Administration of Florida

Major Mandate Review Third Quarter 2015

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2. Pension Plan Review
3. Investment Plan Review
4. CAT Fund Review
5. Lawton Chiles Endowment Fund Review
6. Florida PRIME and Fund B Review
7. Appendix

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Executive Summary

Third Quarter 2015

Executive Summary

- The major mandates outperformed their respective benchmarks over all longer time periods through September 30, 2015.
- The Pension Plan outperformed its Performance Benchmark during the third quarter and over the trailing one-, three-, five-, ten-, and fifteen-year time periods.
 - Global Equity has been a consistent source of value added over all trailing time periods. Fixed Income, Real Estate, Private Equity and Strategic Investments have also added value over the trailing three- and five-year periods.
- Over the trailing three-, five-, and ten-year periods, the Pension Plan's return ranked in the top half of the TUCS Top Ten Defined Benefit Plan universe.
- The FRS Investment Plan modestly trailed the Total Plan Aggregate Benchmark during the third quarter, yet has outperformed over all long-term periods including the trailing one-, three-, five-, and ten-year periods.
- The Lawton Chiles Endowment Fund matched its benchmark during the third quarter and outperformed its benchmark over the one-, three-, five-, and ten-year periods, primarily due to strong global equity performance.
- The CAT Funds and Florida PRIME continued to outperform their respective benchmarks over both short and long time periods.

State Board of Administration of Florida Florida Retirement System

Pension Plan Review Third Quarter 2015

Executive Summary

- The Pension Plan assets totaled \$139.2 billion as of September 30, 2015 which represents a \$8.7 billion decrease since last quarter.
- The Pension Plan, when measured against the Performance Benchmark, outperformed during the third quarter and over the trailing one-, three-, five-, ten-, and fifteen-year periods.
- Relative to the Absolute Nominal Target Rate of Return, the Pension Plan underperformed over the one-, ten-, and fifteen-year periods, but has outperformed over the trailing three-, five-, twenty-, twenty five, and thirty-year time periods.
- The Pension Plan is well-diversified across six broad asset classes, and each asset class is also well-diversified.
 - Public market asset class investments do not significantly deviate from their broad market-based benchmarks, e.g., sectors, market capitalizations, global regions, credit quality, duration, and security types.
 - Private market asset classes are well-diversified by vintage year, geography, property type, sectors, investment vehicle/asset type, and investment strategy.
 - Asset allocation is monitored on a daily basis to ensure that the actual asset allocation of the Pension Plan remains close to the long-term policy targets set forth in the Investment Policy Statement.
- Aon Hewitt Investment Consulting and SBA staff revisit the plan design annually through informal and formal asset allocation and asset liability reviews.
- Adequate liquidity exists within the asset allocation to pay the monthly obligations of the Pension Plan consistently and on a timely basis.

FRS Pension Plan Change in Market Value

Periods Ending 9/30/2015

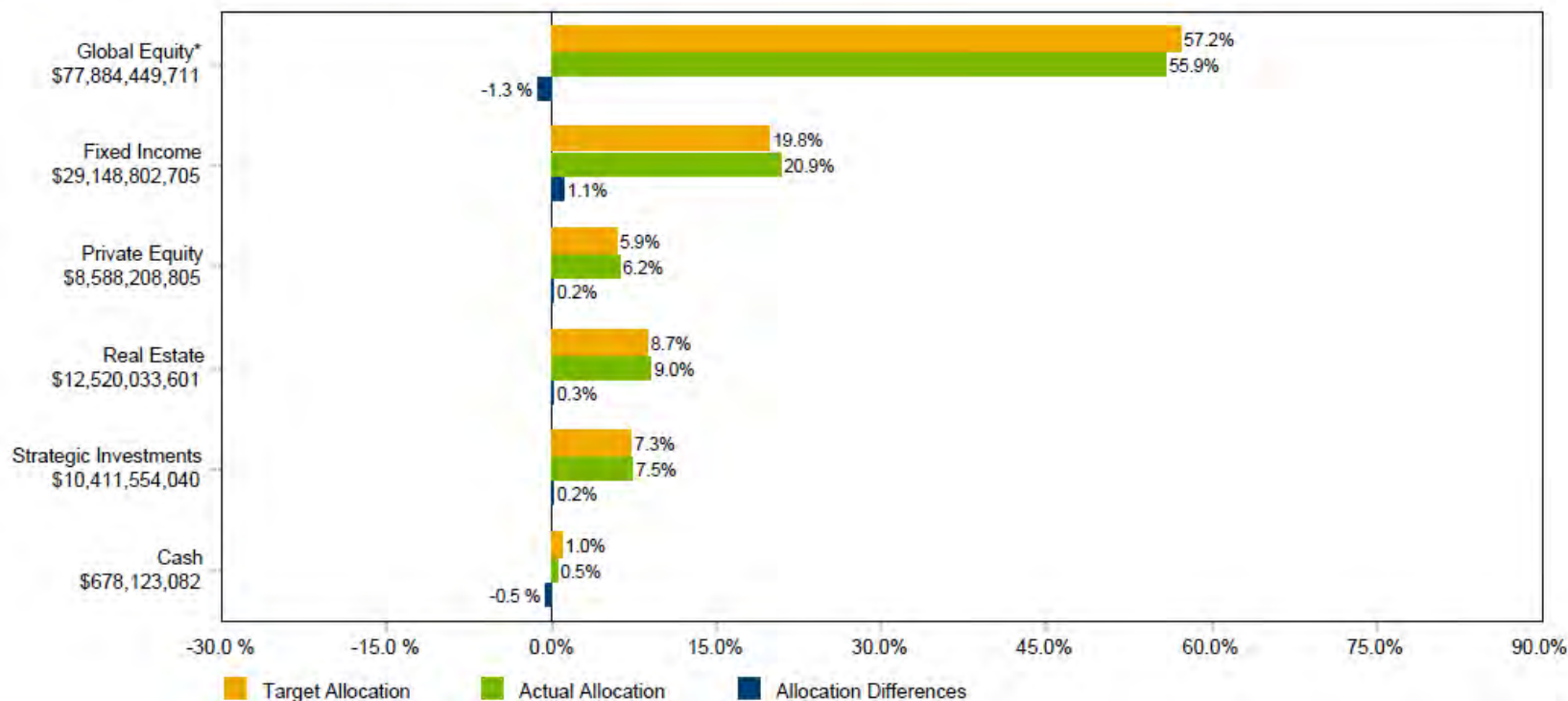
Summary of Cash Flows		
	Third Quarter	Fiscal YTD*
Beginning Market Value	\$147,972,946,329	\$147,972,946,329
+/- Net Contributions/(Withdrawals)	(\$1,975,855,955)	(\$1,975,855,955)
Investment Earnings	(\$6,765,918,430)	(\$6,765,918,430)
= Ending Market Value	\$139,231,171,944	\$139,231,171,944
Net Change	(\$8,741,774,385)	(\$8,741,774,385)

*Period July 2015 – September 2015

Asset Allocation as of 9/30/2015

Total Fund Assets = \$139.2 Billion

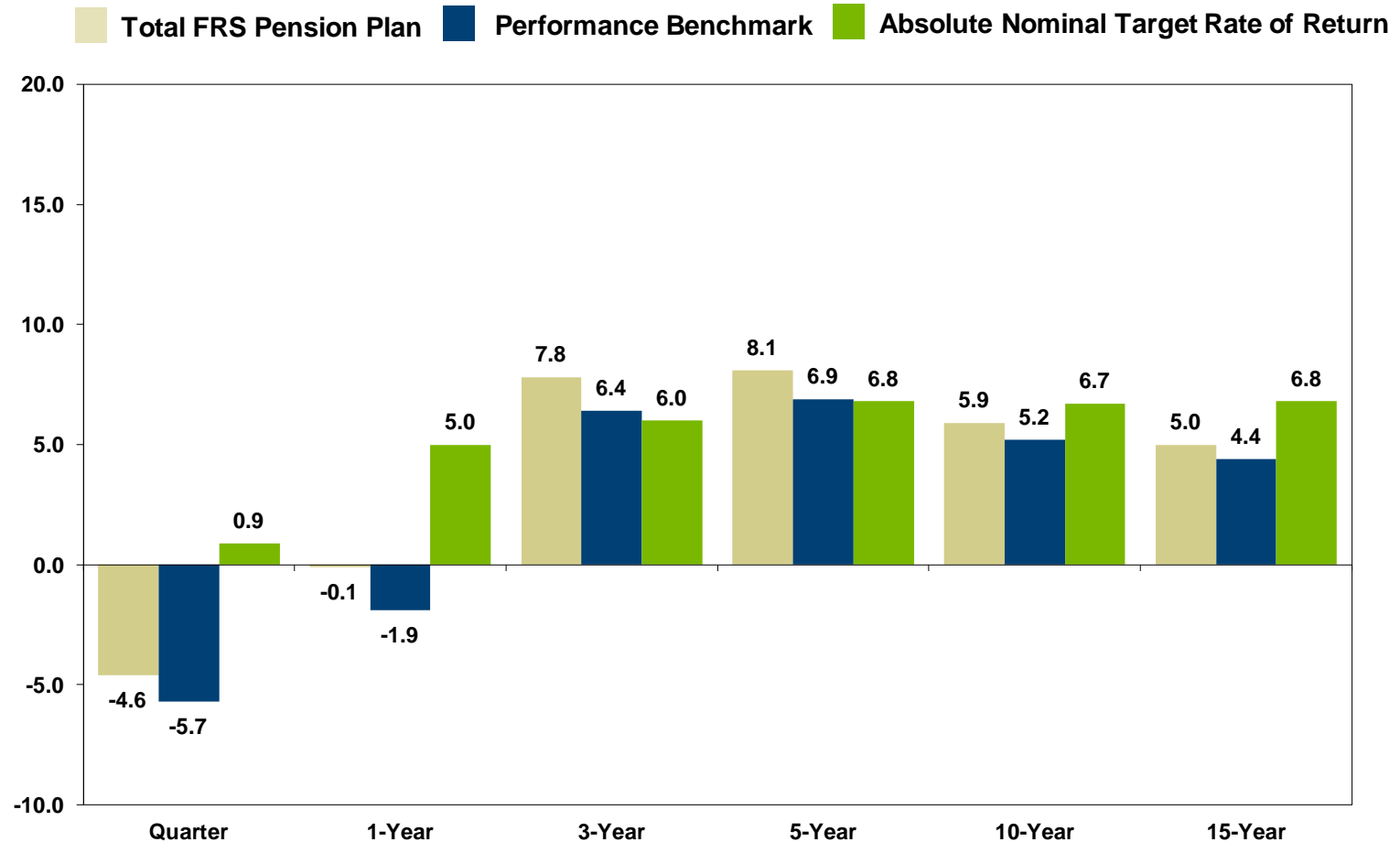
	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	139,231,171,944	100.0	100.0		
Global Equity*	77,884,449,711	55.9	57.2	45.0	70.0
Fixed Income	29,148,802,705	20.9	19.8	10.0	26.0
Private Equity	8,588,208,805	6.2	5.9	4.0	16.0
Real Estate	12,520,033,601	9.0	8.7	2.0	9.0
Strategic Investments	10,411,554,040	7.5	7.3	0.0	16.0
Cash	678,123,082	0.5	1.0	0.3	5.0



* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

FRS Pension Plan Investment Results

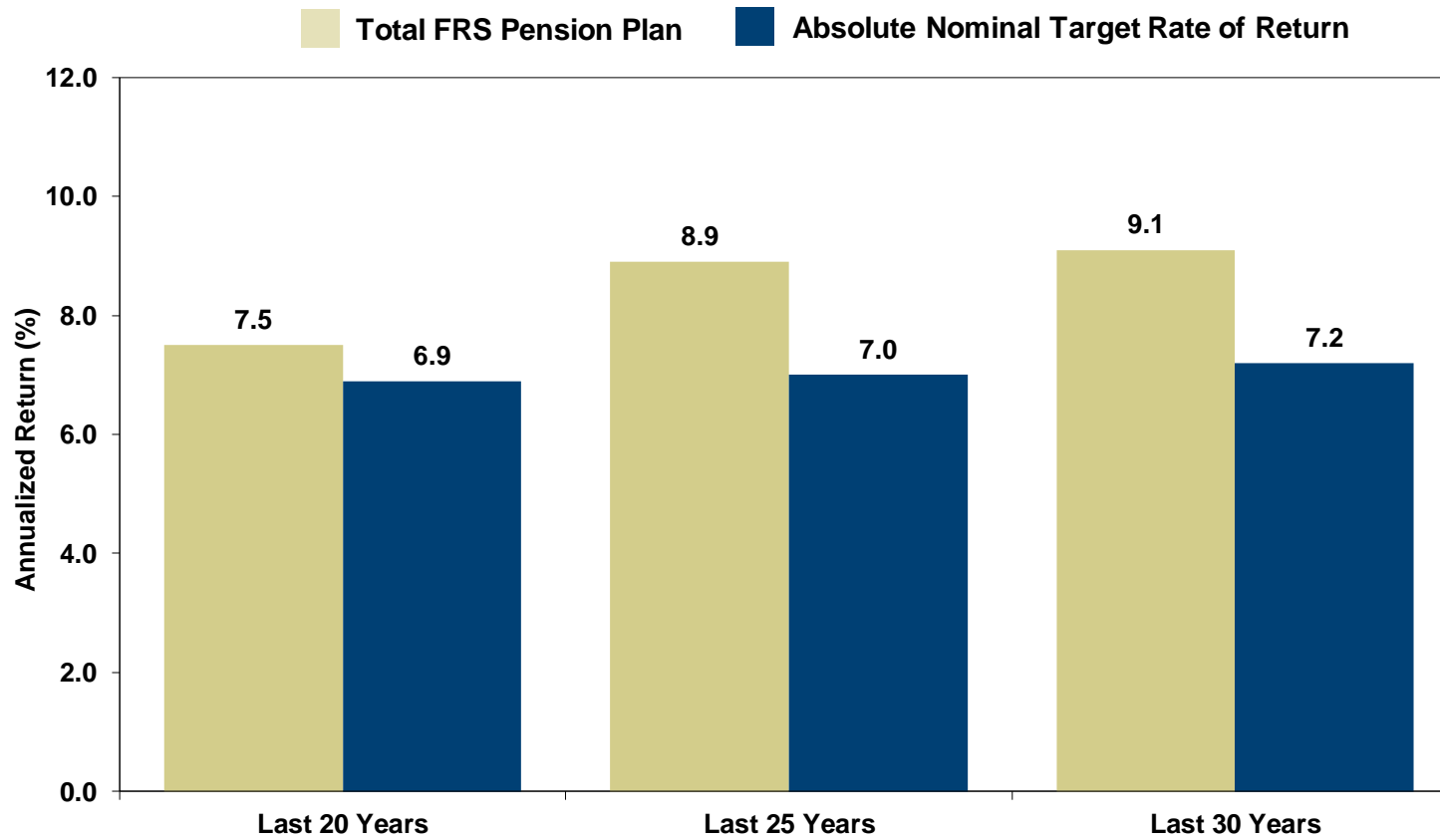
Periods Ending 9/30/2015



FRS Pension Plan Investment Results

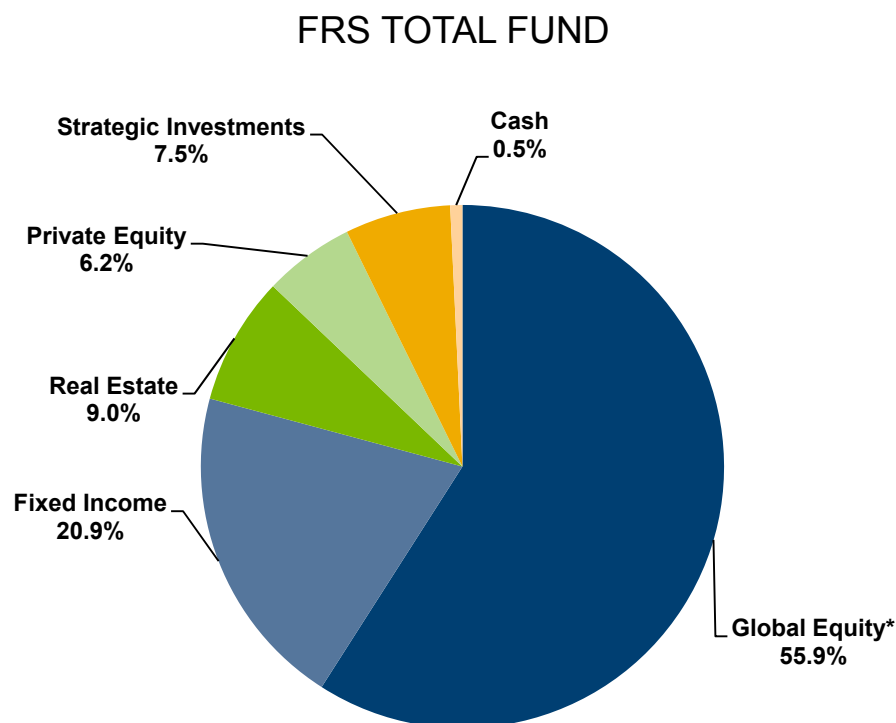
Periods Ending 9/30/2015

Long-Term FRS Pension Plan Performance Results vs. SBA's Long-Term Investment Objective

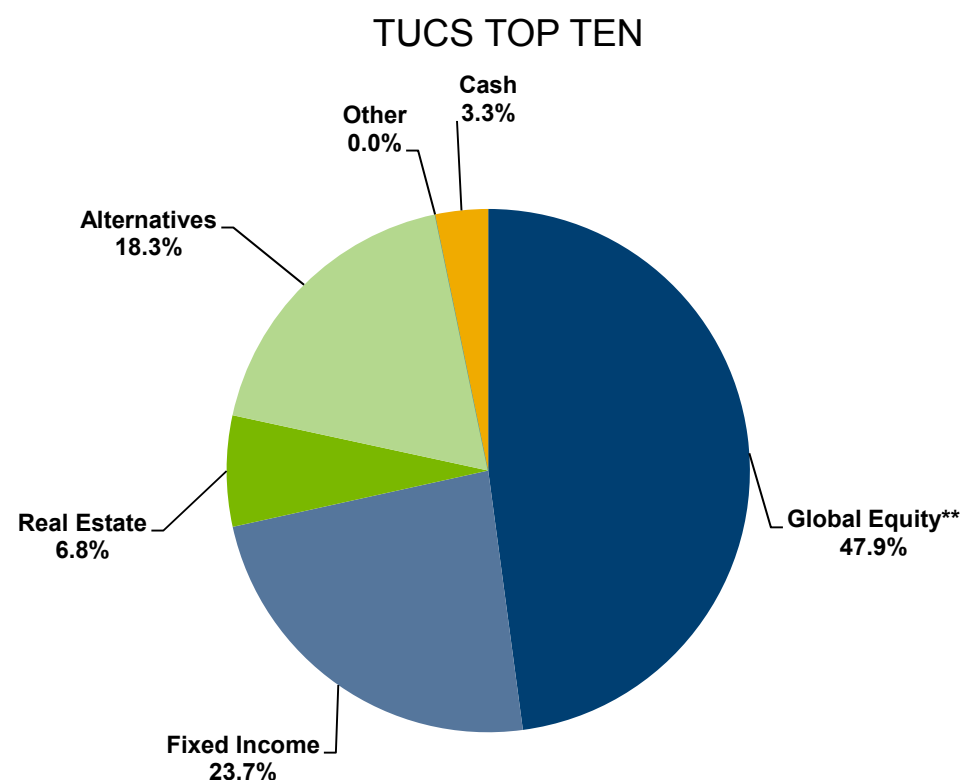


Comparison of Asset Allocation (TUCS Top Ten) As of 9/30/2015

FRS Pension Plan vs. Top Ten Defined Benefit Plans



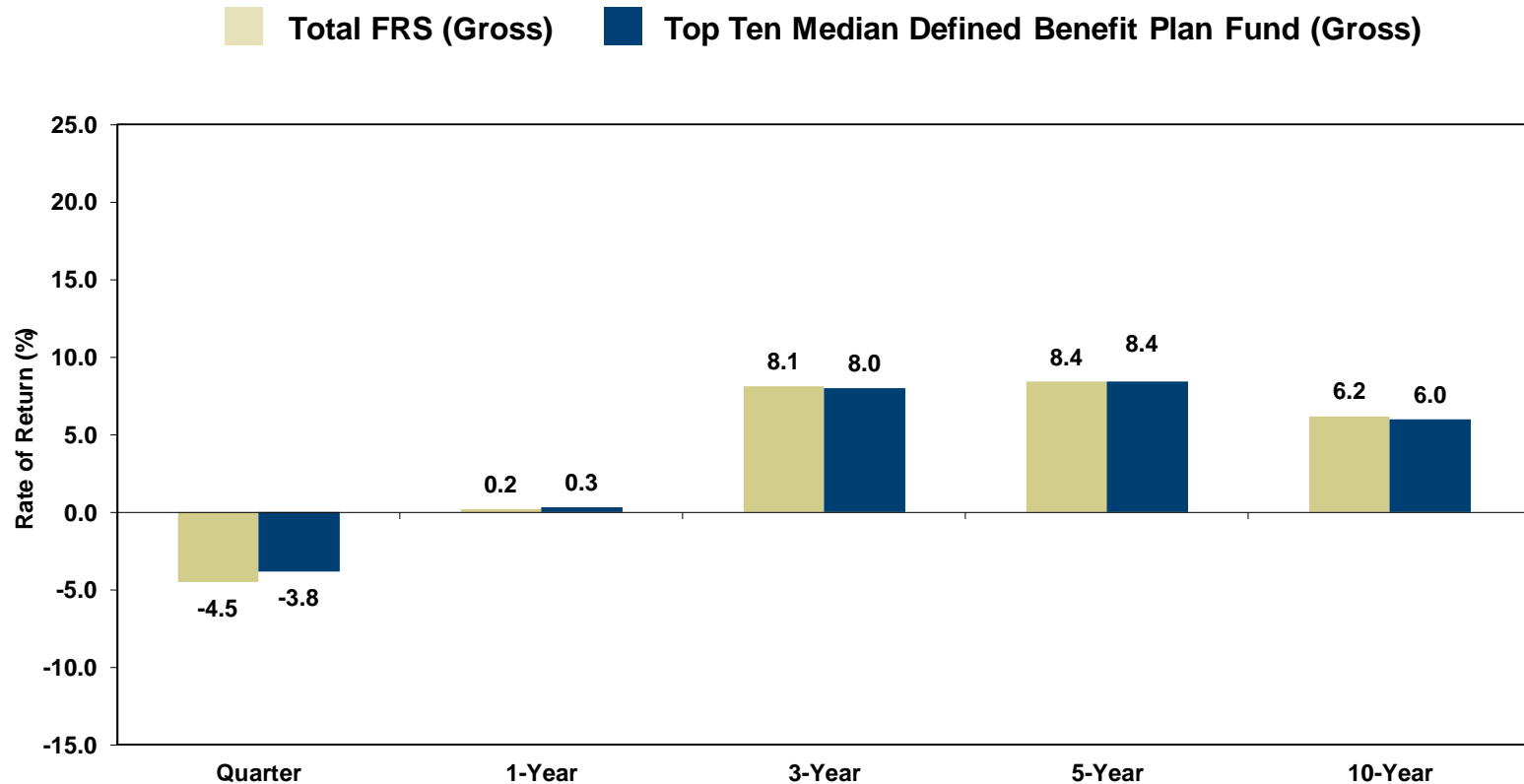
*Global Equity Allocation: 26.8% Domestic Equities; 24.2% Foreign Equities; 4.5% Global Equities; 0.4% Global Equity Liquidity Account. Percentages are of the Total FRS Fund.



**Global Equity Allocation: 30.4% Domestic Equities; 17.5% Foreign Equities.

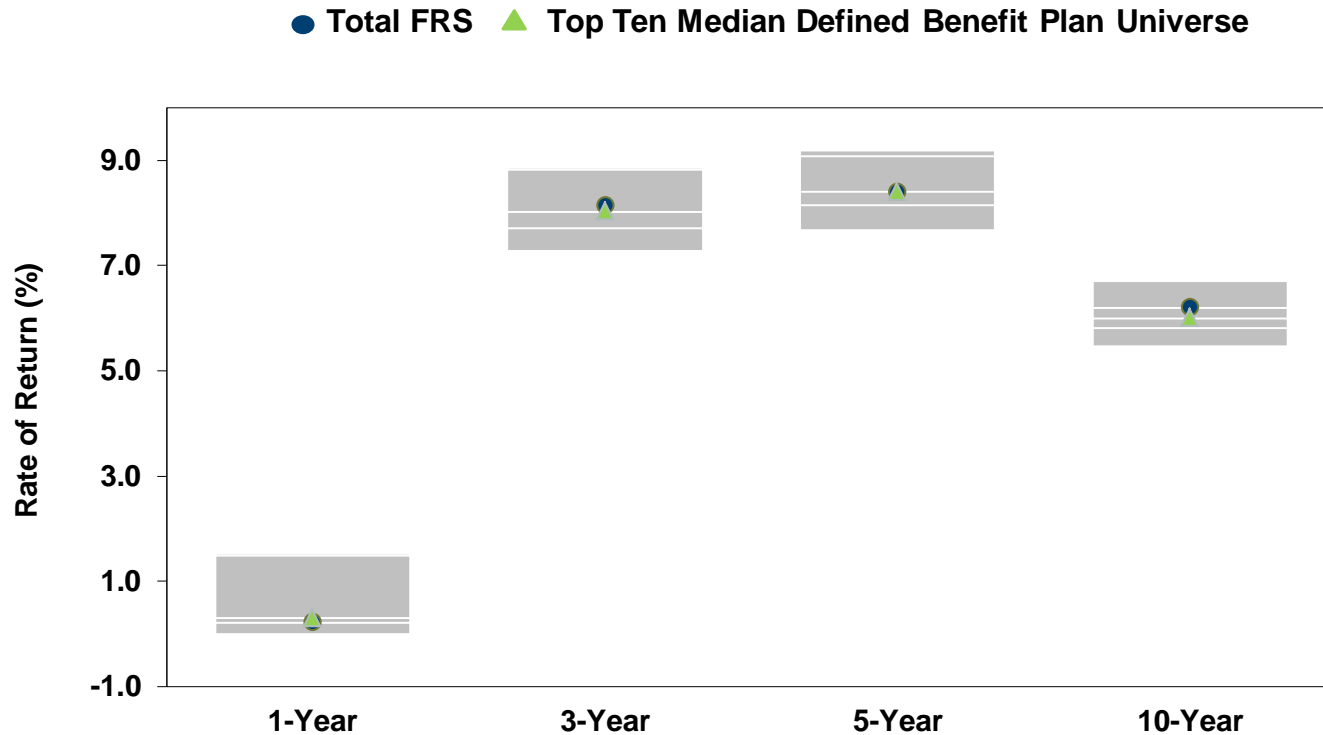
Note: The TUCS Top Ten Universe includes \$1,266.5 billion in total assets. The median fund size was \$125.3 billion and the average fund size was \$126.6 billion.

FRS Results Relative to TUCS Top Ten Defined Benefit Plans Periods Ending 9/30/2015



Note: The TUCS Top Ten Universe includes \$1,266.5 billion in total assets. The median fund size was \$125.3 billion and the average fund size was \$126.6 billion.

Top Ten Defined Benefit Plans FRS Universe Comparison (TUCS) Periods Ending 9/30/2015



FRS Percentile Ranking

75

37

50

25

Note: The TUCS Top Ten Universe includes \$1,266.5 billion in total assets. The median fund size was \$125.3 billion and the average fund size was \$126.6 billion.

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State Board of Administration of Florida Florida Retirement System

Investment Plan Review Third Quarter 2015

Executive Summary

- The FRS Investment Plan outperformed the Total Plan Aggregate Benchmark over the trailing one-, three-, five-, and ten-year periods. This suggests strong relative performance of the underlying fund options in which participants are investing.
- The FRS Investment Plan's total expense ratio is slightly higher, on average, when compared to a defined contribution peer group and is lower than the average corporate and public defined benefit plan, based on year-end 2014 data.
- Management fees are lower than the median as represented by Morningstar's mutual fund universe for every investment category.
- The FRS Investment Plan offers an appropriate number of fund options that span the risk and return spectrum.
- The Investment Policy Statement is revisited periodically to ensure that the structure and guidelines of the FRS Investment Plan are appropriate, taking into consideration the FRS Investment Plan's goals and objectives.

Total Investment Plan Returns & Cost

Periods Ending 9/30/2015*

	One-Year	Three-Year	Five-Year	Ten-Year
FRS Investment Plan	-1.8%	5.7%	6.3%	4.9%
<i>Total Plan Aggregate Benchmark**</i>	-2.1	5.3	6.0	4.5
FRS Investment Plan vs. Total Plan Aggregate Benchmark	0.3	0.4	0.3	0.4

Periods Ending 12/31/2014***

	Five-Year Average Return****	Five-Year Net Value Added	Expense Ratio
FRS Investment Plan	8.0%	-0.1%	0.37%*****
<i>Peer Group</i>	9.4	0.2	0.28
FRS Investment Plan vs. Peer Group	-1.4	-0.2	0.09

*Returns shown are net of fees.

**Aggregate benchmark returns are an average of the individual portfolio benchmark returns at their actual weights.

***Source: 2014 CEM Benchmarking Report. Peer group for the Five-Year Average Return and Value Added represents the U.S. Median plan return based on the CEM 2014 Survey that included 126 U.S. defined contribution plans with assets ranging from \$60 million to \$47.6 billion. Peer group for the Expense Ratio represents a custom peer group for FSBA of 18 DC plans including corporate and public plans with assets between \$2.1 - \$15.9 billion.

****Returns shown are gross of fees.

*****The total FRS Investment Plan expense ratio includes investment management fees, as well as administration, communication and education costs. These latter costs are not charged to FRS Investment Plan members; however, these and similar costs may be charged to members of plans within the peer group utilized above.

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State Board of Administration of Florida CAT Fund Review

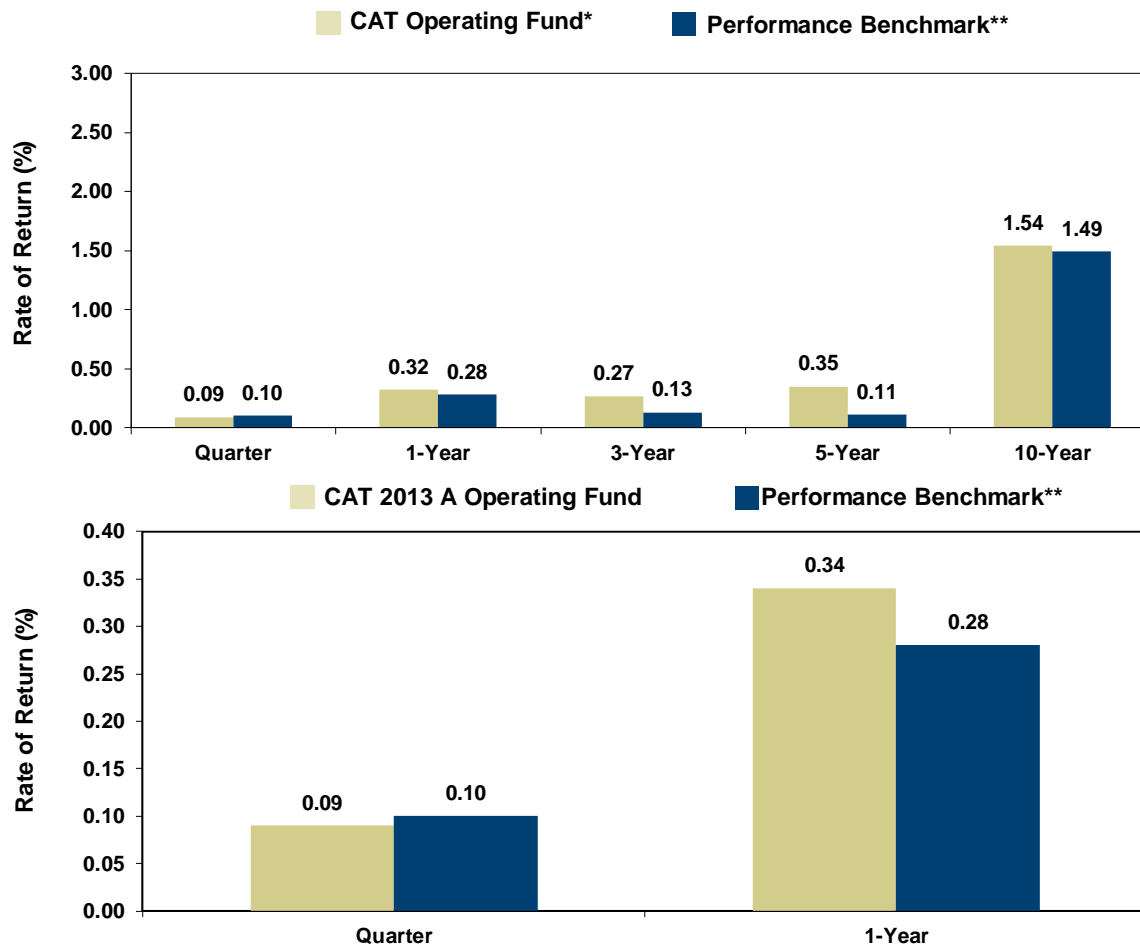
Third Quarter 2015

Executive Summary

- Performance of the CAT Funds on both an absolute and relative basis has been strong over short- and long-term time periods.
- The CAT Funds are adequately diversified across issuers within the short-term bond market.
- The Investment Policy Statement appropriately constrains the CAT Funds to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Adequate liquidity exists to address the cash flow obligations of the CAT Funds.
- The Investment Policy Statement is revisited periodically to ensure that the structure and guidelines of the CAT Funds are appropriate, taking into consideration the CAT Funds' goals and objectives.

CAT Funds Investment Results

Periods Ending 9/30/2015



*CAT Operating Fund: Beginning March 2008, the returns for the CAT Fund reflect marked-to-market returns. Prior to that time, cost-based returns are used.

**Performance Benchmark: The CAT Fund was benchmarked to the IBC First Tier through February 2008. From March 2008 to December 2009, it was the Merrill Lynch 1-Month LIBOR. From January 2010 to June 2010, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. From July 2010 to September 2014, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Net Index. Effective October 2014, it is a blend of the average of the Merrill Lynch 1-Yr US Treasury Bill Index and the iMoneyNet First Tier Institutional Money Market Funds Net Index.

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State Board of Administration of Florida Lawton Chiles Endowment Fund Review

Third Quarter 2015

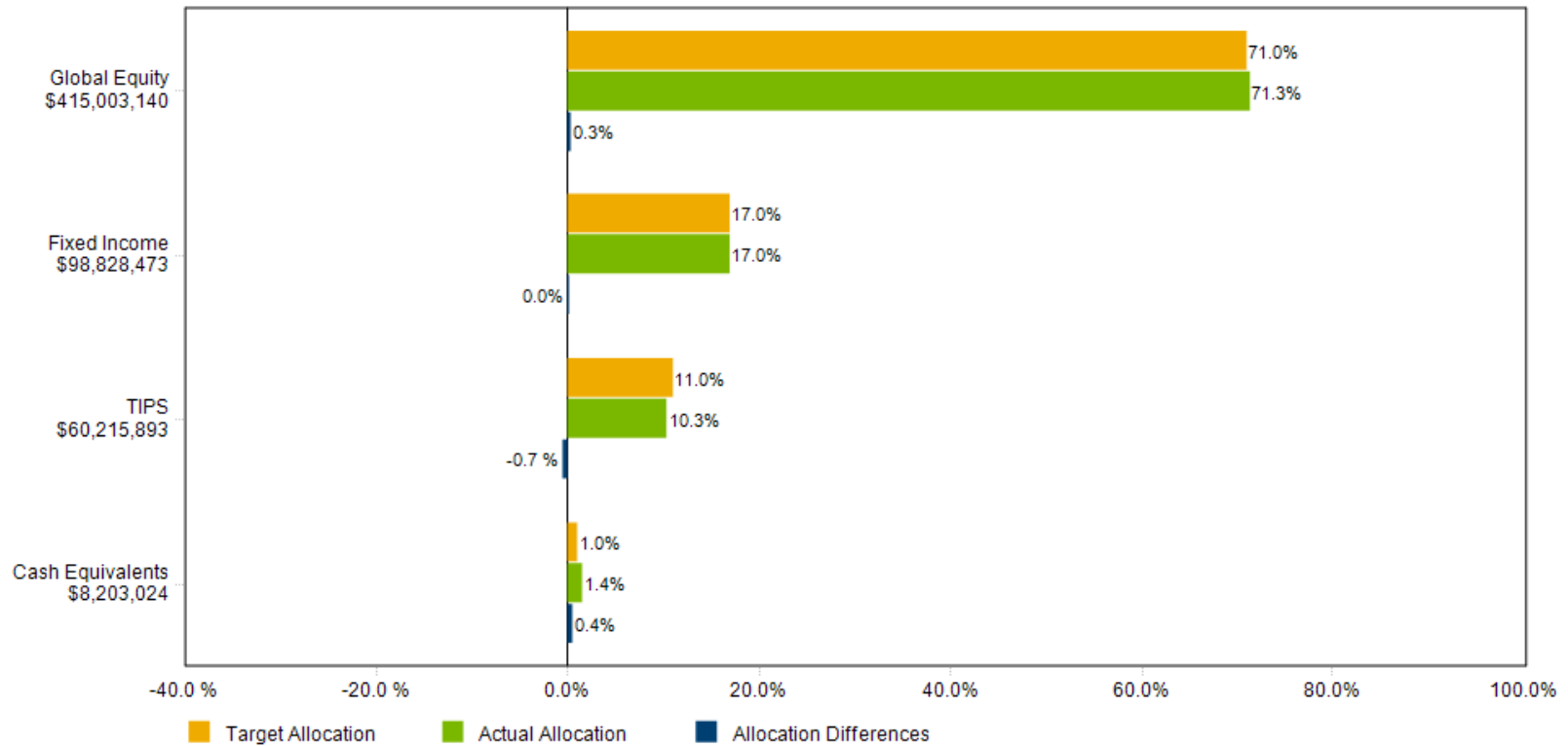
Executive Summary

- Established in July 1999, the Lawton Chiles Endowment Fund (LCEF) was created to provide a source of funding for child health and welfare programs, elder programs and research related to tobacco use.
 - The investment objective is to preserve the real value of the net contributed principal and provide annual cash flows for appropriation.
 - The Endowment's investments are diversified across various asset classes including global equity, fixed income, inflation-indexed bonds (TIPS) and cash.
- The Endowment assets totaled \$582.3 million as of September 30, 2015.
- The Endowment's return matched its Target during the third quarter, while outperforming its Target over the trailing one-, three-, five-, and ten-year time periods.

Asset Allocation as of 9/30/2015

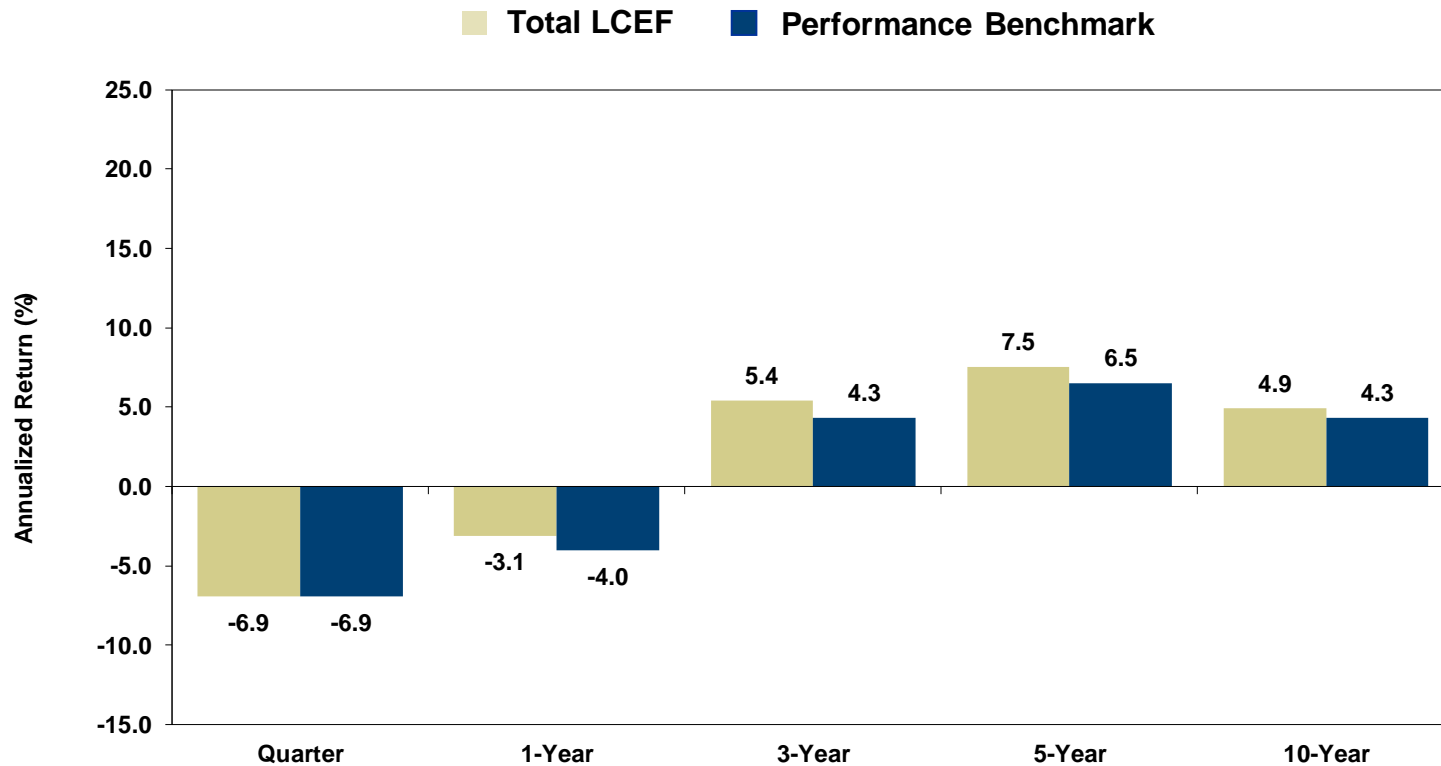
Total LCEF Assets = \$582.3 Million

	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
LCEF Total Fund	582,250,530	100.0	100.0		
Global Equity	415,003,140	71.3	71.0	61.0	81.0
Fixed Income	98,828,473	17.0	17.0	12.0	22.0
TIPS	60,215,893	10.3	11.0	6.0	16.0
Cash Equivalents	8,203,024	1.4	1.0	0.0	10.0



LCEF Investment Results

Periods Ending 9/30/2015



State Board of Administration of Florida Florida PRIME and Fund B Review

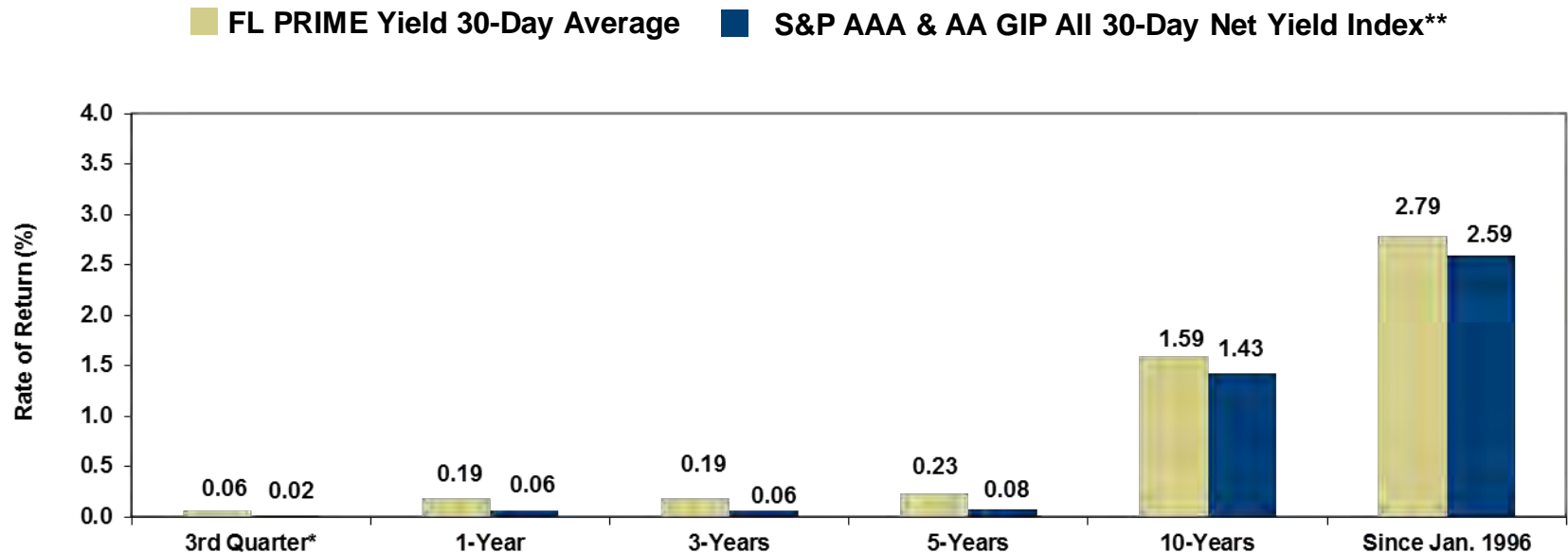
Third Quarter 2015

Executive Summary

- The purpose of Florida PRIME is safety, liquidity, and competitive returns with minimal risk for participants.
- The Investment Policy Statement appropriately constrains Florida PRIME to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Florida PRIME is adequately diversified across issuers within the short-term bond market, and adequate liquidity exists to address the cash flow obligations of Florida PRIME.
- Performance of Florida PRIME, on both an absolute and relative basis, has been strong over short- and long-term time periods.
- As of September 30, 2015, the total market value of Florida PRIME was \$6.2 billion.
- Aon Hewitt Investment Consulting, in conjunction with SBA staff, compiles an annual best practices report that includes a full review of the Investment Policy Statement, operational items, and investment structure for Florida PRIME.

Florida PRIME Investment Results

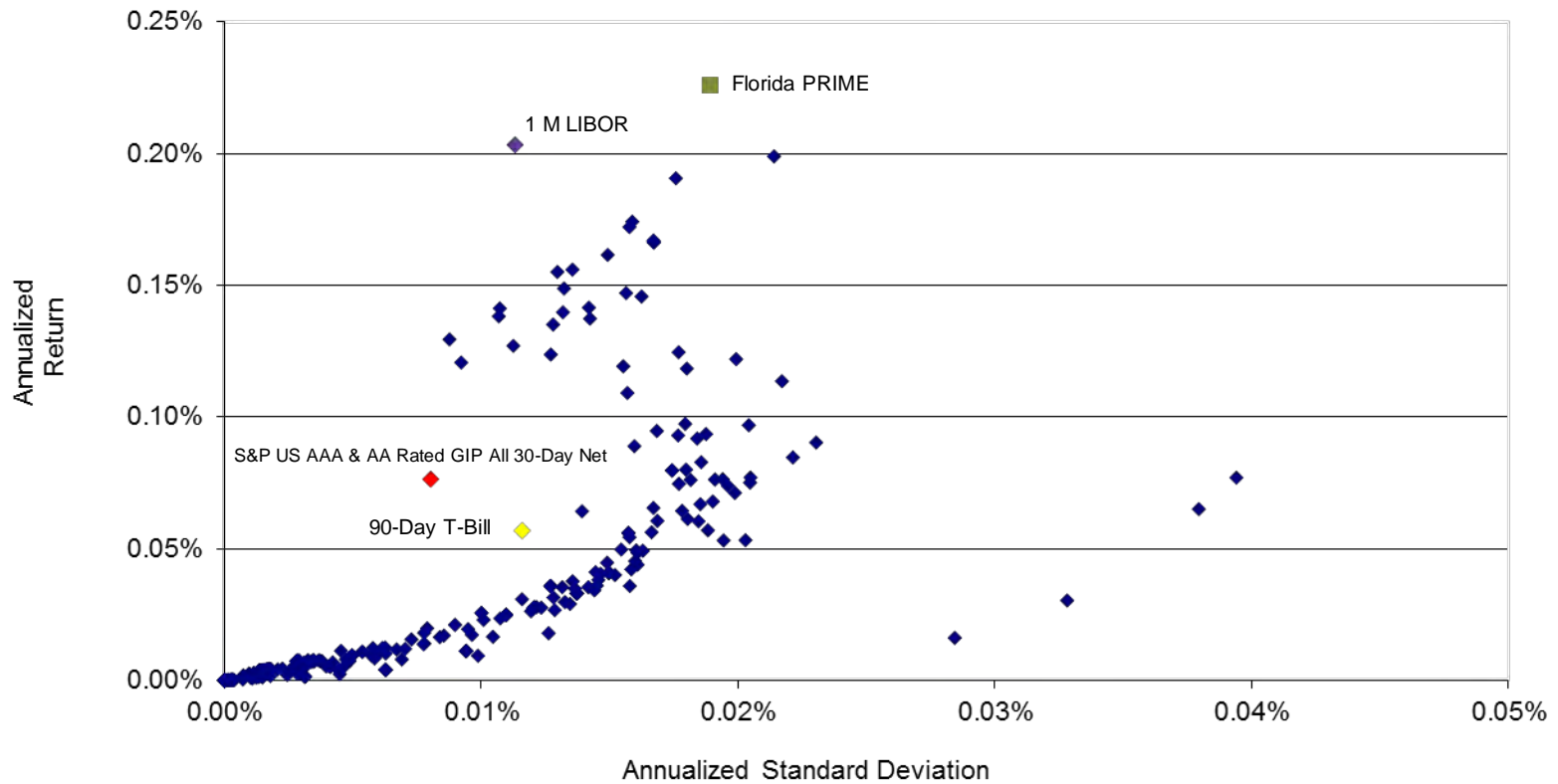
Periods Ending 9/30/2015



*Returns less than one year are not annualized.

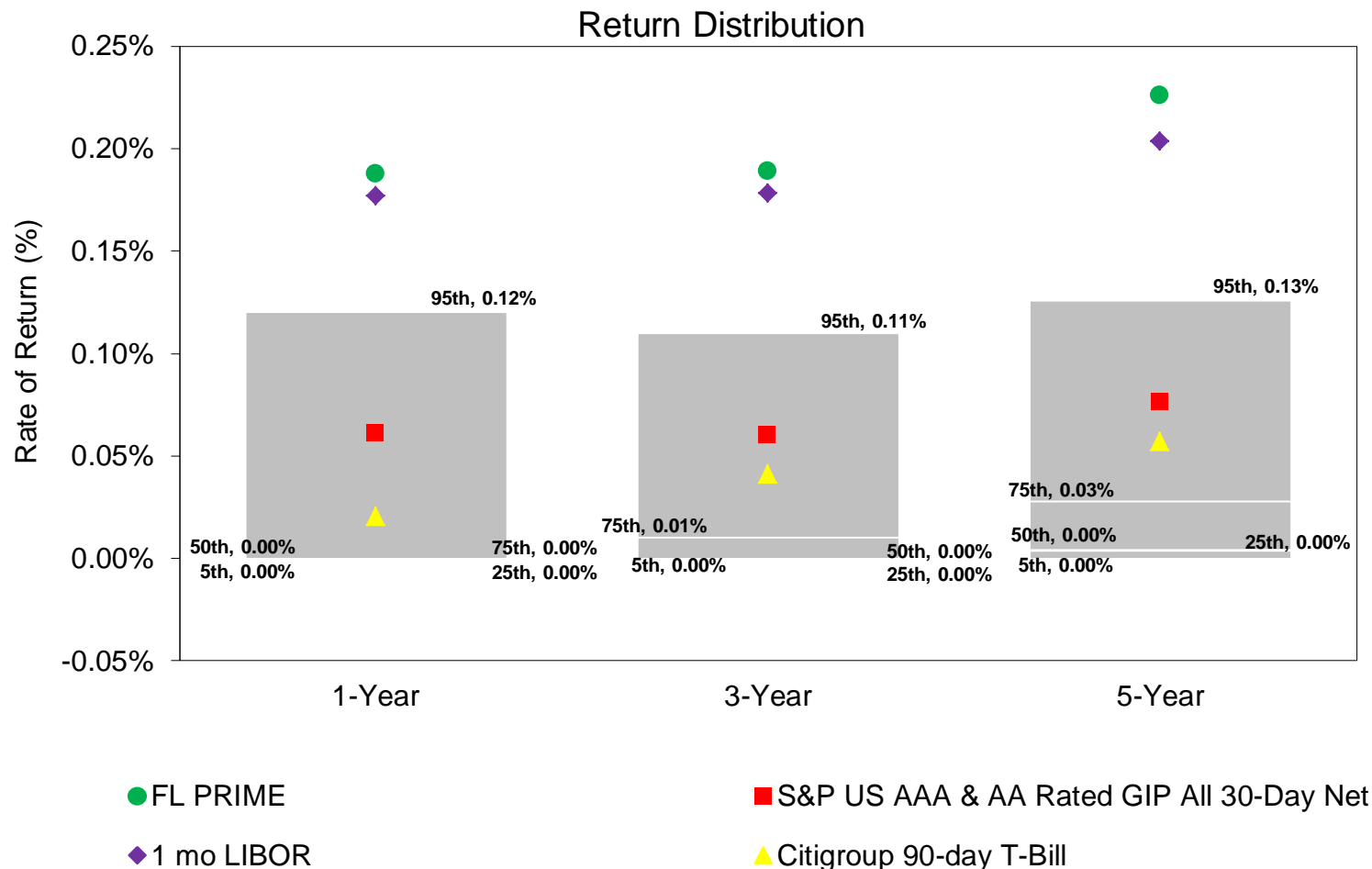
**S&P AAA & AA GIP All 30-Day Net Yield Index for all time periods shown.

Florida PRIME Risk vs. Return 5 Years Ending 9/30/2015



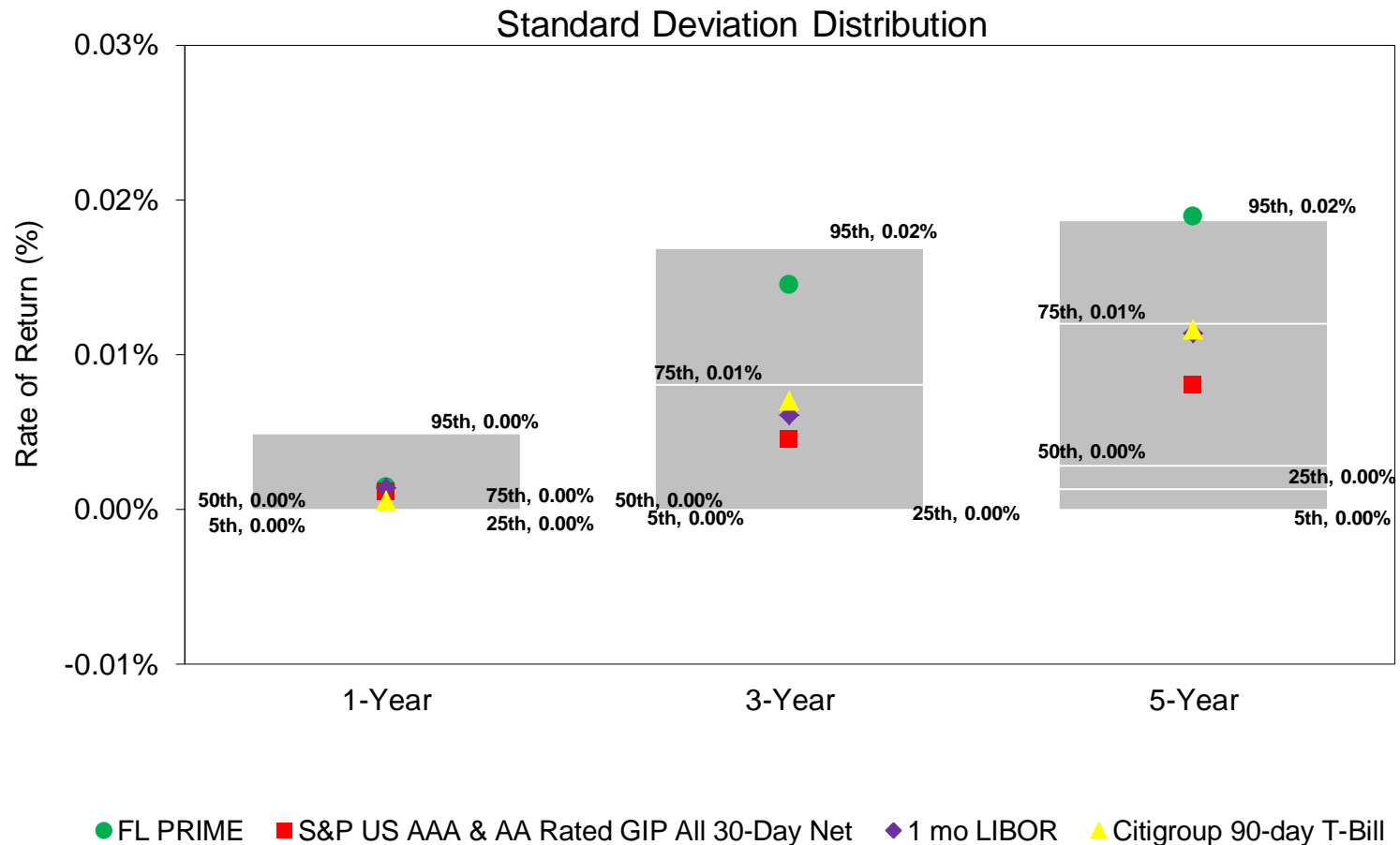
Return Distribution

Periods Ending 9/30/2015



Standard Deviation Distribution

Periods Ending 9/30/2015



Appendix

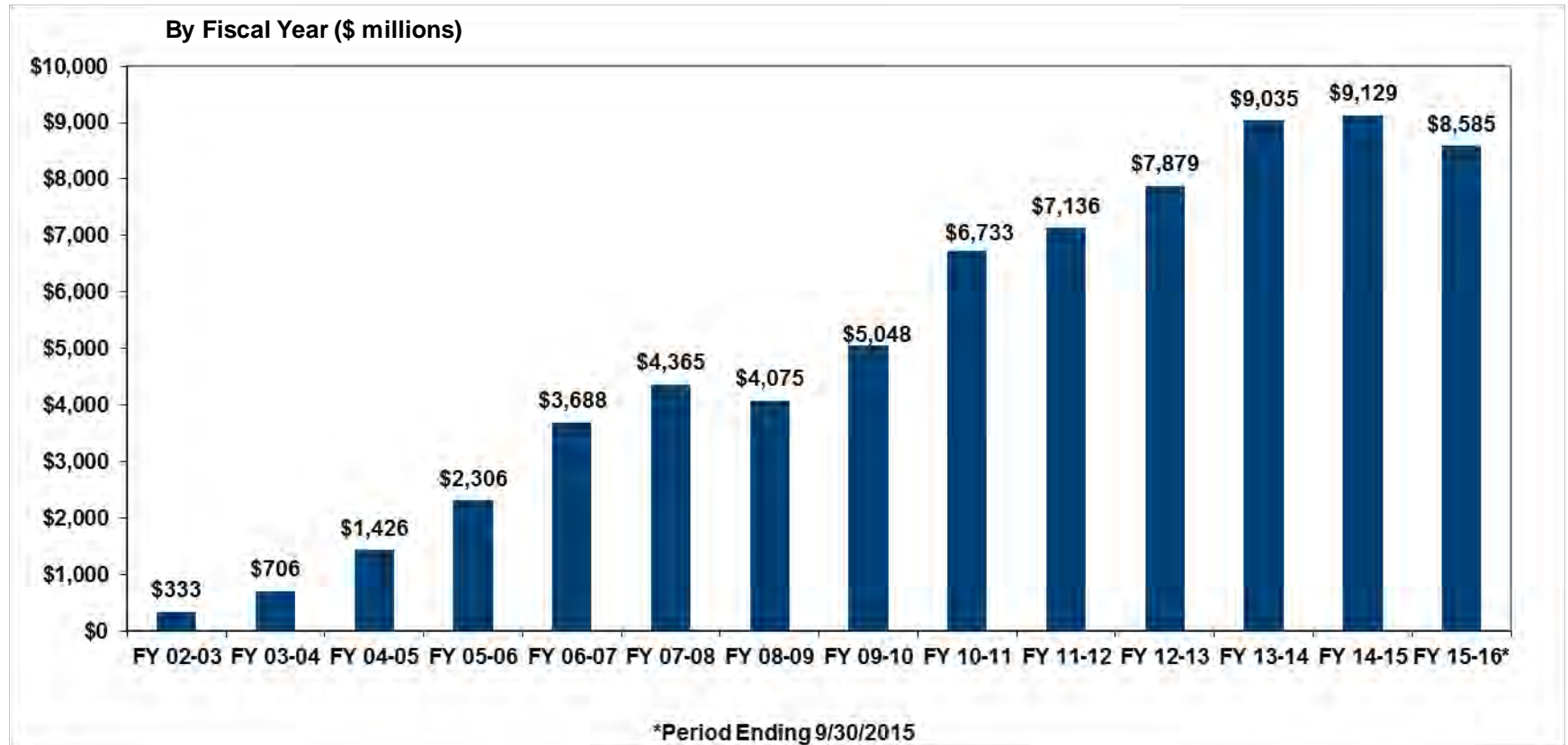
FRS Investment Plan Costs

Investment Category	Investment Plan Fee*	Average Mutual Fund Fee**
Large Cap Equity	0.21%	0.86%
Small-Mid Cap Equity	0.63%	1.07%
International Equity	0.33%	1.04%
Diversified Bonds	0.16%	0.64%
Target Date	0.12%	0.65%
Money Market	0.06%	0.12%

*Average fee of multiple products in category as of 9/30/2015.

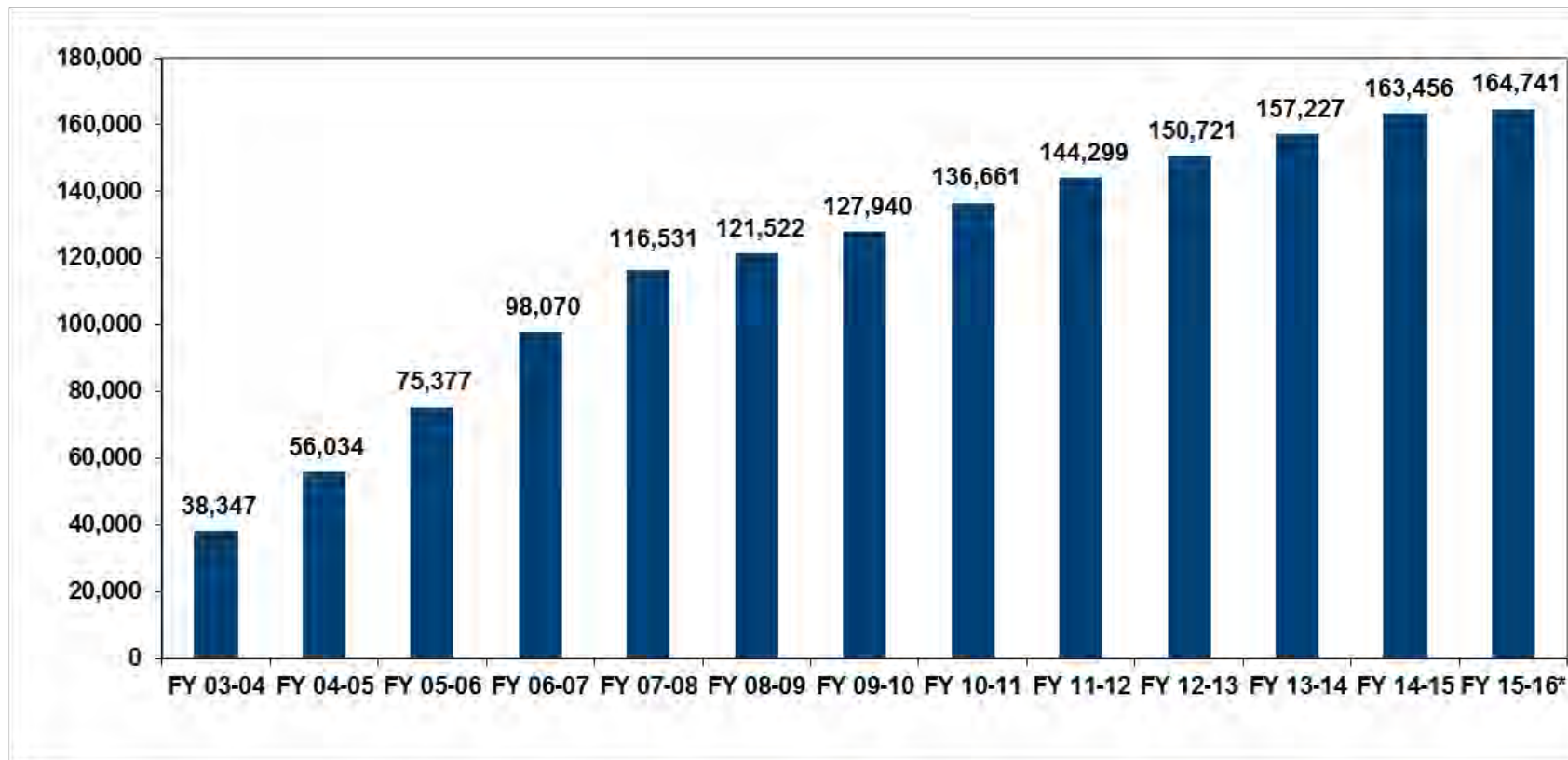
**Source: AHIC's annual mutual fund expense analysis as of 12/31/2014.

Investment Plan Fiscal Year End Assets Under Management



Source: Investment Plan Administrator

Investment Plan Membership



*Period Ending 9/30/2015

Source: Investment Plan Administrator

Florida Hurricane Catastrophe Fund Background

- The purpose of the Florida Hurricane Catastrophe Fund (FHCF) is to provide a stable, ongoing and timely source of reimbursement to insurers for a portion of their hurricane losses.
- Both the CAT Fund (Operating Fund) and the CAT 2013 A Fund are internally managed portfolios benchmarked to a blend of the average of the Merrill Lynch 1-Yr US Treasury Bill Index and the iMoneyNet First Tier Institutional Money Market Funds Net Index.
- As of September 30, 2015, the total value of all FHCF accounts was \$14.0 billion.

CAT Operating Fund Characteristics

Period Ending 9/30/2015

Effective Maturity Schedule	
O/N* - 14 Days	5.2%
15 - 30 Days	16.7
31 - 60 Days	5.3
61 - 90 Days	2.8
91 - 120 Days	2.6
121 - 150 Days	2.6
151 - 180 Days	0.4
181 - 210 Days	2.2
211 - 240 Days	3.3
241 - 270 Days	1.2
271 - 300 Days	1.9
301 - 365 Days	12.3
366 - 732 Days	18.2
733 - 1,098 Days	23.7
1,099 - 1,875 Days	1.5
Total % of Portfolio:	100.0%

S & P Credit Quality Composition	
AAA	46.3%
AA	24.7
A	29.0
Total % of Portfolio:	100.0%

*O/N stands for overnight.

CAT 2013 A Fund Characteristics

Period Ending 9/30/2015

Effective Maturity Schedule	
O/N* - 14 Days	6.1%
15 - 30 Days	8.8
31 - 60 Days	6.6
61 - 90 Days	8.5
91 - 120 Days	4.1
121 - 150 Days	1.8
151 - 180 Days	3.4
181 - 210 Days	1.2
211 - 240 Days	2.5
241 - 270 Days	4.9
271 - 300 Days	0.6
301 - 365 Days	8.1
366 - 732 Days	25.3
733 - 1,098 Days	15.2
1,099 - 1,875 Days	2.8
Total % of Portfolio:	100.0%

S & P Credit Quality Composition	
AAA	67.4%
AA	12.2
A	20.5
Total % of Portfolio:	100.0%

*O/N stands for overnight.

Florida PRIME Characteristics

Quarter Ending 9/30/2015

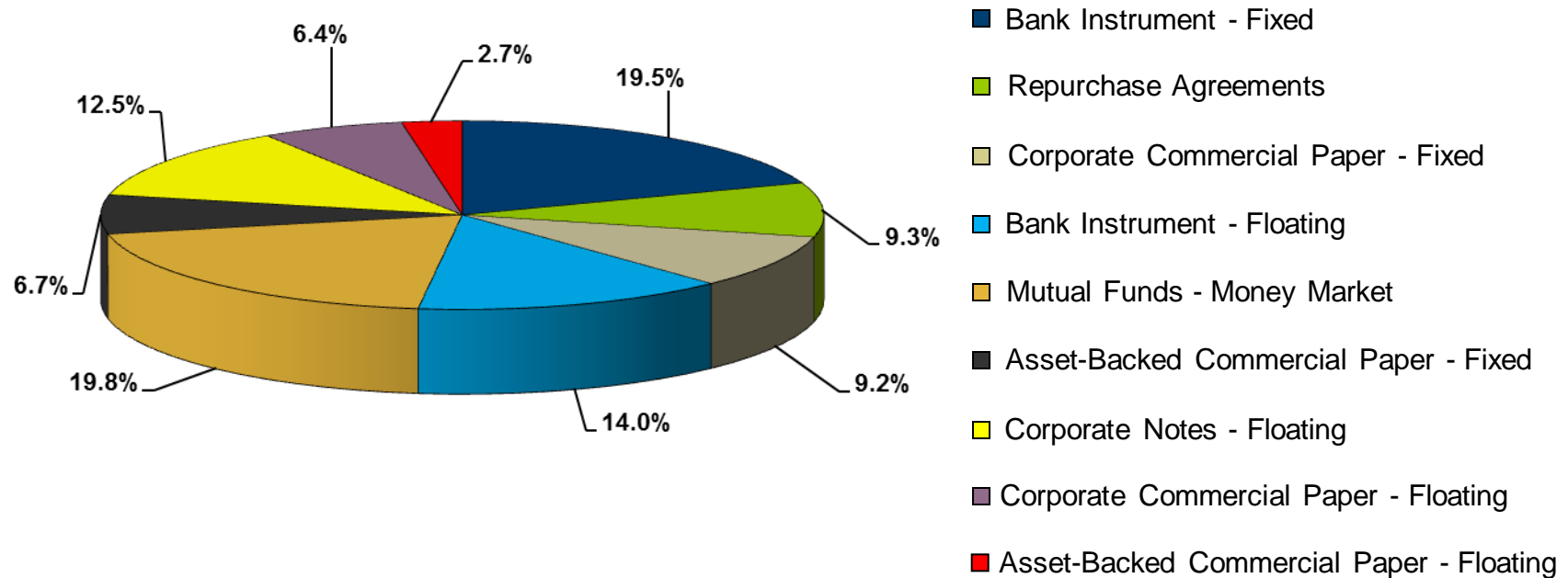
Cash Flows as of 9/30/2015	Third Quarter	Fiscal YTD*
Opening Balance	\$7,003,224,923	\$7,003,224,923
Participant Deposits	\$2,529,365,041	\$2,529,365,041
Transfers from Fund B	\$0	\$0
Gross Earnings	\$4,366,830	\$4,366,830
Participant Withdrawals	(\$3,351,015,695)	(\$3,351,015,695)
Fees	(\$287,170)	(\$287,170)
Closing Balance (9/30/2015)	\$6,185,653,928	\$6,185,653,928
Change	(\$817,570,995)	(\$817,570,995)

*Period July 2015 – September 2015

Florida PRIME Characteristics

Quarter Ending 9/30/2015

Portfolio Composition



Florida PRIME Characteristics

Period Ending 9/30/2015

Effective Maturity Schedule	
1-7 Days	47.8%
8-30 Days	27.2%
31-90 Days	16.5%
91-180 Days	6.5%
181+ Days	2.0%
Total % of Portfolio:	100.0%

S & P Credit Quality Composition	
A-1+	66.5%
A-1	33.5%
Total % of Portfolio:	100.0%



State Board of Administration of Florida

Major Mandate Review Third Quarter 2015

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1. Executive Summary
2. Pension Plan Review
3. Investment Plan Review
4. CAT Fund Review
5. Lawton Chiles Endowment Fund Review
6. Florida PRIME and Fund B Review
7. Appendix

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Executive Summary

Third Quarter 2015

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Executive Summary

- The major mandates outperformed their respective benchmarks over all longer time periods through September 30, 2015.
- The Pension Plan outperformed its Performance Benchmark during the third quarter and over the trailing one-, three-, five-, ten-, and fifteen-year time periods.
 - Global Equity has been a consistent source of value added over all trailing time periods. Fixed Income, Real Estate, Private Equity and Strategic Investments have also added value over the trailing three- and five-year periods.
- Over the trailing three-, five-, and ten-year periods, the Pension Plan's return ranked in the top half of the TUCS Top Ten Defined Benefit Plan universe.
- The FRS Investment Plan modestly trailed the Total Plan Aggregate Benchmark during the third quarter, yet has outperformed over all long-term periods including the trailing one-, three-, five-, and ten-year periods.
- The Lawton Chiles Endowment Fund matched its benchmark during the third quarter and outperformed its benchmark over the one-, three-, five-, and ten-year periods, primarily due to strong global equity performance.
- The CAT Funds and Florida PRIME continued to outperform their respective benchmarks over both short and long time periods.

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State Board of Administration of Florida Florida Retirement System

Pension Plan Review Third Quarter 2015

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Executive Summary

- The Pension Plan assets totaled \$139.2 billion as of September 30, 2015 which represents a \$8.7 billion decrease since last quarter.
- The Pension Plan, when measured against the Performance Benchmark, outperformed during the third quarter and over the trailing one-, three-, five-, ten-, and fifteen-year periods.
- Relative to the Absolute Nominal Target Rate of Return, the Pension Plan underperformed over the one-, ten-, and fifteen-year periods, but has outperformed over the trailing three-, five-, twenty-, twenty five, and thirty-year time periods.
- The Pension Plan is well-diversified across six broad asset classes, and each asset class is also well-diversified.
 - Public market asset class investments do not significantly deviate from their broad market-based benchmarks, e.g., sectors, market capitalizations, global regions, credit quality, duration, and security types.
 - Private market asset classes are well-diversified by vintage year, geography, property type, sectors, investment vehicle/asset type, and investment strategy.
 - Asset allocation is monitored on a daily basis to ensure that the actual asset allocation of the Pension Plan remains close to the long-term policy targets set forth in the Investment Policy Statement.
- Aon Hewitt Investment Consulting and SBA staff revisit the plan design annually through informal and formal asset allocation and asset liability reviews.
- Adequate liquidity exists within the asset allocation to pay the monthly obligations of the Pension Plan consistently and on a timely basis.

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FRS Pension Plan Change in Market Value Periods Ending 9/30/2015

Summary of Cash Flows		
	Third Quarter	Fiscal YTD*
Beginning Market Value	\$147,972,946,329	\$147,972,946,329
+/- Net Contributions/(Withdrawals)	(\$1,975,855,955)	(\$1,975,855,955)
Investment Earnings	(\$6,765,918,430)	(\$6,765,918,430)
= Ending Market Value	\$139,231,171,944	\$139,231,171,944
Net Change	(\$8,741,774,385)	(\$8,741,774,385)

*Period July 2015 – September 2015

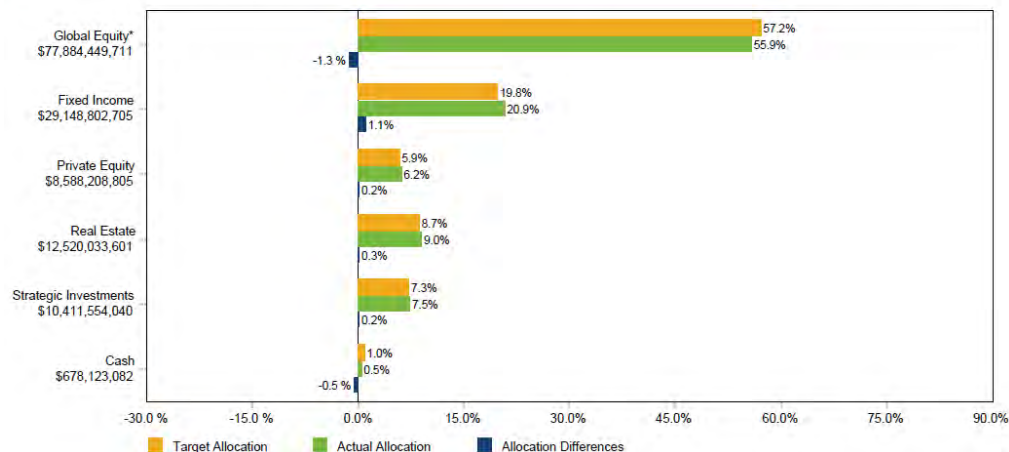
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Asset Allocation as of 9/30/2015 Total Fund Assets = \$139.2 Billion

	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	139,231,171,944	100.0	100.0		
Global Equity*	77,884,449,711	55.9	57.2	45.0	70.0
Fixed Income	29,148,802,705	20.9	19.8	10.0	26.0
Private Equity	8,588,208,805	6.2	5.9	4.0	16.0
Real Estate	12,520,033,601	9.0	8.7	2.0	9.0
Strategic Investments	10,411,554,040	7.5	7.3	0.0	16.0
Cash	678,123,082	0.5	1.0	0.3	5.0



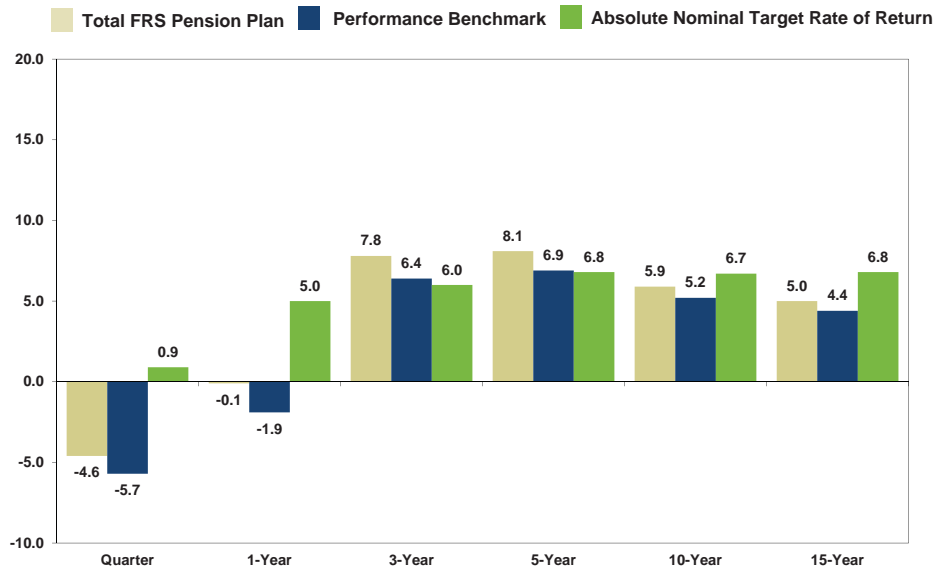
* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

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FRS Pension Plan Investment Results Periods Ending 9/30/2015



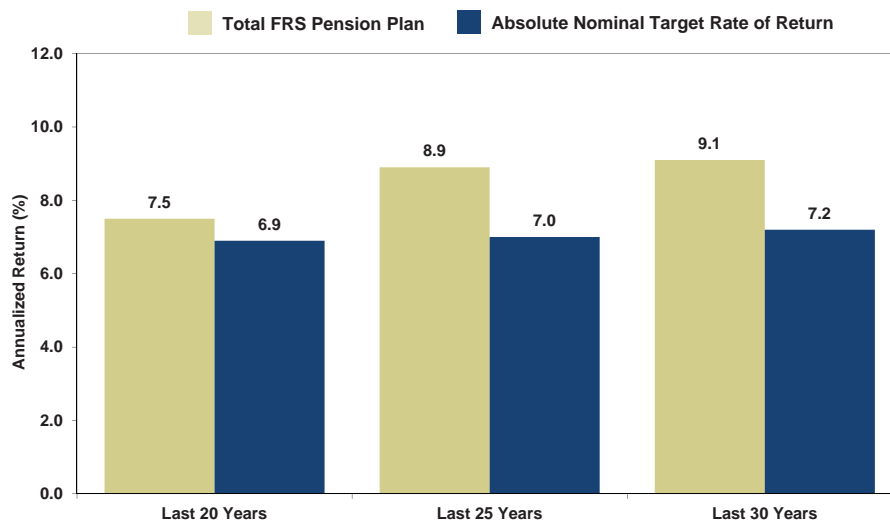
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FRS Pension Plan Investment Results Periods Ending 9/30/2015

Long-Term FRS Pension Plan Performance Results vs. SBA's Long-Term Investment Objective



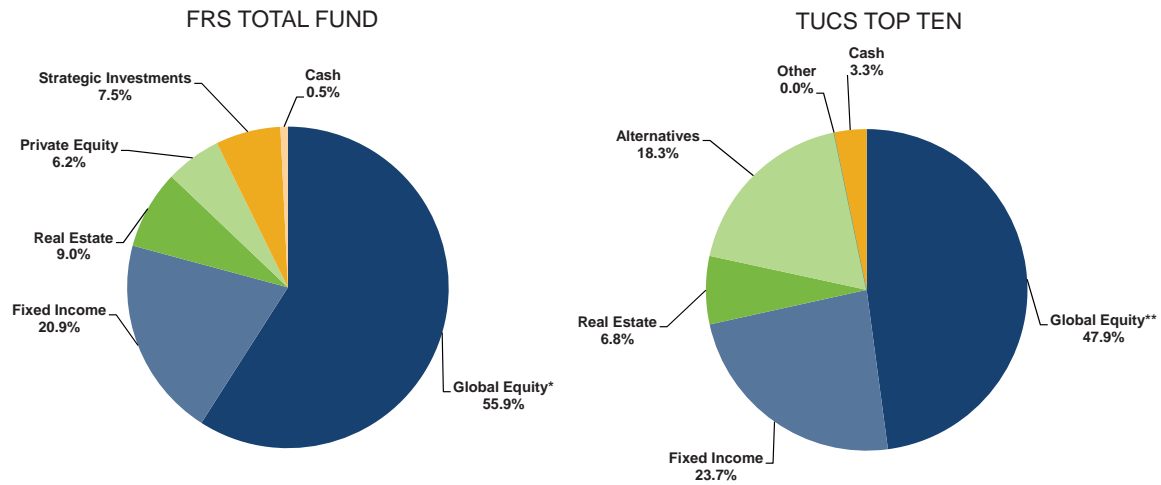
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Comparison of Asset Allocation (TUCS Top Ten) As of 9/30/2015

FRS Pension Plan vs. Top Ten Defined Benefit Plans



*Global Equity Allocation: 26.8% Domestic Equities; 24.2% Foreign Equities; 4.5% Global Equities; 0.4% Global Equity Liquidity Account. Percentages are of the Total FRS Fund.

**Global Equity Allocation: 30.4% Domestic Equities; 17.5% Foreign Equities.

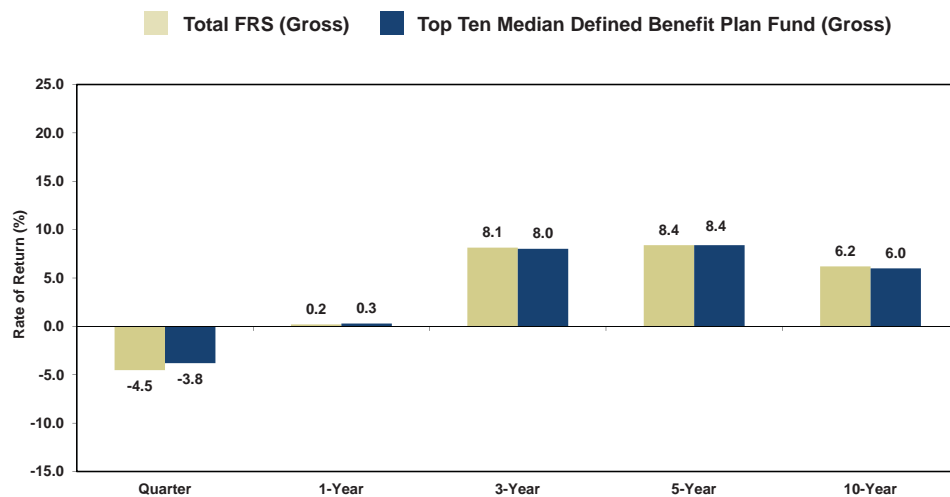
Note: The TUCS Top Ten Universe includes \$1,266.5 billion in total assets. The median fund size was \$125.3 billion and the average fund size was \$126.6 billion.

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FRS Results Relative to TUCS Top Ten Defined Benefit Plans Periods Ending 9/30/2015



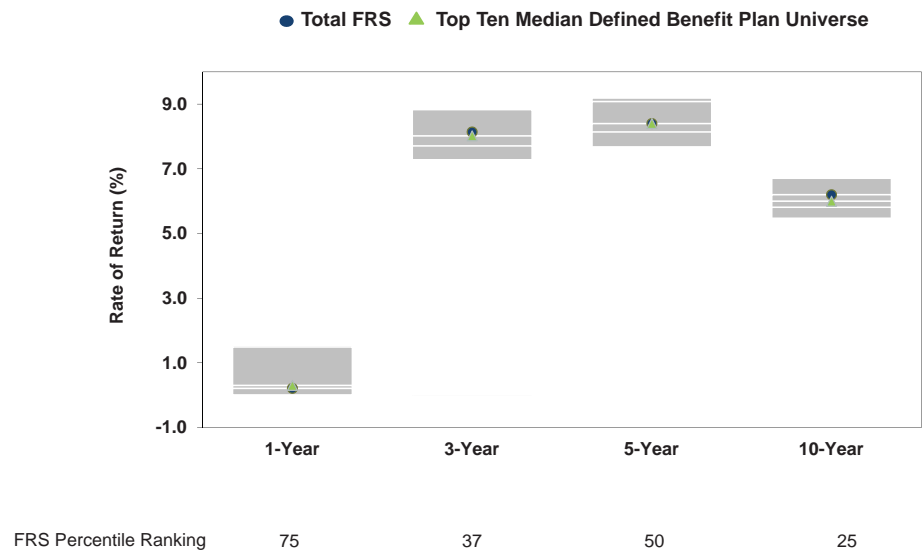
Note: The TUCS Top Ten Universe includes \$1,266.5 billion in total assets. The median fund size was \$125.3 billion and the average fund size was \$126.6 billion.

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Top Ten Defined Benefit Plans FRS Universe Comparison (TUCS) Periods Ending 9/30/2015



Note: The TUCS Top Ten Universe includes \$1,266.5 billion in total assets. The median fund size was \$125.3 billion and the average fund size was \$126.6 billion.

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Investment Plan Review Third Quarter 2015

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Executive Summary

- The FRS Investment Plan outperformed the Total Plan Aggregate Benchmark over the trailing one-, three-, five-, and ten-year periods. This suggests strong relative performance of the underlying fund options in which participants are investing.
- The FRS Investment Plan's total expense ratio is slightly higher, on average, when compared to a defined contribution peer group and is lower than the average corporate and public defined benefit plan, based on year-end 2014 data.
- Management fees are lower than the median as represented by Morningstar's mutual fund universe for every investment category.
- The FRS Investment Plan offers an appropriate number of fund options that span the risk and return spectrum.
- The Investment Policy Statement is revisited periodically to ensure that the structure and guidelines of the FRS Investment Plan are appropriate, taking into consideration the FRS Investment Plan's goals and objectives.



Total Investment Plan Returns & Cost

Periods Ending 9/30/2015*

	One-Year	Three-Year	Five-Year	Ten-Year
FRS Investment Plan	-1.8%	5.7%	6.3%	4.9%
<i>Total Plan Aggregate Benchmark**</i>	-2.1	5.3	6.0	4.5
FRS Investment Plan vs. Total Plan Aggregate Benchmark	0.3	0.4	0.3	0.4

Periods Ending 12/31/2014***

	Five-Year Average Return****	Five-Year Net Value Added	Expense Ratio
FRS Investment Plan	8.0%	-0.1%	0.37%*****
<i>Peer Group</i>	9.4	0.2	0.28
FRS Investment Plan vs. Peer Group	-1.4	-0.2	0.09

*Returns shown are net of fees.

**Aggregate benchmark returns are an average of the individual portfolio benchmark returns at their actual weights.

***Source: 2014 CEM Benchmarking Report. Peer group for the Five-Year Average Return and Value Added represents the U.S. Median plan return based on the CEM 2014 Survey that included 126 U.S. defined contribution plans with assets ranging from \$60 million to \$47.6 billion. Peer group for the Expense Ratio represents a custom peer group for FSBA of 18 DC plans including corporate and public plans with assets between \$2.1 - \$15.9 billion.

****Returns shown are gross of fees.

*****The total FRS Investment Plan expense ratio includes investment management fees, as well as administration, communication and education costs. These latter costs are not charged to FRS Investment Plan members; however, these and similar costs may be charged to members of plans within the peer group utilized above.

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State Board of Administration of Florida CAT Fund Review

Third Quarter 2015

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Executive Summary

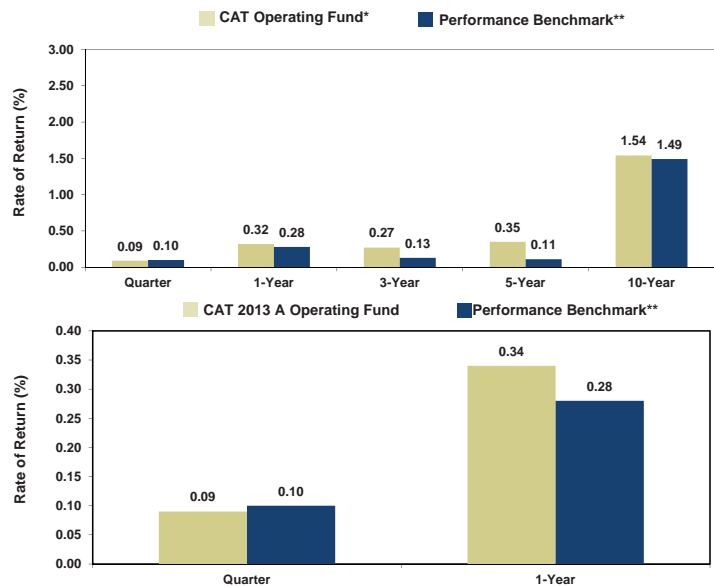
- Performance of the CAT Funds on both an absolute and relative basis has been strong over short- and long-term time periods.
- The CAT Funds are adequately diversified across issuers within the short-term bond market.
- The Investment Policy Statement appropriately constrains the CAT Funds to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Adequate liquidity exists to address the cash flow obligations of the CAT Funds.
- The Investment Policy Statement is revisited periodically to ensure that the structure and guidelines of the CAT Funds are appropriate, taking into consideration the CAT Funds' goals and objectives.

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CAT Funds Investment Results

Periods Ending 9/30/2015



*CAT Operating Fund: Beginning March 2008, the returns for the CAT Fund reflect marked-to-market returns. Prior to that time, cost-based returns are used.
 **Performance Benchmark: The CAT Fund was benchmarked to the IBC First Tier through February 2008. From March 2008 to December 2009, it was the Merrill Lynch 1-Month LIBOR. From January 2010 to June 2010, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. From July 2010 to September 2014, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Net Index. Effective October 2014, it is a blend of the average of the Merrill Lynch 1-Yr US Treasury Bill Index and the iMoneyNet First Tier Institutional Money Market Funds Net Index.

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State Board of Administration of Florida Lawton Chiles Endowment Fund Review

Third Quarter 2015

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Executive Summary

- Established in July 1999, the Lawton Chiles Endowment Fund (LCEF) was created to provide a source of funding for child health and welfare programs, elder programs and research related to tobacco use.
 - The investment objective is to preserve the real value of the net contributed principal and provide annual cash flows for appropriation.
 - The Endowment's investments are diversified across various asset classes including global equity, fixed income, inflation-indexed bonds (TIPS) and cash.
- The Endowment assets totaled \$582.3 million as of September 30, 2015.
- The Endowment's return matched its Target during the third quarter, while outperforming its Target over the trailing one-, three-, five-, and ten-year time periods.

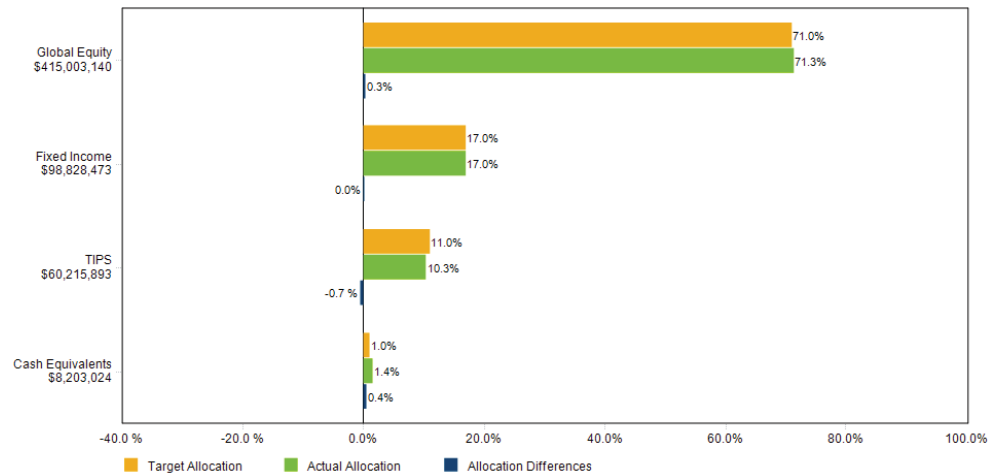
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Asset Allocation as of 9/30/2015

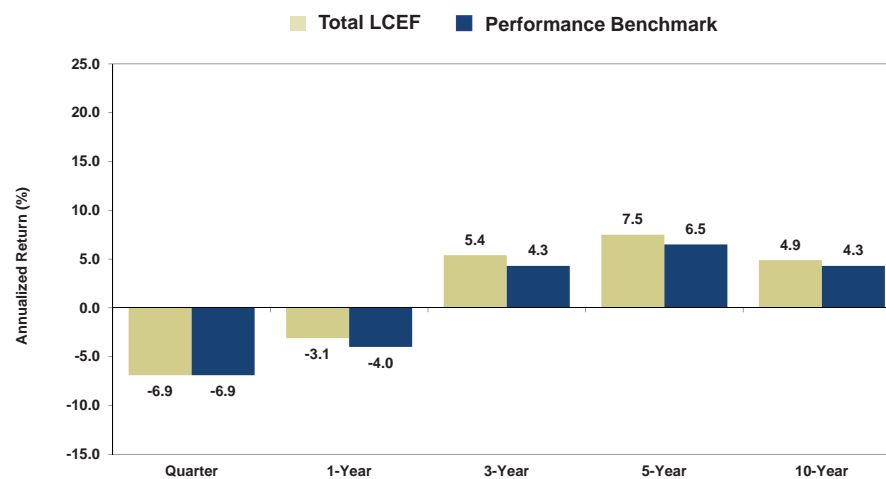
Total LCEF Assets = \$582.3 Million

	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
LCEF Total Fund	582,250,530	100.0	100.0		
Global Equity	415,003,140	71.3	71.0	61.0	81.0
Fixed Income	98,828,473	17.0	17.0	12.0	22.0
TIPS	60,215,893	10.3	11.0	6.0	16.0
Cash Equivalents	8,203,024	1.4	1.0	0.0	10.0



LCEF Investment Results

Periods Ending 9/30/2015



State Board of Administration of Florida Florida PRIME and Fund B Review

Third Quarter 2015

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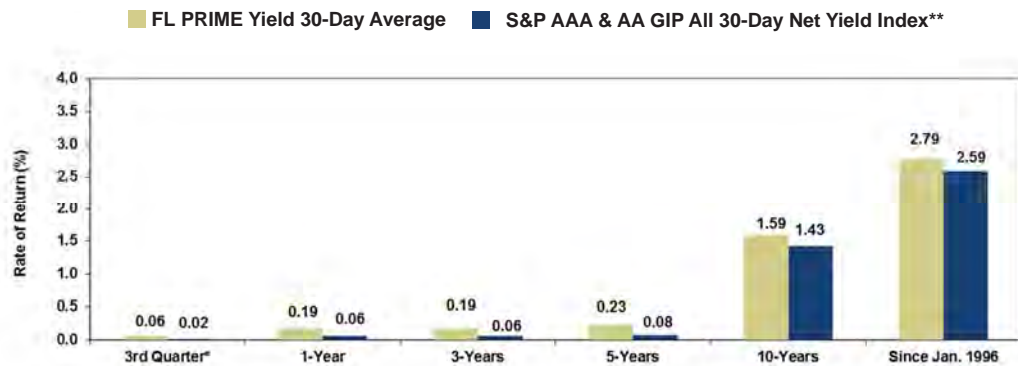
Executive Summary

- The purpose of Florida PRIME is safety, liquidity, and competitive returns with minimal risk for participants.
- The Investment Policy Statement appropriately constrains Florida PRIME to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Florida PRIME is adequately diversified across issuers within the short-term bond market, and adequate liquidity exists to address the cash flow obligations of Florida PRIME.
- Performance of Florida PRIME, on both an absolute and relative basis, has been strong over short- and long-term time periods.
- As of September 30, 2015, the total market value of Florida PRIME was \$6.2 billion.
- Aon Hewitt Investment Consulting, in conjunction with SBA staff, compiles an annual best practices report that includes a full review of the Investment Policy Statement, operational items, and investment structure for Florida PRIME.

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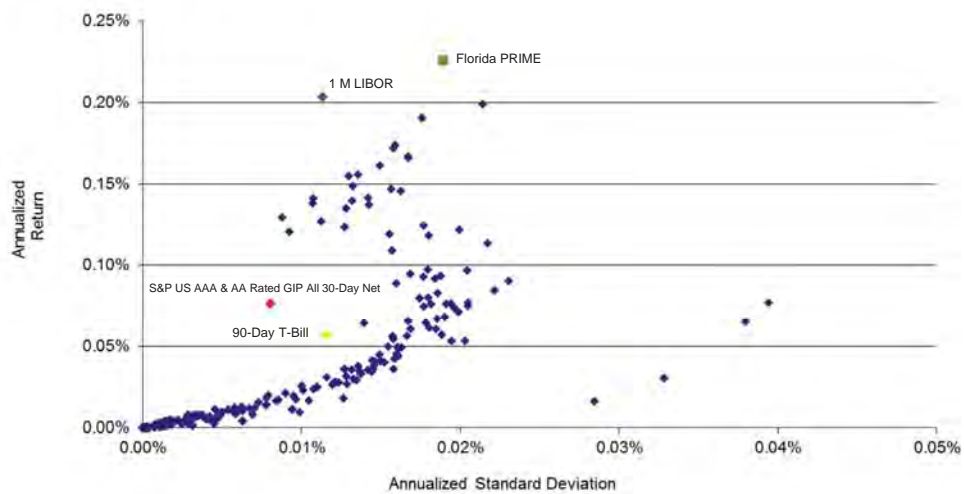
Florida PRIME Investment Results Periods Ending 9/30/2015



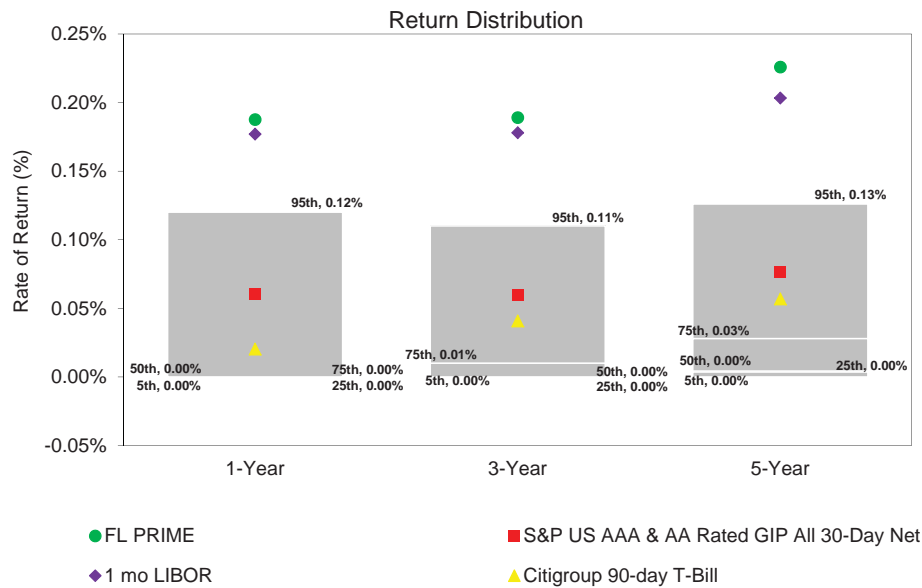
*Returns less than one year are not annualized.

**S&P AAA & AA GIP All 30-Day Net Yield Index for all time periods shown.

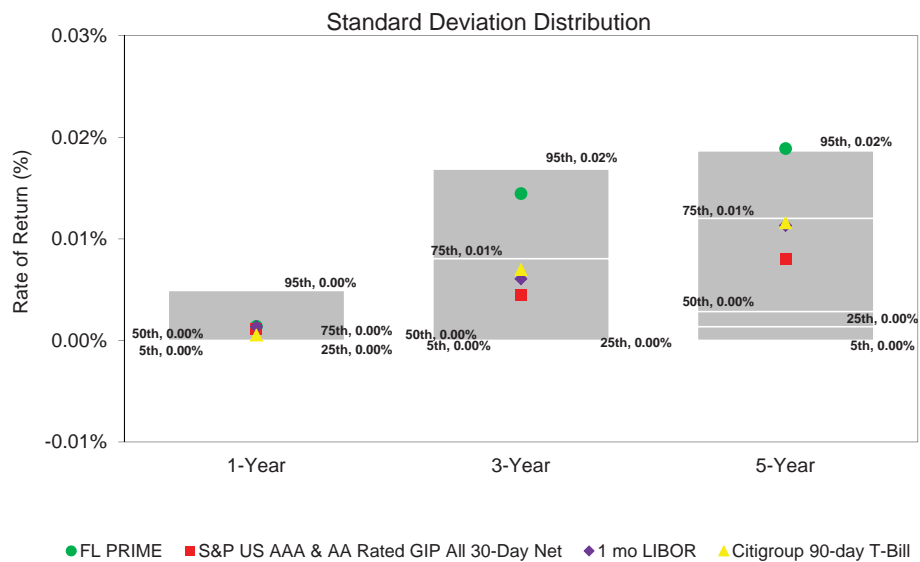
Florida PRIME Risk vs. Return 5 Years Ending 9/30/2015



Return Distribution Periods Ending 9/30/2015



Standard Deviation Distribution Periods Ending 9/30/2015



Appendix

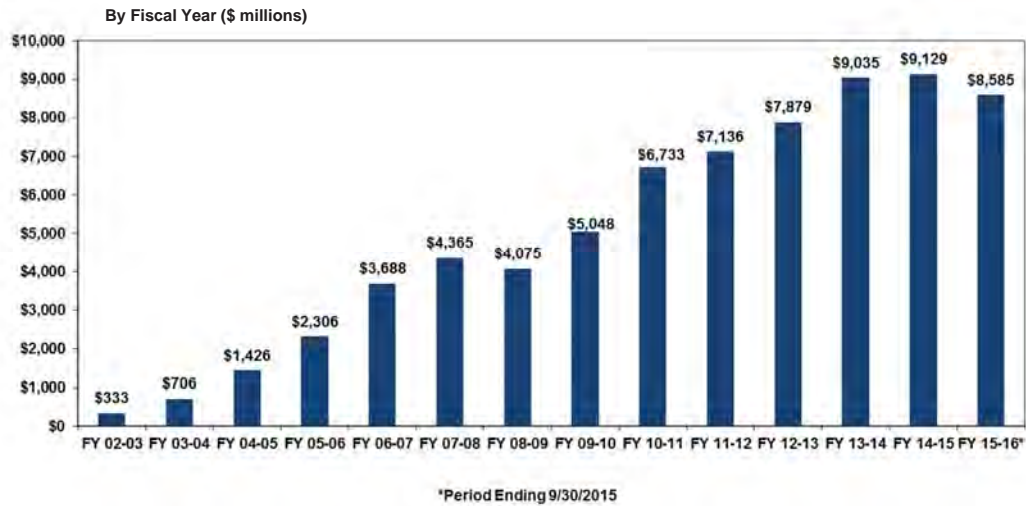
FRS Investment Plan Costs

Investment Category	Investment Plan Fee*	Average Mutual Fund Fee**
Large Cap Equity	0.21%	0.86%
Small-Mid Cap Equity	0.63%	1.07%
International Equity	0.33%	1.04%
Diversified Bonds	0.16%	0.64%
Target Date	0.12%	0.65%
Money Market	0.06%	0.12%

*Average fee of multiple products in category as of 9/30/2015.

**Source: AHIC's annual mutual fund expense analysis as of 12/31/2014.

Investment Plan Fiscal Year End Assets Under Management



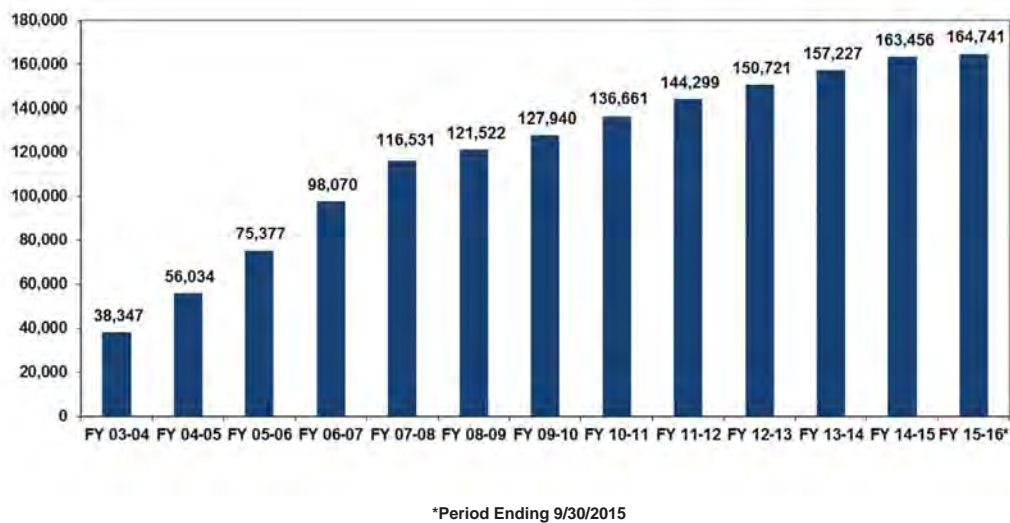
Source: Investment Plan Administrator

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Investment Plan Membership



Source: Investment Plan Administrator

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Florida Hurricane Catastrophe Fund Background

- The purpose of the Florida Hurricane Catastrophe Fund (FHCF) is to provide a stable, ongoing and timely source of reimbursement to insurers for a portion of their hurricane losses.
- Both the CAT Fund (Operating Fund) and the CAT 2013 A Fund are internally managed portfolios benchmarked to a blend of the average of the Merrill Lynch 1-Yr US Treasury Bill Index and the iMoneyNet First Tier Institutional Money Market Funds Net Index.
- As of September 30, 2015, the total value of all FHCF accounts was \$14.0 billion.

CAT Operating Fund Characteristics Period Ending 9/30/2015

Effective Maturity Schedule	
O/N* - 14 Days	5.2%
15 - 30 Days	16.7
31 - 60 Days	5.3
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733 - 1,098 Days	23.7
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Total % of Portfolio:	100.0%

S & P Credit Quality Composition	
AAA	46.3%
AA	24.7
A	29.0
Total % of Portfolio:	100.0%

*O/N stands for overnight.

CAT 2013 A Fund Characteristics Period Ending 9/30/2015

Effective Maturity Schedule	
O/N* - 14 Days	6.1%
15 - 30 Days	8.8
31 - 60 Days	6.6
61 - 90 Days	8.5
91 - 120 Days	4.1
121 - 150 Days	1.8
151 - 180 Days	3.4
181 - 210 Days	1.2
211 - 240 Days	2.5
241 - 270 Days	4.9
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366 - 732 Days	25.3
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Total % of Portfolio:	100.0%

S & P Credit Quality Composition	
AAA	67.4%
AA	12.2
A	20.5
Total % of Portfolio:	100.0%

*O/N stands for overnight.

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Florida PRIME Characteristics Quarter Ending 9/30/2015

Cash Flows as of 9/30/2015	Third Quarter	Fiscal YTD*
Opening Balance	\$7,003,224,923	\$7,003,224,923
Participant Deposits	\$2,529,365,041	\$2,529,365,041
Transfers from Fund B	\$0	\$0
Gross Earnings	\$4,366,830	\$4,366,830
Participant Withdrawals	(\$3,351,015,695)	(\$3,351,015,695)
Fees	(\$287,170)	(\$287,170)
Closing Balance (9/30/2015)	\$6,185,653,928	\$6,185,653,928
Change	(\$817,570,995)	(\$817,570,995)

*Period July 2015 – September 2015

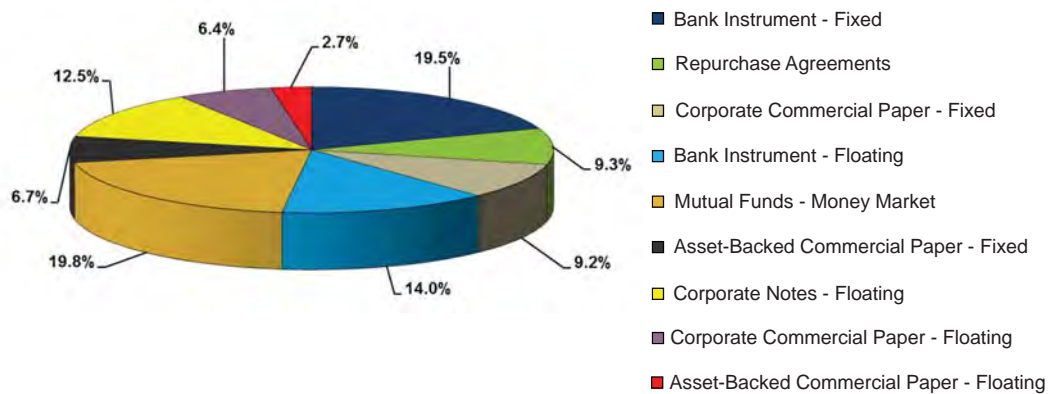
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Florida PRIME Characteristics Quarter Ending 9/30/2015

Portfolio Composition



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Florida PRIME Characteristics Period Ending 9/30/2015

Effective Maturity Schedule	
1-7 Days	47.8%
8-30 Days	27.2%
31-90 Days	16.5%
91-180 Days	6.5%
181+ Days	2.0%
Total % of Portfolio:	100.0%

S & P Credit Quality Composition	
A-1+	66.5%
A-1	33.5%
Total % of Portfolio:	100.0%

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FRS Pension Plan | Third Quarter 2015

Quarterly Investment Review

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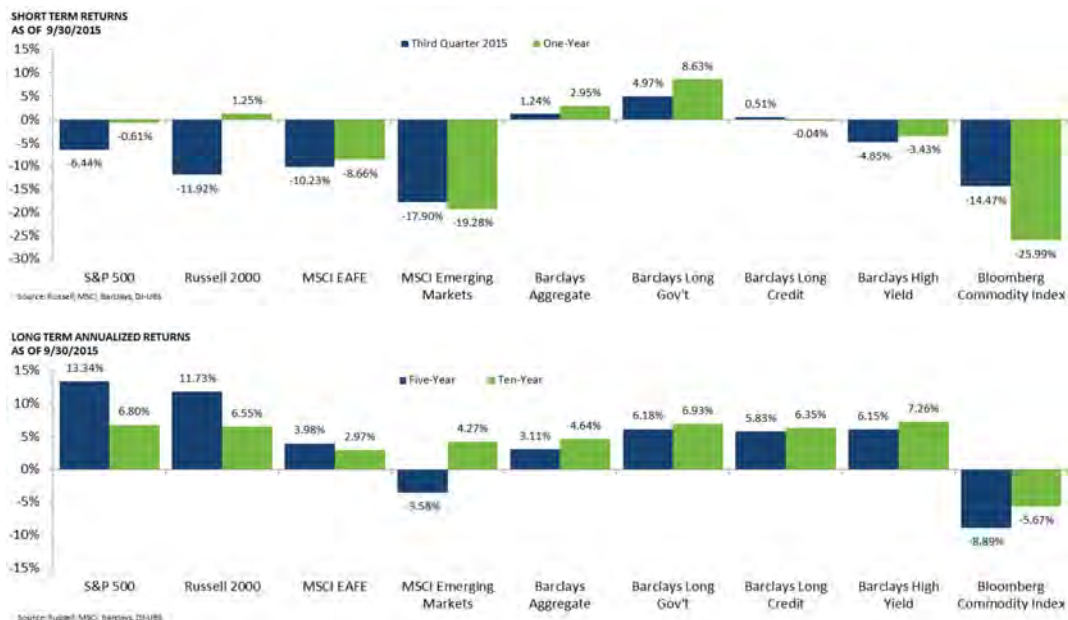


Market Environment

1



Market Highlights



2



Market Highlights

Returns of the Major Capital Markets						
	Periods Ending 9/30/2015					
	Third Quarter	Year-to-Date	1-Year	3-Year ¹	5-Year ¹	10-Year ¹
Equity						
MSCI All Country World IMI	-9.59%	-6.76%	-6.21%	7.20%	6.99%	4.84%
MSCI All Country World	-9.45%	-7.04%	-6.66%	6.95%	6.82%	4.58%
Dow Jones U.S. Total Stock Market	-7.27%	-5.48%	-0.55%	12.44%	13.26%	7.06%
Russell 3000	-7.25%	-5.45%	-0.50%	12.53%	13.28%	6.92%
S&P 500	-6.44%	-5.29%	-0.61%	12.40%	13.34%	6.80%
Russell 2000	-11.92%	-7.73%	1.25%	11.02%	11.73%	6.55%
MSCI All Country World ex-U.S. IMI	-11.88%	-7.84%	-11.42%	2.75%	2.08%	3.31%
MSCI All Country World ex-U.S.	-12.17%	-8.63%	-12.16%	2.34%	1.82%	3.03%
MSCI EAFE	-10.23%	-5.28%	-8.66%	5.63%	3.98%	2.97%
MSCI EAFE (Local Currency)	-8.98%	-0.95%	0.80%	12.71%	7.71%	3.30%
MSCI Emerging Markets	-17.90%	-15.48%	-19.28%	-5.27%	-3.58%	4.27%
Fixed Income						
Barclays Global Aggregate	0.85%	-2.26%	-3.28%	-1.59%	0.81%	3.71%
Barclays Aggregate	1.24%	1.14%	2.95%	1.71%	3.11%	4.64%
Barclays Long Gov't	4.97%	0.23%	8.63%	2.79%	6.18%	6.93%
Barclays Long Credit	0.51%	-3.93%	-0.04%	1.86%	5.83%	6.35%
Barclays Long Gov't/Credit	2.18%	-2.39%	3.09%	2.17%	5.96%	6.65%
Barclays US TIPS	-1.14%	-0.78%	-0.81%	-1.82%	2.55%	4.01%
Barclays High Yield	-4.85%	-2.45%	-3.43%	3.52%	6.15%	7.26%
Citi Group Non-U.S. WGBI	1.71%	-4.22%	-7.01%	-4.59%	-1.32%	2.92%
JP Morgan EMBI Global (Emerging Markets)	-2.04%	-0.32%	-1.96%	0.51%	4.40%	6.76%
Commodities						
Bloomberg Commodity Index	-14.47%	-15.80%	-25.99%	-16.02%	-8.89%	-5.67%
Goldman Sachs Commodity Index	-19.30%	-19.46%	-41.74%	-19.84%	-9.79%	-10.01%
Hedge Funds						
HFR Fund-Weighted Composite ²	-3.77%	-1.35%	-1.21%	4.00%	3.31%	4.25%
HFR Fund of Funds ²	-3.28%	-0.67%	0.27%	4.26%	2.75%	2.45%
Real Estate						
NAREIT U.S. Equity REITS	2.00%	-3.79%	9.88%	9.59%	12.00%	6.82%
NCREIF NFI - ODCE ³	3.68%	11.29%	14.92%	13.45%	14.02%	6.71%
Private Equity						
Burgiss Private IQ Global Private Equity ⁴	4.03%	5.74%	7.92%	14.24%	14.14%	12.20%
Infrastructure						
Macquarie Global Infrastructure - North America	-3.90%	-12.74%	-5.26%	6.42%	9.91%	6.60%

MSCI Indices show net returns.

All other indices show total returns.

¹ Periods are annualized.

² Latest 5 months of HFR data are estimated by HFR and may change in the future.

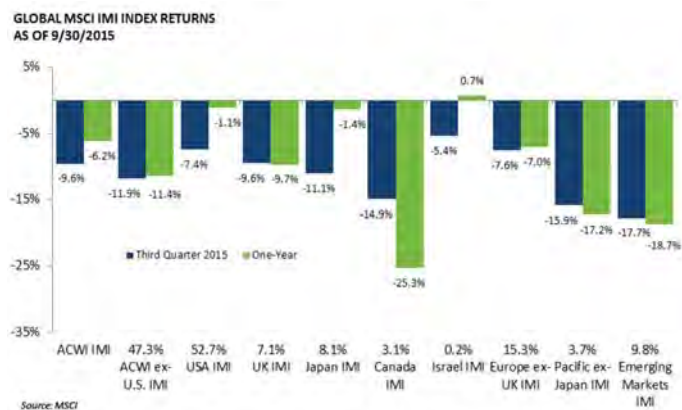
³ Third quarter results are preliminary.

⁴ Source: Burgiss Private IQ. Benchmark is as of 6/30/2015.

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Global Equity Markets



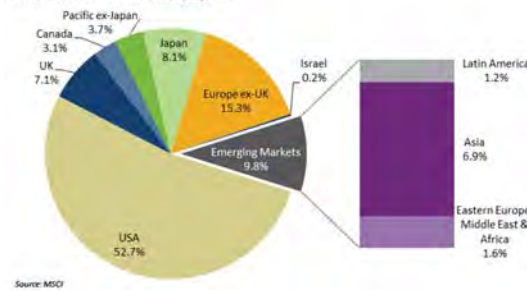
- Global equity markets returned -9.59% during the third quarter of 2015. The negative performance was driven by inaction of the U.S. Federal Reserve to raise rates, and China's economic slowdown.
- Equity markets across the globe posted negative returns, not one major market was up in U.S.\$ terms.
- Emerging markets were the worst performers in the third quarter due to their sensitivity to China and Federal Reserve policy decisions.

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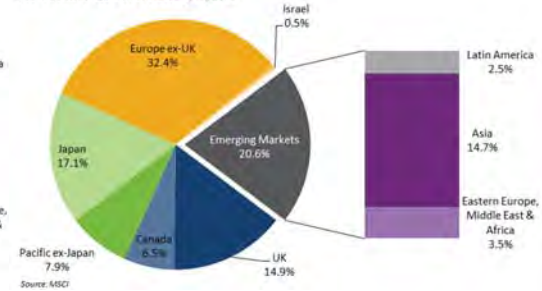


Global Equity Markets

MSCI ALL COUNTRY WORLD IMI INDEX
GEOGRAPHIC ALLOCATION AS OF 9/30/2015



MSCI ALL COUNTRY WORLD EX-U.S. IMI INDEX
GEOGRAPHIC ALLOCATION AS OF 9/30/2015



- The two exhibits on this slide illustrate the percentage that each country/region represents of the global equity market as measured by the MSCI All Country World IMI Index and the MSCI All Country World ex-U.S. IMI Index.

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U.S. Equity Markets

RUSSELL STYLE RETURNS
AS OF 9/30/2015



RUSSELL GICS SECTOR RETURNS
AS OF 9/30/2015



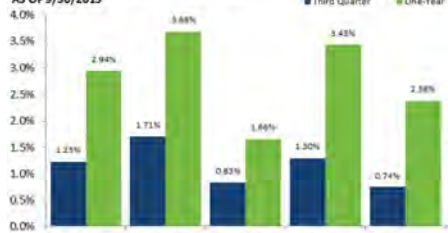
- The Russell 3000 Index returned -7.25% during the quarter and returned -0.50% over the one-year period.
- During the third quarter, the utilities sector was the strongest performer, posting a return of 4.20%. The energy and materials sectors were the weakest performers, producing returns of -18.99% and -17.26%, respectively.
- Performance across the market capitalization spectrum was mixed over the quarter. Large cap stocks outperformed the smaller segments of the markets, and growth outperformed value across the larger capitalizations.

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U.S. Fixed Income Markets

BARCLAYS AGGREGATE RETURNS BY SECTOR
AS OF 9/30/2015



Source: Barclays Live

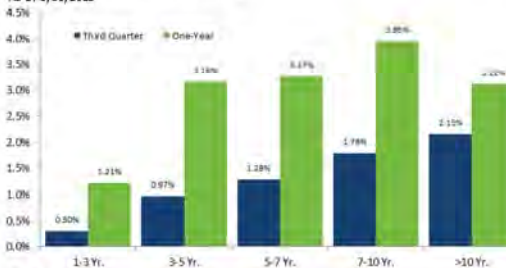
- The Barclays Aggregate Bond Index returned 1.23% in the third quarter. Government bonds were the strongest performing index segment, returning 1.71%.
- High yield bonds underperformed investment grade corporate bonds.
- Longer duration bonds outperformed shorter duration bonds.

BARCLAYS AGGREGATE RETURNS BY QUALITY AND HIGH YIELD RETURNS
AS OF 9/30/2015



Source: Barclays Live

BARCLAYS AGGREGATE RETURNS BY MATURITY
AS OF 9/30/2015



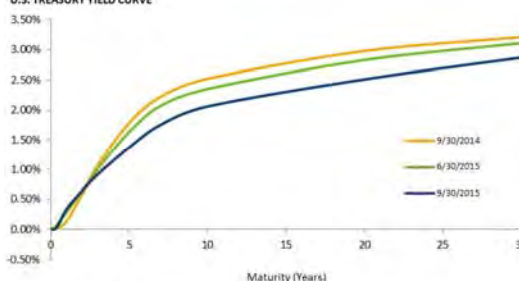
Source: Barclays Live

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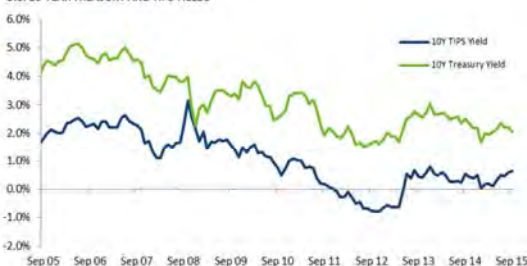
U.S. Fixed Income Markets

U.S. TREASURY YIELD CURVE



Source: U.S. Department of Treasury

U.S. 10-YEAR TREASURY AND TIPS YIELDS



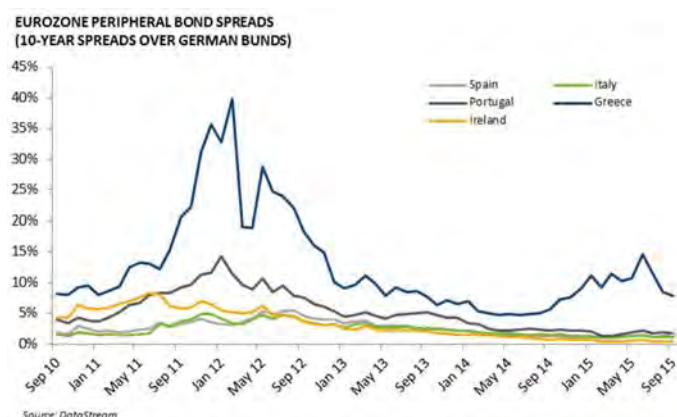
Source: U.S. Department of Treasury

- The Treasury yield curve flattened during the third quarter, driven by long bond yields falling.
- The 10-year U.S. Treasury yield ended the quarter at 2.06%, 29 basis points lower than its level at the beginning of the quarter.
- The 10-year TIPS yield rose by 17 basis points over the quarter and ended the period at 0.65%.

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European Fixed Income Markets



- In the Eurozone, bond spreads tightened during the third quarter of 2015 as peripheral tensions eased with Greece. As the possibility of a Greece exit from the Euro wanes, the yield spread tightened 6.7% during the third quarter.

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Credit Spreads

Spread (bps)	9/30/2015	6/30/2015	9/30/2014	Quarterly Change (bps)	1-Year Change (bps)
U.S. Aggregate	59	51	43	8	16
Long Gov't	4	4	4	0	0
Long Credit	230	202	164	28	66
Long Gov't/Credit	143	128	106	15	37
MBS	31	26	30	5	1
CMBS	108	101	99	7	9
ABS	69	62	56	7	13
Corporate	169	145	112	24	57
High Yield	630	476	424	154	206
Global Emerging Markets	418	328	288	90	130

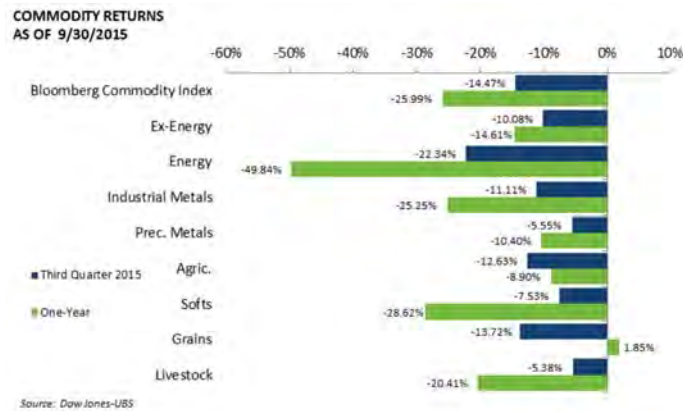
Source: Barclays Live

- During the third quarter, credit spreads widened across all areas of the bond market.
- High yield spreads (+154 basis points) rose by the most over the quarter, followed by global emerging markets spreads (+90 basis points).

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Commodities



- The Bloomberg Commodity Index fell during the third quarter with a return of -14.47%.
- Over the quarter, the best performing segment of the market was livestock, returning -5.38%.
- Energy was the worst performing sector of the market during the quarter with a return of -22.34%.

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Currency

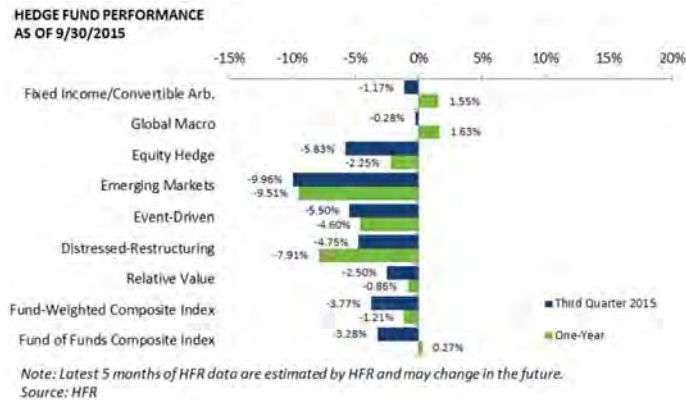


- As measured through the broad trade weighted U.S. dollar index, the U.S. dollar strengthened during the quarter.
- The dollar depreciated against the Euro and Yen, but appreciated against the British Pound Sterling.

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Hedge Fund Markets Overview



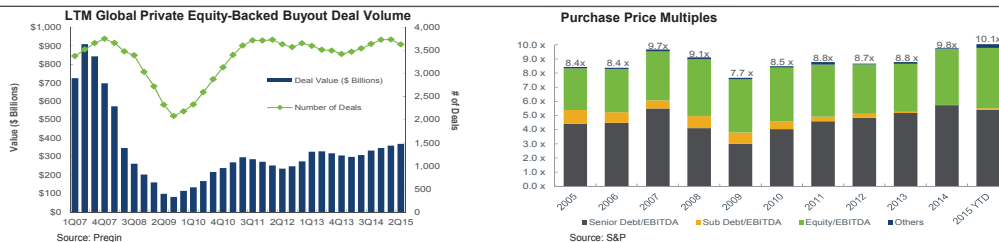
- Hedge fund performance was negative over the quarter.
- The HFRI Fund-Weighted Composite Index and the HFRI Fund of Funds Composite Index produced returns of -3.77% and -3.28%, respectively, during the quarter.
- Emerging Markets strategies were the weakest performers, with a return of -9.96% in the third quarter.

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Private Equity Market Overview—Second Quarter 2015



- **Fundraising:** \$98.6 billion was raised in the second quarter by 265 funds, up 12.0% over the five-year quarterly average. Fundraising was down from both the prior quarter and same period last year, which saw \$102.8 billion raised by 219 managers and \$137.8 billion raised by 262 managers, respectively. Dry powder reached a new peak of just over \$1.0 trillion, representing a 4.1% increase from 1Q 2015's value and was 23.3% higher than the five-year average¹.
- **Buyout:** Global private equity-backed buyout deals totaled \$92.5 billion in the second quarter, which was down 7.7% over the prior quarter, but up 11.2% compared to the same period last year. 3,632 deals were completed on a LTM basis as of 2Q 2015, down 2.5% from 1Q 2015. Year-to-date purchase price multiples for total, large cap, and middle market transactions stood at or above record levels when compared to prior full year marks. 2Q purchase price multiples for total and large cap transactions are higher than in 1Q 2015, but are still below the quarterly highs of 11.2x observed in 3Q 2014¹. The average purchase price multiple across all European transaction sizes increased to 9.2x from 9.0x last quarter, driven by large transactions (~€10.0 billion), which stood at 11.5x and exhibited the largest increase over the prior quarter (1.3x)². LTM total exit value totaled \$437.2 billion in 2Q 2015 on 1,746 deals, down from a record \$458.8 billion in 1Q 2015³.
- **Venture:** Investment activity remained healthy, with 2Q 2015 deployment reaching the highest quarterly total since 2000. 2Q 2015 investing exceeded the prior quarter and same period last year by 29.9% and 27.9%, respectively⁴. Activity continues to be driven by the influx of capital from non-traditional investors, particularly in later rounds, (i.e., hedge funds and mutual funds) and the increase in financing rounds exceeding \$100.0 million. The exit environment improved during the second quarter, with 27 venture-backed IPOs compared to seventeen in 1Q 2015. The number of M&A deals decreased 25.5% quarter over quarter, falling to their lowest levels since 1Q 2013⁵.
- **Mezzanine:** During 2Q 2015, nine funds closed on \$1.8 billion in capital, down considerably compared to the prior quarter and five-year quarterly average levels of \$12.4 billion and \$3.6 billion, respectively. Estimated dry powder was \$45.9 billion at the end of 2Q, up 23.7% over 1Q 2015⁶. Capital deployment has remained limited due to competition from private lending platforms and business development companies (BDCs) in the middle market focused on unfranchise debt and second lien lending. However, we have seen a small increase in the use of traditional senior debt and mezzanine structures recently as rising purchase price multiples have made it more enticing to private equity sponsors.
- **Distressed Debt:** High-yield default rates were 2.0% in the second quarter with a LTM rate of 3.7%, compared to 1.2% and 3.4%, respectively, in 1Q 2015⁷. Default rates are expected to rise due to a combination of ongoing energy developments and a slow reversion away from current unsustainably low default rates, but are expected to remain below the 4.6% long-term average^{8,9}. Completed distressed debt and bankruptcy restructuring activity decreased substantially compared to the same period last year on both a number of deals and deal value basis⁵.
- **Secondaries:** Fundraising bounced back in the second quarter after slowing nearly to a halt in 1Q 2015 (\$0.6 billion). Capital raised in 2Q 2015 totaled \$10.2 billion, driven by Lexington Partners' record \$10.1 billion close in April, which surpassed Ardan's prior record close of \$9.0 billion in 2Q 2014¹. The average discount rate for all private equity sectors improved quarter over quarter from 7.9% to 7.5% and remains very favorable for potential sellers².
- **Infrastructure:** \$4.4 billion of capital was raised by six funds in 2Q 2015, compared to \$5.4 billion of capital closed on by five partnerships during 1Q 2015¹. At the end of 2Q 2015, dry powder stood at \$111.0 billion, which represents an increased level over the prior quarter. During 2Q 2015, infrastructure managers completed 121 deals with an estimated aggregate deal value of \$69.5 billion for an average value of \$574.4 million, down 28.8% from Q1 2015. The total number of deals reported in 2Q 2015 (121) decreased 13.6% quarter over quarter¹.
- **Natural Resources:** During 2Q 2015, nine funds closed on \$12.8 billion, compared to six funds totaling \$13.4 billion in 1Q 2015. Energy and utilities industry managers completed 35 deals totaling an estimated \$7.6 billion during the second quarter, compared to 34 deals in 2Q 2015 for a total estimated value of \$7.4 billion¹.

Sources: ¹ Preqin ² UBS ³ Standard & Poor's ⁴ Aon Hewitt Investment Consulting ⁵ Thomson Reuters ⁶ Fitch Ratings ⁷ PWC / National Venture Capital Association (NVCA) MoneyTree Report ⁸ Thomson Reuters and NVCA ⁹ Cooley Venture Financing Report ¹⁰ Federal Reserve ¹¹ U.S. Energy Information Administration ¹² Bloomberg
Notes: FY: Fiscal year end 12/31; YTD: Year to date; LTM: Last twelve months (aka trailing twelve months); PPM: Purchase Price Multiples: Total Purchase Price / EBITDA.

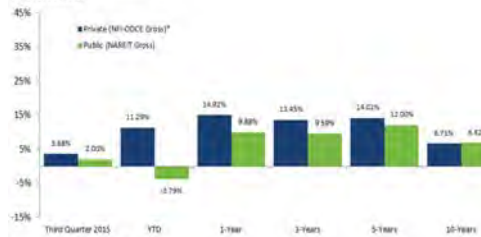
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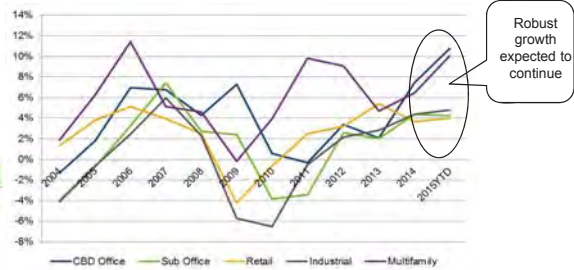
U.S. Commercial Real Estate Market

PRIVATE VS. PUBLIC REAL ESTATE RETURNS
AS OF 9/30/2015



*Third quarter returns are preliminary
Source: NCIER, NAREIT

NOI GROWTH
SOURCE: NCREIF, AON HEWITT 6/30/2015



- U.S. private equity real estate returns remain well above long-term averages, bolstered by overall economic strength and continued improvement in property fundamentals. For Core investments, the NFI-ODCE returned 3.7%* (gross of fees) this quarter, roughly in-line with the second quarter return of 3.8%. On a one-year basis, the NFI-ODCE has actually shown improvement; now at 14.9%, up 250 bps from a year ago.
- Non-Core investments are now past their cyclical sweet spot, but for new dollars entering the market attractive risk return profiles remain though expected returns have declined. Manager and strategy selection is crucial to help reduce risk at this mature stage in the cycle.
- Given several years of robust investment returns, select U.S. markets have reestablished new peak pricing driven by investor demand for well located, high quality assets. Accommodating capital markets, strong rental rate growth and robust capital flows help to support today's pricing. In addition, foreign investors continue to view U.S. real estate as particularly attractive due to the anticipated continued strength of the U.S. dollar.
- Interest rate speculation continues to be the main question on investors' minds. It is currently predicted that The Federal Reserve will raise rates by the end of the year, but strong fundamentals within real estate should help offset rising rates. Portfolio structure and other long term risk mitigation measures are necessary during these times of volatility within capital markets.
- In the public real estate marketplace for the 3rd quarter, the U.S. and global real estate securities posted returns of 2.0% and -1.4%, respectively; and both remain in negative territory (slightly over 4%) year to date. The U.S. REIT market, which experienced a correction in August, recovered as the Fed delayed its interest rate decision. The impact of the Chinese currency devaluation and market crash reverberated throughout Asia, where property markets underperformed across the board (the region was down 12.4%). Europe was a bright spot this quarter (up 3.5%), as the market welcomed the re-election of the Greek Prime Minister, relieving the immediate threat of the Greek exit from the Eurozone.

*Indicates preliminary NFI-ODCE data

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Total Fund

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As of September 30, 2015

Highlights

Executive Summary

- Performance of the Pension Plan, when measured against the Performance Benchmark, has been strong over short- and long-term time periods.
- Performance relative to peers is also competitive over short- and long-term time periods.
- The Pension Plan is well-diversified across six broad asset classes, and each asset class is also well-diversified.
- Public market asset class investments do not significantly deviate from their broad market based benchmarks, e.g., sectors, market capitalizations, global regions, credit quality, duration, and security types.
- Private market asset classes are well-diversified by vintage year, geography, property type, sectors, investment vehicle/asset type, or investment strategy.
- Asset allocation is monitored on a daily basis to ensure the actual asset allocation of the plan remains close to the long-term policy targets set forth in the Investment Policy Statement.
- Aon Hewitt Investment Consulting and SBA staff revisit the plan design annually through informal and formal asset allocation and asset liability reviews.
- Adequate liquidity exists within the asset allocation to pay the monthly obligations of the Pension Plan consistently and on a timely basis.

Performance Highlights

- During the third quarter and over the trailing one-, three-, five-, and ten-year periods, the Total Fund outperformed the Performance Benchmark.

Asset Allocation

- The Fund assets total \$139.2 billion as of September 30, 2015, which represents an \$8.7 billion decrease since last quarter.
- Actual allocations for all asset classes were within their respective policy ranges at quarter-end.
- The Fund was modestly overweight to fixed income, private equity, real estate, and strategic investments, with corresponding underweights to global equity and cash.

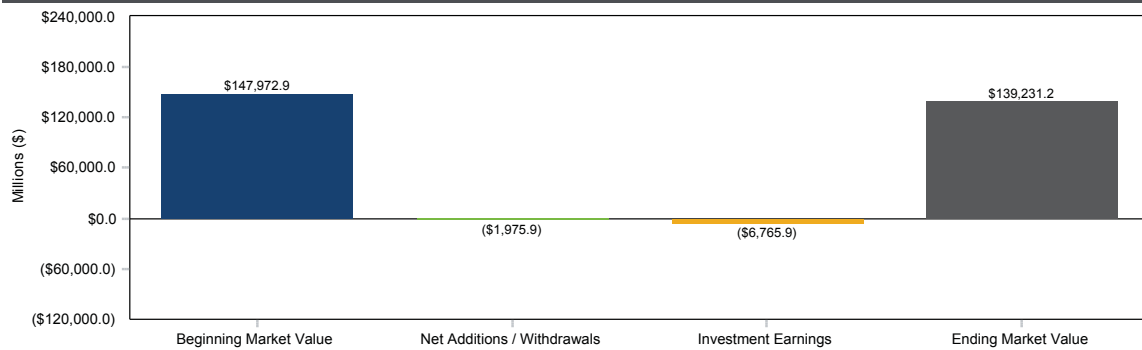
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Total Fund

As of September 30, 2015

Total Plan Asset Summary

Change in Market Value
From July 1, 2015 to September 30, 2015

Summary of Cash Flow

	1 Quarter	Fiscal YTD*
Total Fund		
Beginning Market Value	147,972,946,329	147,972,946,329
+ Additions / Withdrawals	-1,975,855,955	-1,975,855,955
+ Investment Earnings	-6,765,918,430	-6,765,918,430
= Ending Market Value	139,231,171,944	139,231,171,944

*Period July 2015 - September 2015

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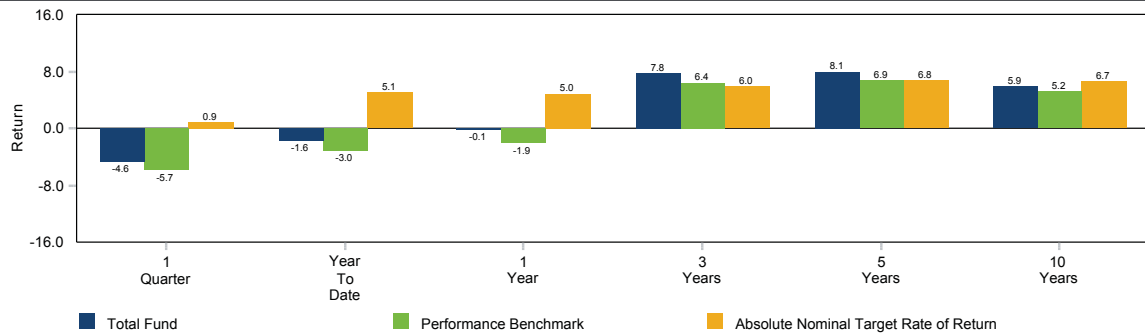


Total Fund

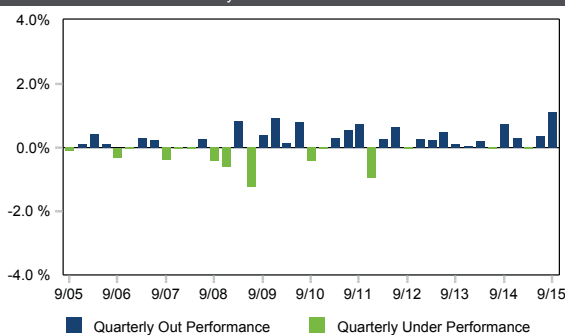
As of September 30, 2015

Total Plan Performance Summary

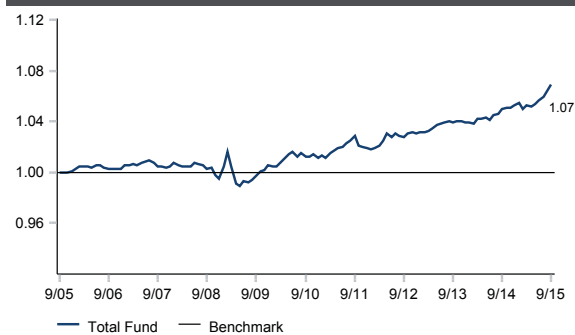
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



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As of September 30, 2015

Asset Allocation & Performance

	Allocation			Performance(%)					
	Market Value (\$)	%	Policy(%)	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
Total Fund	139,231,171,944	100.0	100.0	-4.6 (31)	-1.6 (21)	-0.1 (25)	7.8 (22)	8.1 (24)	5.9 (13)
Performance Benchmark				-5.7 (70)	-3.0 (67)	-1.9 (69)	6.4 (50)	6.9 (63)	5.2 (69)
Absolute Nominal Target Rate of Return				0.9 (1)	5.1 (1)	5.0 (1)	6.0 (65)	6.8 (65)	6.7 (1)
Global Equity*	77,884,449,711	55.9	57.2	-9.0	-6.0	-4.8	8.3	8.3	5.1
Asset Class Target				-9.5	-6.7	-6.1	7.3	7.1	4.5
Domestic Equities	37,298,935,817	26.8		-7.3 (31)	-5.2 (39)	-0.3 (48)	12.7 (28)	13.5 (6)	7.0 (22)
Asset Class Target				-7.2 (30)	-5.4 (48)	-0.5 (50)	12.5 (33)	13.3 (15)	6.9 (26)
Foreign Equities	33,698,910,096	24.2		-11.3 (46)	-7.1 (61)	-10.0 (59)	3.8 (54)	3.4 (47)	4.4 (25)
Asset Class Target				-11.8 (70)	-7.8 (74)	-11.2 (81)	2.9 (75)	2.1 (82)	3.3 (51)
Global Equities	6,304,250,959	4.5		-6.9	-4.6	-3.0	8.8	8.4	4.8
Benchmark				-8.7	-6.3	-5.5	8.1	7.7	5.1
Fixed Income	29,148,802,705	20.9	19.8	1.0 (17)	1.8 (8)	2.9 (21)	1.7 (65)	3.5 (65)	4.9 (40)
Asset Class Target				1.1 (16)	1.7 (9)	2.9 (21)	1.3 (76)	2.8 (92)	4.6 (60)
Private Equity	8,588,208,805	6.2	5.9	4.5	12.8	15.1	16.9	14.5	9.6
Asset Class Target				-10.3	-5.6	-3.1	12.3	14.4	9.7
Secondary Target**				4.4	9.9	11.6	16.8	16.3	13.2
Real Estate	12,520,033,601	9.0	8.7	2.9 (42)	8.1 (70)	12.5 (59)	14.0 (16)	14.4 (18)	8.1
Asset Class Target				3.1 (33)	8.7 (62)	12.5 (58)	11.6 (65)	13.0 (32)	4.9
Strategic Investments	10,411,554,040	7.5	7.3	-0.2	2.6	3.9	10.8	11.0	
Short-Term Target				-0.4	1.5	2.6	7.1	6.9	
Cash	678,123,082	0.5	1.0	0.1	0.2	0.2	0.2	0.3	0.7
iMoneyNet First Tier Institutional Money Market Funds Net Index				0.0	0.0	0.0	0.0	0.0	1.5

Benchmark and universe descriptions can be found in the Appendix.

* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

** The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index.



As of September 30, 2015

Asset Allocation & Performance

	Performance(%)									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Total Fund	6.2 (49)	16.9 (29)	14.2 (12)	-0.5 (72)	13.5 (37)	20.8 (32)	-26.7 (46)	9.1 (36)	14.6 (40)	7.8 (63)
Performance Benchmark	4.9 (81)	15.9 (42)	12.8 (58)	-1.2 (85)	12.9 (49)	19.5 (41)	-26.1 (39)	8.9 (37)	14.4 (44)	7.3 (75)
Absolute Nominal Target Rate of Return	5.8 (61)	6.6 (92)	6.8 (99)	8.1 (3)	6.6 (98)	7.9 (97)	5.1 (1)	8.9 (38)	6.6 (99)	7.6 (67)
Global Equity*	4.7	25.2	17.8	-6.5	15.9	33.7	-39.9	8.4	17.5	8.6
Asset Class Target	3.9	23.7	16.5	-7.9	15.1	33.8	-40.4	8.5	18.4	8.7
Domestic Equities	12.4 (16)	34.1 (53)	16.3 (48)	1.6 (21)	17.2 (65)	28.8 (43)	-37.4 (43)	5.3 (42)	14.7 (52)	6.3 (67)
Asset Class Target	12.6 (15)	33.6 (59)	16.4 (41)	1.0 (30)	16.9 (70)	28.3 (55)	-37.3 (40)	5.1 (43)	15.7 (31)	6.1 (77)
Foreign Equities	-3.0 (38)	17.4 (60)	19.3 (27)	-12.9 (45)	15.2 (7)	42.7 (11)	-44.4 (34)	16.1 (31)	26.4 (55)	16.1 (54)
Asset Class Target	-3.7 (63)	16.0 (76)	17.2 (83)	-14.6 (80)	13.0 (42)	43.7 (10)	-46.1 (74)	16.4 (23)	26.7 (49)	16.6 (44)
Global Equities	4.9	26.3	15.6	-5.7	10.4	32.8	-41.8	10.2	20.0	9.4
Benchmark	4.7	25.4	16.0	-6.7	13.1	34.6	-42.1	11.8	21.1	11.3
Fixed Income	4.3 (86)	-1.5 (53)	6.4 (61)	7.5 (47)	9.2 (34)	14.4 (45)	-4.0 (43)	7.1 (32)	4.7 (51)	2.8 (34)
Asset Class Target	4.1 (87)	-2.1 (70)	4.2 (89)	7.8 (37)	6.5 (92)	5.9 (89)	5.2 (5)	7.2 (32)	4.7 (49)	2.5 (48)
Private Equity	19.3	15.0	12.4	8.0	18.6	-12.1	-4.3	16.5	12.2	12.9
Asset Class Target	7.6	36.6	19.4	4.0	19.9	32.8	-32.8	9.6	20.2	10.6
Secondary Target**	18.8	17.3	15.0	15.0	17.4	-10.0	-5.3	29.4	22.5	36.4
Real Estate	13.8 (52)	16.8 (10)	14.4 (7)	14.5 (17)	5.1 (73)	-22.8 (35)	-1.5 (20)	13.6 (61)	22.5 (25)	17.2 (78)
Asset Class Target	11.9 (77)	11.2 (52)	12.2 (23)	15.3 (11)	8.8 (64)	-29.7 (58)	-1.1 (19)	12.1 (82)	6.5 (94)	8.8 (100)
Strategic Investments	9.9	16.1	15.2	5.5	8.9	22.0	-37.4			
Short-Term Target	5.7	11.6	9.1	4.2	3.5	20.8	-33.6			
Cash	0.2	0.2	0.3	0.3	0.4	1.7	-5.8	4.1	5.1	3.4
iMoneyNet First Tier Institutional Money Market Funds Net Index	0.0	0.0	0.1	0.1	0.2	0.7	3.0	5.4	5.1	3.4

* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

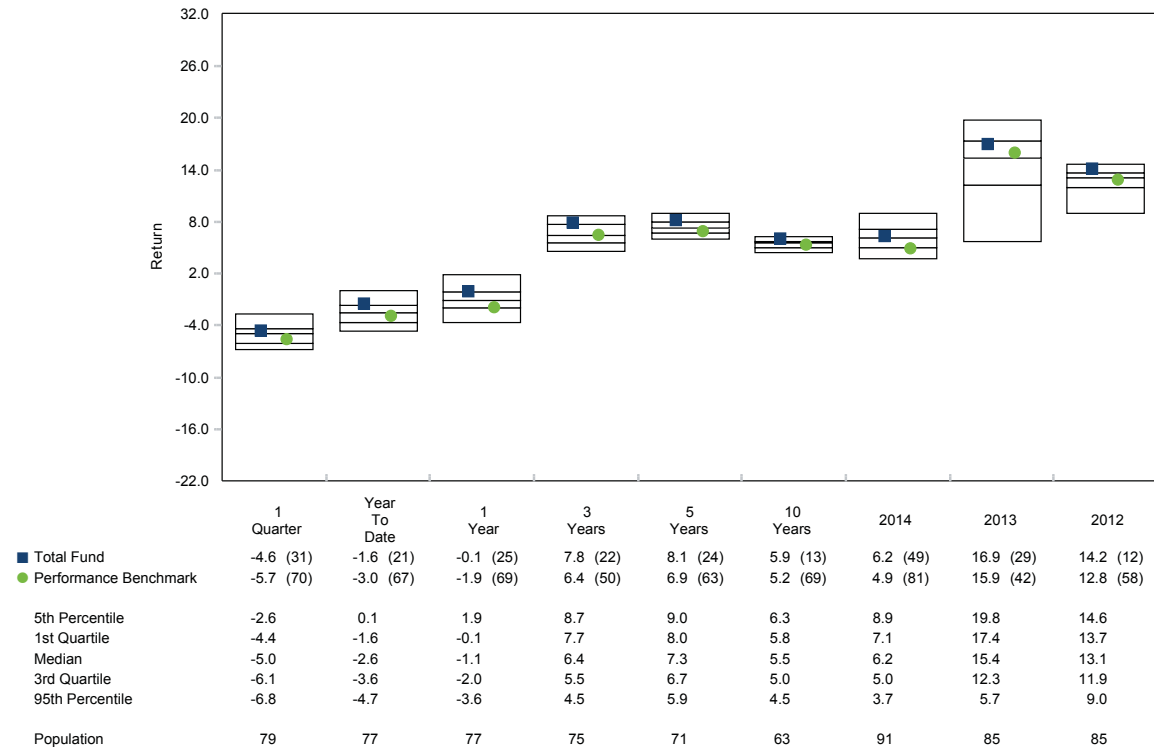
** The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index.



As of September 30, 2015

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-Total Fund

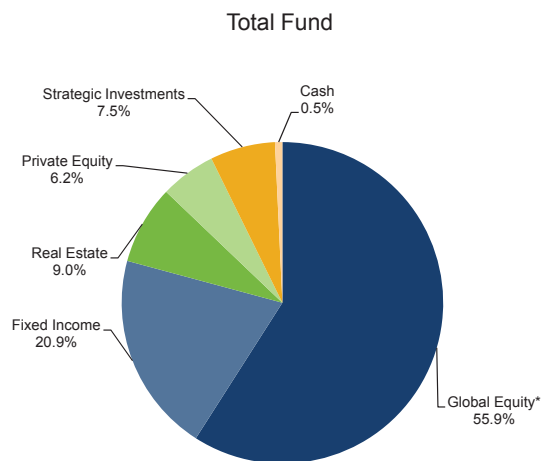


Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Total Fund

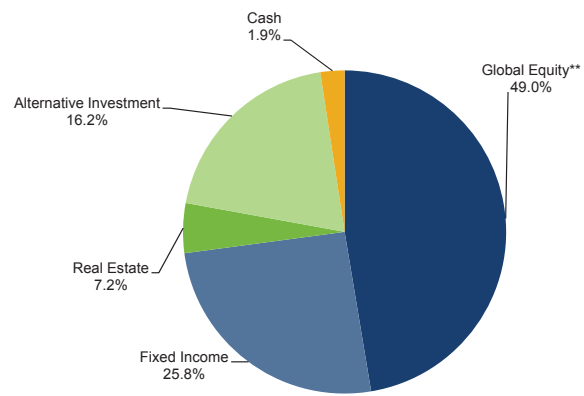
As of September 30, 2015

Universe Asset Allocation Comparison



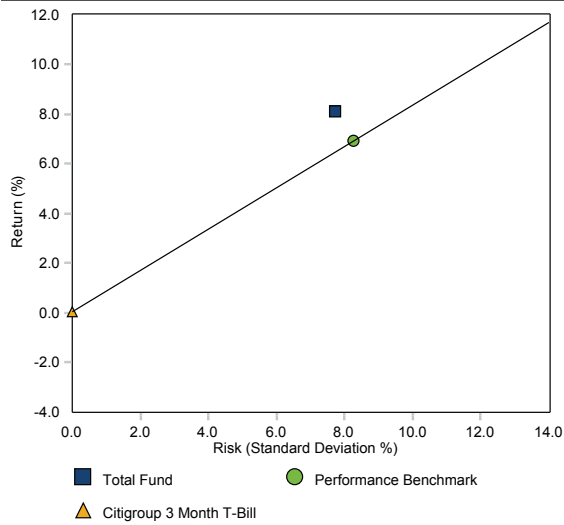
*Global Equity Allocation: 26.8% Domestic Equities; 24.2% Foreign Equities; 4.5% Global Equities; 0.4% Global Equity Liquidity Account. Percentages are of the Total FRS Fund.

BNY Mellon Public Funds > \$1B Net Universe



**Global Equity Allocation: 31.1% Domestic Equities; 17.9% Foreign Equities.

Total Fund Risk Profile

Annualized Return vs. Annualized Standard Deviation
5 Years

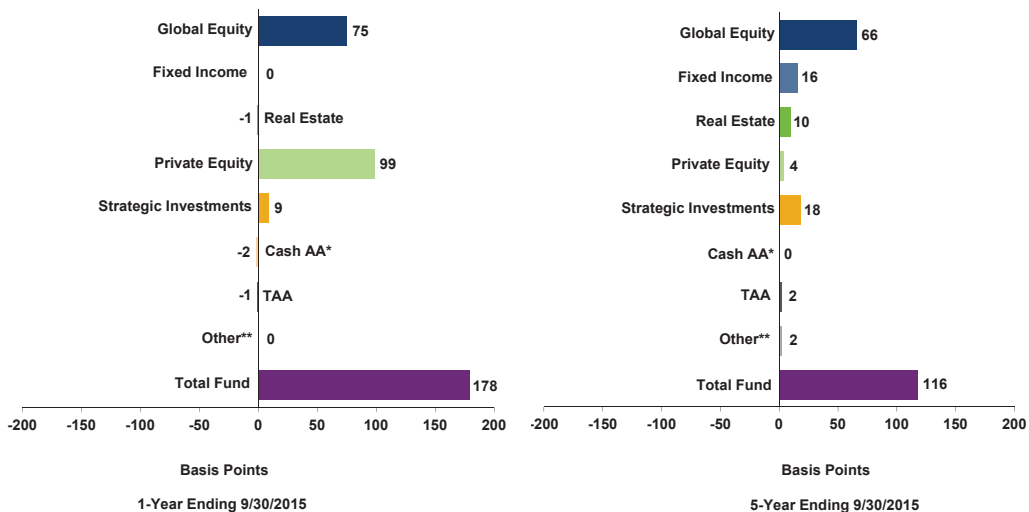
Rolling 5 Years Standard Deviation



5 Years Historical Statistics

	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Total Fund	1.05	0.78	1.34	0.99	1.04	1.53	0.93	8.08	7.74	1.00
Performance Benchmark	0.00	0.00	N/A	1.00	0.85	0.00	1.00	6.92	8.27	1.00
Citigroup 3 Month T-Bill	-6.99	8.26	-0.85	0.01	N/A	0.05	0.00	0.05	0.01	0.12

Attribution



*Cash AA includes Cash and Central Custody, Securities Lending Account income from 12/2009 to 3/2013 and unrealized gains and losses on securities lending collateral beginning June 2013, TF STIPFRS NAV Adjustment Account, and the Cash Expense Account.

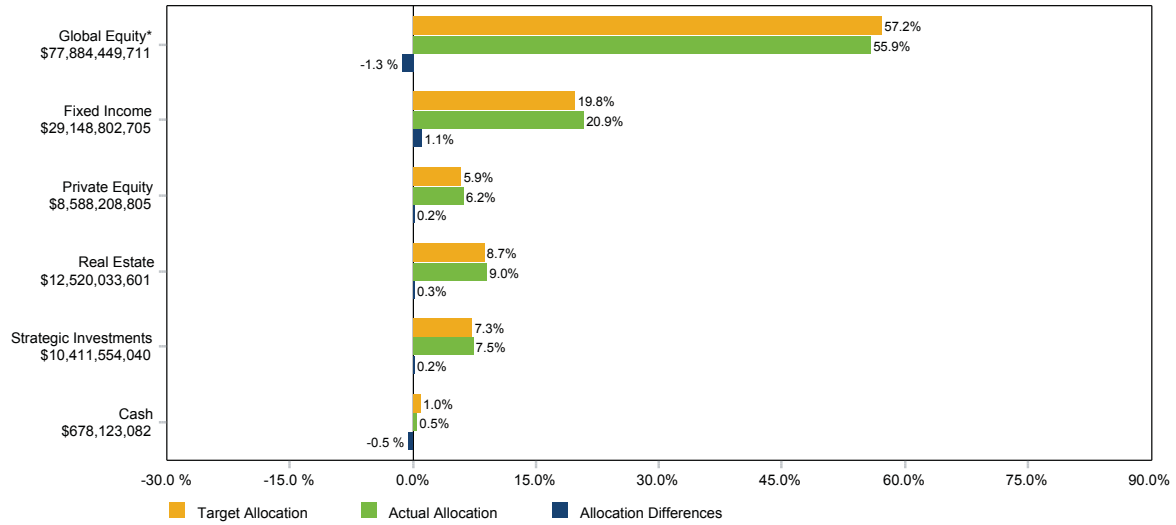
**Other includes legacy accounts and unexplained differences due to methodology.

Total Fund

As of September 30, 2015

Asset Allocation Compliance

	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	139,231,171,944	100.0	100.0		
Global Equity*	77,884,449,711	55.9	57.2	45.0	70.0
Fixed Income	29,148,802,705	20.9	19.8	10.0	26.0
Private Equity	8,588,208,805	6.2	5.9	4.0	16.0
Real Estate	12,520,033,601	9.0	8.7	2.0	9.0
Strategic Investments	10,411,554,040	7.5	7.3	0.0	16.0
Cash	678,123,082	0.5	1.0	0.3	5.0



* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

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Global Equity

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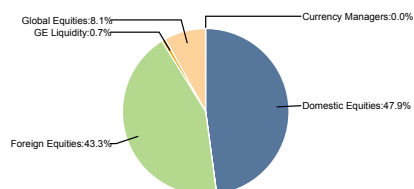
Global Equity*

As of September 30, 2015

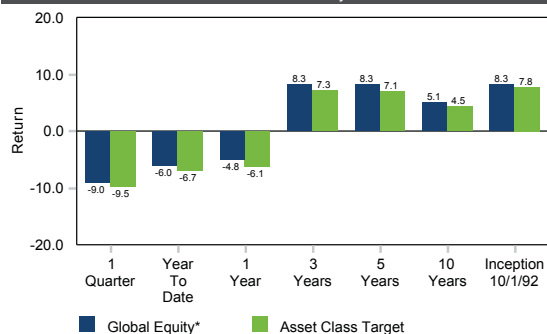
Global Equity* Portfolio Overview

Current Allocation

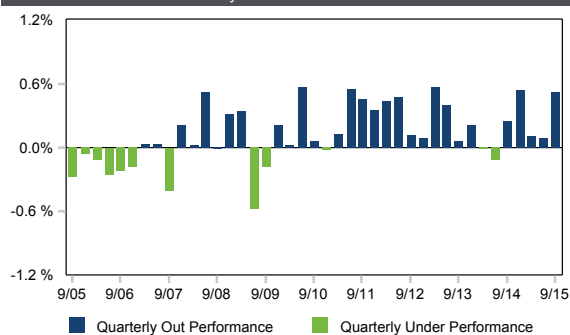
September 30, 2015 : \$77,891M



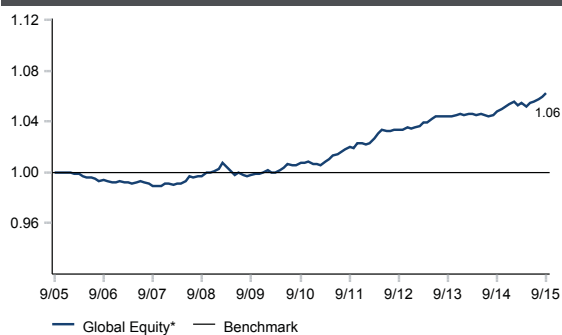
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

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Domestic Equities

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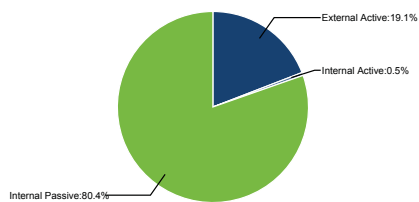
Domestic Equities

As of September 30, 2015

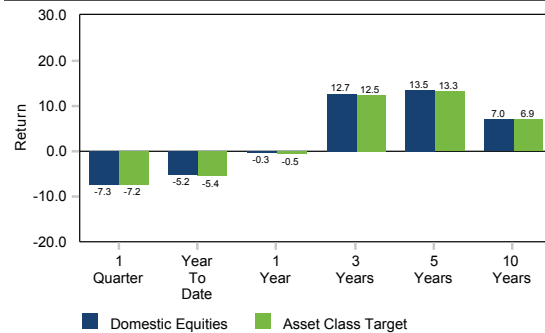
Domestic Equities Portfolio Overview

Current Allocation

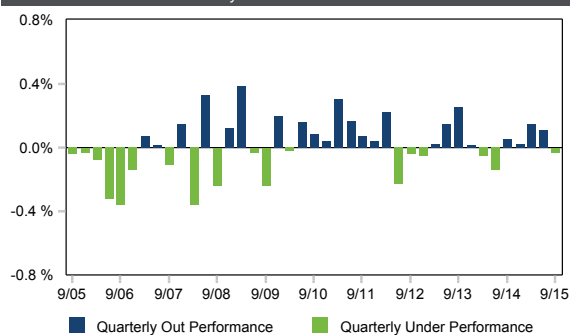
September 30, 2015 : \$37,299M



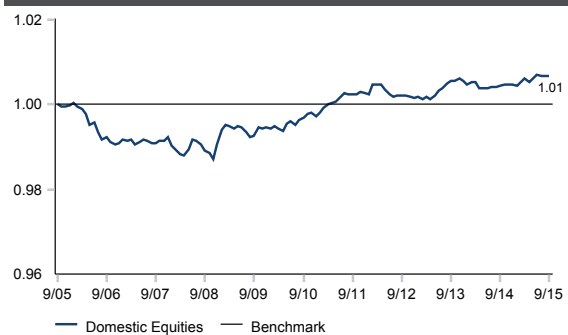
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



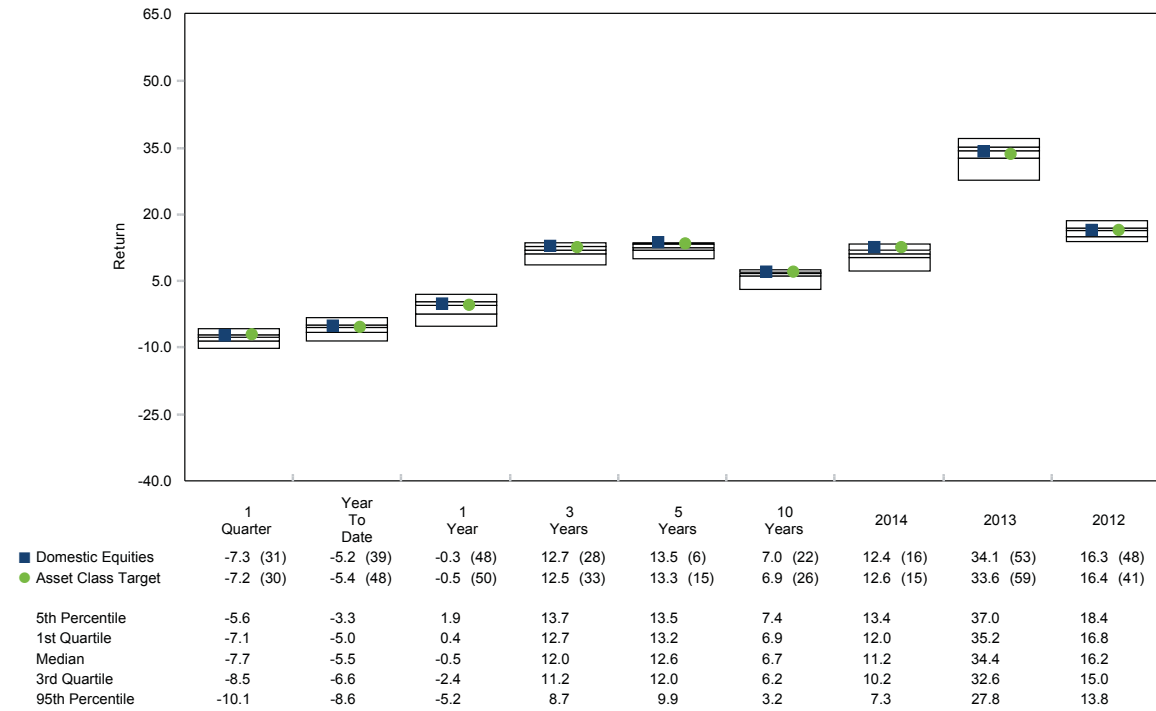
32



As of September 30, 2015

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-US Equity Segment



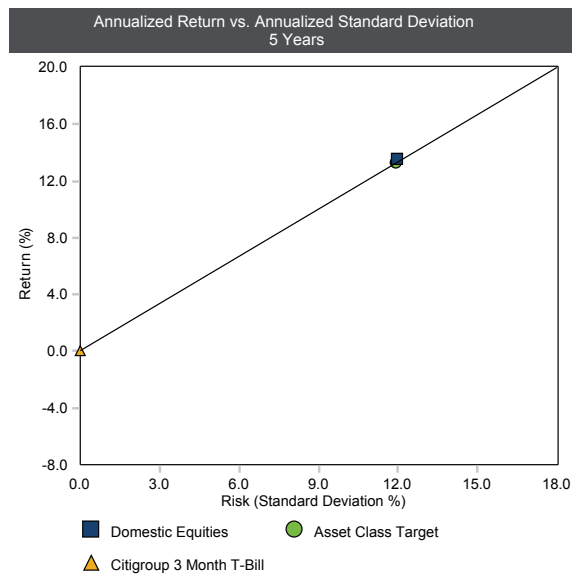
Parentheses contain percentile rankings.
Calculation based on monthly periodicity.



Domestic Equities

As of September 30, 2015

Domestic Equities Risk Profile



5 Years Historical Statistics										
	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Domestic Equities	0.20	0.23	0.87	1.00	1.12	0.18	1.00	13.51	11.97	1.00
Asset Class Target	0.00	0.00	N/A	1.00	1.10	0.00	1.00	13.28	11.94	1.00
Citigroup 3 Month T-Bill	-13.18	11.94	-1.10	0.01	N/A	0.05	0.00	0.05	0.01	0.09





Foreign Equities

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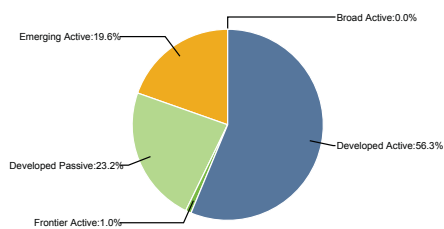
Foreign Equities

As of September 30, 2015

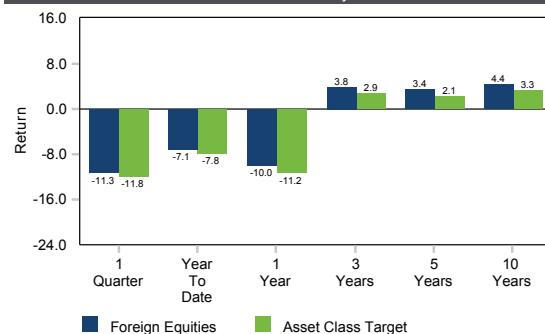
Foreign Equities Portfolio Overview

Current Allocation

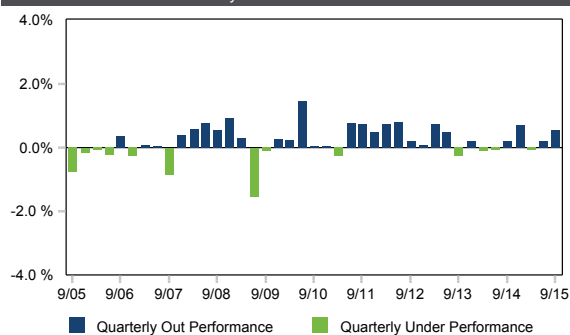
September 30, 2015 : \$33,699M



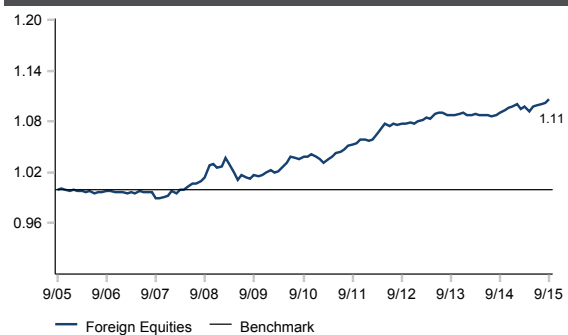
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



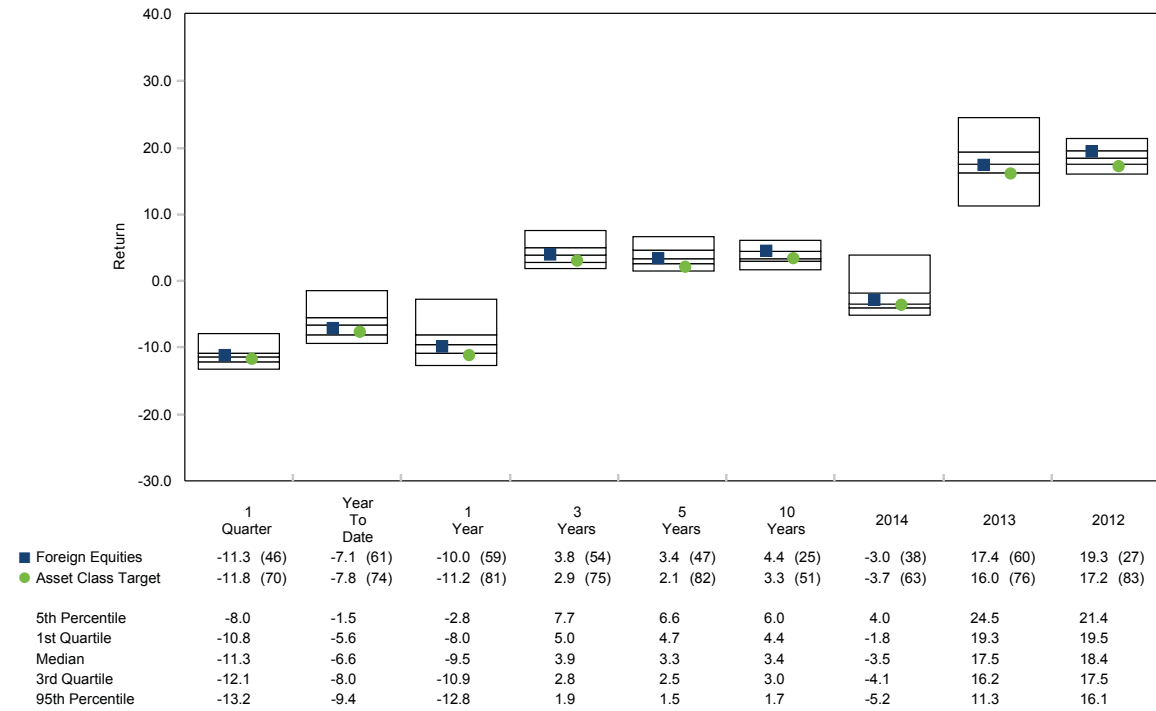
36

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As of September 30, 2015

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-Intl. Equity Segment



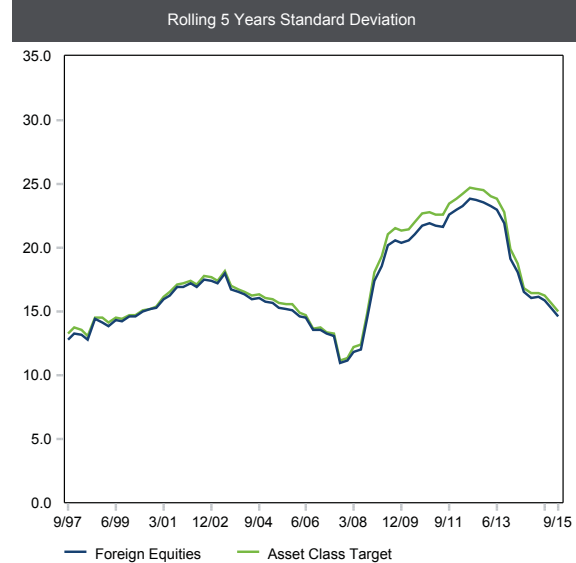
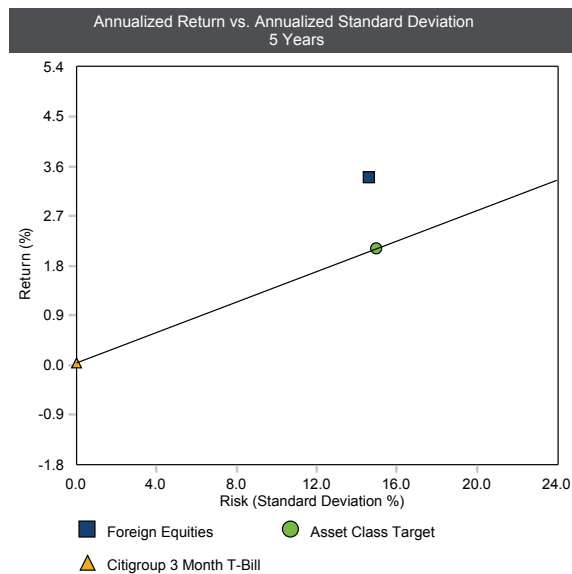
Parentheses contain percentile rankings.
Calculation based on monthly periodicity.



Foreign Equities

As of September 30, 2015

Foreign Equities Risk Profile



5 Years Historical Statistics										
	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Foreign Equities	1.20	0.89	1.35	1.00	0.30	1.30	0.97	3.40	14.60	1.00
Asset Class Target	0.00	0.00	N/A	1.00	0.21	0.00	1.00	2.11	15.01	1.00
Citigroup 3 Month T-Bill	-3.16	15.01	-0.21	0.02	N/A	0.05	0.00	0.05	0.01	0.14





Global Equities

39

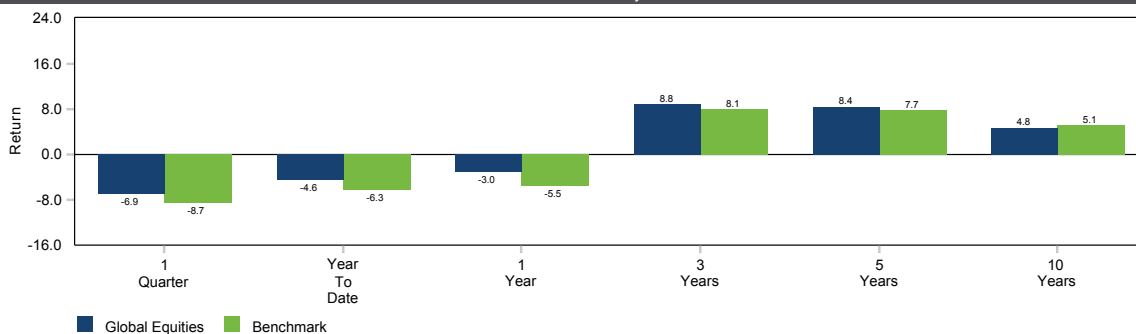
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Global Equities

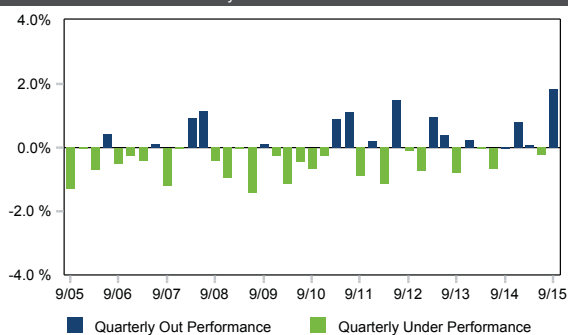
As of September 30, 2015

Global Equities Performance Summary

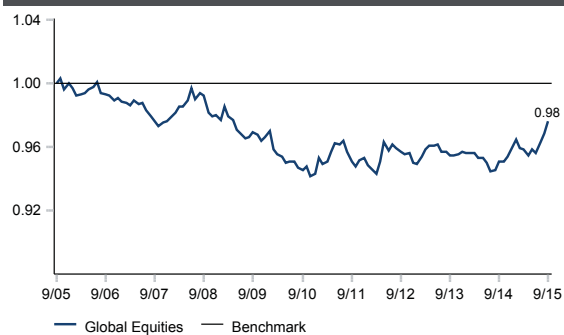
Return Summary



Quarterly Excess Performance

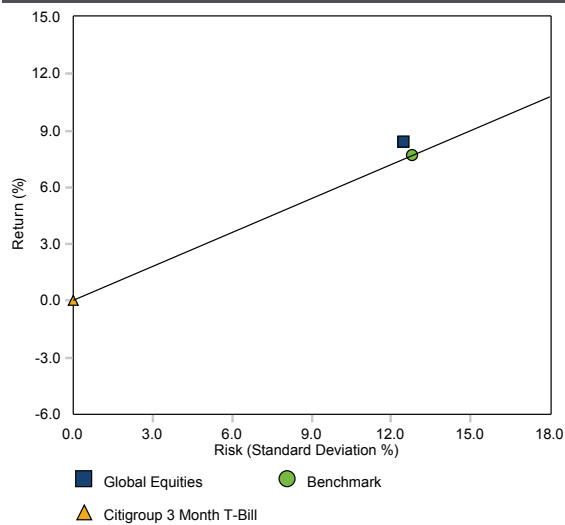


Ratio of Cumulative Wealth - 10 Years

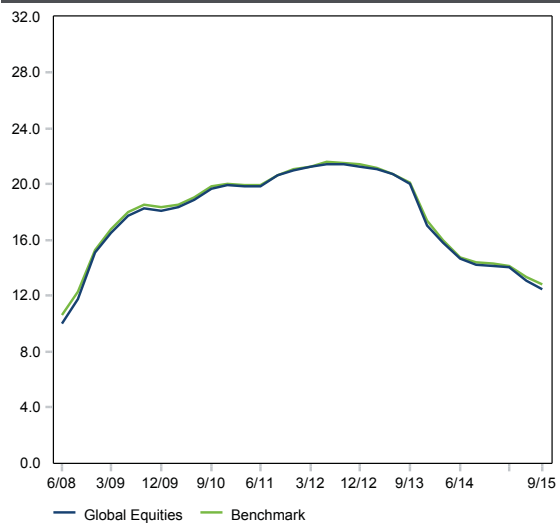


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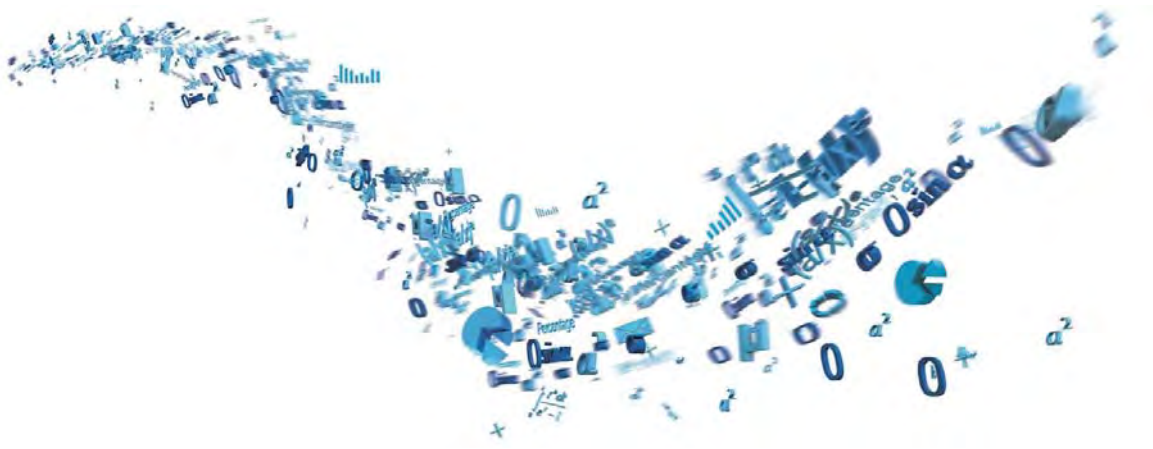
Annualized Return vs. Annualized Standard Deviation
5 Years

Rolling 5 Years Standard Deviation



5 Years Historical Statistics

	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Global Equities	0.60	1.53	0.39	0.99	0.70	0.88	0.97	8.39	12.49	0.99
Benchmark	0.00	0.00	N/A	1.00	0.64	0.00	1.00	7.70	12.83	1.00
Citigroup 3 Month T-Bill	-8.20	12.83	-0.64	0.01	N/A	0.05	0.00	0.05	0.01	0.11



Fixed Income

43



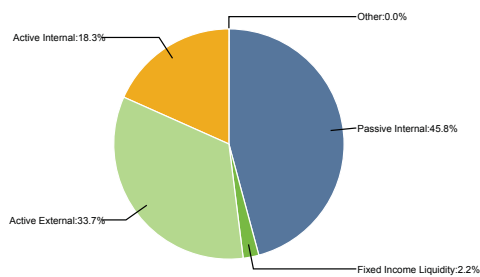
Fixed Income

As of September 30, 2015

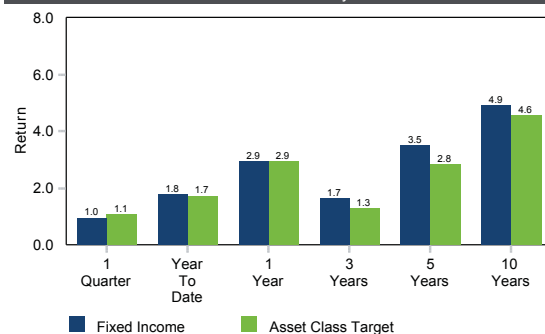
Fixed Income Portfolio Overview

Current Allocation

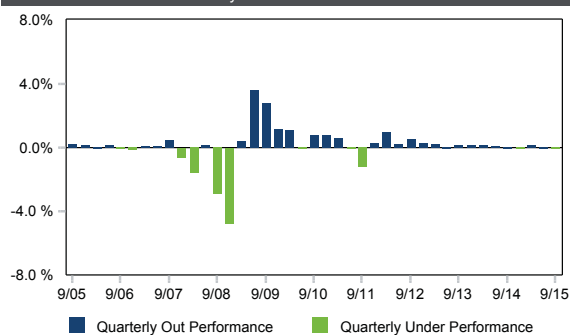
September 30, 2015 : \$29,149M



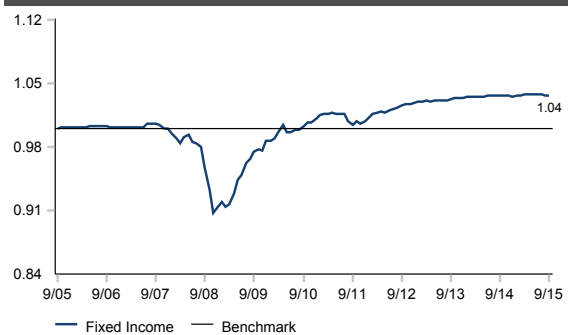
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



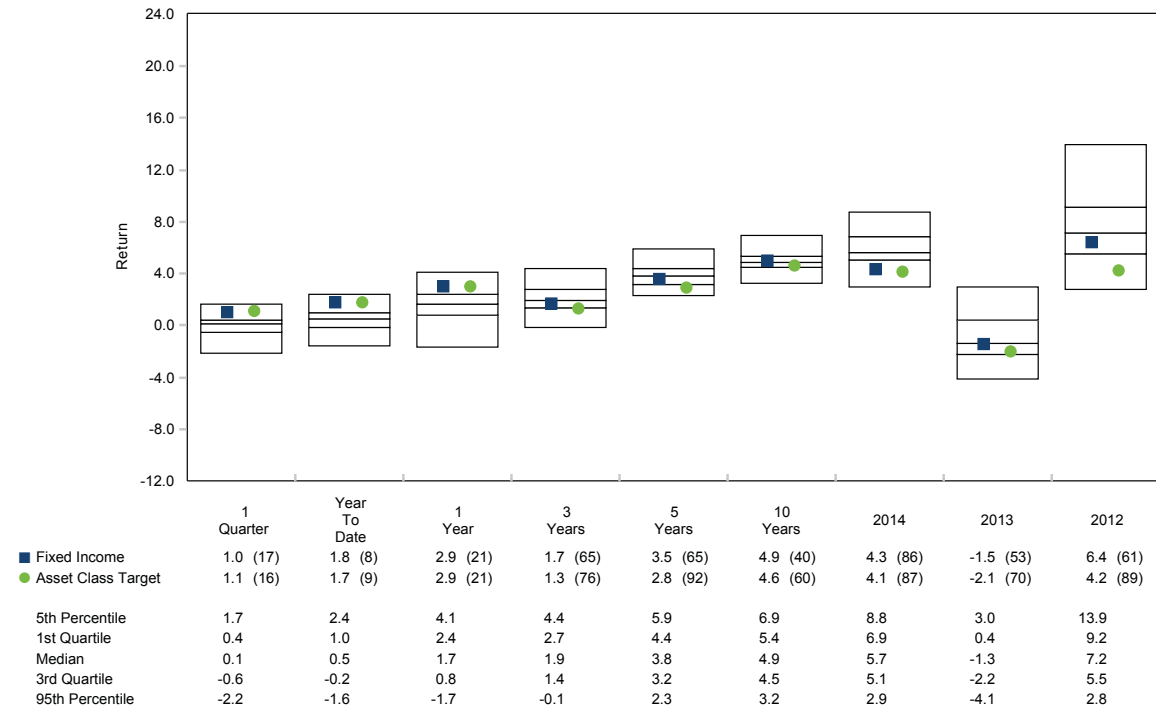
44



As of September 30, 2015

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-US Fixed Income Segment



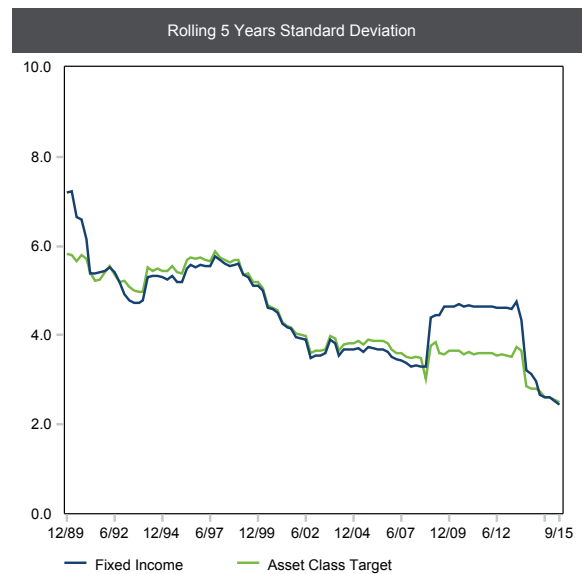
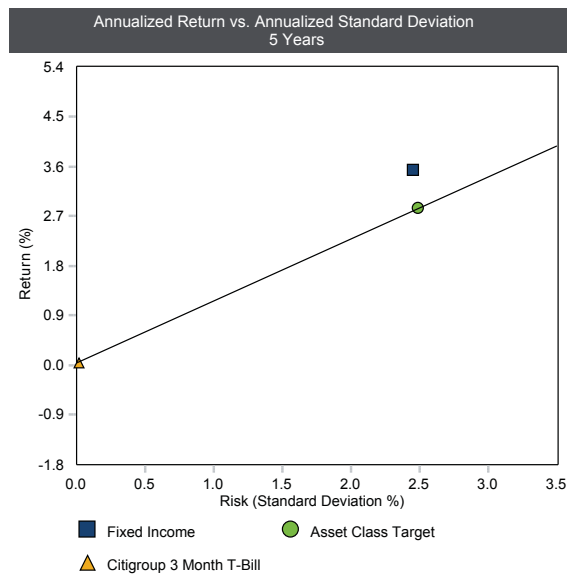
Parentheses contain percentile rankings.
Calculation based on monthly periodicity.



Fixed Income

As of September 30, 2015

Fixed Income Risk Profile



5 Years Historical Statistics										
	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Fixed Income	0.66	0.62	1.07	0.94	1.40	0.79	0.95	3.52	2.45	0.97
Asset Class Target	0.00	0.00	N/A	1.00	1.12	0.00	1.00	2.85	2.49	1.00
Citigroup 3 Month T-Bill	-2.79	2.50	-1.12	0.01	N/A	0.06	0.00	0.05	0.01	-0.10





Private Equity

47

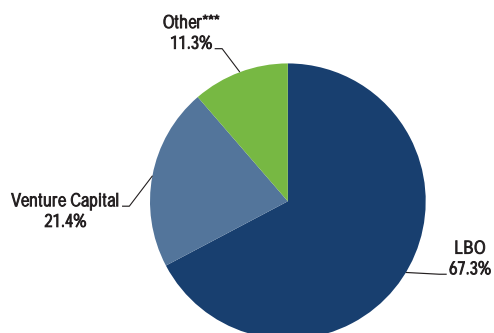
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Private Equity

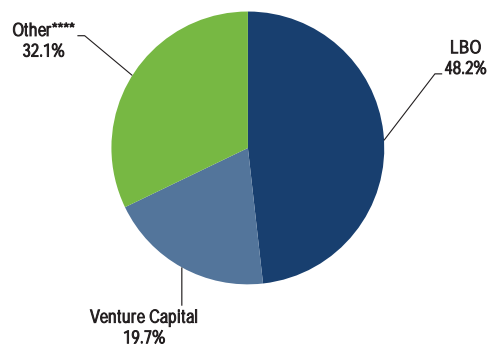
As of September 30, 2015

Overview

FRS Private Equity by Market Value*



Preqin Private Equity Strategies by Market Value**



*Allocation data is as of September 30, 2015.

**Allocation data is as of June 30, 2014, from the Preqin database.

***Other for the FRS Private Equity consists of Growth Capital, Secondary, PE Cash, and PE Transition.

****Other for the Preqin data consists of Distressed PE, Growth, Mezzanine, and other Private Equity/Special Situations.

Preqin universe is comprised of 10,000 private equity funds representing \$3.8 trillion.

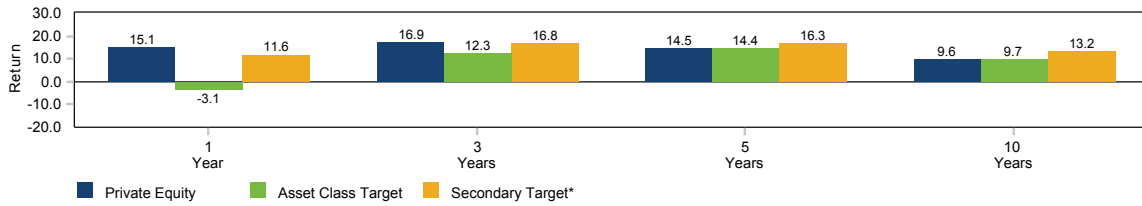
48

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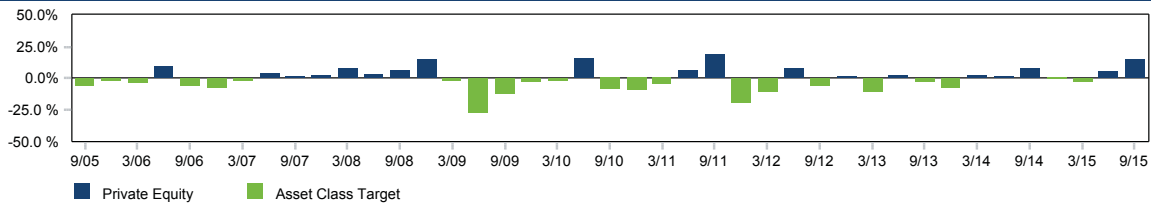
Private Equity

Time-Weighted Investment Results

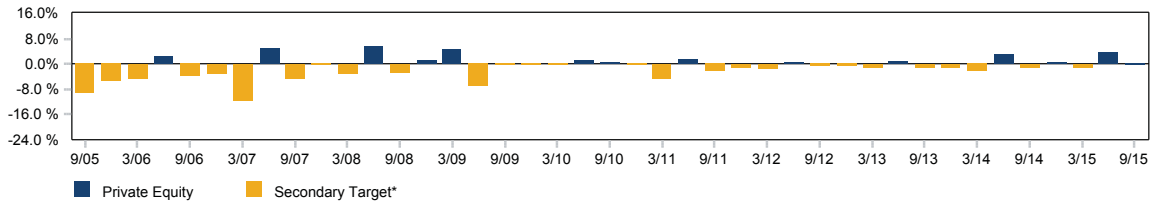
Return Summary as of September 30, 2015



Quarterly Excess Performance vs. Asset Class Target as of September 30, 2015



Quarterly Excess Performance vs. Secondary Target as of September 30, 2015

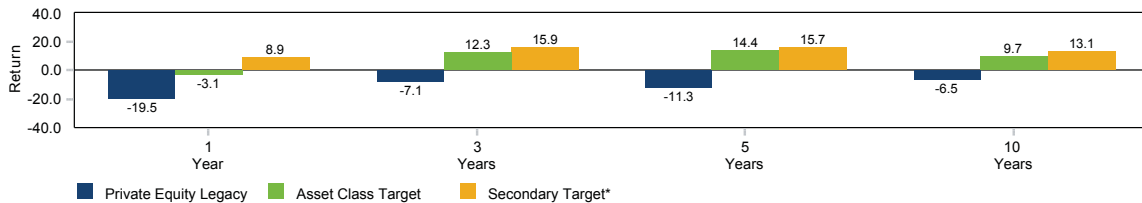


* The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index based on actual ABAL weights. Secondary target data is on a quarterly lag.

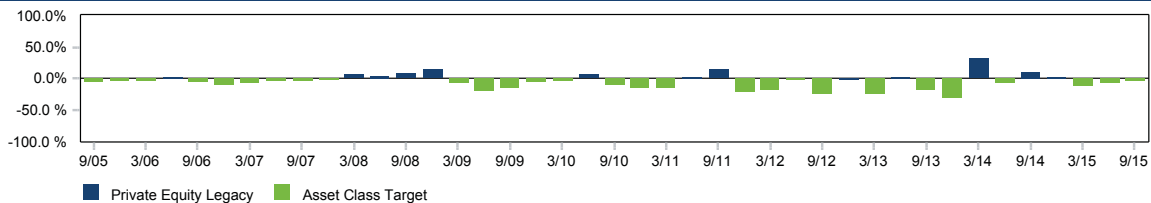
Private Equity Legacy

Time-Weighted Investment Results

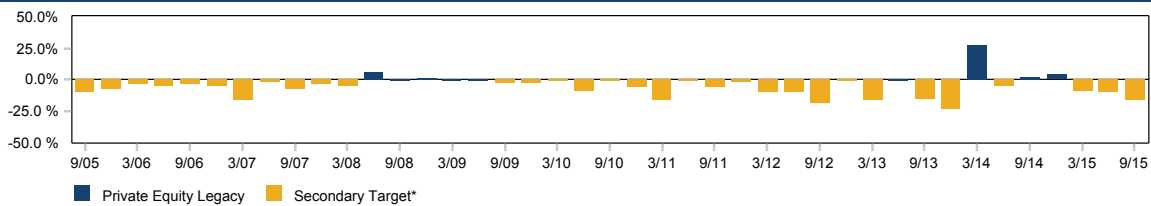
Return Summary as of September 30, 2015



Quarterly Excess Performance vs. Asset Class Target as of September 30, 2015



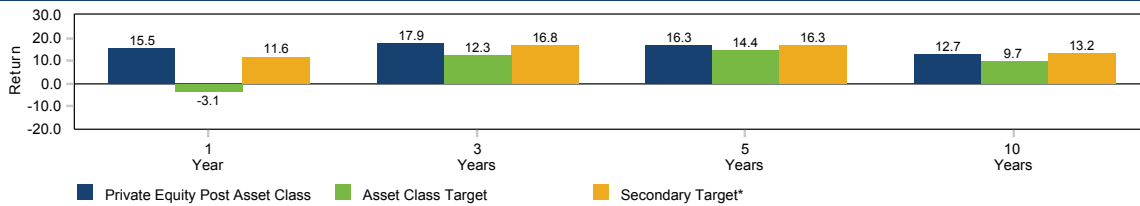
Quarterly Excess Performance vs. Secondary Target as of September 30, 2015



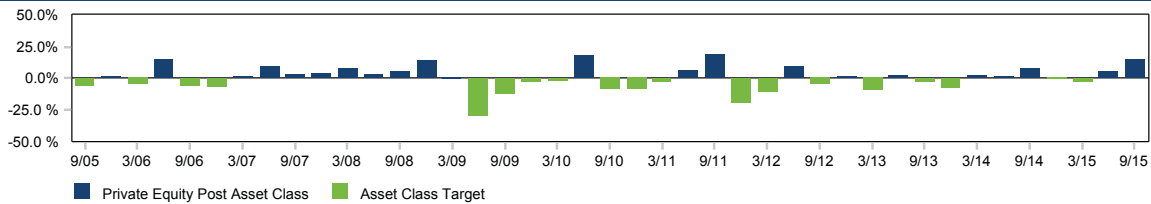
* The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index based on actual ABAL weights. Secondary target data is on a quarterly lag.

Time-Weighted Investment Results

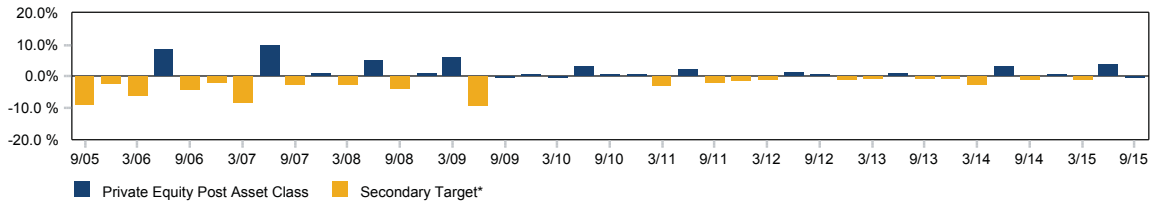
Return Summary as of September 30, 2015



Quarterly Excess Performance vs. Asset Class Target as of September 30, 2015



Quarterly Excess Performance vs. Secondary Target as of September 30, 2015



* The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index based on actual ABAL weights. Secondary target data is on a quarterly lag.



Private Equity Dollar-Weighted Performance

Cumulative Performance Measures Since Inception Through September 30, 2015

Name	Years Since Inception	Commitment	Net Paid In Cap.	Net Asset Value	IRR*
Lexington Capital Partners IV	14.47	\$200,000,000	-\$146,954,622	\$5,609,834	19.4%
Liberty Partners VI	13.72	\$595,484,687	\$188,390,803	\$3,361,250	-6.6%
Lexington Capital Partners V	13.14	\$100,000,000	-\$58,144,149	\$10,196,148	18.9%
Lexington Co-Investment Partners II	13.02	\$500,000,000	-\$539,156,725	\$91,533,505	25.1%
Top Tier Venture Capital II	12.01	\$120,000,000	\$17,165,138	\$61,392,691	4.7%
Platinum Equity Capital Partners I	11.64	\$50,000,000	-\$59,138,489	\$4,932,774	57.9%
Pantheon Venture Partners II	11.64	\$100,000,000	\$31,747,498	\$87,549,782	8.6%
Grove Street Partners Ventures	11.26	\$200,000,000	\$50,386,091	\$161,532,470	8.1%
Fairview Ventures Fund II	11.26	\$50,000,000	\$23,209,059	\$35,972,378	3.6%
Hellman & Friedman Capital Partners V	10.81	\$75,000,000	-\$112,139,123	\$1,791,662	27.9%
New Mountain Partners II	10.72	\$50,000,000	-\$38,655,864	\$3,836,144	13.7%
Top Tier Venture Capital III	10.47	\$75,000,000	\$27,520,899	\$56,798,409	6.4%
Carlyle Partners IV	10.43	\$75,000,000	-\$66,445,469	\$10,699,747	13.3%
Warburg Pincus Private Equity IX	10.08	\$75,000,000	-\$42,078,056	\$16,145,710	10.3%
Lexington Co-Investment Partners 2005	10.04	\$500,000,000	\$121,622,645	\$280,933,971	4.8%
Pomona Capital VI	10.04	\$50,000,000	\$3,782,592	\$18,422,508	5.4%
Liberty Partners VII	9.93	\$290,808,542	\$46,540,394	\$10,383,478	-7.3%
Lexington Capital Partners VI B	9.82	\$100,000,000	-\$1,009,425	\$37,796,314	7.3%
Apollo Investment Fund VI	9.82	\$200,000,000	-\$59,712,312	\$77,234,526	9.7%
Wellspring Capital Partners IV	9.68	\$75,000,000	-\$1,396,727	\$37,145,836	8.4%
Blackstone Capital Partners V	9.55	\$150,000,000	-\$7,452,288	\$88,962,602	8.6%
TowerBrook Investors II	9.50	\$75,000,000	-\$11,280,515	\$33,543,943	10.5%
Thoma Cressey Fund VIII	9.49	\$50,000,000	-\$63,779,817	\$26,183,193	17.9%
Fairview Ventures Fund III	9.26	\$75,000,000	\$27,167,442	\$87,576,392	15.7%
Pemira IV	9.13	€ 50,000,000	\$2,170,992	\$32,460,125	7.5%
Grove Street Partners Buyouts	9.01	\$150,000,000	\$37,356,327	\$95,867,049	9.6%
Thomas H Lee Equity Fund VI	8.88	\$75,000,000	-\$66,223,725	\$0	12.1%
First Reserve Fund XI	8.88	\$100,000,000	\$45,311,312	\$25,109,513	-4.9%
RCP Advisors Fund IV	8.76	\$50,000,000	-\$3,819,827	\$32,869,467	13.2%
Hellman & Friedman Capital Partners VI	8.70	\$100,000,000	-\$51,212,021	\$36,421,831	14.1%
Providence Equity Partners VI	8.55	\$50,000,000	\$15,084,779	\$33,126,339	6.3%
Green Equity Investors V	8.42	\$100,000,000	-\$14,073,113	\$69,578,970	17.8%
New Mountain Partners III	8.15	\$100,000,000	\$39,651,904	\$84,501,003	9.9%
Carlyle Partners V	8.01	\$200,000,000	-\$645,801	\$138,372,251	14.4%
Apollo Investment Fund VII	7.96	\$200,000,000	-\$109,925,564	\$74,598,429	25.4%
Platinum Equity Capital Partners II	7.96	\$75,000,000	-\$13,418,944	\$30,389,732	13.8%
RCP Advisors Fund V	7.90	\$50,000,000	\$14,375,676	\$39,780,088	12.5%
Warburg Pincus Private Equity X	7.86	\$150,000,000	\$32,491,630	\$102,119,061	8.6%
Top Tier Venture Capital IV	7.65	\$100,000,000	\$48,177,697	\$140,855,664	17.8%
Pomona Capital VII	7.27	\$50,000,000	-\$4,811,573	\$9,676,771	9.5%

* N/A - Not applicable as the IRR for less than one year of performance is not reported.



Private Equity Dollar-Weighted Performance (continued)
Cumulative Performance Measures Since Inception Through September 30, 2015

<u>Name</u>	<u>Years Since Inception</u>	<u>Commitment</u>	<u>Net Paid In Cap.</u>	<u>Net Asset Value</u>	<u>IRR*</u>
Grove Street Partners Ventures II	7.27	\$200,000,000	\$118,748,006	\$305,487,911	25.2%
Advent International GPE VI	7.24	\$58,000,000	\$9,723,400	\$64,573,487	18.7%
TowerBrook Investors III	7.21	\$150,000,000	\$39,164,634	\$88,169,773	10.8%
CVC European Equity Partners V	7.21	€ 70,000,000	\$15,808,539	\$59,083,750	12.4%
Thoma Bravo Fund IX	7.21	\$50,000,000	-\$82,718,332	\$26,194,882	42.7%
Ares Corporate Opportunities Fund III	7.03	\$100,000,000	\$11,670,531	\$95,058,452	21.4%
RCP Advisors Fund VI	6.99	\$50,000,000	\$33,213,066	\$44,906,097	8.2%
Cressey & Company Fund IV	6.90	\$50,000,000	-\$789,226	\$38,568,639	24.3%
Blackstone Capital Partners VI	6.90	\$200,000,000	\$121,715,517	\$154,776,735	11.8%
First Reserve Fund XII	6.88	\$200,000,000	\$115,458,965	\$101,597,751	-1.9%
Carlyle Asia Growth Partners IV	6.79	\$75,000,000	\$44,587,613	\$62,582,342	7.6%
Top Tier Special Opportunities Fund	6.35	\$12,450,000	\$10,879,216	\$6,175,706	-10.3%
Riverside Capital Appreciation Fund V	6.29	\$75,000,000	-\$1,043,945	\$30,782,448	11.9%
Freeman Spogli Equity Partners VI	6.18	\$75,000,000	\$32,798,776	\$103,785,004	22.5%
Energy Capital Partners II	6.17	\$100,000,000	\$10,476,521	\$67,937,768	16.9%
KPS Special Situations Fund III	6.02	\$50,000,000	\$247,432	\$28,441,882	21.4%
Charlesbank Equity Fund VII	5.94	\$75,000,000	\$16,186,103	\$75,338,762	26.0%
Lexington Capital Partners VII	5.83	\$200,000,000	\$34,889,509	\$112,819,419	16.3%
Pantheon Global Secondary Fund IV	5.12	\$100,000,000	\$13,937,431	\$46,121,257	17.3%
JH Whitney VII	4.97	\$75,000,000	\$42,128,386	\$56,644,070	9.8%
Trident V	4.92	\$75,000,000	\$62,790,078	\$77,739,588	7.4%
RCP Advisors Fund VII	4.83	\$50,000,000	\$31,012,538	\$41,297,785	12.4%
EnerVest Energy XII A	4.76	\$60,000,000	\$21,933,684	\$46,066,894	12.3%
EnCap Energy Capital Fund VIII	4.62	\$75,000,000	\$41,599,628	\$44,747,820	2.4%
Cortec Group V	4.46	\$50,000,000	\$40,555,361	\$71,189,922	27.8%
Montagu Private Equity Fund IV	4.35	€ 40,000,000	\$27,969,892	\$34,601,046	8.5%
Wellspring Capital Partners V	4.25	\$150,000,000	\$102,638,864	\$120,197,780	8.3%
Grove Street Partners Buyouts II	4.20	\$200,000,000	\$81,447,056	\$98,488,086	9.6%
Fairview Special Opportunities Fund	4.18	\$35,000,000	\$140,331,035	\$217,211,958	30.3%
ABRY Partners VII	4.14	\$75,000,000	\$57,763,053	\$90,459,746	15.4%
Hellman & Friedman Capital Partners VII	4.14	\$200,000,000	\$97,700,506	\$146,681,299	13.5%
Berkshire Fund VIII	4.10	\$60,000,000	\$39,113,284	\$42,509,700	4.9%
Strategic Investors Fund V A	4.01	\$125,000,000	\$83,739,806	\$122,822,213	19.7%
Francisco Partners III	3.93	\$75,000,000	\$60,881,912	\$86,120,294	14.1%
TPG Growth II	3.78	\$100,000,000	\$82,467,204	\$142,739,327	34.8%
TrueBridge - FLSBA Special Purpose	3.70	\$50,000,000	\$37,475,000	\$58,471,167	24.6%
TrueBridge - Kauffman Fellows Endowment Fund II	3.70	\$100,000,000	\$83,402,350	\$134,936,467	20.0%
Lexington Co-Investment Partners 2005 II Pool III	3.63	\$500,000,000	\$299,212,743	\$411,441,811	18.3%
Platinum Equity Capital Partners III	3.52	\$200,000,000	\$27,090,941	\$85,094,745	30.7%
Denham Commodity Partners Fund VI	3.50	\$100,000,000	\$38,783,344	\$45,529,585	7.6%

* N/A - Not applicable as the IRR for less than one year of performance is not reported.



Private Equity Dollar-Weighted Performance (continued)
Cumulative Performance Measures Since Inception Through September 30, 2015

<u>Name</u>	<u>Years Since Inception</u>	<u>Commitment</u>	<u>Net Paid In Cap.</u>	<u>Net Asset Value</u>	<u>IRR*</u>
Thoma Bravo Fund X	3.49	\$100,000,000	\$14,480,907	\$90,878,824	32.8%
Providence Equity Partners VII	3.40	\$150,000,000	\$87,075,864	\$96,885,007	8.2%
Warburg Pincus Private Equity XI	3.35	\$200,000,000	\$124,546,985	\$164,094,400	16.3%
AXA Secondary Fund V	3.30	\$100,000,000	\$34,497,946	\$72,216,196	21.4%
RCP Advisors Fund VIII	3.26	\$50,000,000	\$17,535,407	\$17,721,503	0.7%
Strategic Investors Fund V A Opportunity	3.21	\$50,000,000	\$32,756,961	\$51,402,363	24.8%
Carlyle Partners VI	2.94	\$200,000,000	\$70,395,935	\$67,955,571	-3.0%
Grove Street Partners Ventures III	2.94	\$150,000,000	\$65,289,605	\$75,086,124	14.8%
Apax VIII	2.92	\$157,584,000	\$93,510,433	\$103,444,821	10.0%
Green Equity Investors VI	2.92	\$200,000,000	\$120,146,141	\$137,768,501	10.5%
Ares Corporate Opportunities Fund IV	2.90	\$200,000,000	\$128,611,173	\$144,296,810	9.0%
Advent International GPE VII	2.82	€ 100,000,000	\$60,790,788	\$74,851,372	11.2%
Silver Lake Partners IV	2.77	\$100,000,000	\$27,844,900	\$40,943,006	39.1%
EnCap Energy Capital Fund IX	2.73	\$75,000,000	\$41,343,823	\$39,681,386	-3.7%
Lexington Middle Market Investors III	2.71	\$100,000,000	\$23,135,785	\$27,181,214	13.2%
EnerVest Energy Institutional Fund XIII A	2.69	\$100,000,000	\$96,458,098	\$82,955,516	-11.1%
SVB Strategic Investors Fund VI A	2.50	\$125,000,000	\$68,192,478	\$76,947,455	14.1%
TowerBrook Investors IV	2.40	\$190,000,000	\$15,132,624	\$17,121,446	9.9%
KKR Asia Fund II	2.30	\$100,000,000	\$36,554,435	\$51,585,132	30.4%
TrueBridge-Kauffman Fellows Endowment Fund III	2.27	\$150,000,000	\$65,044,440	\$66,395,799	2.0%
TrueBridge - FLSBA Special Purpose III	2.26	\$25,000,000	\$10,008,888	\$10,915,449	16.3%
Insight Venture Partners VIII	2.26	\$75,000,000	\$70,649,037	\$82,793,030	11.5%
KPS Special Situations Fund IV	2.26	\$150,000,000	\$7,625,048	\$9,564,187	11.5%
Riverside Capital Appreciation Fund VI	2.26	\$75,000,000	\$33,940,362	\$34,085,518	0.5%
W Capital Partners III	2.14	\$75,000,000	\$30,509,208	\$33,001,611	6.4%
Thoma Bravo Special Opportunities Fund I	2.11	\$50,000,000	\$29,728,537	\$39,545,306	21.4%
Apollo Investment Fund VIII	2.10	\$200,000,000	\$44,727,215	\$41,773,855	-8.6%
AXA LBO Fund V	2.09	€ 58,000,000	\$51,566,609	\$47,141,865	-5.8%
DCPF VI Oil and Gas Coinvestment Fund	2.00	\$50,000,000	\$15,729,057	\$14,938,813	-4.9%
CVC Capital Partners VI	1.96	\$75,000,000	\$12,539,615	\$10,109,225	-25.7%
Energy Capital Partners III	1.67	\$150,000,000	\$37,416,241	\$29,766,362	-24.3%
ASF VI	1.67	\$150,000,000	\$53,779,337	\$66,747,536	25.4%
New Mountain Partners IV	1.66	\$100,000,000	\$27,365,249	\$28,313,022	6.5%
Permira V	1.66	€ 73,800,000	\$55,643,037	\$52,045,657	-7.6%
Atlas Capital Resources II	1.66	\$20,000,000	\$7,063,886	\$7,573,382	12.0%
Post Oak Energy Partners II	1.63	\$25,000,000	\$5,501,067	\$4,531,038	-40.0%
SVB Capital Partners III	1.48	\$22,500,000	\$8,268,715	\$7,752,347	-7.7%
RCP Advisors Fund IX	1.39	\$100,000,000	\$7,548,988	\$6,374,798	-34.5%
Asia Alternatives FL Investor	1.39	\$150,000,000	\$30,173,319	\$29,369,378	-6.0%
Thoma Bravo Fund XI	1.33	\$150,000,000	\$91,769,550	\$90,692,111	-1.9%
The Energy & Minerals Group Fund III	1.29	\$85,000,000	\$63,437,042	\$67,199,916	6.7%

* N/A - Not applicable as the IRR for less than one year of performance is not reported.



Private Equity Dollar-Weighted Performance (continued)
Cumulative Performance Measures Since Inception Through September 30, 2015

<u>Name</u>	<u>Years Since Inception</u>	<u>Commitment</u>	<u>Net Paid In Cap.</u>	<u>Net Asset Value</u>	<u>IRR*</u>
Rubicon Technology Partners	1.25	\$50,000,000	\$7,766,265	\$6,519,708	-14.3%
Freeman Spogli Equity Partners VII	1.23	\$100,000,000	\$12,711,773	\$10,105,501	-24.4%
EnCap Flatrock Midstream Fund III	1.23	\$50,000,000	\$2,878,719	\$2,039,360	-43.3%
Charlesbank Equity Fund VIII	1.16	\$100,000,000	\$21,395,449	\$22,510,233	15.7%
Accel-KKR Structured Capital Partners II	1.16	\$25,000,000	\$1,992,474	\$1,411,813	-41.4%
Trident VI	1.16	\$75,000,000	\$32,476,316	\$31,256,929	-10.7%
Lexington Capital Partners VIII	1.16	\$200,000,000	\$25,248,750	\$36,590,261	95.4%
Strategic Investors Fund VII	0.98	\$125,000,000	\$15,093,677	\$14,508,052	N/A
OpenView Venture Partners IV	0.91	\$30,000,000	\$5,700,690	\$6,711,111	N/A
ABRY Partners VIII	0.81	\$75,000,000	\$21,133,977	\$18,819,565	N/A
Hellman & Friedman Capital Partners VIII	0.81	\$200,000,000	\$47,218	\$0	N/A
Inflexion Partnership Capital Fund I	0.81	£16,700,000.00	\$3,131,415	\$2,553,322	N/A
Inflexion Buyout Fund IV	0.81	£33,300,000.00	\$1,154,157	\$379,531	N/A
Insight Venture Partners IX	0.68	\$75,000,000	\$19,498,101	\$18,187,549	N/A
Siris Partners III	0.68	\$50,000,000	\$912,908	-\$268,735	N/A
Cressey & Company Fund V	0.66	\$75,000,000	\$10,173,552	\$10,419,679	N/A
Francisco Partners IV	0.66	\$75,000,000	\$18,636,256	\$17,676,826	N/A
EnCap Energy Capital Fund X	0.52	\$100,000,000	\$4,380,456	\$3,472,821	N/A
Venture Overage Fund	0.51	\$125,000,000	\$53,560,099	\$52,275,039	N/A
Fairview Special Opportunities Fund II	0.48	\$75,000,000	\$5,740,744	\$5,304,783	N/A
WPEF VI Feeder	0.45	\$70,000,000	\$1,789,556	\$840,644	N/A
Thoma Bravo Special Opportunities Fund II	0.42	\$50,000,000	\$21,559,305	\$21,340,498	N/A
TPG Growth III	0.41	\$100,000,000	\$51,927	-\$757,517	N/A
Insight Venture Partners Growth-Buyout Coinvestment Fund	0.39	\$50,000,000	\$12,132,042	\$11,577,766	N/A
Equistone Partners Europe Fund V	0.37	\$100,000,000	\$12,672,357	\$12,085,526	N/A
WPEF VI Overflow Feeder	0.37	\$40,000,000	\$20,956	\$0	N/A
RCP Fund X	0.23	\$50,000,000	\$514,681	\$312,500	N/A
Cortec Group Fund VI	0.23	\$45,000,000	\$904,849	\$82,080	N/A
Montagu V	0.16	€ 100,000,000	\$541,554	\$1,116	N/A
ASF VII	0.13	\$150,000,000	\$11,642,706	\$10,826,953	N/A
EnerVest Energy Institutional Fund XIV-A	0.12	\$100,000,000	\$4,244,304	\$4,207,631	N/A
Blackstone Capital Partners VII	0.12	\$200,000,000	\$63,274	\$0	N/A
Private Equity ex Cash ex Transition			\$1,201,589,535	\$8,417,308,792	8.9%

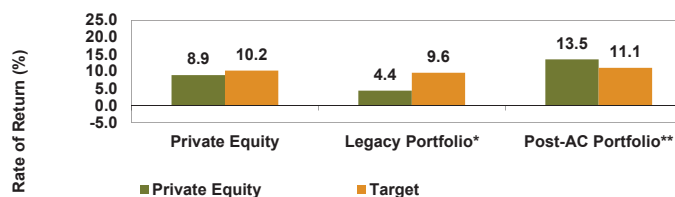
* N/A - Not applicable as the IRR for less than one year of performance is not reported.

Private Equity

Dollar-Weighted Investment Results

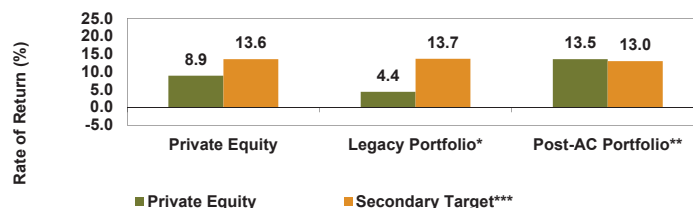
As of September 30, 2015

Since Inception



As of September 30, 2015

Since Inception



*The Inception Date for the Legacy Portfolio is January 1989.

**The Inception Date for the Post-AC Portfolio is September 2000.

***The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index based on actual ABAL weights. Secondary Target data is on a quarterly lag.



Real Estate

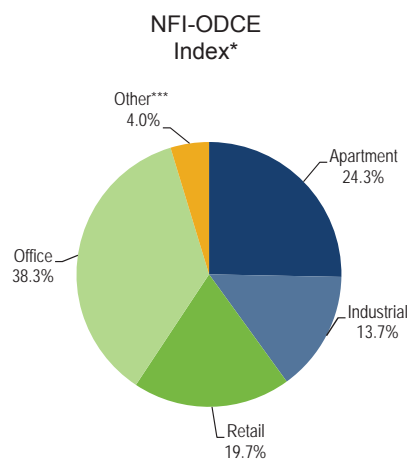
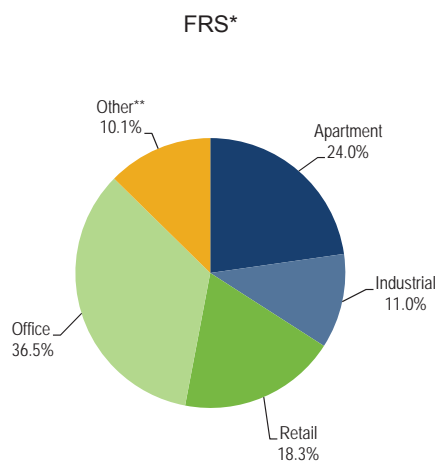
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AON
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Real Estate

As of September 30, 2015

Overview



*Property Allocation data is as of September 30, 2015. The FRS chart includes only the FRS private real estate assets. Property type information for the REIT portfolios is not included.

**Other for the FRS consists of Hotel, Land, Preferred Equity, Agriculture, Self-Storage and Senior Housing.

***Other for the NFI-ODCE Index consists of Hotel, Senior Living, Health Care, Mixed Use, Single Family Residential, Parking, Timber/Agriculture, Land and Infrastructure.

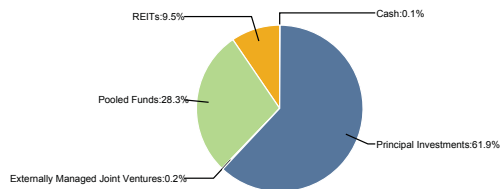
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Real Estate Portfolio Overview

Current Allocation

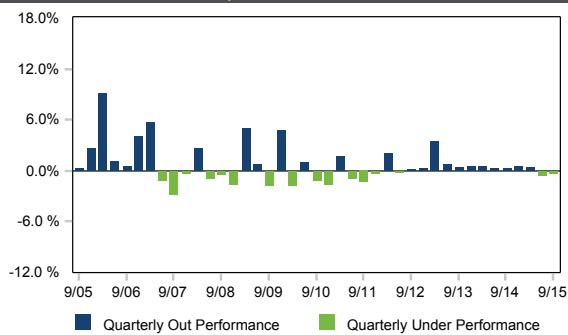
September 30, 2015 - \$12,520M



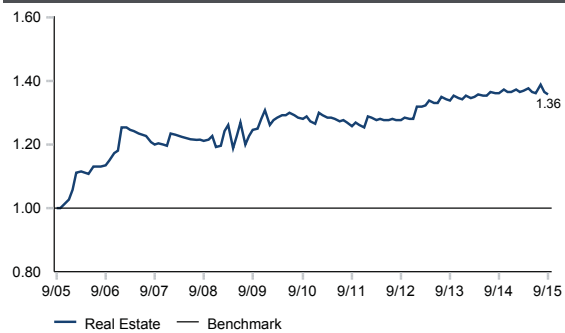
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years

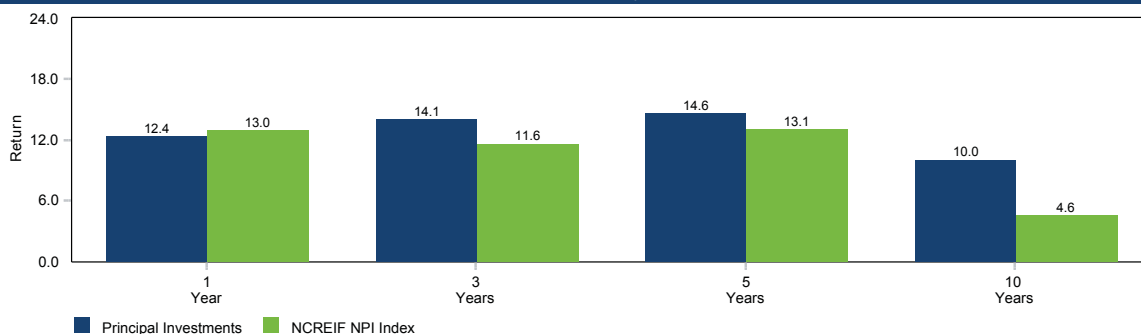


Principal Investments

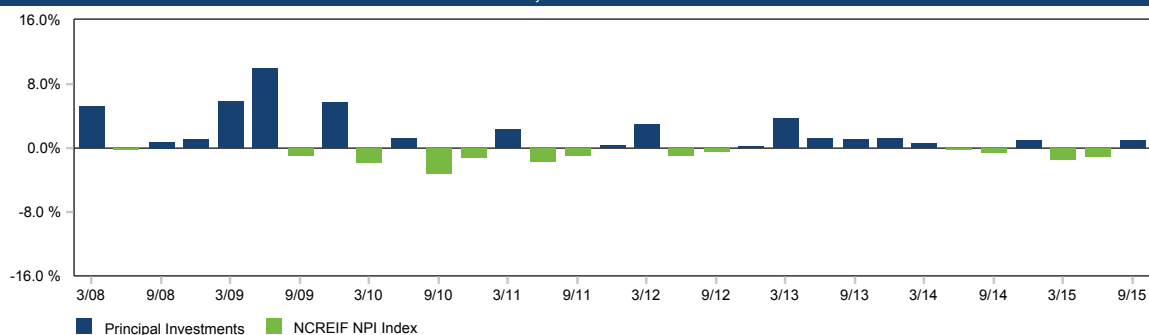
As of September 30, 2015

Principal Investments

Return Summary

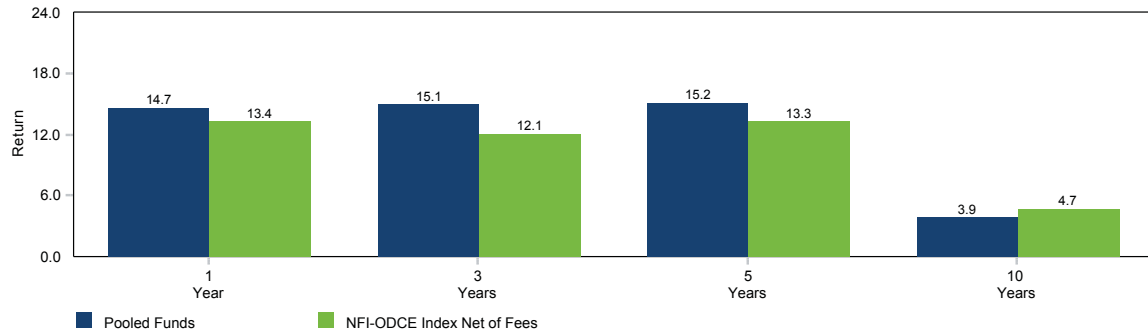


Quarterly Excess Performance

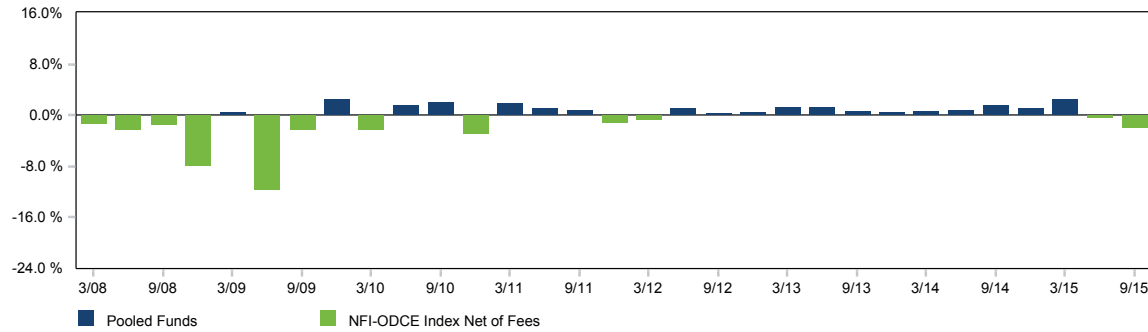


Pooled Funds

Return Summary

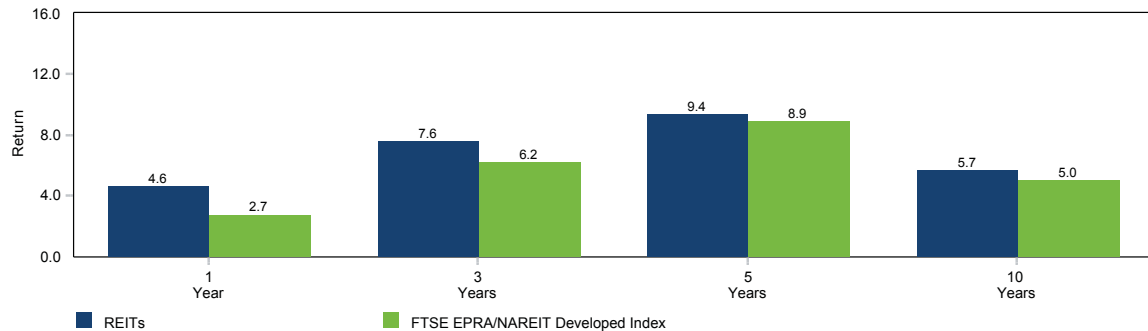


Quarterly Excess Performance

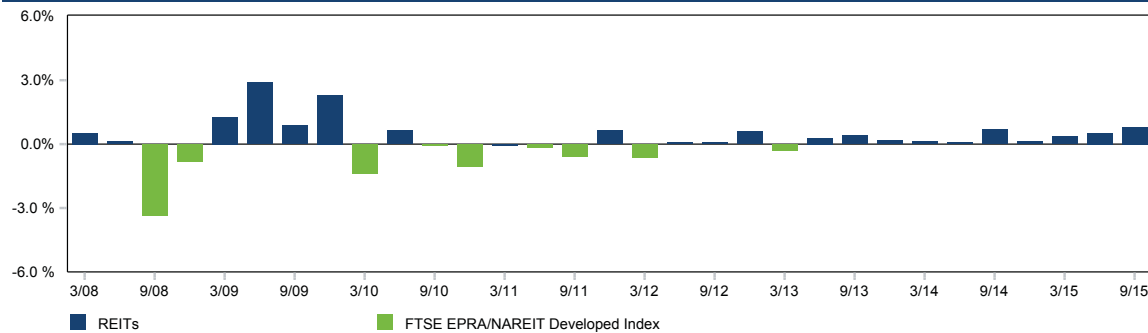


REITs

Return Summary



Quarterly Excess Performance



Real Estate Pooled Funds Dollar-Weighted Performance Measures Through September 30, 2015				
Name	Inception Date	Commitment	Net Asset Value	Since Inception Managed Return*
Pooled Funds				
Beacon Capital Strategic Partners Fund V	9/30/2007	\$100,000,000	\$18,246,474	-9.3%
Blackstone Asia	1/31/2014	\$200,000,000	\$106,722,790	10.4%
Blackstone Real Estate Partners VI	10/31/2007	\$200,000,000	\$152,965,763	7.2%
Blackstone Real Estate Partners VII	5/31/2012	\$300,000,000	\$302,783,177	23.1%
Blackstone Real Estate Partners VIII	9/30/2015	\$100,000,000	\$4,322,483	0.0%
Brookfield-Fairfield US Multi	9/30/2012	\$50,000,000	\$53,041,743	16.3%
Brookfield-Fairfield US Multi II	2/28/2014	\$75,000,000	\$43,156,993	8.1%
CapMan Nordic Real Estate Fund	2/28/2015	€50,000,000	\$27,021,201	-1.1%
Carlyle Realty Partners VI	2/29/2012	\$83,000,000	\$53,385,031	21.4%
Carlyle Realty Partners VII	2/28/2015	\$50,000,000	\$9,641,995	-10.4%
CIM Fund VIII	3/31/2015	\$50,000,000	\$15,924,402	-2.6%
Diamond Property Fund	8/31/2006	\$100,000,000	\$24,972,457	-9.0%
Europa Fund IV	8/31/2014	€74,000,000	\$33,057,887	2.9%
Heitman Value Partners III	5/31/2015	\$50,000,000	\$8,244,540	-5.2%
Hines US Office Value Added Fund II	9/30/2007	\$135,437,699	\$40,227,638	-12.4%
JP Morgan European Opportunistic Property Fund III	11/30/2015	€50,000,000	-\$292,888	N/A
JP Morgan Pooled Fund	9/30/2003	\$250,000,000	\$367,143,555	8.3%
JP Morgan Special Situation Fund	1/31/2008	\$150,000,000	\$160,664,471	1.9%
Prime Property Fund	6/30/2006	\$250,000,000	\$343,380,592	6.5%
Principal Financial Group Pooled Fund	10/31/2003	\$175,000,000	\$310,838,103	7.1%
Prologis US Logistics Fund	8/31/2015	\$100,000,000	\$55,446,482	0.0%
Prudential PRISA	4/30/2005	\$250,000,000	\$300,398,601	5.4%
Prudential PRISA Fund II	9/30/2007	\$145,000,000	\$167,808,978	1.1%
Prudential PRISA III	1/31/2008	\$150,000,000	\$198,541,870	0.0%
Rockpoint Fund V	NOT FUNDED	\$100,000,000	-\$159,029	N/A
Rockpoint Real Estate Fund III	1/31/2008	\$100,000,000	\$14,561,428	-46.9%
Rockpoint Real Estate Fund IV	1/31/2013	\$100,000,000	\$52,696,447	34.8%
RREEF America REIT Pooled Fund	7/31/2003	\$250,000,000	\$282,800,144	7.0%
Starwood Opportunity Fund IX	4/30/2013	\$100,000,000	\$73,863,589	23.2%
Starwood Opportunity Fund X	11/30/2015	\$150,000,000	\$3,236,897	N/A
Tristan EPISO 3	3/31/2014	€55,000,000	\$40,789,348	-9.5%
UBS Pooled Fund	7/31/2003	\$200,000,000	\$276,577,704	7.4%
Total Pooled Funds			\$3,542,010,863	5.4%

* N/A - Not applicable as the IRR for less than one year of performance is not reported.



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Strategic Investments

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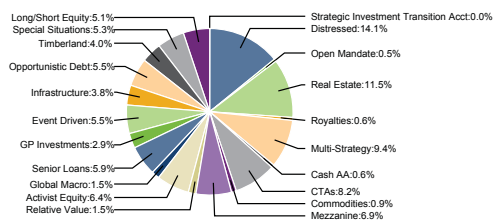
Strategic Investments

As of September 30, 2015

Strategic Investments Portfolio Overview

Current Allocation

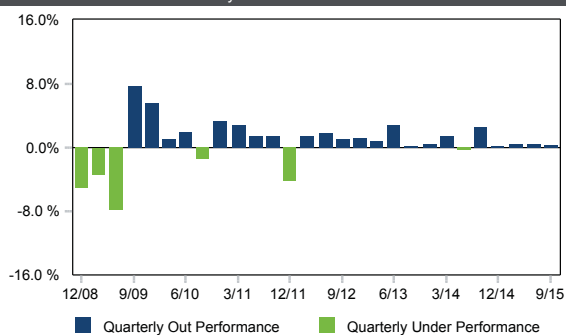
September 30, 2015: \$10,412M



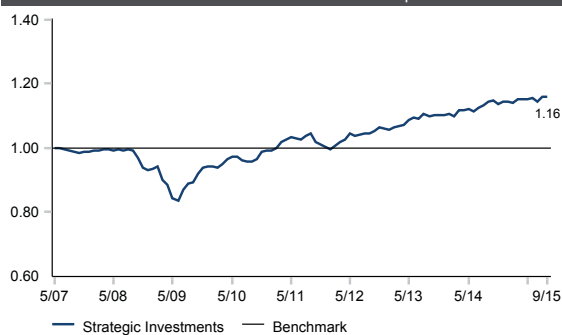
Return Summary



Quarterly Excess Performance



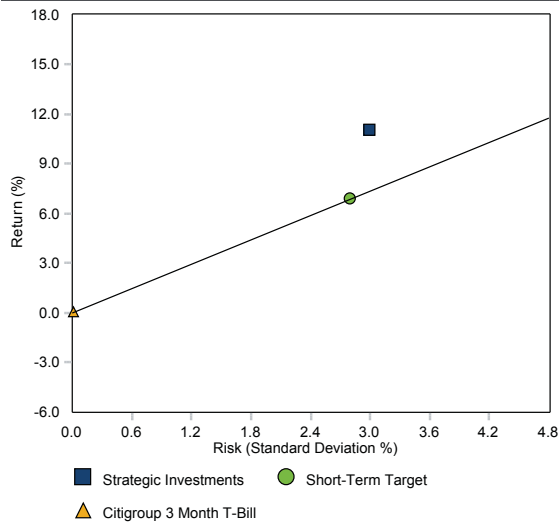
Ratio of Cumulative Wealth - Since Inception



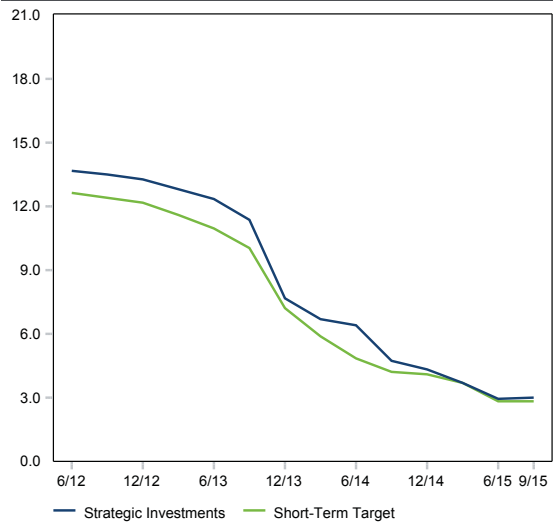
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Strategic Investments Risk Profile

Annualized Return vs. Annualized Standard Deviation
5 Years

Rolling 5 Years Standard Deviation



5 Years Historical Statistics

	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Strategic Investments	3.80	2.92	1.30	0.24	3.50	7.19	0.53	11.00	3.00	0.49
Short-Term Target	0.00	0.00	N/A	1.00	2.39	0.00	1.00	6.90	2.80	1.00
Citigroup 3 Month T-Bill	-6.67	2.80	-2.39	0.06	N/A	0.05	0.00	0.05	0.01	0.24

Strategic Investments Value-Added Returns
For Time Periods Ending September 2015

Style/Manager	Commitment	1 Year			3 Year			5 Year			Since Inception		
		Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added
Senior Loans:													
ABRY Advanced Securities Fund	\$150,000,000	18.33%	5.17%	13.16%	35.16%	6.37%	28.79%	28.82%	6.83%	21.99%	24.71%	6.17%	18.54%
ABRY Advanced Securities Fund II	\$150,000,000	8.35%	5.17%	3.18%	17.33%	6.37%	10.96%				11.40%	6.54%	4.86%
ABRY Advanced Securities Fund III	\$150,000,000	5.07%	5.17%	-0.10%							-36.08%	5.78%	-41.86%
Apollo Credit Liquidity Fund	\$238,233,051	-24.19%	5.17%	-29.36%	8.46%	6.37%	2.09%	14.21%	6.83%	7.38%	9.96%	6.74%	3.22%
Audax Credit Opportunities	\$200,000,000	5.78%	5.17%	0.61%	6.75%	6.37%	0.38%	6.98%	6.83%	0.15%	6.74%	6.75%	-0.01%
Blackstone Credit Liquidity Partners, L.P.	\$250,000,000	71.37%	5.17%	66.20%	40.85%	6.37%	34.48%	30.22%	6.83%	23.39%	20.62%	6.74%	13.88%
Providence TMT Debt Opportunity Fund II, L.P.	\$100,000,000	9.04%	5.17%	3.87%	13.15%	6.37%	6.78%	9.88%	6.83%	3.05%	9.88%	6.83%	3.05%
Providence TMT Special Situation Fund	\$150,000,000	46.35%	5.17%	41.18%	23.48%	6.37%	17.11%	18.67%	6.83%	11.84%	15.32%	6.64%	8.68%
Providence Debt Fund III, L.P.	\$150,000,000	11.11%	5.17%	5.94%							3.93%	6.06%	-2.13%
Mezzanine:													
ABRY Senior Equity III, L.P.	\$60,000,000	35.80%	5.17%	30.63%	24.02%	6.37%	17.65%	17.96%	6.83%	11.13%	12.26%	6.74%	5.52%
ABRY Senior Equity IV, L.P.	\$60,000,000	11.26%	5.17%	6.09%				7.26%	6.11%	1.15%	7.26%	6.11%	1.15%
Carlyle Mezzanine Partners II, L.P.	\$150,000,000	9.38%	5.17%	4.21%	13.33%	6.37%	6.96%	10.25%	6.83%	3.42%	7.40%	6.36%	1.04%
Crescent Mezzanine Partners VI	\$150,000,000	8.15%	5.17%	2.98%	5.80%	6.37%	-0.57%				5.20%	6.21%	-1.01%
Falcon Strategic Partners III	\$75,000,000	17.89%	5.17%	12.72%	8.31%	6.37%	1.94%	11.81%	6.83%	4.98%	10.90%	6.84%	4.06%
Falcon Strategic Partners IV	\$100,000,000	18.19%	5.17%	13.02%							7.81%	6.11%	1.70%
GSO Capital Opportunities Fund	\$200,000,000	13.86%	5.17%	8.69%	21.84%	6.37%	15.47%	21.34%	6.83%	14.51%	18.53%	6.23%	12.30%
GSO Capital Opportunities Fund II	\$150,000,000	26.45%	5.17%	21.28%	22.19%	6.37%	15.82%	21.13%	6.38%	14.75%	21.13%	6.38%	14.75%
Levine Leichtman Capital Partners IV	\$100,000,000	1.80%	5.17%	-3.37%	12.66%	6.37%	6.29%	19.79%	6.83%	12.96%	14.11%	6.71%	7.40%
Levine Leichtman Capital Partners V	\$200,000,000	23.33%	5.17%	18.16%							23.33%	5.17%	18.16%
TCW Crescent Mezzanine Partners V	\$150,000,000	10.88%	5.17%	5.71%	11.39%	6.37%	5.02%	11.54%	6.83%	4.71%	9.57%	6.29%	3.28%
TSS Structured Capital II	\$75,000,000	135.54%	5.17%	130.37%	57.25%	6.37%	50.88%	38.66%	6.83%	31.83%	24.14%	6.84%	17.30%
Distressed:													
Blackstone/GSO Capital Solutions Fund	\$100,000,000	-1.80%	5.17%	-6.97%	13.24%	6.37%	6.87%	13.80%	6.83%	6.97%	13.33%	6.74%	6.59%
GSO Capital Solutions Fund II, L.P.	\$200,000,000	56.50%	5.17%	51.33%							138.99%	6.06%	132.93%
Castleside III, L.P.	\$75,000,000	8.49%	5.17%	3.32%							5.88%	6.57%	-0.69%
Centerbridge Capital Partners III	\$125,000,000							-4.28%	3.76%	-8.04%			
CVI Credit Value Fund A	\$100,000,000	12.28%	5.17%	7.11%	21.63%	6.37%	15.26%				21.63%	6.37%	15.26%
CVI Credit Value Fund II A, L.P.	\$200,000,000	0.19%	5.17%	-4.98%							10.33%	6.39%	3.94%
CVI Credit Value Fund III A, L.P.											6.33%	2.72%	3.61%
CVI Global Value Fund A-Class P	\$250,000,000	11.88%	5.17%	6.71%	22.74%	6.37%	16.37%	20.12%	6.83%	13.29%	20.79%	6.24%	14.55%
Distressed Managers II FL LP	\$150,000,000	1.22%	5.17%	-3.95%	3.96%	6.37%	-2.41%	3.11%	6.83%	-3.72%	2.20%	6.83%	-4.63%
Marathon European Credit Opportunity Fund II	\$100,000,000	6.10%	5.17%	0.93%							5.62%	5.13%	0.49%
Oaktree Opportunities Fund VIII, L.P.	\$100,000,000	-9.58%	5.17%	-14.75%	9.07%	6.37%	2.70%	9.41%	6.83%	2.58%	8.17%	6.81%	1.36%
Oaktree Opportunities Fund VIIIb, L.P.	\$50,000,000	-0.14%	5.17%	-5.31%	8.04%	6.37%	1.67%				8.04%	6.37%	1.67%
Oaktree Opportunity Fund IX	\$100,000,000	-6.24%	5.17%	-11.41%							0.75%	6.54%	-5.79%
OCM Opportunities Fund VIIb	\$50,000,000	-21.04%	5.17%	-26.21%	5.83%	6.37%	-0.54%	8.37%	6.83%	1.54%	8.40%	4.90%	3.50%
PCG Special Situations Partners, L.P.	\$150,000,000	10.73%	5.17%	5.56%	16.31%	6.37%	9.94%	9.67%	6.83%	2.84%	8.52%	6.74%	1.78%
Special Situation Partners II	\$100,000,000	5.82%	5.17%	0.65%	8.93%	6.37%	2.56%	10.90%	6.83%	4.07%	6.35%	5.66%	0.69%
The Varde Fund X (C), L.P.	\$200,000,000	5.24%	5.17%	0.07%							7.01%	6.17%	0.84%
Varde Fund X, L.P.	\$100,000,000	6.63%	5.17%	1.46%	13.12%	6.37%	6.75%	10.39%	6.83%	3.56%	9.69%	6.79%	2.90%
Wayzata Opportunities Fund II	\$50,000,000	2.70%	5.17%	-2.47%	20.99%	6.37%	14.62%	19.05%	6.83%	12.22%	16.07%	5.23%	10.84%
Wayzata Opportunities Fund III, LP	\$150,000,000	-4.18%	5.17%	-9.35%							-12.36%	6.39%	-18.75%
Opportunistic Debt:													
Anchorage Capital Fund	\$150,000,000	3.67%	-5.83%	9.50%	12.20%	5.78%	6.42%				11.19%	6.59%	4.60%
King Street Capital Fund	\$200,000,000	-1.70%	-5.83%	4.13%	6.48%	5.78%	0.70%	4.45%	3.93%	0.52%	4.45%	3.93%	0.52%
Canyon Value Realization Fund, L.P.	\$100,000,000										2.21%	-3.08%	5.30%

Strategic Investments Value-Added Returns (continued)													
For Time Periods Ending September 2015													
Style/Manager	Commitment	1 Year			3 Year			5 Year			Since Inception		
		Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added
Long/Short Equity:													
Highline Capital Partners	\$150,000,000	2.55%	4.24%	-1.69%	13.05%	8.96%	4.09%				8.59%	4.94%	3.65%
Scopia PX LLC	\$100,000,000	1.23%	2.07%	-0.84%	5.76%	8.20%	-2.44%				5.73%	6.64%	-0.91%
Three Bridges Europe Fund LP	\$75,000,000	6.70%	4.24%	2.46%							7.64%	8.07%	-0.43%
JHL Capital Group Fund LLC	\$100,000,000	6.52%	4.24%	2.28%							3.88%	4.54%	-0.66%
Activist Equity:													
Cevian Capital II	\$100,000,000	-10.43%	-9.33%	-1.10%	3.03%	6.03%	-3.00%	5.33%	4.28%	1.05%	8.26%	4.12%	4.14%
KV Partners	\$150,000,000	-10.24%	-9.33%	-0.91%	3.16%	6.03%	-2.87%	-6.86%	4.17%	-11.03%	-3.77%	5.38%	-9.15%
P2 Capital Fund	\$100,000,000	-8.01%	1.25%	-9.26%	12.24%	11.02%	1.22%	12.57%	11.73%	0.84%	12.35%	11.63%	0.72%
Starboard Value and Opportunity Fund	\$200,000,000	5.19%	1.25%	3.94%	11.26%	11.02%	0.24%				11.25%	7.68%	3.57%
GP Investments:													
Blackstone Unit Trusts		3.05%	-0.49%	3.54%	28.88%	12.53%	16.35%	20.24%	13.28%	6.96%	3.70%	5.40%	-1.70%
Lexington GP Holdings	\$41,250,000	40.71%	5.17%	35.54%	30.29%	6.37%	23.92%	33.31%	6.83%	26.48%	30.93%	6.75%	24.18%
Providence Equity Global Group	\$150,000,000	5.01%	5.17%	-0.16%	8.02%	6.37%	1.65%				6.94%	6.14%	0.80%
Infrastructure:													
Global Infrastructure Partners II, L.P.	\$150,000,000	7.12%	5.17%	1.95%	34.56%	6.37%	28.19%				30.03%	6.20%	23.83%
IFM Global Infrastructure (US) L.P.	\$300,000,000										4.91%	4.44%	0.47%
Timberland:													
Boston Timber Opportunities	\$300,000,000	5.51%	11.02%	-5.51%	9.23%	10.77%	-1.54%				7.86%	10.77%	-2.91%
Jackson Timberland Opportunities	\$200,000,000	2.82%	10.02%	-7.20%	8.41%	9.77%	-1.36%				7.34%	8.80%	-1.46%
Commodities:													
EIG Energy Fund XVI, L.P.	\$100,000,000	-52.02%	5.17%	-57.19%							-45.22%	6.06%	-51.28%
Orion Mine Finance Fund I	\$100,000,000	-4.13%	5.17%	-9.30%	-1.18%	6.37%	-7.55%				-1.18%	6.37%	-7.55%
Real Estate:													
BlackRock Carbon Capital V	\$150,000,000	9.08%	5.17%	3.91%							5.81%	6.17%	-0.36%
Principal RE Debt (SBAF Mortgage Fund)	\$600,000,000	8.01%	5.17%	2.84%	8.30%	6.37%	1.93%	10.06%	6.83%	3.23%	10.06%	6.83%	3.23%
Bayview Opportunity Fund IIb	\$150,000,000	6.26%	5.17%	1.09%							9.51%	6.54%	2.97%
Bayview Opportunity Master Fund II b	\$100,000,000	21.96%	5.17%	16.79%	35.34%	6.37%	28.97%	24.26%	6.83%	17.43%	22.75%	6.75%	16.00%
Cerberus Institutional Real Estate Partners III, L.P.	\$150,000,000	17.28%	5.17%	12.11%							9.48%	6.06%	3.42%
Colony Distressed Credit Fund II	\$75,000,000	9.50%	5.17%	4.33%	11.85%	6.37%	5.48%				9.76%	6.34%	3.42%
Square Mile Partners III	\$100,000,000	16.47%	5.17%	11.30%	14.09%	6.37%	7.72%	14.95%	6.83%	8.12%	8.25%	6.77%	1.48%
Tricon Housing Partners US LP	\$105,000,000	12.43%	5.17%	7.26%	12.08%	6.37%	5.71%	10.54%	6.83%	3.71%	9.12%	6.24%	2.88%
Tricon Housing Partners US II LP	\$100,000,000	14.56%	5.17%	9.39%	14.33%	6.37%	7.96%				12.92%	6.28%	6.64%
TriGate Property Partners II, L.P.	\$50,000,000	10.54%	5.17%	5.37%							-1.01%	6.18%	-7.19%
Colony Distressed Credit and Special Situations Fund III	\$150,000,000	10.73%	5.17%	5.56%							6.56%	6.21%	0.35%
Bayview Opportunity Fund IV b LLC	\$150,000,000	-12.39%	5.17%	-17.56%							-12.39%	5.17%	-17.56%
Benefit Street Partners CRE Conduit Company L.P.	\$125,000,000	-9.62%	5.17%	-14.79%							-12.72%	5.13%	-17.85%



Strategic Investments Value-Added Returns (continued) For Time Periods Ending September 2015													
Style/Manager	Commitment	1 Year			3 Year			5 Year			Since Inception		
		Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added	Mgd Return	Bmk Return	Value Added
Macro:													
MKP Opportunity Partners, L.P.	\$150,000,000	8.11%	0.03%	8.08%							4.41%	1.67%	2.74%
Relative Value:													
Overland Relative Value Fund	\$150,000,000										2.97%	0.08%	2.89%
CTAs:													
Caerus DT Fund, LLC	\$300,000,000	11.22%	11.41%	-0.19%							10.90%	16.09%	-5.19%
Elan Fund LP	\$300,000,000	4.58%	11.41%	-6.83%							4.58%	11.41%	-6.83%
AQR Managed Futures Fund II	\$200,000,000										2.14%	-5.57%	7.71%
Royalties:													
Healthcare Royalty Partners III, L.P.	\$65,000,000										18.33%	4.91%	13.42%
Vine Media Opportunities Fund III	\$100,000,000										-2.14%	4.44%	-6.58%
Event Driven:													
Gruss Global Investors Fund	\$150,000,000	-2.05%	-6.13%	4.08%	3.85%	5.11%	-1.26%				3.04%	-0.54%	3.58%
Mason Capital Fund	\$200,000,000	-16.55%	-6.13%	-10.42%	-1.81%	5.11%	-6.92%				-0.99%	2.11%	-3.10%
Litespeed Partners, L.P.	\$100,000,000	-17.34%	-6.13%	-11.21%							-9.77%	-0.54%	-9.23%
Luxor Capital Partners	\$100,000,000	-13.13%	-6.13%	-7.00%							-7.99%	-1.47%	-6.52%
Multi-Strategy:													
Davidson Kempner Institutional Partners	\$100,000,000	0.30%	-6.13%	6.43%							3.94%	1.59%	2.35%
OZ Domestic Partners II, L.P.	\$200,000,000	5.01%	4.49%	0.52%	9.38%	8.93%	0.45%				9.05%	9.41%	-0.36%
Taconic Opportunity Fund	\$200,000,000	-4.51%	-6.13%	1.62%	6.03%	5.11%	0.92%				4.28%	2.07%	2.21%
York Capital Management L.P.	\$150,000,000	-3.24%	-6.13%	2.89%	10.72%	5.11%	5.61%				10.78%	5.77%	5.01%
HBK Fund II, L.P.	\$150,000,000	-1.60%	-6.13%	4.53%							2.27%	1.06%	1.21%
Open Mandate:													
Coastline Fund	\$250,000,000										0.03%	4.62%	-4.59%
Special Situations:													
Castellake Aviation II	\$75,000,000	7.42%	5.17%	2.25%	11.81%	6.37%	5.44%				12.19%	6.86%	5.33%
Florida Growth Fund	\$250,000,000	-7.05%	5.17%	-12.22%	6.57%	6.37%	0.20%	9.67%	6.83%	2.84%	6.23%	6.73%	-0.50%
Florida Growth Fund Credit Tranche	\$100,000,000	10.32%	5.17%	5.15%							10.32%	5.17%	5.15%
Florida Growth Fund Tranche II	\$150,000,000	11.85%	5.17%	6.68%	9.50%	6.37%	3.13%				7.94%	6.21%	1.73%
Florida Growth Fund II Tranche 1											-20.01%	2.09%	-22.10%
G.I. Partners Fund IV, L.P.	\$150,000,000	-1.50%	5.17%	-6.67%							-82.13%	6.29%	-88.42%
GI Partners III	\$100,000,000	7.10%	5.17%	1.93%	15.93%	6.37%	9.56%	16.59%	6.83%	9.76%	11.67%	6.77%	4.90%
SASOF III L.P.											-9.84%	0.42%	-10.26%
TSSP Adjacent Opportunities Partners, L.P.	\$100,000,000										5.92%	4.31%	-1.72%
Cash													
Strategic Investments Cash		0.23%	0.04%	0.19%	0.21%	0.03%	0.18%	0.25%	0.04%	0.21%	-0.10%	0.57%	-0.75%
Strategic Investments		3.92%	5.17%	-1.25%	10.76%	6.37%	4.39%	11.00%	6.83%	4.17%	3.46%	6.82%	-3.36%
Value-Added returns are managed returns minus benchmark returns. Transition accounts are included in the total aggregate. Terminated portfolios are not shown individually but are included in the aggregate.													

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Transition accounts are included in the total aggregate.
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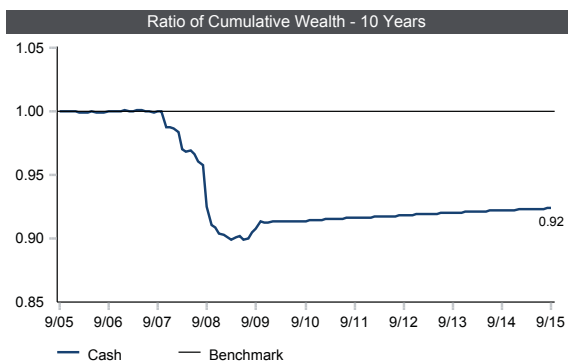
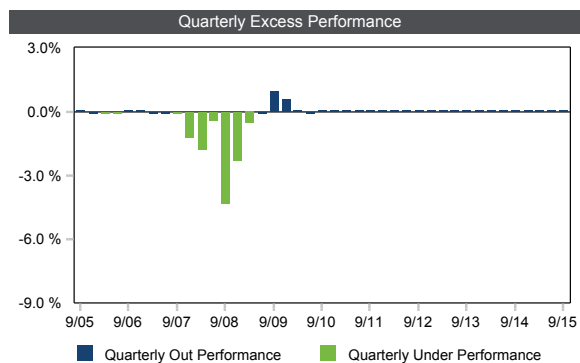
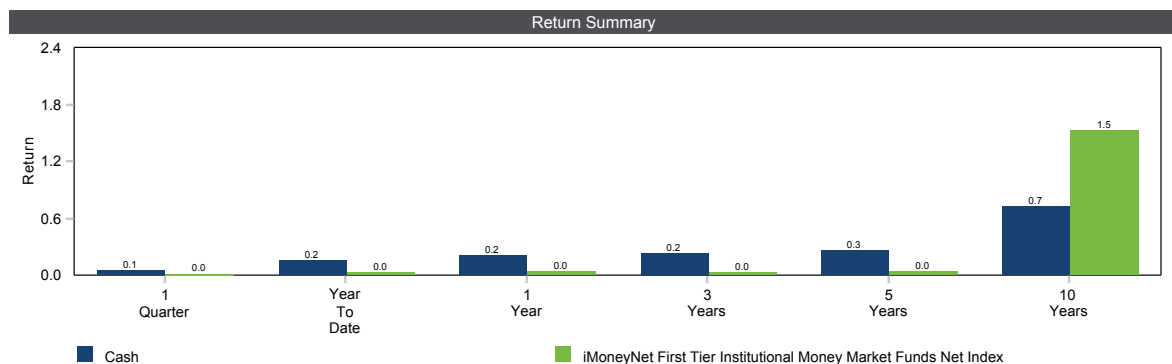


Cash

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Cash As of September 30, 2015 Cash Performance Summary



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Appendix

Historical Policy Allocation

	Global Equity	Domestic Equity	Foreign Equity	Global Equity Legacy	Strategic Investments	Fixed Income	Real Estate	Private Equity	High Yield	Cash
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
9/30/2015	57.2	--	--	--	7.3	19.9	8.7	5.9	--	1.0
6/30/2015	57.9	--	--	--	6.8	20.2	8.2	5.9	--	1.0
3/31/2015	58.6	--	--	--	6.6	20.4	8.0	5.5	--	1.0
12/31/2014	58.8	--	--	--	6.3	20.5	7.8	5.6	--	1.0
9/30/2014	59.3	--	--	--	5.7	20.8	7.5	5.6	--	1.0
6/30/2014	59.7	--	--	--	5.4	20.9	7.6	5.4	--	1.0
3/31/2014	60.0	--	--	--	5.5	20.9	7.4	4.9	1.2	--
12/31/2013	57.5	--	--	--	5.2	24.0	7.2	5.0	--	1.0
9/30/2013	57.2	--	--	--	5.2	24.0	7.4	5.1	--	1.0
6/30/2013	57.4	--	--	--	5.0	24.0	7.5	5.1	--	1.0
3/31/2013	57.6	--	--	--	4.8	24.0	7.6	5.0	--	1.0
12/31/2012	57.2	--	--	--	5.0	24.0	7.5	5.2	--	1.0
9/30/2012	57.5	--	--	--	4.7	24.0	7.6	5.2	--	1.0
6/30/2012	55.6	--	--	--	4.4	26.0	7.7	5.3	--	1.0
3/31/2012	57.1	--	--	--	4.0	26.0	7.2	4.7	--	1.0
12/31/2011	56.8	--	--	--	4.1	26.0	7.2	4.9	--	1.0
9/30/2011	57.6	--	--	--	3.7	26.0	6.9	4.7	--	1.0
6/30/2011	59.2	--	--	--	3.2	26.0	6.4	4.3	--	1.0
3/31/2011	60.0	--	--	--	2.6	26.0	6.3	4.0	--	1.0
12/31/2010	59.6	--	--	--	2.8	26.0	6.3	4.3	--	1.0
9/30/2010	58.2	--	--	--	4.2	26.0	6.5	4.2	--	1.0
6/30/2010	--	36.5	19.2	--	3.9	27.2	6.3	4.0	1.9	1.0
3/31/2010	--	37.1	19.3	--	3.7	27.3	6.2	3.6	1.9	1.0
12/31/2009	--	37.1	19.3	--	3.6	27.2	6.4	3.5	1.9	1.0
9/30/2009	--	37.0	19.3	--	3.5	26.9	6.9	3.5	1.9	1.0
6/30/2009	--	36.5	19.3	--	3.4	26.4	7.9	3.6	1.9	1.0
3/31/2009	--	34.4	19.3	--	3.6	25.0	10.0	4.8	1.9	1.0
12/31/2008	--	34.6	19.2	--	4.0	25.0	9.8	4.5	1.9	1.0
9/30/2008	--	36.2	19.1	--	4.3	26.1	7.9	3.5	1.9	1.0
6/30/2008	--	36.8	19.2	--	4.2	26.5	7.3	3.2	1.9	1.0
3/31/2008	--	36.3	19.1	--	4.5	26.3	7.4	3.7	1.8	1.0
12/31/2007	--	37.7	18.7	--	4.5	26.8	6.6	3.4	1.4	1.0
9/30/2007	--	38.9	17.8	--	4.4	27.1	6.2	3.2	1.4	1.0
6/30/2007	--	42.6	14.4	--	4.4	27.3	5.9	3.2	1.4	1.0
3/31/2007	--	42.6	14.4	--	4.4	27.3	5.9	3.2	1.4	1.0
03/01/04 - 03/31/04	--	50.6	14.0	3.0	--	22.4	5.6	3.4	--	1.0
02/02/04 - 02/29/04	--	50.5	14.0	3.0	--	22.6	5.5	3.4	--	1.0
01/01/04 - 02/01/04	--	51.3	14.0	2.0	--	22.7	5.5	3.5	--	1.0
12/01/03 - 12/31/03	--	51.1	14.0	2.0	--	22.8	5.5	3.6	--	1.0
11/03/03 - 11/30/03	--	51.7	13.5	2.0	--	22.8	5.6	3.5	--	1.0
10/29/03 - 11/02/03	--	51.7	13.5	2.0	--	23.0	5.5	3.3	--	1.0
10/01/03 - 10/30/03	--	51.7	13.0	2.0	--	23.0	5.5	3.3	--	1.0
09/01/03 - 09/30/03	--	53.5	12.5	1.0	--	22.9	5.7	3.4	--	1.0
08/01/03 - 08/31/03	--	53.4	12.5	1.0	--	23.5	5.2	3.4	--	1.0
07/01/03 - 07/31/03	--	52.5	12.5	1.0	--	24.2	4.9	3.6	--	1.0
06/01/03 - 06/30/03	--	52.5	12.5	1.0	--	24.4	4.6	3.6	--	1.0
04/01/03 - 04/30/03	--	54.0	12.0	0.0	--	25.0	4.1	3.6	--	1.0
10/31/99 - 03/31/01	--	54.0	12.0	0.0	--	25.0	4.0	2.8	--	1.0
03/31/95 - 10/31/99	--	61.0	8.0	0.0	--	26.0	4.0	0.0	--	1.0
09/30/94 - 03/31/95	--	59.0	8.0	0.0	--	24.0	8.0	0.0	--	1.0
06/30/93 - 09/30/94	--	59.0	3.0	0.0	--	25.0	8.0	0.0	--	1.0
11/30/88 - 06/30/93	--	55.0	0.0	0.0	--	36.0	8.0	0.0	--	1.0
12/31/87 - 11/30/88	--	50.0	5.0	0.0	--	36.5	7.5	0.0	--	1.0
12/31/86 - 12/31/87	--	50.0	5.0	0.0	--	35.5	7.5	0.0	--	2.0
12/31/84 - 12/31/86	--	48.0	0.0	0.0	--	40.0	10.0	0.0	--	2.0

Appendix

Total FRS Assets

Performance Benchmark - A combination of the Global Equity Target, the Barclays Capital U.S. Intermediate Aggregate Index, the Private Equity Target Index, the Real Estate Investments Target Index, the Strategic Investments Target Benchmark, and the iMoneyNet First Tier Institutional Money Market Funds Net Index. The short-term target policy allocations to the Strategic Investments, Real Estate and Private Equity asset classes are floating and based on the actual average monthly balance of the Global Equity asset class. Prior to October 1, 2013, the Performance benchmark was a combination of the Global Equity Target, the Barclays Aggregate Bond Index, the Private Equity Target Index, the Real Estate Investments Target Index, the Strategic Investments Target Benchmark, and the iMoneyNet First Tier Institutional Money Market Funds Net Index. The short-term target policy allocations to the Strategic Investments, Real Estate and Private Equity asset classes are floating and based on the actual average monthly balance of the Global Equity asset class. Prior to July 2010, the Performance Benchmark was a combination of the Russell 3000 Index, the Foreign Equity Target Index, the Strategic Investments Target Benchmark, the Barclays Aggregate Bond Index, the Real Estate Investments Target Index, the Private Equity Target Index, the Barclays U.S. High Yield Ba/B 2% Issuer Capped Index, and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. During this time, the short-term target policy allocations to Strategic Investments, Real Estate and Private Equity asset classes were floating and based on the actual average monthly balance of the Strategic Investments, Real Estate and Private Equity asset classes. The target weights shown for Real Estate and Private Equity were the allocations that the asset classes were centered around. The actual target weight floated around this target month to month based on changes in asset values.

Total Global Equity

Performance Benchmark - A custom version of the MSCI All Country World Investable Market Index, adjusted to exclude companies divested under the provisions of the Protecting Florida's Investments Act (PFIA). Prior to July 2010, the asset class benchmark is a weighted average of the underlying Domestic Equities, Foreign Equities and Global Equities historical benchmarks.

Total Domestic Equities

Performance Benchmark - The Russell 3000 Index. Prior to July 1, 2002, the benchmark was the Wilshire 2500 Stock Index. Prior to January 1, 2001, the benchmark was the Wilshire 2500 Stock Index ex-Tobacco. Prior to May 1, 1997, the benchmark was the Wilshire 2500 Stock Index. Prior to September 1, 1994, the benchmark was the S&P 500 Stock Index.

Total Foreign Equities

Performance Benchmark - A custom version of the MSCI ACWI ex-U.S. Investable Market Index adjusted to exclude companies divested under the PFIA. Prior to April 1, 2008, it was the MSCI All Country World Index ex-U.S. Investable Market Index. Prior to September 24, 2007, the target was the MSCI All Country World ex-U.S. Free Index. Prior to November 1, 1999, the benchmark was 85% MSCI Europe, Australasia and Far East (EAFE) Foreign Stock Index and 15% IFCI Emerging Markets Index with a half weight in Malaysia. Prior to March 31, 1995, the benchmark was the EAFE Index.

Total Global Equities

Performance Benchmark - Aggregated based on each underlying manager's individual benchmark. The calculation accounts for the actual weight and the benchmark return. The benchmarks used for the underlying managers include both the MSCI FSB All Country World ex-Sudan ex-Iran Net Index and MSCI FSB All Country World ex-Sudan ex-Iran Net Investable Market Index (IMI).

Appendix

Total Fixed Income

Performance Benchmark - The Barclays Capital U.S. Intermediate Aggregate Index. Prior to October 1, 2013, it was the Barclays U.S. Aggregate Bond Index. Prior to June 1, 2007, it was the Fixed Income Management Aggregate (FIMA). Prior to July 1, 1999, the benchmark was the Florida High Yield Extended Duration Index. Prior to July 31, 1997, the benchmark was the Florida Extended Duration Index. Prior to July 1, 1989, the Salomon Brothers Broad Investment-Grade Bond Index was the benchmark. For calendar year 1985, the performance benchmark was 70% Shearson Lehman Extended Duration and 30% Salomon Brothers Mortgage Index.

Total Private Equity

Performance Benchmark - The MSCI All Country World Investable Market Index (ACWI IMI), adjusted to reflect the provisions of the Protecting Florida's Investments Act, plus a fixed premium return of 300 basis points per annum. Prior to July 1, 2014, the benchmark was the domestic equities target index return (Russell 3000 Index) plus a fixed premium return of 300 basis points per annum. Prior to July 1, 2010, it was the domestic equities target index return plus a fixed premium return of 450 basis points per annum. Prior to November 1, 1999, Private Equities was part of the Domestic Equities asset class and its benchmark was the domestic equities target index return plus 750 basis points.

Total Real Estate

Performance Benchmark - The core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index- Open-ended Diversified Core Equity, net of fees, weighted at 76.5%, and the non-core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index- Open-ended Diversified Core Equity, net of fees, weighted at 13.5%, plus a fixed return premium of 150 basis points per annum, and the FTSE EPRA/NAREIT Developed Index, in dollar terms, net of withholding taxes on non-resident institutional investors, weighted at 10%. Prior to July 1, 2014, the benchmark was a combination of 90% NCREIF ODCE Index, net of fees, and 10% FTSE EPRA/NAREIT Developed Index, net of fees. Prior to July 1, 2010, it was a combination of 90% NCREIF ODCE Index, gross of fees, and 10% Dow Jones U.S. Select RESI. Prior to June 1, 2007, it was the Consumer Price Index plus 450 basis points annually. Prior to July 1, 2003, the benchmark was the Dow Jones U.S. Select Real Estate Securities Index Un-Levered. Prior to November 1, 1999, the benchmark was the Russell-NCREIF Property Index.

Total Strategic Investments

Performance Benchmark - Long-term, 5% plus the contemporaneous rate of inflation or CPI. Short-term, a weighted aggregation of individual portfolio level benchmarks.

Total Cash

Performance Benchmark - The iMoneyNet First Tier Institutional Money Market Funds Net Index. Prior to July 1, 2010, it was the iMoneyNet First Tier Institutional Money Market Funds Gross Index. Prior to June 1, 2007, it was the return of the Merrill Lynch 90-Day (Auction Average) Treasury Bill Yield Index.

Appendix

Description of Benchmarks

Barclays Capital U.S. Intermediate Aggregate Bond Index - A market value-weighted index consisting of U.S. Treasury securities, corporate bonds and mortgage-related and asset-backed securities with one to ten years to maturity and an outstanding par value of \$250 million or greater.

Consumer Price Index (CPI) - The CPI, an index consisting of a fixed basket of goods bought by the typical consumer and used to measure consumer inflation.

FTSE EPRA/NAREIT Developed Index - An index designed to represent general trends in eligible real estate equities worldwide. Relevant real estate activities are defined as the ownership, disposal and development of income-producing real estate. This index covers the four primary core asset classes (Industrial, Retail, Office, and Apartment).

iMoneyNet First Tier Institutional Money Market Funds Net Index - An average of non-governmental institutional funds that do not hold any second tier securities. It includes money market mutual funds, net of fees, that invest in commercial paper, bank obligations and short-term investments in the highest ratings category and is open to corporations and fiduciaries only.

MSCI All Country World Investable Market Index - A free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets. This investable market index contains constituents from the large, mid, and small cap size segments and targets a coverage range around 99% of free-float adjusted market capitalization.

NCREIF ODCE Property Index - The NCREIF ODCE is a capitalization-weighted, gross of fee, time-weighted return index. The index is a summation of open-end funds, which NCREIF defines as infinite-life vehicles consisting of multiple investors who have the ability to enter or exit the fund on a periodic basis, subject to contribution and/or redemption requests.

Russell 3000 Index - A capitalization-weighted stock index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This represents most publicly traded, liquid U.S. stocks.

Appendix

Description of Universes

Total Fund - A universe comprised of 78 total fund portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$1.5 trillion as of quarter-end and the average market value was \$15.4 billion.

Domestic Equity - A universe comprised of 66 total domestic equity portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$349.6 billion as of quarter-end and the average market value was \$3.6 billion.

Foreign Equity - A universe comprised of 62 total international equity portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$289.9 billion as of quarter-end and the average market value was \$2.9 billion.

Fixed Income - A universe comprised of 60 total fixed income portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$294.7 billion as of quarter-end and the average market value was \$2.9 billion.

Real Estate - A universe comprised of 36 total real estate portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$83.7 billion as of quarter-end and the average market value was \$871.8 million.

Private Equity - An appropriate universe for private equity is unavailable.

Strategic Investments - An appropriate universe for strategic investments is unavailable.

Appendix

Explanation of Exhibits

Quarterly and Cumulative Excess Performance - The vertical axis, excess return, is a measure of fund performance less the return of the primary benchmark. The horizontal axis represents the time series. The quarterly bars represent the underlying funds' relative performance for the quarter.

Risk-Return Graph - The horizontal axis, annualized standard deviation, is a statistical measure of risk, or the volatility of returns. The vertical axis is the annualized rate of return. As investors generally prefer less risk to more risk and always prefer greater returns, the upper left corner of the graph is the most attractive place to be. The line on this exhibit represents the risk and return trade-offs associated with market portfolios, or index funds.

Ratio of Cumulative Wealth Graph - An illustration of a portfolio's cumulative, un-annualized performance relative to that of its benchmark. An upward-sloping line indicates superior fund performance versus its benchmark. Conversely, a downward-sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Performance Comparison - Plan Sponsor Peer Group Analysis - An illustration of the distribution of returns for a particular asset class. The component's return is indicated by the circle and its performance benchmark by the triangle. The top and bottom borders represent the 5th and 95th percentiles, respectively. The solid line indicates the median while the dotted lines represent the 25th and 75th percentiles.

Disclaimers and Notes

Disclaimers:

- Please review this report and notify Aon Hewitt Investment Consulting (AHIC) with any issues or questions you may have with respect to investment performance or any other matter set forth herein.
- The client portfolio market value data presented in this report have been obtained from the recordkeeper. AHIC believes the information to be accurate but has not conducted any type of additional audits to ensure the information's accuracy and cannot warrant its accuracy or completeness.
- The mutual fund information found in this report is provided by Lipper Inc. and AHIC cannot warrant its accuracy or timeliness.
- Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

Notes:

- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time weighted. Returns for periods longer than one year are annualized.
- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- Due to rounding throughout the report, percentage totals displayed may not sum up to 100.0%. Additionally, individual fund totals in dollar terms may not sum up to the plan totals.

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FRS Investment Plan | Third Quarter 2015

Quarterly Investment Review

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FRS Investment Plan

As of September 30, 2015

Asset Allocation & Performance

	Allocation		Performance(%)					
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
FRS Investment Plan	8,585,089,859	100.0	-6.1	-3.8	-1.8	5.7	6.3	4.9
<i>Total Plan Aggregate Benchmark</i>			-6.0	-4.1	-2.1	5.3	6.0	4.5
Retirement Date	3,659,517,605	42.6						
FRS Retirement Income Fund	382,919,938	4.5	-4.5 (62)	-3.4 (99)	-2.7 (100)	1.8 (100)	4.4 (86)	-
<i>Retirement Income Custom Index</i>			-4.1 (54)	-2.8 (89)	-2.0 (98)	1.8 (100)	4.2 (88)	-
FRS 2015 Retirement Date Fund	384,269,355	4.5	-5.0 (78)	-3.6 (88)	-2.9 (89)	2.5 (94)	4.7 (91)	-
<i>2015 Retirement Custom Index</i>			-4.5 (55)	-3.0 (64)	-2.2 (79)	2.5 (93)	4.6 (92)	-
FRS 2020 Retirement Date Fund	567,937,795	6.6	-5.6 (74)	-3.8 (76)	-3.0 (90)	3.9 (78)	5.5 (70)	-
<i>2020 Retirement Custom Index</i>			-5.3 (66)	-3.5 (68)	-2.6 (83)	3.8 (80)	5.4 (75)	-
FRS 2025 Retirement Date Fund	549,384,740	6.4	-6.1 (66)	-3.9 (62)	-3.1 (85)	5.3 (74)	6.4 (79)	-
<i>2025 Retirement Custom Index</i>			-6.0 (64)	-4.0 (64)	-3.0 (85)	5.1 (75)	6.2 (82)	-
FRS 2030 Retirement Date Fund	470,700,494	5.5	-6.7 (60)	-4.1 (48)	-3.2 (80)	6.7 (50)	7.3 (57)	-
<i>2030 Retirement Custom Index</i>			-6.7 (61)	-4.4 (60)	-3.4 (81)	6.5 (56)	7.1 (63)	-
FRS 2035 Retirement Date Fund	418,903,268	4.9	-7.6 (62)	-4.7 (47)	-3.8 (76)	7.8 (44)	8.0 (50)	-
<i>2035 Retirement Custom Index</i>			-7.7 (65)	-5.0 (60)	-4.1 (86)	7.5 (47)	7.8 (57)	-
FRS 2040 Retirement Date Fund	352,877,221	4.1	-8.0 (63)	-4.9 (43)	-4.1 (82)	7.8 (51)	8.0 (43)	-
<i>2040 Retirement Custom Index</i>			-8.0 (66)	-5.3 (60)	-4.4 (88)	7.5 (53)	7.8 (57)	-
FRS 2045 Retirement Date Fund	332,843,928	3.9	-8.0 (53)	-5.0 (34)	-4.2 (81)	7.7 (55)	8.0 (69)	-
<i>2045 Retirement Custom Index</i>			-8.2 (58)	-5.5 (57)	-4.6 (85)	7.4 (61)	7.8 (84)	-
FRS 2050 Retirement Date Fund	160,184,714	1.9	-8.0 (55)	-5.0 (39)	-4.2 (77)	7.7 (55)	8.0 (65)	-
<i>2050 Retirement Custom Index</i>			-8.2 (60)	-5.5 (57)	-4.6 (84)	7.4 (60)	7.8 (67)	-
FRS 2055 Retirement Date Fund	39,496,152	0.5	-8.0 (48)	-5.0 (36)	-4.2 (86)	7.7 (57)	-	-
<i>2055 Retirement Custom Index</i>			-8.2 (61)	-5.5 (59)	-4.6 (92)	7.4 (73)	-	-

As of September 30, 2015

Asset Allocation & Performance

	Allocation		Performance(%)					
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
Cash	968,239,152	11.3	0.1 (4)	0.1 (4)	0.2 (4)	0.2 (1)	0.2 (1)	1.5 (4)
FRS Money Market Fund	968,239,152	11.3	0.1 (4)	0.1 (4)	0.2 (4)	0.2 (1)	0.2 (1)	1.5 (4)
<i>iMoneyNet 1st Tier Institutional Net Index</i>			0.0 (23)	0.0 (24)	0.0 (24)	0.0 (23)	0.0 (23)	1.6 (3)
Real Assets	101,861,720	1.2						
FRS Real Assets Fund	101,861,720	1.2	-7.4	-7.1	-7.3	-4.6	1.1	-
<i>FRS Custom Real Assets Index</i>			-5.4	-4.6	-4.6	-4.4	0.6	-
Fixed Income	650,169,485	7.6	0.4 (41)	0.9 (65)	2.2 (4)	1.7 (31)	3.2 (21)	5.0 (12)
<i>Total Bond Index</i>			0.2 (55)	0.8 (74)	2.1 (8)	1.6 (33)	3.1 (23)	4.6 (17)
FRS U.S. Bond Enhanced Index Fund	207,554,153	2.4	1.3 (61)	1.2 (51)	3.1 (57)	1.8 (28)	3.2 (34)	4.8 (30)
<i>Barclays Aggregate Index</i>			1.2 (66)	1.1 (57)	2.9 (59)	1.7 (30)	3.1 (36)	4.6 (38)
Pyramis Intermediate Duration Pool Fund	112,371,814	1.3	0.8 (11)	1.6 (7)	2.4 (2)	1.6 (33)	2.8 (39)	4.3 (26)
<i>Barclays Intermediate Aggregate</i>			1.1 (2)	1.7 (4)	2.9 (1)	1.6 (33)	2.7 (44)	4.4 (24)
FRS Core Plus Fixed Income Fund	330,243,518	3.8	0.1 (-)	0.7 (-)	1.9 (-)	2.6 (-)	4.3 (-)	-
<i>FRS Custom Core-Plus Fixed Income Index</i>			0.1 (-)	0.9 (-)	1.9 (-)	2.7 (-)	4.3 (-)	-
Domestic Equity	2,288,716,697	26.7	-7.6 (44)	-4.9 (43)	0.5 (36)	13.0 (36)	13.6 (25)	7.6 (22)
<i>Total U.S. Equities Index</i>			-7.9 (50)	-5.7 (53)	-0.1 (41)	12.2 (51)	12.9 (40)	6.9 (34)
FRS U.S. Stock Market Index Fund	678,017,637	7.9	-7.2 (53)	-5.4 (46)	-0.4 (39)	12.6 (37)	13.3 (28)	7.0 (31)
<i>Russell 3000 Index</i>			-7.2 (55)	-5.4 (46)	-0.5 (40)	12.5 (38)	13.3 (29)	6.9 (33)
FRS U.S. Large Cap Equity Fund	837,341,694	9.8	-7.6 (-)	-4.2 (-)	0.8 (-)	13.5 (-)	14.2 (-)	-
<i>Russell 1000 Index</i>			-6.8 (-)	-5.2 (-)	-0.6 (-)	12.7 (-)	13.4 (-)	-
FRS U.S. Small/Mid Cap Equity Fund	773,357,367	9.0	-8.3 (-)	-5.0 (-)	1.9 (-)	13.6 (-)	14.0 (-)	-
<i>FRS Custom Small/Mid Cap Index</i>			-10.1 (-)	-6.9 (-)	0.6 (-)	7.9 (-)	9.5 (-)	-

As of September 30, 2015

Asset Allocation & Performance

	Allocation		Performance(%)					
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
International/Global Equity	621,955,225	7.2	-11.1 (48)	-5.9 (47)	-8.9 (46)	5.5 (36)	4.6 (28)	4.3 (34)
<i>Total Foreign and Global Equities Index</i>			-11.6 (52)	-7.8 (55)	-10.8 (55)	4.4 (47)	3.7 (40)	2.9 (60)
FRS Foreign Stock Index Fund	220,961,752	2.6	-12.1 (56)	-7.1 (53)	-11.2 (56)	4.5 (46)	3.5 (43)	3.1 (55)
<i>MSCI All Country World ex-U.S. IMI Index</i>			-11.9 (54)	-7.8 (55)	-11.4 (58)	4.2 (50)	3.2 (48)	2.8 (65)
American Funds New Perspective Fund	233,317,190	2.7	-6.4 (16)	-1.2 (13)	0.6 (14)	10.7 (23)	9.7 (21)	7.5 (20)
<i>MSCI All Country World Index Net</i>			-9.4 (54)	-7.0 (61)	-6.7 (60)	6.9 (60)	7.3 (51)	4.3 (58)
American Funds Euro-Pacific Growth Fund	167,676,283	2.0	-9.8 (27)	-3.4 (20)	-4.9 (10)	6.4 (11)	4.6 (11)	5.4 (1)
<i>MSCI All Country World ex-U.S. Index</i>			-12.1 (76)	-8.3 (76)	-11.8 (77)	2.8 (80)	2.3 (73)	2.6 (73)
FRS Self-Dir Brokerage Acct	294,629,975	3.4						

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.

Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.

As of September 30, 2015

Asset Allocation & Performance

	Performance(%)								
	2014	2013	2012	2011	2010	2009	2008	2007	2006
FRS Investment Plan	5.0	15.2	10.5	0.7	10.6	18.4	-23.2	7.8	12.4
<i>Total Plan Aggregate Benchmark</i>	4.9	14.6	9.7	0.9	10.2	16.8	-23.4	6.1	13.9
Retirement Date									
FRS Retirement Income Fund	4.4 (87)	3.5 (96)	10.7 (56)	3.4 (9)	11.5 (52)	20.0 (82)	-	-	-
<i>Retirement Income Custom Index</i>	3.6 (92)	3.4 (96)	8.5 (74)	5.0 (1)	9.9 (80)	19.1 (84)	-	-	-
FRS 2015 Retirement Date Fund	4.4 (72)	5.5 (86)	11.3 (46)	2.1 (19)	11.5 (60)	21.8 (70)	-	-	-
<i>2015 Retirement Custom Index</i>	3.7 (90)	5.7 (86)	9.6 (88)	3.2 (1)	10.4 (86)	22.2 (67)	-	-	-
FRS 2020 Retirement Date Fund	4.4 (77)	9.6 (75)	12.4 (37)	0.6 (37)	12.2 (62)	24.5 (57)	-	-	-
<i>2020 Retirement Custom Index</i>	3.9 (88)	9.7 (75)	11.0 (75)	1.5 (20)	11.2 (87)	24.2 (60)	-	-	-
FRS 2025 Retirement Date Fund	4.5 (86)	13.7 (74)	13.5 (43)	-0.7 (35)	12.5 (88)	26.4 (64)	-	-	-
<i>2025 Retirement Custom Index</i>	4.2 (91)	13.8 (74)	12.4 (73)	-0.3 (26)	11.8 (93)	26.3 (65)	-	-	-
FRS 2030 Retirement Date Fund	4.5 (83)	18.1 (55)	14.6 (33)	-2.1 (48)	13.0 (86)	29.0 (46)	-	-	-
<i>2030 Retirement Custom Index</i>	4.4 (84)	18.2 (54)	13.8 (52)	-2.0 (47)	12.5 (92)	29.2 (45)	-	-	-
FRS 2035 Retirement Date Fund	4.4 (84)	22.0 (38)	15.8 (23)	-3.0 (46)	13.7 (80)	29.8 (58)	-	-	-
<i>2035 Retirement Custom Index</i>	4.3 (85)	22.0 (38)	15.2 (46)	-3.1 (47)	13.3 (89)	30.1 (57)	-	-	-
FRS 2040 Retirement Date Fund	4.4 (83)	22.3 (48)	15.8 (36)	-3.0 (38)	13.7 (79)	29.8 (54)	-	-	-
<i>2040 Retirement Custom Index</i>	4.3 (84)	22.4 (48)	15.2 (50)	-3.1 (38)	13.3 (85)	30.1 (53)	-	-	-
FRS 2045 Retirement Date Fund	4.4 (82)	22.3 (60)	15.8 (38)	-3.0 (26)	13.7 (86)	29.8 (65)	-	-	-
<i>2045 Retirement Custom Index</i>	4.3 (83)	22.4 (60)	15.2 (68)	-3.1 (26)	13.3 (89)	30.1 (63)	-	-	-
FRS 2050 Retirement Date Fund	4.4 (82)	22.3 (53)	15.8 (36)	-3.0 (20)	13.7 (84)	29.8 (73)	-	-	-
<i>2050 Retirement Custom Index</i>	4.3 (82)	22.4 (53)	15.2 (58)	-3.1 (20)	13.3 (87)	30.1 (70)	-	-	-
FRS 2055 Retirement Date Fund	4.4 (80)	22.3 (73)	15.8 (45)	-	-	-	-	-	-
<i>2055 Retirement Custom Index</i>	4.3 (80)	22.4 (72)	15.2 (75)	-	-	-	-	-	-

As of September 30, 2015

Asset Allocation & Performance

	Performance(%)								
	2014	2013	2012	2011	2010	2009	2008	2007	2006
Cash	0.1 (1)	0.2 (1)	0.3 (1)	0.2 (1)	0.3 (2)	0.3 (34)	2.4 (41)	5.4 (1)	5.2 (1)
FRS Money Market Fund	0.1 (1)	0.2 (1)	0.3 (1)	0.2 (1)	0.3 (2)	0.3 (34)	2.4 (41)	5.4 (1)	5.2 (1)
iMoneyNet 1st Tier Institutional Net Index	0.0 (23)	0.0 (23)	0.1 (23)	0.1 (23)	0.2 (7)	0.7 (3)	3.0 (5)	5.4 (1)	5.2 (1)
Real Assets									
FRS Real Assets Fund	3.2	-9.1	9.1	7.4	11.7	16.0	-	-	-
FRS Custom Real Assets Index	1.8	-8.9	6.6	4.6	13.0	17.2	-	-	-
Fixed Income	4.7 (1)	-1.1 (84)	6.0 (43)	6.7 (1)	7.6 (32)	11.7 (60)	1.4 (47)	6.9 (14)	4.8 (20)
Total Bond Index	4.9 (1)	-1.2 (86)	4.8 (66)	7.4 (1)	7.0 (39)	8.9 (82)	1.9 (45)	6.5 (22)	4.9 (19)
FRS U.S. Bond Enhanced Index Fund	6.2 (34)	-2.0 (17)	4.4 (11)	7.9 (65)	6.7 (46)	6.5 (7)	5.9 (86)	7.2 (62)	4.3 (1)
Barclays Aggregate Index	6.0 (35)	-2.0 (18)	4.2 (12)	7.8 (66)	6.5 (47)	5.9 (8)	5.2 (89)	7.0 (65)	4.3 (1)
Pyramis Intermediate Duration Pool Fund	3.4 (15)	-0.5 (64)	4.9 (64)	5.9 (11)	7.0 (38)	11.9 (59)	-1.7 (52)	6.0 (35)	4.8 (20)
Barclays Intermediate Aggregate	4.1 (1)	-1.0 (82)	3.6 (81)	6.0 (10)	6.1 (53)	6.5 (90)	4.9 (7)	7.0 (13)	4.6 (24)
FRS Core Plus Fixed Income Fund	4.6 (88)	0.8 (19)	11.1 (14)	4.6 (89)	10.1 (26)	21.6 (19)	-	-	-
FRS Custom Core-Plus Fixed Income Index	5.1 (80)	0.8 (18)	7.8 (50)	7.6 (31)	9.1 (40)	18.7 (30)	-	-	-
Domestic Equity	11.5 (41)	35.2 (44)	16.9 (34)	0.3 (36)	20.4 (25)	30.9 (53)	-36.5 (32)	5.2 (59)	14.1 (48)
Total U.S. Equities Index	11.1 (45)	34.0 (53)	16.5 (36)	-0.1 (38)	19.3 (32)	28.4 (65)	-36.5 (32)	3.3 (69)	16.8 (24)
FRS U.S. Stock Market Index Fund	12.6 (34)	33.6 (40)	16.5 (39)	1.0 (40)	17.1 (16)	28.6 (50)	-37.2 (51)	5.2 (65)	15.7 (33)
Russell 3000 Index	12.6 (35)	33.6 (40)	16.4 (39)	1.0 (40)	16.9 (18)	28.3 (51)	-37.3 (53)	5.1 (65)	15.7 (33)
FRS U.S. Large Cap Equity Fund	12.8 (42)	36.4 (22)	17.2 (24)	1.2 (44)	17.8 (19)	30.5 (37)	-	-	-
Russell 1000 Index	13.2 (33)	33.1 (48)	16.4 (32)	1.5 (40)	16.1 (31)	28.4 (44)	-	-	-
FRS U.S. Small/Mid Cap Equity Fund	8.6 (31)	37.1 (46)	18.7 (27)	-0.9 (36)	29.6 (24)	37.0 (43)	-	-	-
FRS Custom Small/Mid Cap Index	7.7 (37)	22.0 (98)	15.3 (53)	1.1 (22)	21.3 (85)	26.4 (87)	-	-	-

As of September 30, 2015

Asset Allocation & Performance

	Performance(%)								
	2014	2013	2012	2011	2010	2009	2008	2007	2006
International/Global Equity	-3.2 (42)	21.6 (33)	18.6 (53)	-11.3 (22)	10.1 (73)	34.8 (63)	-40.9 (19)	15.0 (47)	23.2 (79)
Total Foreign and Global Equities Index	-3.0 (40)	20.6 (39)	16.6 (72)	-11.3 (22)	10.1 (74)	32.4 (69)	-42.8 (30)	11.3 (65)	24.2 (74)
FRS Foreign Stock Index Fund	-4.5 (54)	20.5 (39)	17.6 (63)	-11.8 (26)	9.2 (77)	32.3 (70)	-42.5 (28)	12.7 (57)	25.8 (62)
MSCI All Country World ex-U.S. IMI Index	-4.2 (50)	21.0 (36)	16.4 (72)	-12.2 (30)	8.9 (78)	33.7 (66)	-43.6 (35)	12.4 (59)	25.7 (63)
American Funds New Perspective Fund	3.7 (42)	27.1 (41)	21.0 (16)	-7.4 (44)	13.0 (54)	37.7 (44)	-37.7 (30)	16.3 (33)	20.1 (41)
MSCI All Country World Index Net	4.2 (38)	22.8 (61)	16.3 (40)	-5.5 (34)	11.8 (60)	30.0 (65)	-40.7 (43)	9.0 (55)	20.1 (41)
American Funds Euro-Pacific Growth Fund	-2.3 (10)	20.6 (46)	19.6 (27)	-13.3 (63)	9.8 (36)	39.6 (16)	-40.3 (15)	19.3 (5)	22.3 (95)
MSCI All Country World ex-U.S. Index	-3.4 (15)	15.8 (73)	17.4 (57)	-13.3 (63)	11.6 (18)	32.5 (40)	-43.1 (67)	11.6 (61)	26.9 (35)
FRS Self-Dir Brokerage Acct									

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.
Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.

FRS Investment Plan

As of September 30, 2015

Asset Allocation

Asset Allocation as of 9/30/2015								
	U.S. Equity	Non-U.S. Equity	U.S. Fixed Income	Real Assets	Cash	Brokerage	Total	% of Total
FRS Retirement Income Fund	57,182,711	50,800,712	148,828,216	126,108,300			382,919,938	4.5%
FRS 2015 Retirement Date Fund	68,528,035	60,842,648	142,563,931	112,334,741			384,269,355	4.5%
FRS 2020 Retirement Date Fund	136,683,696	120,970,750	197,074,415	113,208,934			567,937,795	6.6%
FRS 2025 Retirement Date Fund	164,449,165	145,403,828	174,704,347	64,827,399			549,384,740	6.4%
FRS 2030 Retirement Date Fund	167,883,176	148,898,256	133,522,040	20,397,021			470,700,494	5.5%
FRS 2035 Retirement Date Fund	172,448,512	153,039,327	87,830,052	5,585,377			418,903,268	4.9%
FRS 2040 Retirement Date Fund	152,207,708	135,151,976	62,929,771	2,587,766			352,877,221	4.1%
FRS 2045 Retirement Date Fund	145,563,744	129,254,392	55,473,988	2,551,803			332,843,928	3.9%
FRS 2050 Retirement Date Fund	70,054,115	62,205,064	26,697,452	1,228,083			160,184,714	1.9%
FRS 2055 Retirement Date Fund	17,272,984	15,337,673	6,582,692	302,804			39,496,152	0.5%
Total Retirement Date Funds	\$ 1,152,273,847	\$ 1,021,904,625	\$ 1,036,206,904	\$ 449,132,229	\$ -	\$ -	\$ 3,659,517,605	42.6%
FRS Money Market Fund					968,239,152		968,239,152	11.3%
Total Cash	\$ -	\$ -	\$ -	\$ -	\$ 968,239,152	\$ -	\$ 968,239,152	11.3%
FRS Real Assets Fund				101,861,720	-		101,861,720	1.2%
Total Real Assets	\$ -	\$ -	\$ -	\$ 101,861,720	\$ -	\$ -	\$ 101,861,720	1.2%
FRS U.S. Bond Enhanced Index Fund			207,554,153				207,554,153	2.4%
Pyramis Intermediate Duration Pool Fund			112,371,814				112,371,814	1.3%
FRS Core Plus Fixed Income Fund			330,243,518				330,243,518	3.8%
Total Fixed Income	\$ -	\$ -	\$ 650,169,485	\$ -	\$ -	\$ -	\$ 650,169,485	7.6%
FRS U.S. Stock Market Index Fund	678,017,637						678,017,637	7.9%
FRS U.S. Large Cap Equity Fund	837,341,694						837,341,694	9.8%
FRS U.S. Small/Mid Cap Equity Fund	773,357,367						773,357,367	9.0%
Total Domestic Equity	\$ 2,288,716,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,288,716,697	26.7%
FRS Foreign Stock Index Fund		220,961,752					220,961,752	2.6%
American Funds New Perspective Fund		233,317,190					233,317,190	2.7%
American Funds Euro-Pacific Growth Fund		167,676,283					167,676,283	2.0%
Total International/Global Equity	\$ -	\$ 621,955,225	\$ -	\$ -	\$ -	\$ -	\$ 621,955,225	7.2%
FRS Self-Dir Brokerage Acct						294,629,975	294,629,975	3.4%
Total Self-Dir Brokerage Acct						\$ 294,629,975	\$ 294,629,975	3.4%
Total Portfolio	\$ 3,440,990,544	\$ 1,643,859,851	\$ 1,686,376,389	\$ 550,993,948	\$ 968,239,152	\$ 294,629,975	\$ 8,585,089,859	100.0%
Percent of Total	40.08%	19.15%	19.64%	6.42%	11.28%	3.43%	100.0%	

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.
 Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.



As of September 30, 2015

Multi Timeperiod Statistics

	3 Years Return	3 Years Standard Deviation	3 Years Sharpe Ratio	3 Years Tracking Error	3 Years Information Ratio	3 Years Up Market Capture	3 Years Down Market Capture
FRS Investment Plan	5.66	6.31	0.90	0.37	0.96	101.89	98.01
FRS Retirement Income Fund	1.82	5.00	0.37	1.68	0.05	113.15	116.28
FRS 2015 Retirement Date Fund	2.48	5.23	0.48	1.40	-0.01	108.67	113.19
FRS 2020 Retirement Date Fund	3.89	5.85	0.67	1.00	0.09	106.33	108.91
FRS 2025 Retirement Date Fund	5.28	6.51	0.82	0.60	0.27	103.20	103.25
FRS 2030 Retirement Date Fund	6.73	7.29	0.92	0.34	0.65	101.26	99.43
FRS 2035 Retirement Date Fund	7.77	8.31	0.94	0.38	0.62	100.74	98.58
FRS 2040 Retirement Date Fund	7.76	8.51	0.92	0.39	0.64	100.77	98.58
FRS 2045 Retirement Date Fund	7.73	8.52	0.91	0.39	0.68	100.77	98.36
FRS 2050 Retirement Date Fund	7.73	8.52	0.91	0.39	0.68	100.77	98.37
FRS 2055 Retirement Date Fund	7.74	8.52	0.91	0.39	0.71	100.79	98.29
FRS Money Market Fund	0.20	0.02	8.80	0.01	11.39	606.43	N/A
FRS Real Assets Fund	-4.59	6.45	-0.70	1.89	-0.11	118.60	112.47
FRS U.S. Bond Enhanced Index Fund	1.81	2.94	0.60	0.12	0.79	102.25	100.38
Pyramis Intermediate Duration Pool Fund	1.63	2.19	0.72	0.49	-0.02	102.72	105.29
FRS Core Plus Fixed Income Fund	2.56	3.31	0.76	0.72	-0.11	109.13	120.90
FRS U.S. Stock Market Index Fund	12.58	9.93	1.24	0.05	1.03	100.16	99.84
FRS U.S. Large Cap Equity Fund	13.48	10.59	1.25	2.60	0.31	103.64	99.77
FRS U.S. Small/Mid Cap Equity Fund	13.56	11.68	1.15	2.79	1.88	125.15	97.50
FRS Foreign Stock Index Fund	4.48	11.71	0.43	1.12	0.24	99.78	97.76
American Funds New Perspective Fund	10.68	9.92	1.07	2.67	1.29	105.89	78.00
American Funds Euro-Pacific Growth Fund	6.36	10.35	0.64	3.53	0.93	95.90	71.47

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.





As of September 30, 2015

Benchmark Descriptions

Retirement Date Benchmarks - A weighted average composite of the underlying components' benchmarks for each fund.

iMoneyNet 1st Tier Institutional Net Index - An index made up of the entire universe of money market mutual funds. The index currently represents over 1,300 funds, or approximately 99 percent of all money fund assets.

FRS Custom Real Assets Index - A monthly weighted blend of underlying indices that make up the Principal Real Asset Custom Index. These underlying indices include Barclays U.S. TIPS Index, Bloomberg Commodity Index FTSE EPRA/NAREIT Developed Index, Natural Resources Custom Index, S&P LSTA Leveraged Loan 100 Index, S&P Global Agribusiness Index, and S&P Global Timber & Forestry Index.

Total Bond Index - A weighted average composite of the underlying benchmarks for each bond fund.

Barclays Aggregate Bond Index - A market value-weighted index consisting of government bonds, SEC-registered corporate bonds and mortgage-related and asset-backed securities with at least one year to maturity and an outstanding par value of \$250 million or greater. This index is a broad measure of the performance of the investment grade U.S. fixed income market.

Barclays Intermediate Aggregate Bond Index - A market value-weighted index consisting of U.S. Treasury securities, corporate bonds and mortgage-related and asset-backed securities with one to ten years to maturity and an outstanding par value of \$250 million or greater.

FRS Custom Core-Plus Fixed Income Index - A monthly rebalanced blend of 65% Barclays U.S. Aggregate Bond Index and 35% Barclays U.S. High Yield Ba/B 1% Issuer Constrained Index.

Total U.S. Equities Index - A weighted average composite of the underlying benchmarks for each domestic equity fund.

Russell 3000 Index - A capitalization-weighted index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This index is a broad measure of the performance of the aggregate domestic equity market.

Russell 1000 Index - An index that measures the performance of the largest 1,000 stocks contained in the Russell 3000 Index.

FRS Custom Small/Mid Cap Index - A monthly rebalanced blend of 45% S&P 400 Index, 30% Russell 2000 Index and 25% Russell 2000 Value Index.

Total Foreign and Global Equities Index - A weighted average composite of the underlying benchmarks for each foreign and global equity fund.

MSCI All Country World ex-U.S. IMI Index - A capitalization-weighted index of stocks representing 22 developed country stock markets and 23 emerging countries, excluding the U.S. market.

MSCI All Country World Index - A capitalization-weighted index of stocks representing approximately 46 developed and emerging countries, including the U.S. and Canadian markets.

MSCI All Country World ex-U.S. Index - A capitalization-weighted index consisting of 23 developed and 21 emerging countries, but excluding the U.S.

As of September 30, 2015

Descriptions of Universes

Retirement Date Funds - Target date universes calculated and provided by Lipper.

FRS Money Market Fund - A money market universe calculated and provided by Lipper.

FRS U.S. Bond Enhanced Index Fund - A long-term bond fixed income universe calculated and provided by Lipper.

Pyramis Intermediate Duration Pool Fund - A broad intermediate-term fixed income universe calculated and provided by Lipper.

FRS Core Plus Fixed Income Fund - A core plus bond fixed income universe calculated and provided by Lipper.

FRS U.S. Stock Market Index Fund - A large cap blend universe calculated and provided by Lipper.

FRS U.S. Large Cap Equity Fund - A large cap universe calculated and provided by Lipper.

FRS U.S. Small/Mid Cap Equity Fund - A small/mid cap universe calculated and provided by Lipper.

FRS Foreign Stock Index Fund - A foreign blend universe calculated and provided by Lipper.

American Funds New Perspective Fund - A global stock universe calculated and provided by Lipper.

American Funds Euro-Pacific Growth Fund - A foreign large blend universe calculated and provided by Lipper.

Disclaimers and Notes

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- Due to rounding throughout the report, percentage totals displayed may not sum up to 100.0%. Additionally, individual fund totals in dollar terms may not sum up to the plan totals.



Lawton Chiles Endowment Fund | Third Quarter 2015

Quarterly Investment Review

Visit the Aon Hewitt Retirement and Investment Blog (<http://retirementandinvestmentblog.aon.com>); sharing our best thinking.



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3	Fixed Income	15
4	TIPS	19
5	Cash Equivalents	23
6	Appendix	27



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LCEF Total Fund

1

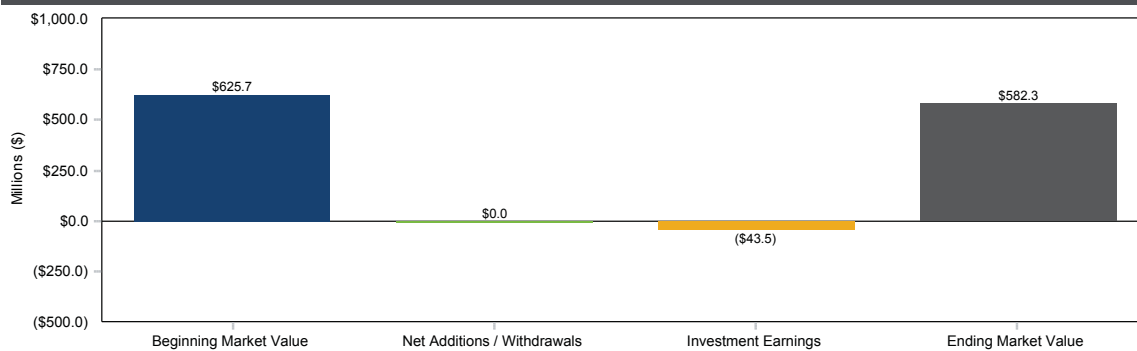


LCEF Total Fund

As of September 30, 2015

Total Plan Asset Summary

Change in Market Value From July 1, 2015 to September 30, 2015



Summary of Cash Flow

	1 Quarter	Fiscal YTD*
LCEF Total Fund		
Beginning Market Value	625,706,661	625,706,661
+ Additions / Withdrawals	-	-
+ Investment Earnings	-43,456,131	-43,456,131
= Ending Market Value	582,250,530	582,250,530

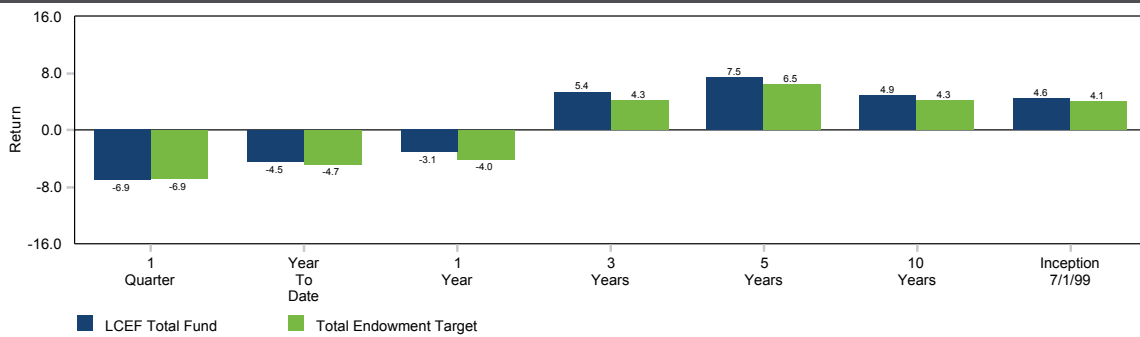
*Period July 2015 - September 2015

2

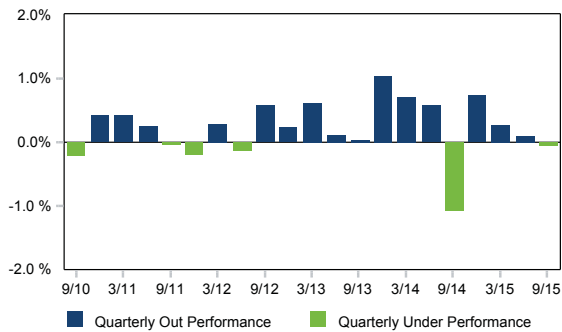


Total Plan Performance Summary

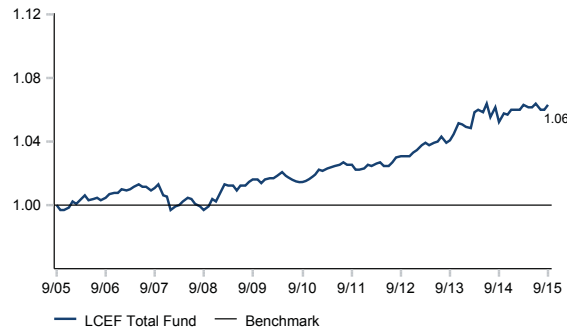
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



Asset Allocation & Performance

	Allocation			Performance(%)					
	Market Value (\$)	%	Policy(%)	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
LCEF Total Fund	582,250,530	100.0	100.0	-6.9 (85)	-4.5 (73)	-3.1 (71)	5.4 (74)	7.5 (35)	4.9 (62)
Total Endowment Target				-6.9 (83)	-4.7 (76)	-4.0 (83)	4.3 (86)	6.5 (65)	4.3 (80)
Global Equity*	415,003,140	71.3	71.0	-9.6	-6.3	-4.8	9.1	10.7	5.9
Global Equity Target				-9.7	-6.9	-6.4	7.4	9.2	5.3
Fixed Income	98,828,473	17.0	17.0	1.3 (17)	1.3 (23)	3.1 (20)	1.9 (35)	3.2 (41)	4.7 (57)
Barclays Aggregate Index				1.2 (18)	1.1 (28)	2.9 (21)	1.7 (40)	3.1 (47)	4.6 (59)
TIPS	60,215,893	10.3	11.0	-1.2	-0.7	-0.8	-1.8	2.6	4.3
Barclays U.S. TIPS				-1.1	-0.8	-0.8	-1.8	2.5	4.0
Cash Equivalents	8,203,024	1.4	1.0	0.1	0.4	0.4	0.3	0.5	1.9
S&P US AAA & AA Rated GIP 30D Net Yield Index				0.0	0.0	0.1	0.1	0.1	1.4

Benchmark and universe descriptions are provided in the Appendix.

*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.

As of September 30, 2015

Calendar Year Performance

	Performance(%)									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
LCEF Total Fund	5.2 (41)	14.7 (53)	13.2 (21)	1.9 (15)	14.0 (13)	21.2 (45)	-29.2 (73)	6.3 (85)	15.0 (19)	7.4 (48)
Total Endowment Target	4.3 (53)	12.8 (78)	12.2 (46)	1.5 (17)	13.7 (15)	19.6 (55)	-28.9 (72)	6.5 (81)	14.0 (33)	6.7 (62)
Global Equity*	5.3	27.1	20.4	-1.1	17.0	30.8	-39.6	6.8	17.4	8.5
Global Equity Target	3.9	24.1	19.4	-2.2	16.1	30.5	-39.2	7.2	17.8	7.9
Fixed Income	6.0 (24)	-1.8 (68)	4.6 (90)	7.6 (32)	7.0 (73)	4.6 (84)	5.8 (20)	7.3 (42)	4.4 (37)	2.7 (28)
Barclays Aggregate Index	6.0 (24)	-2.0 (69)	4.2 (93)	7.8 (29)	6.5 (75)	5.9 (77)	5.2 (25)	7.0 (53)	4.3 (39)	2.4 (51)
TIPS	3.5	-8.7	7.2	13.6	6.1	13.3	-2.0	12.4	0.8	2.9
Barclays U.S. TIPS	3.6	-8.6	7.0	13.6	6.3	11.4	-2.4	11.6	0.4	2.8
Cash Equivalents	0.2	0.2	1.3	0.1	2.0	2.6	0.5	5.4	5.2	3.3
S&P US AAA & AA Rated GIP 30D Net Yield Index	0.0	0.1	0.1	0.2	0.3	0.7	2.3	4.7	5.1	3.4

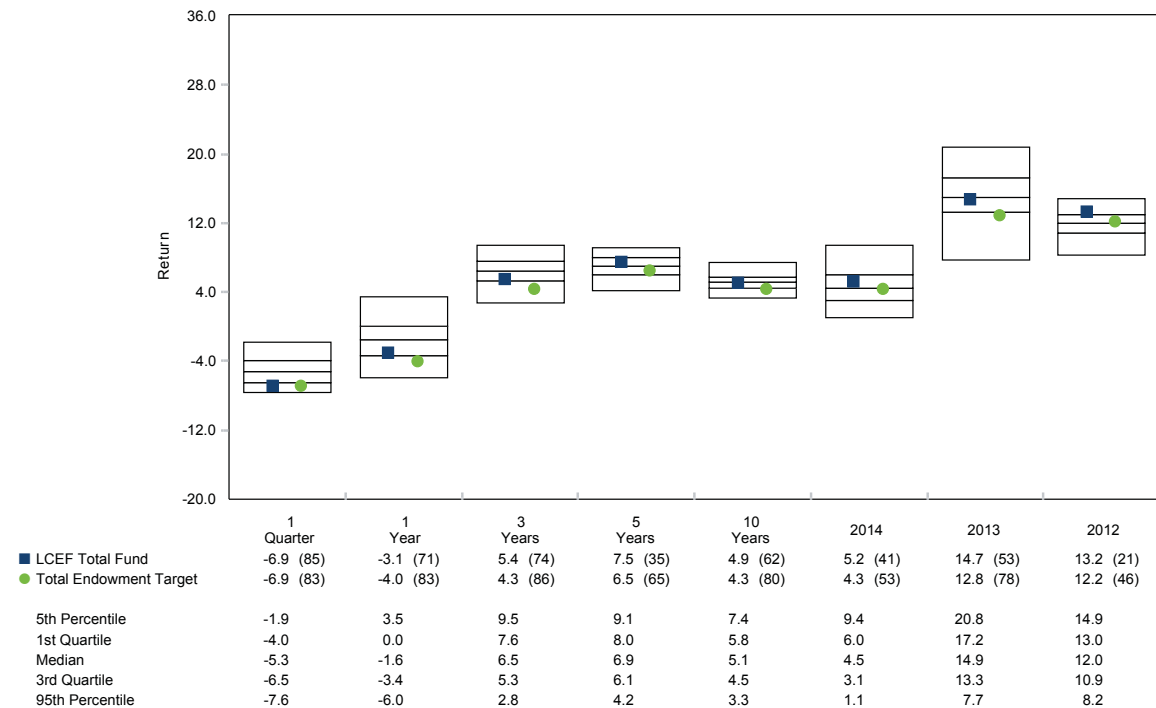
*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.



As of September 30, 2015

Plan Sponsor Peer Group Analysis

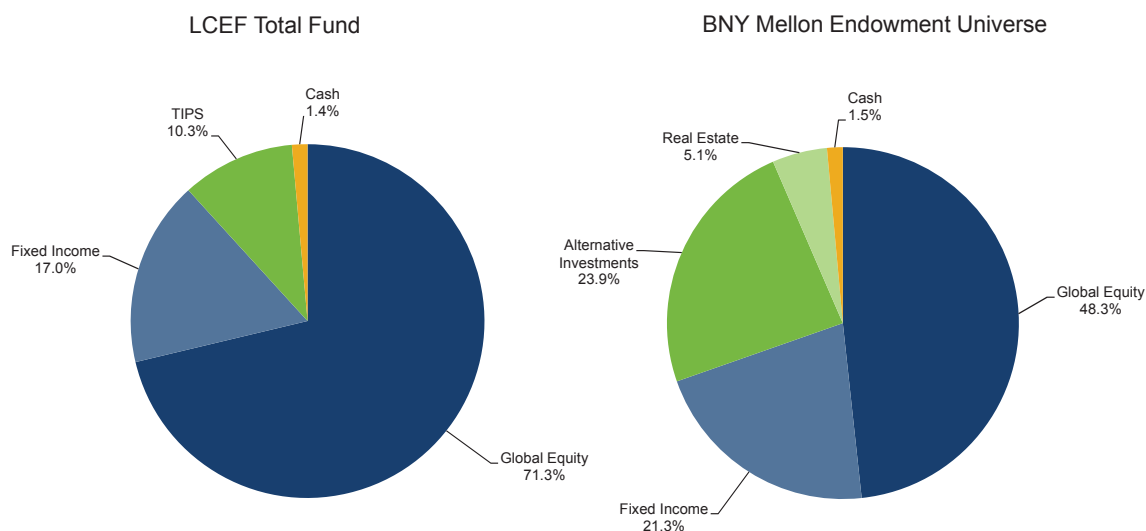
All Endowments-Total Fund



Parentheses contain percentile rankings.
Calculation based on monthly periodicity.



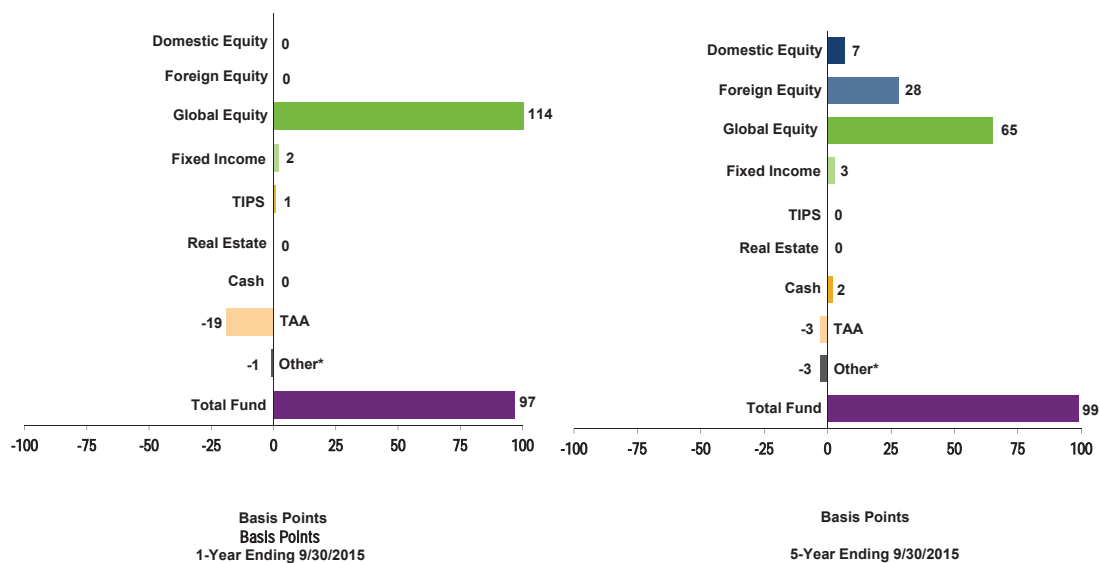
Universe Asset Allocation Comparison



LCEF Total Fund Risk Profile



Attribution



*Other includes differences between official performance value added due to methodology and extraordinary payouts.



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Global Equity

11

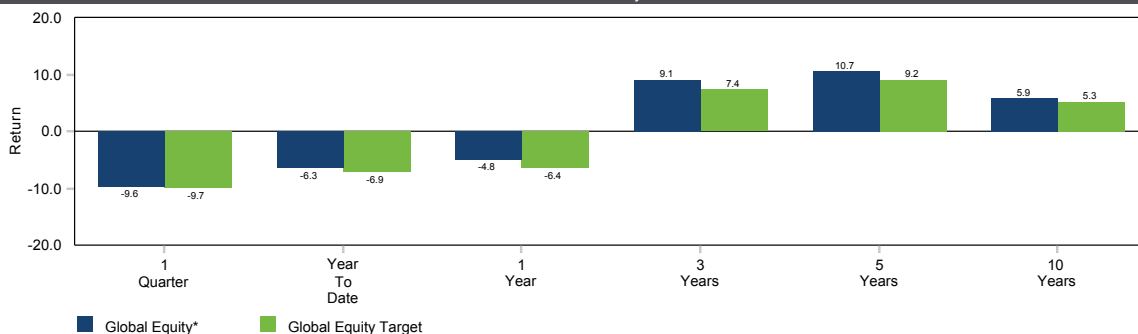
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Global Equity*

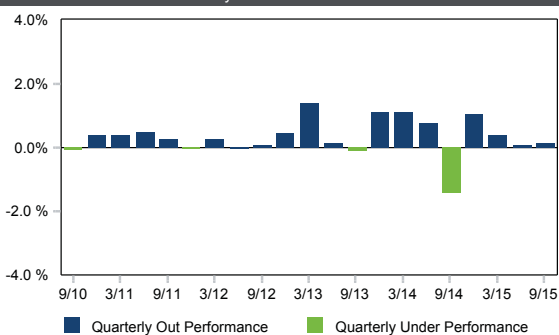
As of September 30, 2015

Total Plan Performance Summary

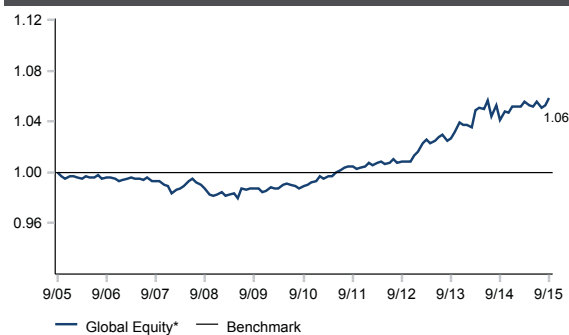
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years

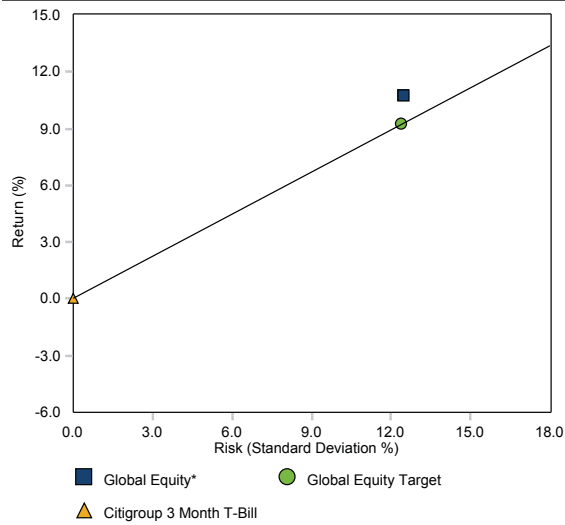


*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.

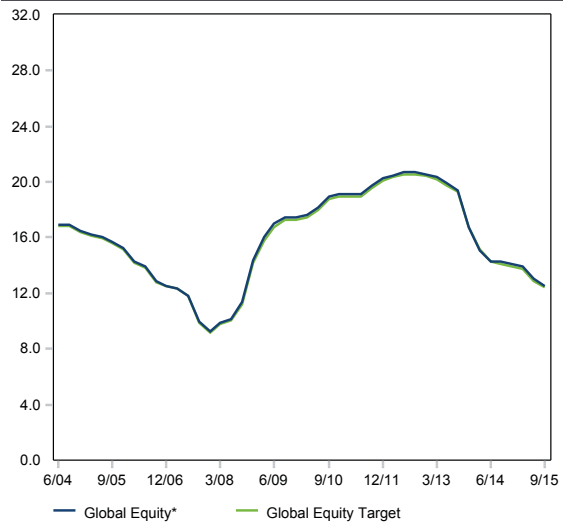
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Global Equity Risk Profile

Annualized Return vs. Annualized Standard Deviation
5 Years

Rolling 5 Years Standard Deviation

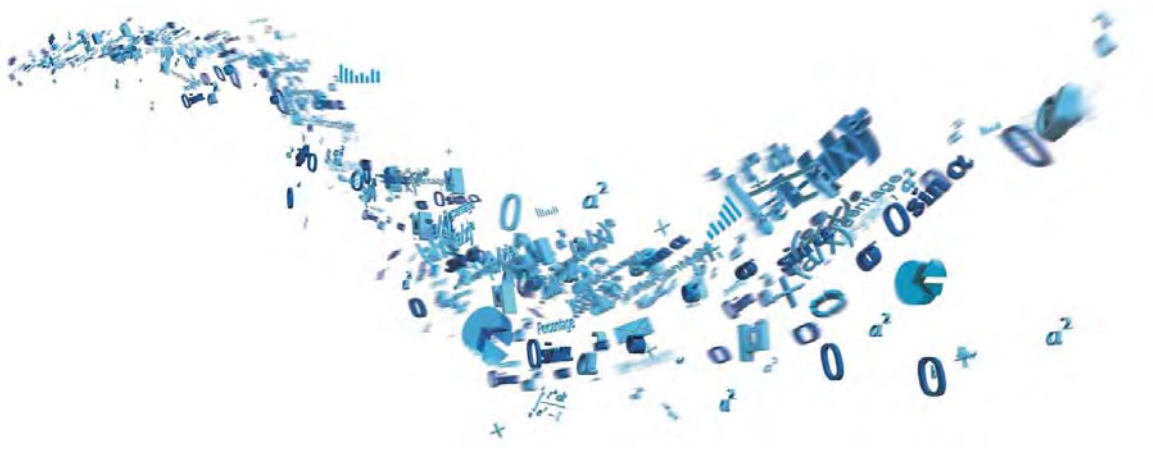


5 Years Historical Statistics

	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Global Equity*	1.36	1.36	1.00	0.99	0.87	1.35	1.00	10.71	12.51	0.99
Global Equity Target	0.00	0.00	N/A	1.00	0.77	0.00	1.00	9.23	12.41	1.00
Citigroup 3 Month T-Bill	-9.56	12.41	-0.77	0.02	N/A	0.05	0.00	0.05	0.01	0.12

*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.





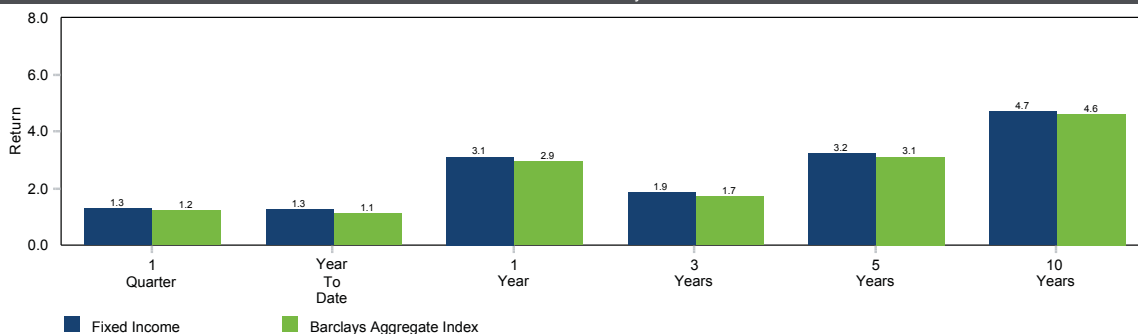
Fixed Income

15

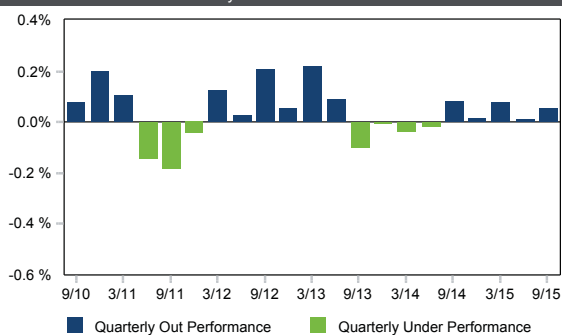


Fixed Income As of September 30, 2015 Total Plan Performance Summary

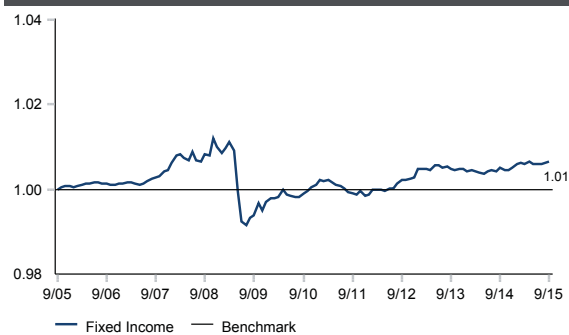
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



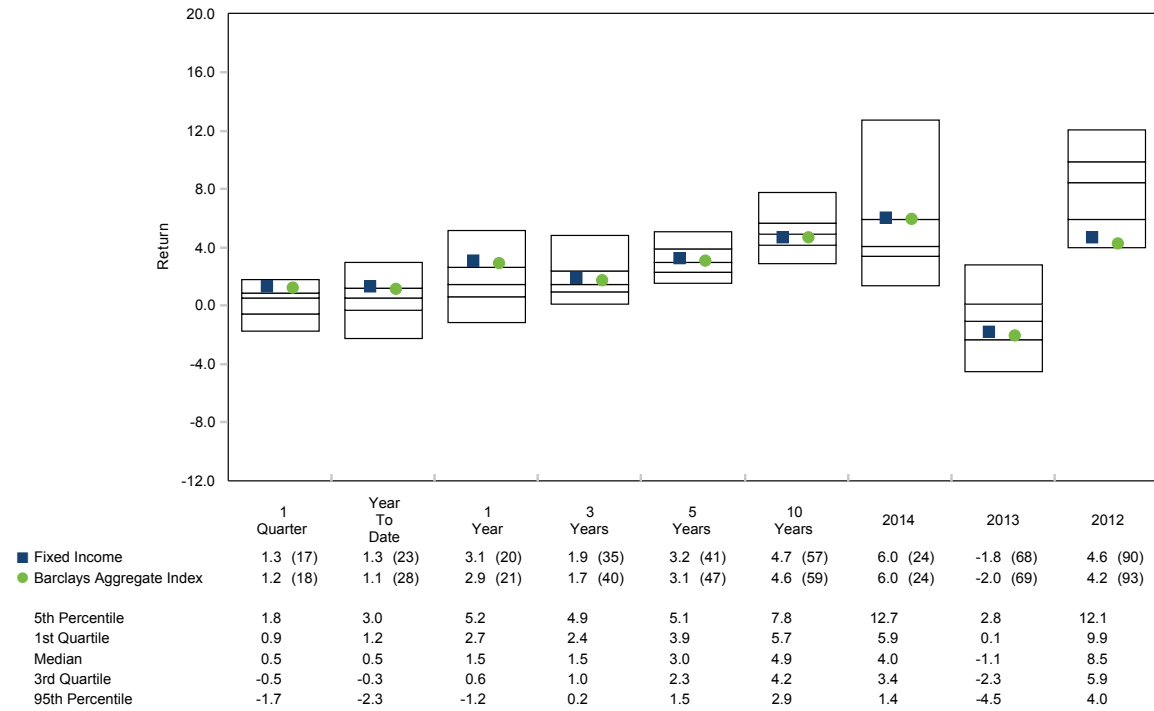
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As of September 30, 2015

Plan Sponsor Peer Group Analysis

All Endowments-US Fixed Income Segment



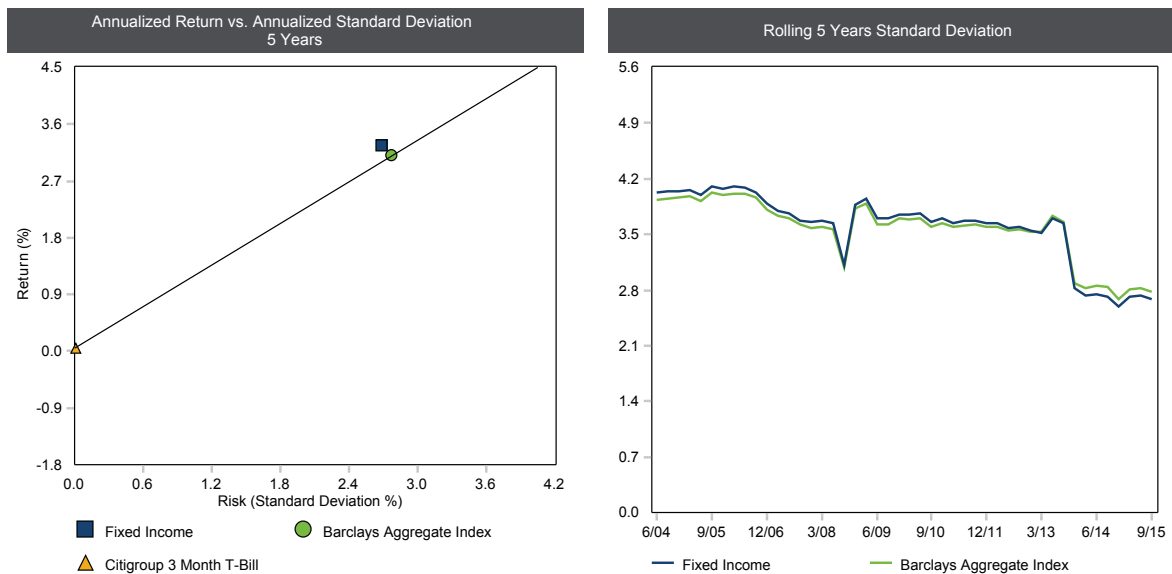
Parentheses contain percentile rankings.
Calculation based on monthly periodicity.



Fixed Income

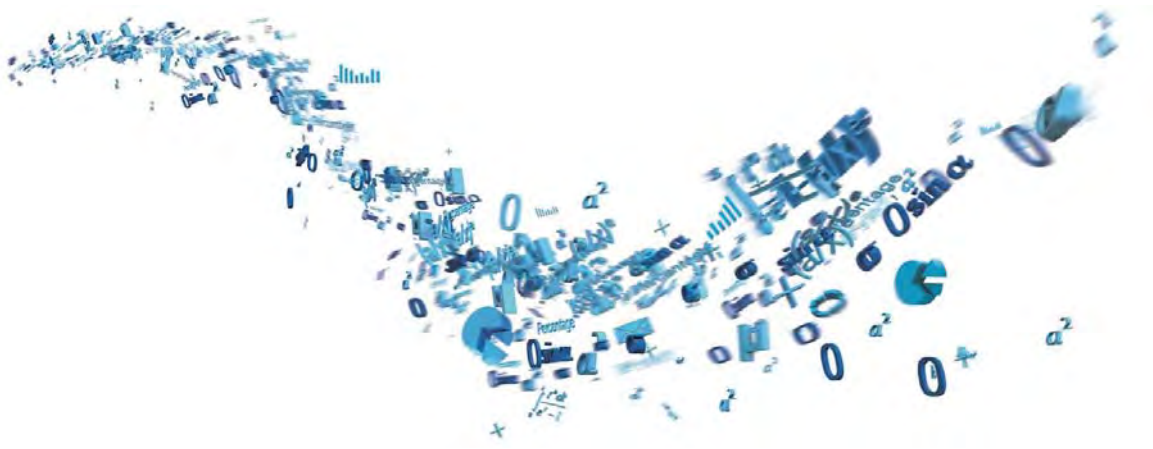
As of September 30, 2015

Fixed Income Risk Profile



5 Years Historical Statistics										
	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Fixed Income	0.15	0.20	0.72	1.00	1.18	0.25	0.97	3.25	2.69	1.00
Barclays Aggregate Index	0.00	0.00	N/A	1.00	1.09	0.00	1.00	3.10	2.77	1.00
Citigroup 3 Month T-Bill	-3.04	2.78	-1.09	0.01	N/A	0.06	0.00	0.05	0.01	-0.11





TIPS

19

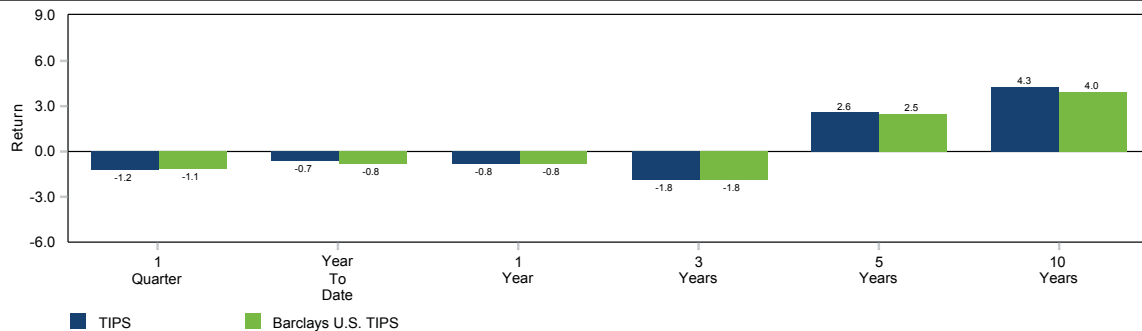
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TIPS

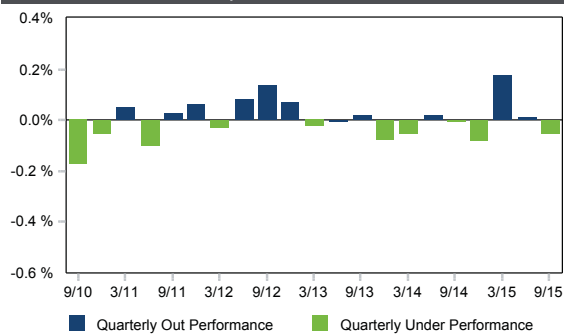
As of September 30, 2015

Total Plan Performance Summary

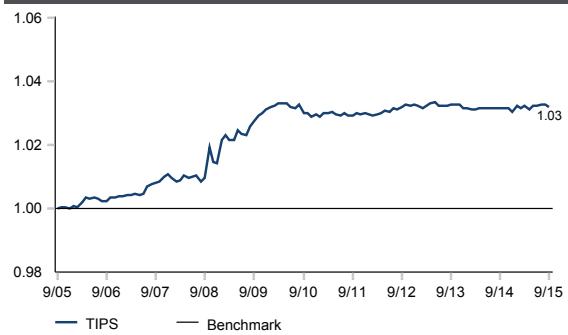
Return Summary



Quarterly Excess Performance

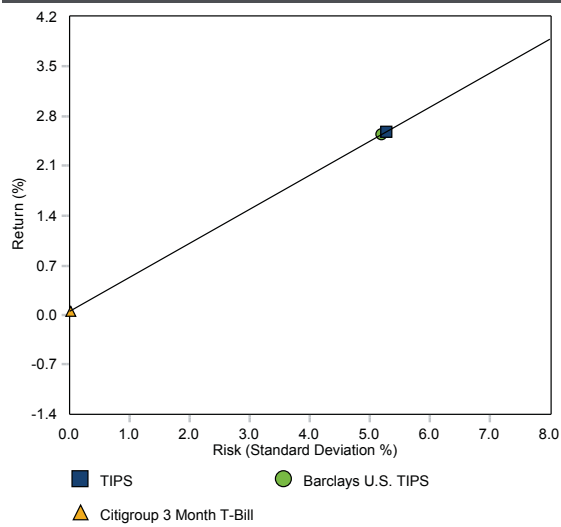


Ratio of Cumulative Wealth - 10 Years

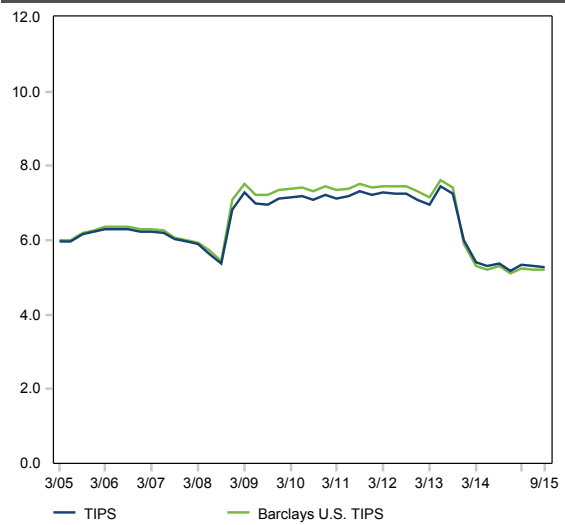


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Annualized Return vs. Annualized Standard Deviation
5 Years

Rolling 5 Years Standard Deviation



5 Years Historical Statistics

	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
TIPS	0.04	0.22	0.18	1.00	0.50	0.00	1.02	2.58	5.29	1.00
Barclays U.S. TIPS	0.00	0.00	N/A	1.00	0.50	0.00	1.00	2.55	5.20	1.00
Citigroup 3 Month T-Bill	-2.60	5.20	-0.50	0.00	N/A	0.05	0.00	0.05	0.01	0.01

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Cash Equivalents

23

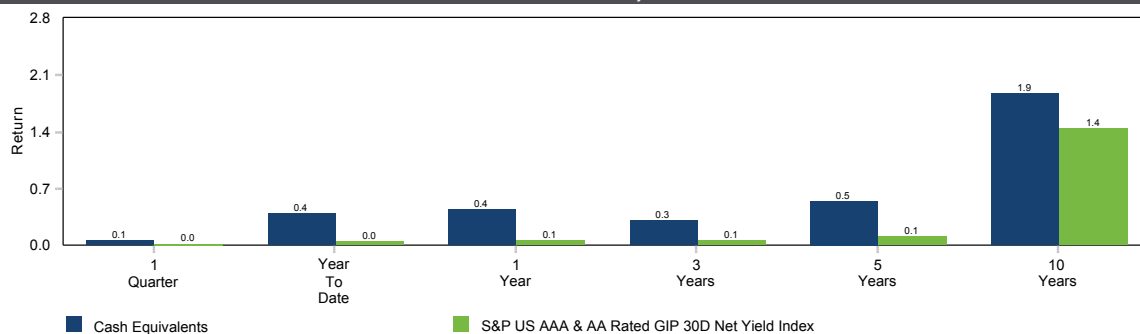


Cash Equivalents

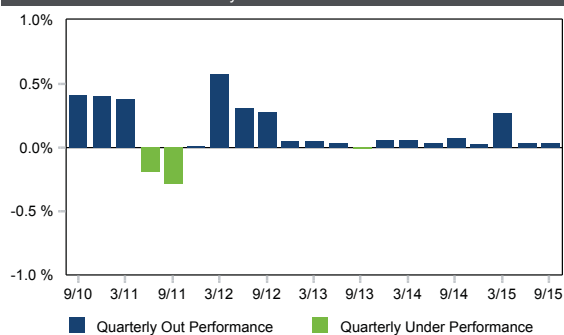
As of September 30, 2015

Total Plan Performance Summary

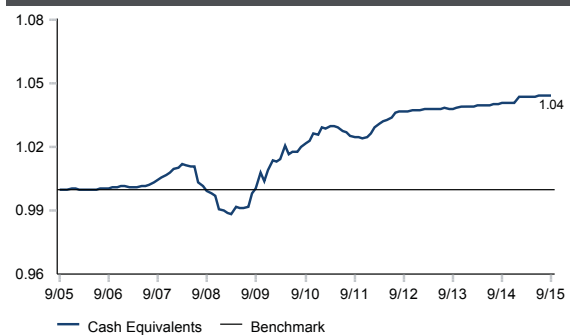
Return Summary



Quarterly Excess Performance



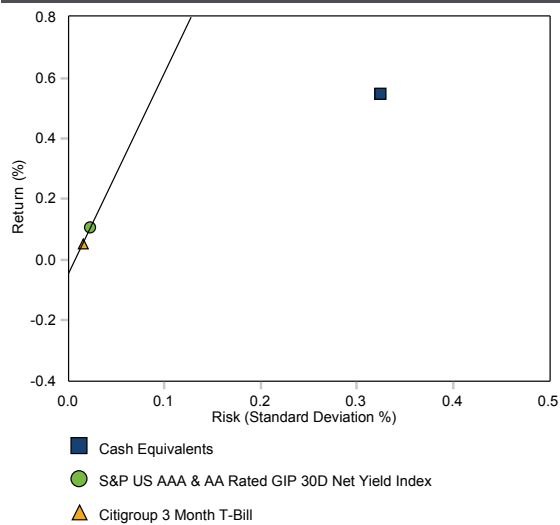
Ratio of Cumulative Wealth - 10 Years



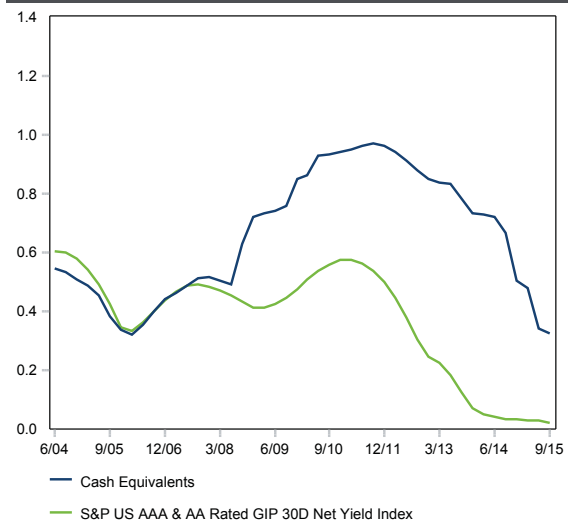
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Cash Equivalents Risk Profile

Annualized Return vs. Annualized Standard Deviation
5 Years

Rolling 5 Years Standard Deviation



5 Years Historical Statistics

	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
Cash Equivalents	0.44	0.32	1.37	0.04	1.52	0.25	2.82	0.55	0.33	0.19
S&P US AAA & AA Rated GIP 30D Net Yield Index	0.00	0.00	N/A	1.00	2.55	0.00	1.00	0.10	0.02	1.00
Citigroup 3 Month T-Bill	-0.05	0.02	-2.55	0.26	N/A	0.02	0.34	0.05	0.01	0.51

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Appendix

As of September 30, 2015 Benchmark Descriptions

LCEF Total Fund

Total Endowment Target - A weighted blend of the individual asset class target benchmarks.

Total Global Equity

MSCI ACWI IMI ex-Tobacco - From 7/1/2014 forward, a custom version of the MSCI ACWI IMI excluding tobacco-related companies. From 10/1/2013 to 6/30/2014, a custom version of the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI ex-USA IMI, and excluding certain equities of tobacco-related companies. From 9/1/2012 to 9/30/2013, a custom version of the MSCI ACWI IMI excluding tobacco-related companies. Prior to 9/1/2012, the benchmark is a weighted average of both the Domestic Equities and Foreign Equities historical benchmarks.

Total Domestic Equities

Russell 3000 Index ex-Tobacco - Prior to 9/1/2012, an index that measures the performance of the 3,000 stocks that make up the Russell 1000 and Russell 2000 Indices, while excluding tobacco companies.

Total Foreign Equities

MSCI ACWI ex-US IMI ex-Tobacco - Prior to 9/1/2012, a capitalization-weighted index representing 44 countries, but excluding the United States. The index includes 23 developed and 21 emerging market countries, and excludes tobacco companies.

Total Fixed Income

Barclays Aggregate Bond Index - A market value-weighted index consisting of the Barclays Credit, Government, and Mortgage-Backed Securities Indices. The index also includes credit card, auto, and home equity loan-backed securities. This index is the broadest available measure of the aggregate investment grade U.S. fixed income market.

Total TIPS

Barclays U.S. TIPS - A market value-weighted index consisting of U.S. Treasury Inflation-Protected Securities with one or more years remaining until maturity with total outstanding issue size of \$500 million or more.

Total Cash Equivalents

S&P U.S. AAA & AA Rated GIP 30-Day Net Yield Index - An unmanaged, net-of-fees, market index representative of the Local Government Investment Pool. On 10/1/2011, the S&P U.S. AAA & AA Rated GIP 30-Day Net Yield Index replaced the S&P U.S. AAA & AA Rated GIP 30-Day Gross Yield Index, which was previously used from 4/30/08 - 9/30/11. Prior to 4/30/08, it was the average 3-month T-bill rate.

As of September 30, 2015

Universe Descriptions

LCEF Total Fund

A universe comprised of 146 total endowment portfolio returns, net of fees, calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$401.2 billion as of quarter-end and the average market value was \$1.1 billion.

Total Fixed Income

A universe comprised of 49 total fixed income portfolio returns, net of fees, of endowment plans calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$30.2 billion as of quarter-end and the average market value was \$87.6 million.

As of September 30, 2015

Explanation of Exhibits

Quarterly and Cumulative Excess Performance - The vertical axis, excess return, is a measure of fund performance less the return of the primary benchmark. The horizontal axis represents the time series. The quarterly bars represent the underlying funds' relative performance for the quarter.

Risk-Return Graph - The horizontal axis, annualized standard deviation, is a statistical measure of risk, or the volatility of returns. The vertical axis is the annualized rate of return. As investors generally prefer less risk to more risk and always prefer greater returns, the upper left corner of the graph is the most attractive place to be. The line on this exhibit represents the risk and return trade-offs associated with market portfolios, or index funds.

Ratio of Cumulative Wealth Graph - An illustration of a portfolio's cumulative, un-annualized performance relative to that of its benchmark. An upward-sloping line indicates superior fund performance versus its benchmark. Conversely, a downward-sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Performance Comparison - Plan Sponsor Peer Group Analysis - An illustration of the distribution of returns for a particular asset class. The component's return is indicated by the circle and its performance benchmark by the triangle. The top and bottom borders represent the 5th and 95th percentiles, respectively. The solid line indicates the median while the dotted lines represent the 25th and 75th percentiles.

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State Board of Administration

Position Description

Page 1 of 3

Position Number:	<u>00000001</u>
Position Title:	<u>Executive Director & CIO</u>
Department:	<u>100 - Executive Director</u>
Current Incumbent:	<u>Williams Jr., Ashbel C.</u>
Wage Class:	<u>Executive</u>
Salary Grade and Range:	<u>Grade 17: Min \$328,000 - Max \$492,000</u>
Annual Salary/Eff. Date	<u>\$389,500 December 9, 2014</u>

Job Responsibilities:

Summary

The State Board of Administration (SBA) Trustees are the Governor as Chairman, the Chief Financial Officer, and the Attorney General. The SBA has delegated to the Executive Director & CIO the authority and responsibility for all administrative, operational, back office, and investment management functions, in compliance with federal and state laws, administrative rules and policies of the SBA. The Executive Director & CIO responsibilities include the development of investment policies and the prudent investment of assets of the Florida Retirement System (FRS) Pension Plan (defined benefit), FRS Investment Plan (defined contribution), Lawton Chiles Endowment Fund (LCEF), Local Government Investment Pool, miscellaneous trust funds, Debt Service and other mandates and trusts. The Executive Director & CIO must discharge his/her fiduciary duties while adhering to the highest ethical, fiduciary, and professional standards.

**** Leadership Responsibilities ****

Maintain effective relationships with Trustees, members of the Investment Advisory Council, Participant Local Government Advisory Council, Audit Committee, legislators, clients, and other stakeholders.

Provide leadership to employees managing and directing the day-to-day operations of the SBA, including the administrative, procurement, personnel, budget and legislative liaison functions of the SBA.

Provide leadership to employees managing and directing the back office, accounting, corporate governance, and investment support functions of the SBA.

**** Investment Responsibilities ****

Provide leadership to employees managing and directing all aspects of the implementation and oversight of investment management functions to achieve risk and return objectives, including the strategic and tactical allocation of investment assets.

Provide leadership to employees developing specific individual investment portfolio objectives, policy guidelines and applying analytical models to measure risk tolerance and portfolio performance against appropriate benchmarks.

Provide leadership to employees maintaining diversified portfolios, and maximizing returns with respect to the broadly diversified market standards of individual asset classes, consistent with appropriate risk constraints.

Provide leadership to employees evaluating the appropriateness of the goals and objectives in light of actuarial studies and recommend changes to the Board when appropriate.

Review and approve investment strategies and annual investment work plans.

Provide leadership to employees monitoring investment performance and portfolio risk characteristics.

Oversee investment manager selection, retention, termination, and monitoring.

Consult with investment managers, investment consultants, industry experts, and peers.

Provide the Board with regular reports of investment activities.

State Board of Administration

Position Description

Page 2 of 3

**** Enterprise Risk Management Responsibilities ****

Identify, monitor and control/mitigate key investment and operational risks.

Maintain an appropriate and effective risk management and compliance program that identifies, evaluates and manages risks within business units and at the enterprise level.

Maintain an appropriate and effective control environment for SBA investment and operational responsibilities.

Approve risk allocations and limits, including total fund and asset class risk budgets.

Job Requirements:

A bachelor's degree from an accredited college or university in finance, economics, accounting, or closely related field, 10 years of progressively complex investment related experience, including three years in senior management. Desirable academic qualifications include an MBA or CFA. Experience in the oversight of a multibillion dollar pension plan, preferably in the public sector, with experience in fiduciary responsibilities. Demonstrated senior executive leadership, policymaking experience, and familiarity with the securities and municipal finance industries are required.

1. Physical Demands: Primarily sedentary in nature with lifting of approximately 10 pounds with occasional lifting of small objects; sitting, standing, walking, talking, hearing, keyboarding.

2. General Requirements: Must be capable of executing all terms and conditions set forth in the SBA policies and procedures manual, including, but not limited to:

- Works in a safety conscious manner, ensuring that safe work practices are used in order not to pose a risk to self or others in the workplace.
- Complies with SBA rules, policies, and procedures which include local, state, and federal regulations.
- Interacts in a tactful, diplomatic, and humanistic manner with supervisors, guests/visitors, and co-workers.
- Maintains confidentiality of necessary information.
- Performs any miscellaneous work assignments as may be required.
- Maintains a dependable attendance record.

Supervisor's Position Number:	00000001	Supervisor's Title:	Executive Director & CIO
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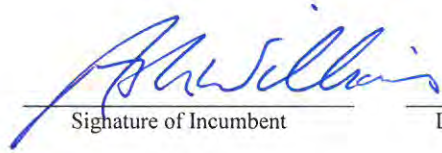
Subordinate Position Number	Subordinate Title
00000215	Deputy Executive Director
00000051	Sr. Investment Policy Officer
00000021	Sr. Investment Officer-Fixed Income
00000175	Sr. Investment Officer-Global Equity
00000025	Sr. Investment Officer-Global Equity
00000046	Sr. Investment Officer-Real Estate
00000225	SIO-Strategic Investments & Private Equity
00000039	SIO-Strategic Investments & Private Equity
00000045	Sr. Officer-Investment Programs & Governance
00000004	Chief Operating/Financial Officer
00000242	Chief Risk & Compliance Officer
00000196	Chief Audit Executive
00000062	General Counsel
00000221	Inspector General
00000158	Sr. Defined Contribution Programs Officer
00000160	Director of Communications
00000150	Chief Operating Officer, FHCF
00000098	Executive Assistant

State Board of Administration

Position Description

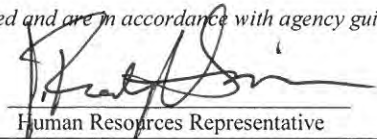
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1. These duties and Section 1: General Skills and Abilities of the Employee Performance Appraisal have been explained to me and I understand them completely.

 12/9/14

Signature of Incumbent Date

2. These duties have been reviewed and are in accordance with agency guidelines and procedures.

 12/9/14

Human Resources Representative Date