

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
February 28, 2014**

**March 26, 2014  
MEETING**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

**Honorable Gina M. Raimondo, Chair**

**Mr. J. Michael Costello  
Mr. Robert Giudici  
Mr. Thomas Mullaney  
Mr. Andrew K. Reilly**

**Mr. Thomas P. Fay  
Ms. Paula M. McNamara  
Ms. Marcia Reback**

# Section I.

---

## Agenda



State of Rhode Island and Providence Plantations  
Office of the General Treasurer

**Gina M. Raimondo**  
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION  
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, March 26, 2014 at 9:00 a.m. in Room 205 of the State House.

**AGENDA**

- Chairperson Call to Order
- Membership Roll Call
- Approval of Minutes
  - State Investment Commission Meeting held on February 26, 2014\*
- Private Equity Recommendation\*\*
  - Thoma Bravo XI\*
- Private Equity – Quarterly Review\*\*
- Legal Counsel Report\*\*\*
  - Securities Litigation Discussion\*
- Chief Investment Officer Report
  - Portfolio Update
  - Investment Policy Update
  - 529 Update
- Treasurer’s Report
  - Portfolio Risk/Return

\* Commission members may be asked to vote on this item.

\*\* Commission members may elect to go into executive session pursuant to Rhode Island General Laws §42-46-5 (a)(7).

\*\*\* Commission members may elect to go into executive session pursuant to Rhode Island General Laws 42-46-5(a)(2)

**POSTED ON FRIDAY, MARCH 21, 2014**

## Section II.

---

### Approval of Minutes



**State Investment Commission**  
**Monthly Meeting Minutes**  
**Wednesday, February 26, 2014**  
**9:00 a.m.**  
**Room 205, State House**

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:04 a.m., Wednesday, February 26, 2014 in Room 205, State House.

## **I. Roll Call of Members**

The following members were present: Mr. J. Michael Costello, Mr. Robert Giudici, Ms. Paula McNamara, Mr. Thomas Mullaney, Ms. Marcia Reback, Mr. Frank Karpinski, and General Treasurer Gina Raimondo.

Also in attendance: Mr. Larry Brown and Mr. Darren Lopes of TIAA-CREF, defined contribution plan administrator; Mr. Thomas Lynch of Cliffwater, alternative investment consultant to the Commission; Ms. Monica Chase and Mr. Loren Schlachet of The Riverside Company; Mr. John Burns and Mr. Alan Emkin of Pension Consulting Alliance (PCA), general consultant; Ms. Sally Dowling of Adler Pollock & Sheehan P.C., legal counsel; Mr. Kevin Sullivan and Mr. Mark Sullivan of Bank of New York Mellon, custodian to the pension plan; Mr. Seth Magaziner, candidate for treasurer; Ms. Anne-Marie Fink, chief investment officer, and members of the Treasurer's staff. Treasurer Raimondo called the meeting to order at 9:04 a.m.

Mr. Thomas Fay and Mr. Andrew Reilly were absent.

## **II. Approval of Minutes**

On a motion by Mr. Mullaney and seconded by Mr. Costello, it was unanimously

**VOTED: to approve the draft of the minutes of the January 27, 2014 meeting of the State Investment Commission.**

## **III. Defined Contribution Plan—Quarterly Update**

Mr. Lopes provided an overview of the State's D/C plan at year end 2013. As of December 31, 2013 the plan had a total of \$196 million in assets. The bulk of the assets remain in the target-date funds. Effective March 12, 2014 the social choice equity fund will be added to the lineup as an option for participants. A communication has gone out to participants to notify them of the addition. He also provided an update on TIAA-CREF's continuing outreach efforts, saying the number of meetings with participants increased throughout 2013.

Mr. Brown reviewed the performance of the plan. He noted the stable value current rate as of the first of February has increased to 2% from 1.75%. He reviewed how each class ranks against its peers. The Vanguard total bond market index had negative returns last quarter but it has since topped the underlying benchmark. The only portion of the fixed income market that posted positive returns last year was high yield. The plan did offer participants an opportunity to capture large returns in the equity markets, ranging from 32% for the large cap S&P 500 to 37.7% for small caps. All these funds are in the top half of their respective peer groups.

The international equity index posted a 29.9% return and was in the top quartile. Real estate investment selections had a return of 9.65%. Vanguard target-date fund returns have ranged from 5.8% in the retirement income trust to 24% in the target date funds with longer horizons. The average peer group rankings for the Vanguard funds are in 28th percentile. He said all the funds have performed as expected.

#### **IV. Private Equity Recommendation—Riverside Micro Cap III**

Mr. Lynch introduced The Riverside Company. He reminded the board that in 2013 an investment in another Riverside Company fund was approved. He added that the current strategy for ERSRI private equity allocation is to increase the exposure to smaller company buyouts, which offer more attractive opportunities. Today there is a lot of competition for larger company buyouts so he believes targeting smaller companies should have a competitive advantage.

Mr. Schlachet gave a brief review of Riverside Company and its Micro-Cap Fund III. This fund invests in lower middle market private companies around the world. Their consistent approach has proven effective as measured on returns. The fund seeks to buy the very best companies in North America with less than \$5 million Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).

He reviewed the team and touted their expertise and experience. They have had 9 years of experience in a micro-cap fund and have acquired 75 companies during that time. They see no shortages of small companies with robust prospects.

He added that their team is split between investors and operators. They bring the benefit of Riverside's global private equity platform to the lowest end of the middle market. One of the unique aspects of this fund is that they are a Small Business Investment Company (SBIC). On each fund they are able to borrow up to \$150M from the Small Business Administration (SBA) at a cost of 4%.

Mr. Giudici asked if they are actively involved in the running of their portfolio companies.

Mr. Schlachet said they buy the controlling equity stake in an underlying company as well as offering mezzanine debt. Once they make an investment, they do not bring in their own management team. The companies have their own management teams, board of directors, and balance sheets. The Riverside team is most involved in strategy and overall efficiency.

Mr. Giudici asked where the cash flow comes from to pay back the debt.

Mr. Schlachet explained that when they buy a company, the first three turns of the capital structure will be financed with bank debt. The next turn and a half will be Riverside's mezzanine debt. On the mezzanine piece, they charge 18% with 12% being current pay and 6% payment in kind. The 12% is paid on a quarterly basis to the fund. This interest income more than satisfies the interest expense from the SBA loan.

Mr. Giudici asked how many of the companies they have invested in that have failed.

Mr. Schlachet said they have done 36 platforms to date and have lost money on only two platforms. He would estimate over the long term the loss ratio would be between 10-12%.

Mr. Schlachet then gave an overview of the investment strategy. Riverside holds companies for five to seven years. The companies they acquire are growing at an average 27% per year leading up to acquisition. They look for companies that have recurring revenue and do not have large customer concentrations.

He reviewed the composition of the portfolio. Their growth-oriented investment strategy leads them into sectors like software, branded consumer products, and healthcare. They focus on the ability of

a company to grow organically so they seek sectors where there are still a lot of growth opportunities.

He said they focus on add-on acquisitions. They do roughly 1.4 times add-ons for every platform. It has been a very successful strategy for them.

Talking about their performance, he said they have had top quartile performance across 36 platforms. They have had two formal funds to date, RMCF I and RMCF II. RMCF I is a top quartile performer with marks of 1.9 times and 13% net return as of year-end 2013. They still have about 13 companies left in the first fund that still have a lot of value to be created. Ultimately, they see the entire fund return ending up at about 2.3X net of fees.

The board asked questions.

The representatives from The Riverside Company left the room.

Mr. Lynch noted that Cliffwater recommends a \$20 million investment into RMCF III.

Ms. Fink noted that the SBIC space enables going down in size, where there is less competition. In a time when private equity is very competitive, Riverside is targeting a niche of the market that is less competitive, which means higher returns.

On a motion by Mr. Costello and seconded by Mr. Mullaney, it was

**VOTED: to invest \$20 million into Riverside Micro Cap Fund III.**

Ms. Reback voted nay.

## V. Hedge Fund Review—Calendar Year 2013

Mr. Lynch reviewed the performance of the hedge fund portfolio from inception through January 2014. The absolute return hedge funds have \$511 million of invested capital across 9 hedge funds. With an annualized return of 5.75%, the absolute return hedge funds have risk comparable to bonds with a higher rate of return. The global equity hedge funds have \$635 million invested capital across 9 hedge funds. They have a 10.5% return with volatility below 4%, which is a two thirds reduction in risk relative to the equity market. Both portfolios have a combined 8.33% return and have produced these returns with very attractive levels of risk. Also, both portfolios have outperformed their relative benchmarks.

Mr. Lynch then gave an overview of the components of return: alpha and beta. Beta is a measure of market exposure. Alpha is the return that the manager produces above the market return. The goal is to try to manage the beta and get a lot of alpha. He pointed out that there has substantial alpha produced in both the global equity and the real return portfolios. Likewise, the beta for the equity hedge fund index has only been 0.24, basically  $\frac{3}{4}$  less beta than the equity index. The beta for the real return portfolio has been 0.09 so less than 10% of the beta of the equity index. The alpha of global equity hedge funds has been 7.3% annualized. The real return portfolio's alpha has been 4.41%. The alpha in their respective benchmarks has been substantially less than that in the portfolio. He reviewed the alpha by manager. The alpha has been positive for all the managers except two, Indus Asia and Winton Futures. Indus Asia invests in Asia markets, was a difficult place to perform last year. Winton Futures, which is a commodity trading advisor (CTA) that uses a quantitative momentum strategy, is also in a space that was challenging last year. It is expected that not all strategies or geographies will perform in all environments.

The board asked questions.

## **VI. Asset Allocation Review**

Mr. Emkin gave a follow-up to the discussion at the previous meeting regarding asset allocation. He reviewed the findings of the process. He said in a well-diversified portfolio where most of the risk is equity risk, adding return becomes challenging because any amount of return would add significant amounts of risk. He noted that there is no compelling reason to change the current policy portfolio and PCA would encourage the board to stay the course on the current track.

He said PCA had few minor recommendations. In the near term, they recommend focusing on fully implementing the current policy, particularly filling out the real estate and infrastructure allocations. They would like to see more money being allocated to assets that are less correlated to the equity market and to remain mindful of diversifying by vintage year.

## **VII. Investment Policy Statement Review**

Ms. Fink talked about some of the changes in the Investment Policy Draft. She said the policy now states more explicitly that the 7.5% is an actuarial rate of return is determined by The Retirement Board. Also, throughout the document the goal of achieving returns is emphasized as much as the need to manage risk.

Ms. Reback pointed out that the corporate governance piece should clarify which “Board” is being referenced.

Ms. Fink agreed and said the change would be made.

On a motion by Mr. Costello and seconded by Mr. Mullaney, it was unanimously

**VOTED: to adopt parts 1 and 2 of the Investment Policy draft with the clarification of “corporate boards” in the corporate governance section.**

## **VIII. Legal Counsel Report**

There was no legal counsel report.

## **IX. CIO Report**

Ms. Fink reviewed January’s performance, stating it was a tough month due to concerns over emerging markets growth and fourth quarter earnings were lacking. In this environment the portfolio was down 1.7%, which compared favorably to the 60/40 benchmark which fell 1.8%. Asset allocation is working, particularly the hedge funds, which helped protect the portfolio in January. Fiscal-year-to-date the portfolio is up 7.9% compared to the 60/40 benchmark, which is up 7.5%. The portfolio had 7.5% risk with a return of about 8%. She reviewed the performance of each asset class for the month.

Ms. Fink gave an update on the Waterton investment. She said Waterton has raised more than \$200 million outside of the investment by Rhode Island. Consistent with what was previously voted upon by the SIC staff will invest about \$20 million of the approved \$35 million to work in the fund. If Waterton manages to raise more money, the rest of the money will be put to work in subsequent transactions.

Ms. Fink notified the board there will be an RFP issued jointly with RIHEAA seeking a consultant to assist in the evaluation of the 529 college plan.



Ms. Fink briefly commented on February's markets. She said February has been an almost complete reversal of January with equity markets up more than 4% and treasury yields up a bit to 2.75% on the 10-year. She added that as of February 21st, the defined benefit portfolio was back above \$8 billion.

## **X. Treasurer Report**

Treasurer Raimondo thanked the consultants for their work.

She then gave an update on the recent mediated pension settlement. She distributed a press release from the governor's office in conjunction with her office outlining some of the changes. She noted the settlement would not change the work of the board and that it only has a negligible impact on the unfunded liability. All the key structural changes will stay in place. She also noted that the settlement is not yet finalized as the union membership has to vote on it, and then it must go before the general assembly.

Treasurer Raimondo commended the board and thanked them for their continued work.

There being no other business to come before the Board, on a motion by Ms. Reback and seconded by Mr. Mullaney the meeting adjourned at 10:41 a.m.

Respectfully submitted,

**Gina M. Raimondo**  
General Treasurer

## Section III.

---

### Staff Summary

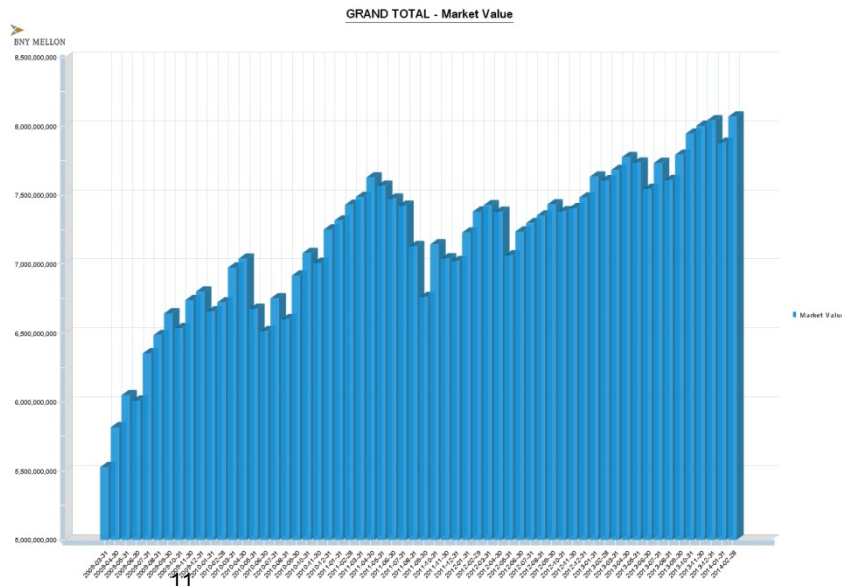
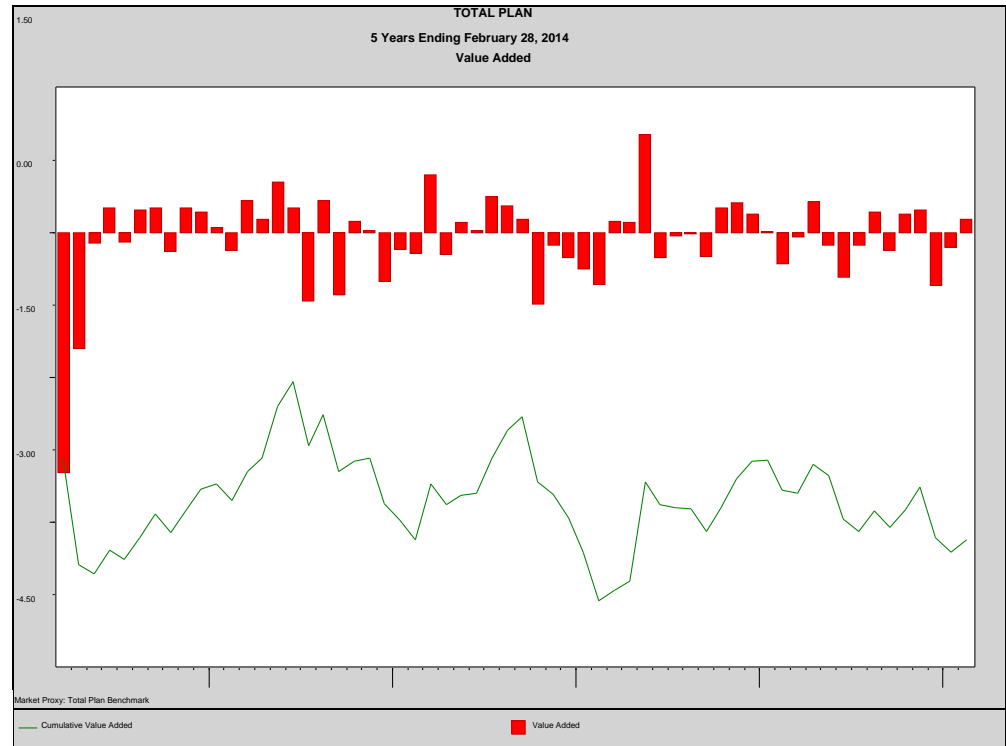
# Portfolio Highlights

## PORTFOLIO PERFORMANCE

**February:** The ERSRI portfolio posted a 2.94% gain for February, against the policy index of 2.80% and the 60/40 Blend of 3.11%. Total Equity returned 4.24%, as US Public Equity gained 4.72% versus the benchmark of 4.74% and International Equity 4.99% versus the benchmark of 5.02%, while Equity Hedge Funds gained 2.65% against the 2.63% benchmark. US Traditional Fixed Income posted a 0.63% gain, with the benchmark at 0.53%. Real Return Hedge Funds gained 1.03% against the benchmark of 1.72%, while GILBs gained 0.23% against its benchmark of 0.24%. The Credit strategy returned 0.24%, versus its benchmark 0.38%.

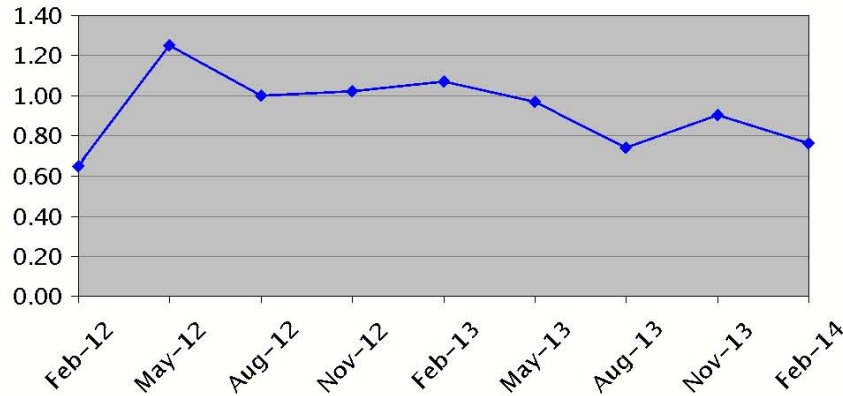
**Fiscal Year to Date:** For the Fiscal Year to Date, the fund has gained 11.04%, versus the policy index of 11.28% and the 60/40 Blend 10.82%.

**Market Values:** The total portfolio value increased by \$190.1 million to \$8.07 billion. The February increase represents \$230.2 million of positive market impact, and \$40.1 million of transfers out.

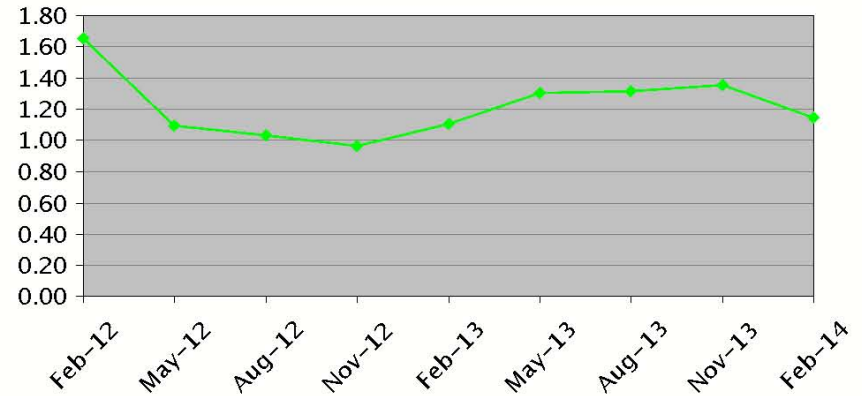


Account Name	Market Value (M)	Month	Fiscal YTD
US Public Equity	2,037.82	4.72	18.66
Non-US Public Equity	1,996.42	4.99	15.51
Equity Hedge Funds	672.02	2.65	12.10
Private Equity	539.30	1.77	11.87
Traditional Fixed Income	1,101.70	0.63	2.82
Real Estate	249.68	1.93	6.96
Real Return Hedge Funds	516.70	1.03	4.04
Credit Aggregate	414.63	0.24	4.14
Inflation-Linked Bonds	280.68	0.23	0.48
Total Cash	243.78	0.01	0.10
<b>TOTAL PLAN</b>	<b>8,069.75</b>	<b>2.94</b>	<b>11.04</b>

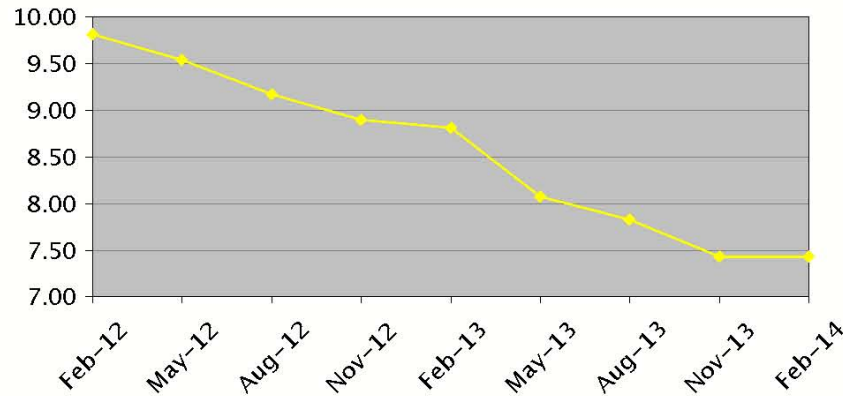
**Annualized Alpha**



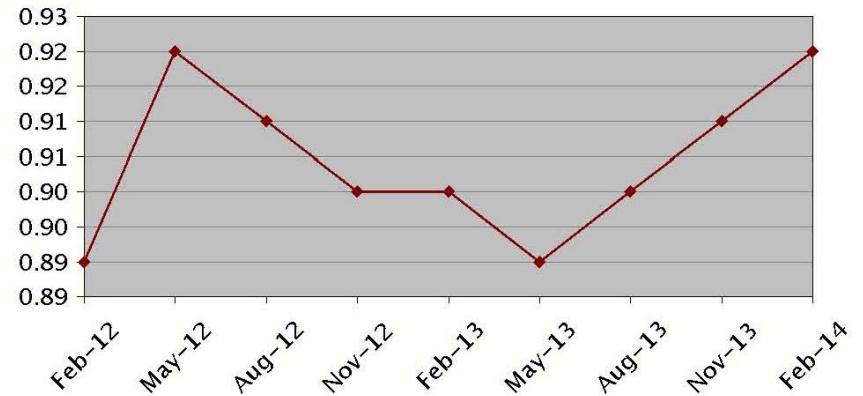
**Annualized Sharpe Ratio**



**Annualized Standard Deviation**



**Beta**



Policy Benchmark is Total Plan Benchmark. Risk-free Proxy is BofA Merrill Lynch 3 Month US Treasury Bill G001



State of Rhode Island and Providence Plantations  
Office of the General Treasurer

Gina M. Raimondo  
General Treasurer

March 20, 2014

State Investment Commission  
State of Rhode Island, State House  
Providence, Rhode Island

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, Municipal Employees', State Police and Judicial Retirement Systems of the State of Rhode Island at the close of business on February 28, 2014.

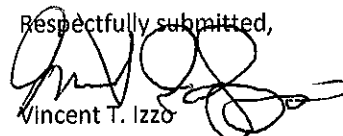
**Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
February 28, 2014**

<b>Asset Class</b>		<b>Base Market Value</b>
<b>Grand Total</b>		<b>8,069,752,685</b>
CASH EQUIVALENT*		288,924,437
EQUITY HEDGE FUNDS**		672,016,894
GLOBAL PUBLIC EQUITY		4,034,238,345
CREDIT		401,489,194
INFLATION-LINKED BDS		277,316,548
PRIVATE EQUITY**		539,300,970
REAL ESTATE**		249,675,781
REAL RET HEDGE FUNDS**		516,702,675
US TRADITIONAL FIXED		1,090,087,841
<b>Plan Allocations</b>	<b>%</b>	<b>Base Market Value</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>8,069,752,685</b>
STATE EMP RET PLAN	81.29%	6,554,941,500
MUNI EMP RET PLAN	16.77%	1,356,575,741
STATE POLICE RET PL	1.28%	104,543,970
JUDICIAL RET PLAN	0.66%	53,435,977
NON-CONTRIB JUD RET	0.00%	255,497

\* Cash & Short-Term Investments, as shown, also includes amounts available within specific active-manager mandates, and thus as aggregated will not tie directly to separate cash allocations as reported elsewhere.

\*\* Alternative Investments – comprising the four components as indicated – have varying degrees of liquidity and may not have readily determinable market values. As such, they may be based on appraisals only.

Respectfully submitted,



Vincent T. Izzo  
Cash Manager

## Section IV.

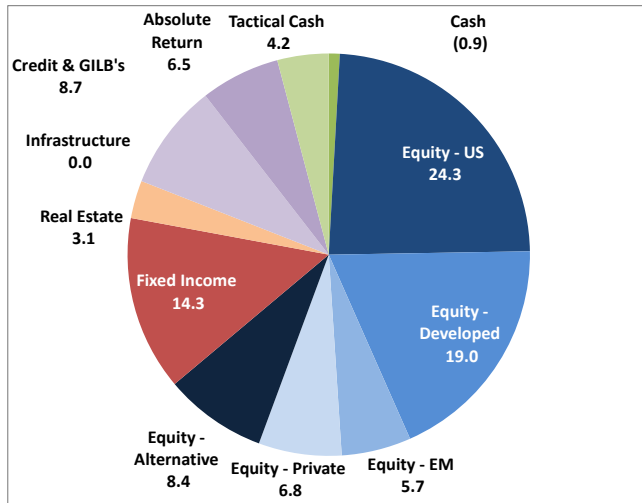
---

### Asset Allocation

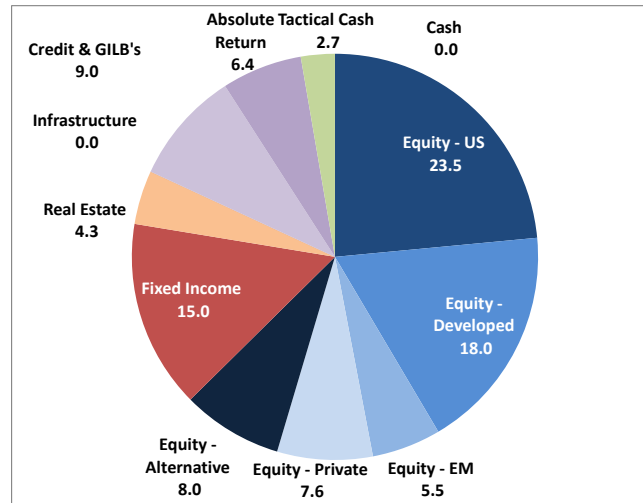
**ERSRI Portfolio**

%% - as of February 28, 2014

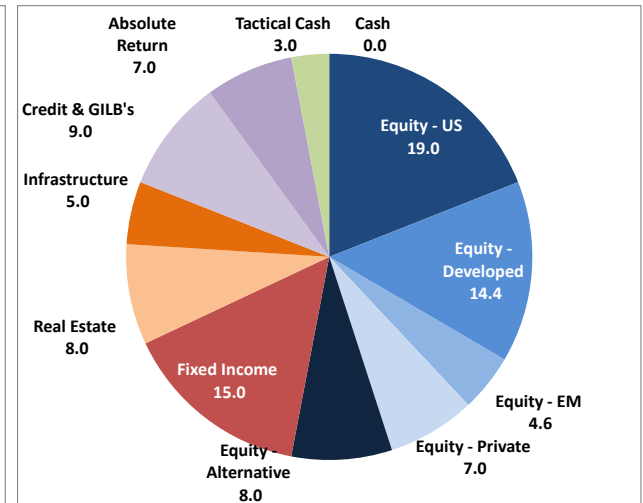
**Actual Allocation**



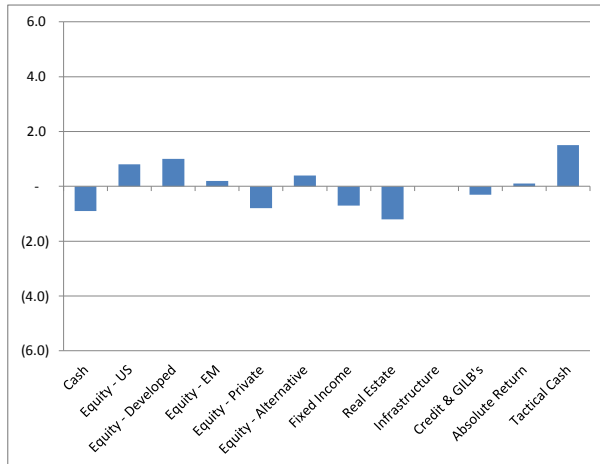
**Tactical Allocation**



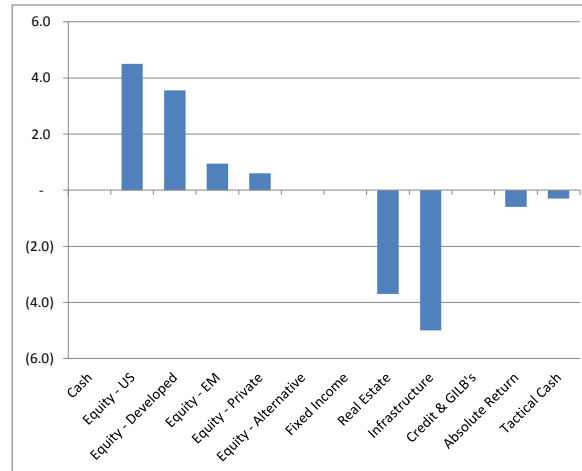
**Policy Allocation**



**Actual vs. Tactical**



**Tactical vs. Policy**



**Notes:**

Actual vs. Tactical: SIC policy allows for fluctuations of  $\pm 2\%$  from Tactical to accommodate market movements while minimizing trading costs for rebalancing, and lags in rebalancing to less liquid asset classes.

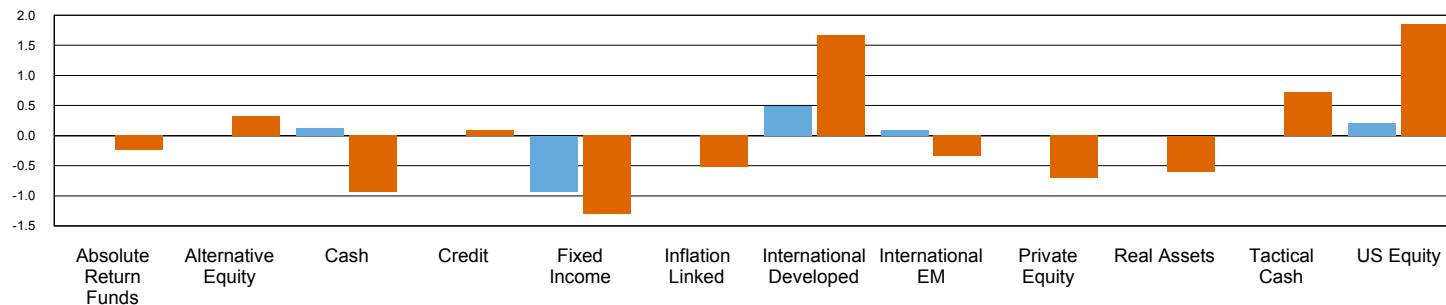
Tactical vs. Policy: Tactical allocations diverge from policy to allow time to vet third-party managers allowing prudent implementation of SIC policy decisions, and to diversify vintage-year exposure for drawdown funds (e.g., private equity, real estate, infrastructure).

Currently tactical allocations are (4) percentage points (pps) below policy on real estate and (5) pps on infrastructure & MLP's, due to timing required to deploy funds. An additional +9 pps in equity offers interim exposure to economic growth and protection from interest rate volatility, capturing similar macroeconomic exposures to underallocated asset classes.

# Asset Summary

<u>Asset Class</u>	<u>Physical Exposure</u>		<u>Synthetic Exposure</u>		<u>Net Position</u>		<u>Overlay Target</u>		<u>Policy Target</u>	
<b>Total Market Value</b>	<b>8,040.8</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>	<b>8,040.8</b>	<b>100.0%</b>	<b>8,040.9</b>	<b>100.0%</b>	<b>8,040.9</b>	<b>100.00%</b>
<b>Cash</b>	<b>-75.6</b>	<b>-0.9%</b>	<b>78.5</b>	<b>1.0%</b>	<b>2.9</b>	<b>0.0%</b>	<b>-7.6</b>	<b>-0.1%</b>	<b>0.0</b>	<b>0.00%</b>
Cash	-75.6	-0.9%	78.5	1.0%	2.9	0.0%	-7.6	-0.1%	0.0	0.00%
<b>Equity</b>	<b>5,227.5</b>	<b>65.0%</b>	<b>-118.4</b>	<b>-1.5%</b>	<b>5,109.1</b>	<b>63.5%</b>	<b>5,045.0</b>	<b>62.7%</b>	<b>5,003.0</b>	<b>62.22%</b>
International Developed	1,581.0	19.7%	-66.0	-0.8%	1,514.9	18.8%	1,475.2	18.3%	1,447.4	18.00%
International EM	415.5	5.2%	42.9	0.5%	458.3	5.7%	450.8	5.6%	442.2	5.50%
US Equity	2,038.0	25.3%	-95.2	-1.2%	1,942.8	24.2%	1,926.0	24.0%	1,889.6	23.50%
Private Equity	538.4	6.7%	0.0	0.0%	538.4	6.7%	538.4	6.7%	595.0	7.40%
Alternative Equity	654.7	8.1%	0.0	0.0%	654.7	8.1%	654.7	8.1%	628.8	7.82%
<b>Fixed</b>	<b>1,101.7</b>	<b>13.7%</b>	<b>39.8</b>	<b>0.5%</b>	<b>1,141.5</b>	<b>14.2%</b>	<b>1,216.2</b>	<b>15.1%</b>	<b>1,206.1</b>	<b>15.00%</b>
Fixed Income	1,101.7	13.7%	39.8	0.5%	1,141.5	14.2%	1,216.2	15.1%	1,206.1	15.00%
<b>Other</b>	<b>1,787.2</b>	<b>22.2%</b>	<b>0.0</b>	<b>0.0%</b>	<b>1,787.2</b>	<b>22.2%</b>	<b>1,787.2</b>	<b>22.2%</b>	<b>1,831.7</b>	<b>22.78%</b>
Real Assets	249.7	3.1%	0.0	0.0%	249.7	3.1%	249.7	3.1%	297.5	3.70%
Absolute Return Funds	511.4	6.4%	0.0	0.0%	511.4	6.4%	511.4	6.4%	530.7	6.60%
Credit	413.0	5.1%	0.0	0.0%	413.0	5.1%	413.0	5.1%	406.1	5.05%
Inflation Linked	279.6	3.5%	0.0	0.0%	279.6	3.5%	279.6	3.5%	321.6	4.00%
Tactical Cash	333.5	4.1%	0.0	0.0%	333.5	4.1%	333.5	4.1%	275.8	3.43%

## Deviations from Target Allocation

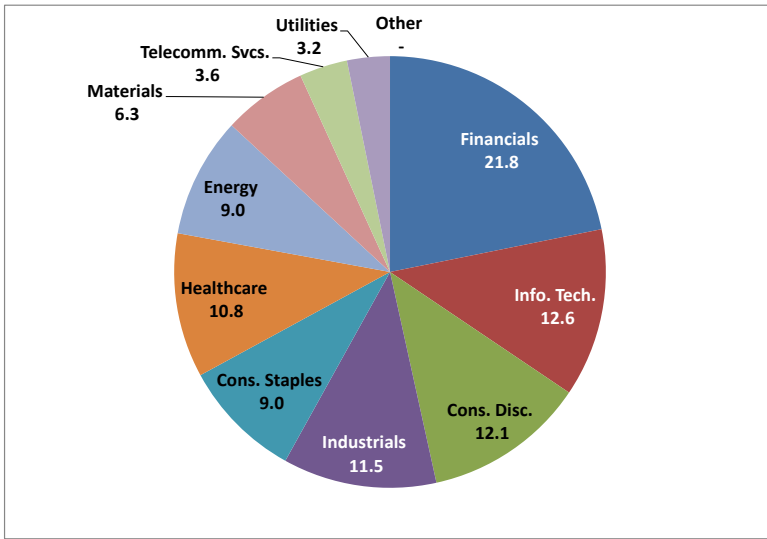




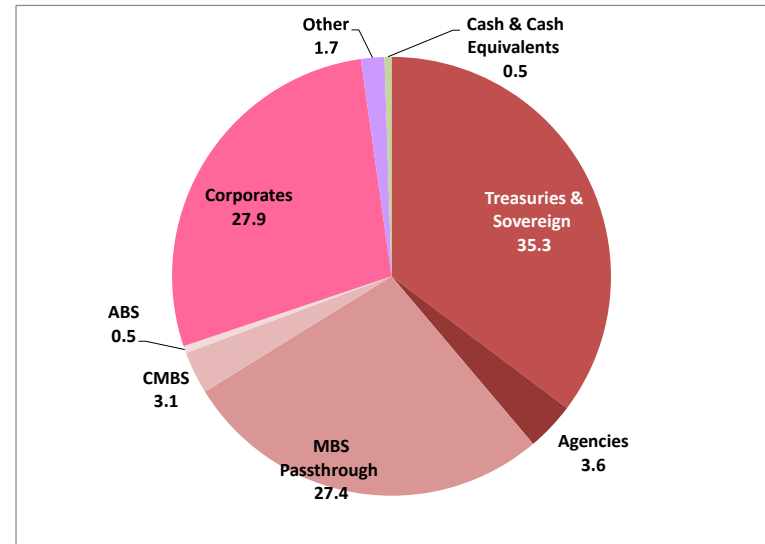
**ERSRI Asset Allocation**  
**Public-Asset Portfolios**

%% - as of February 28, 2014

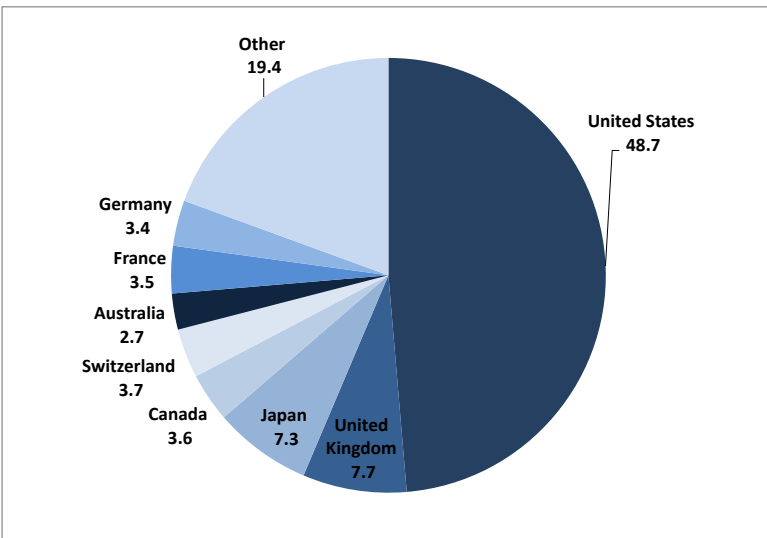
**Global Public Equity - by Industry Sector**



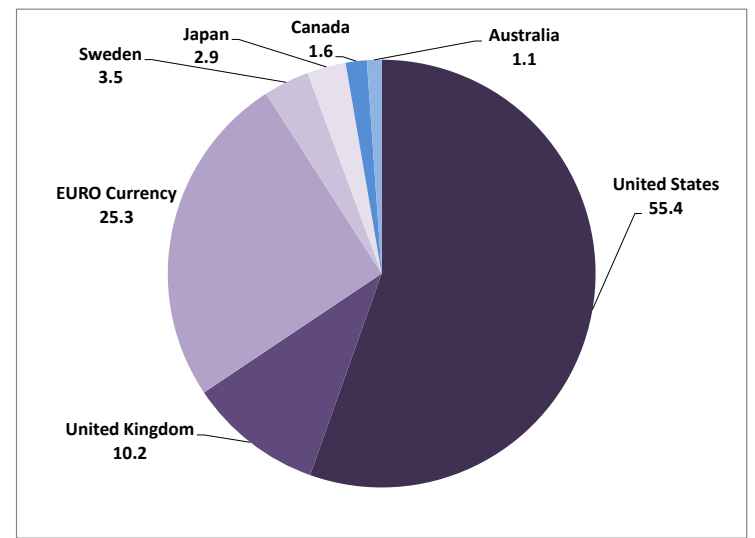
**Core Fixed Income - by Type**



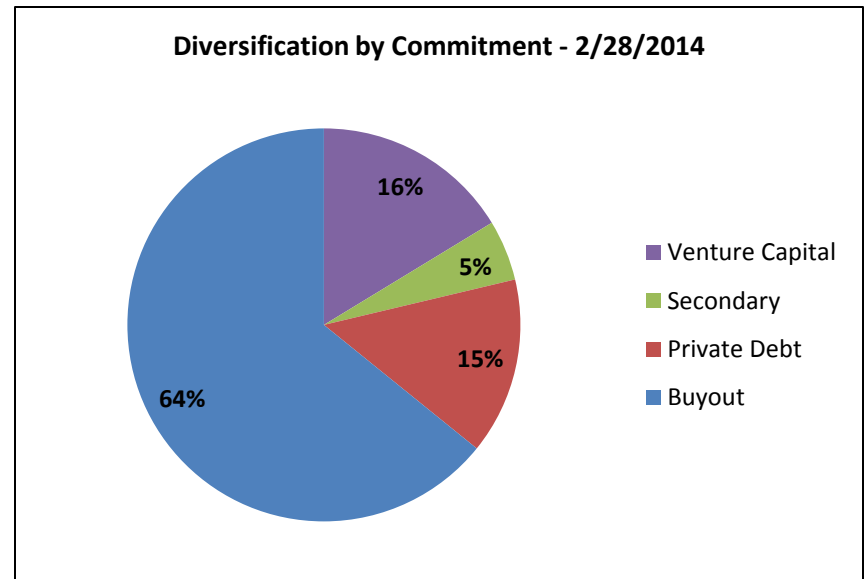
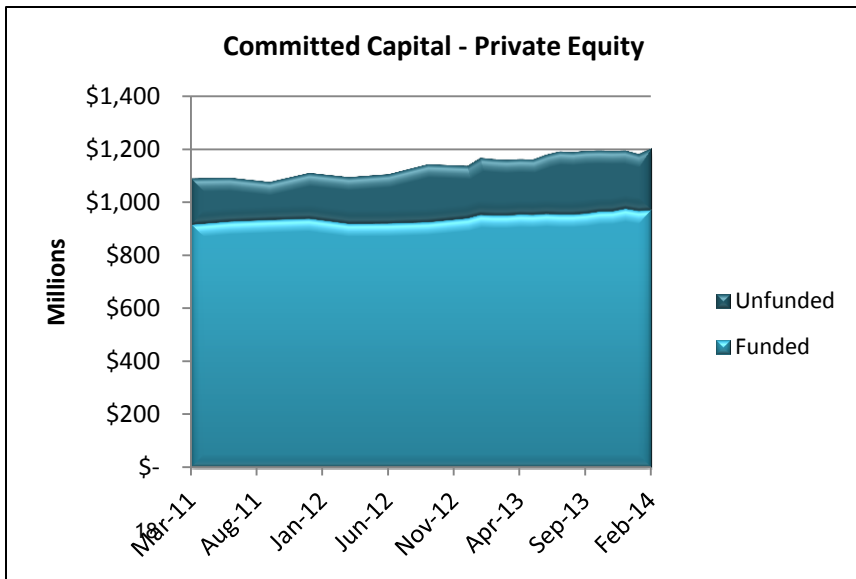
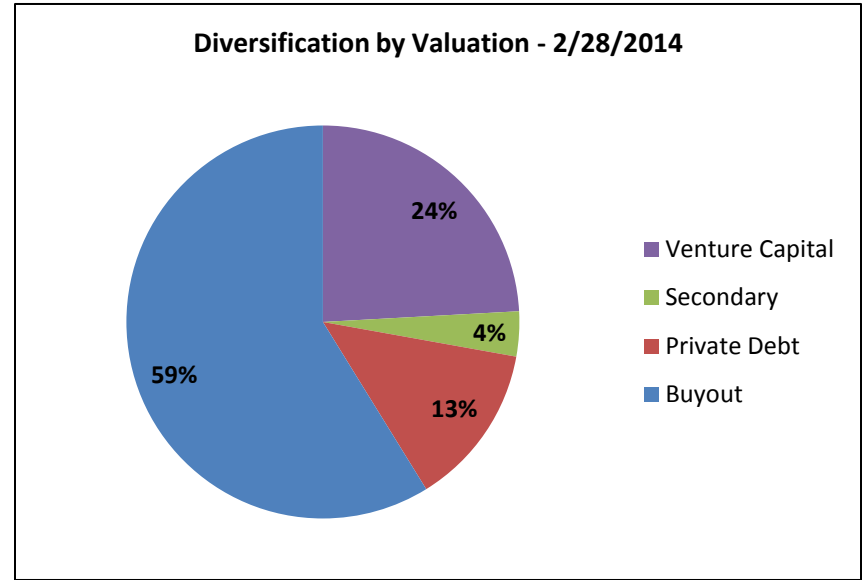
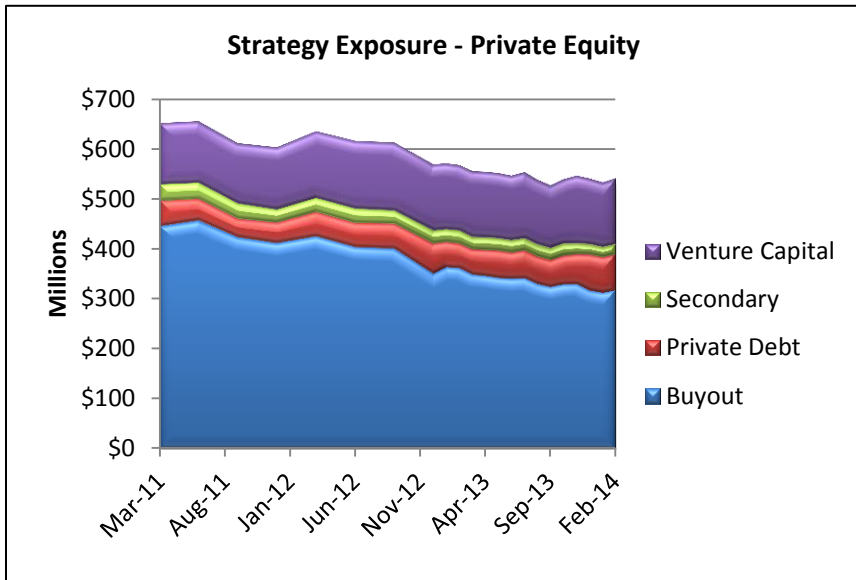
**Global Public Equity - by Geography**



**Global Inflation-Linked Bonds - by Geography**



# Strategy Exposure & Committed Capital – Private Equity

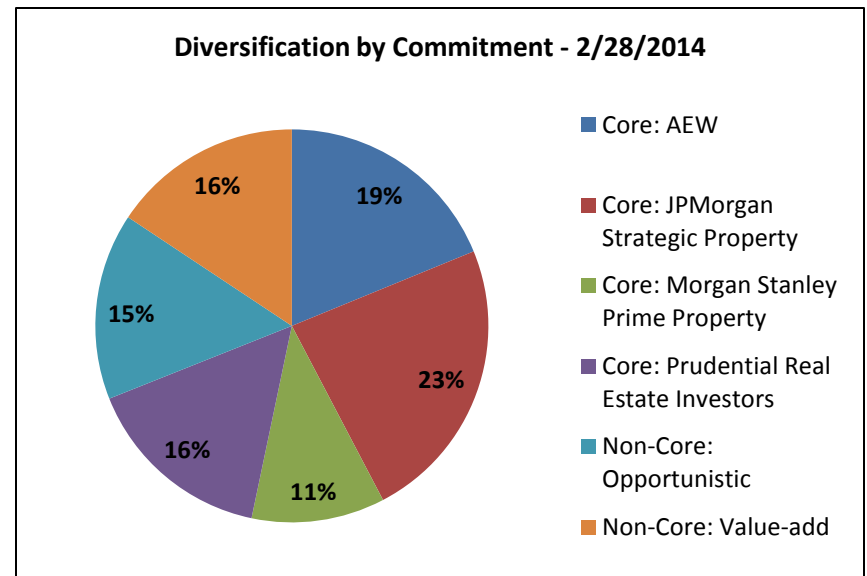
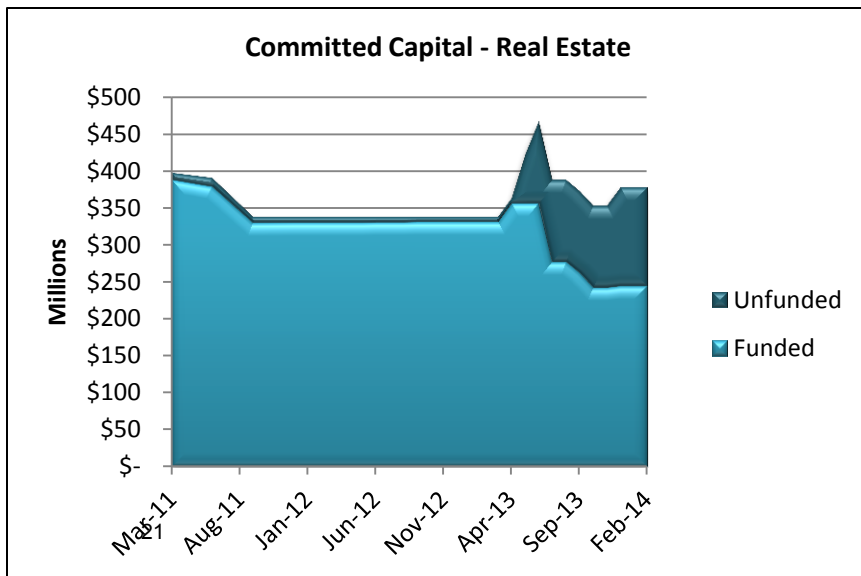
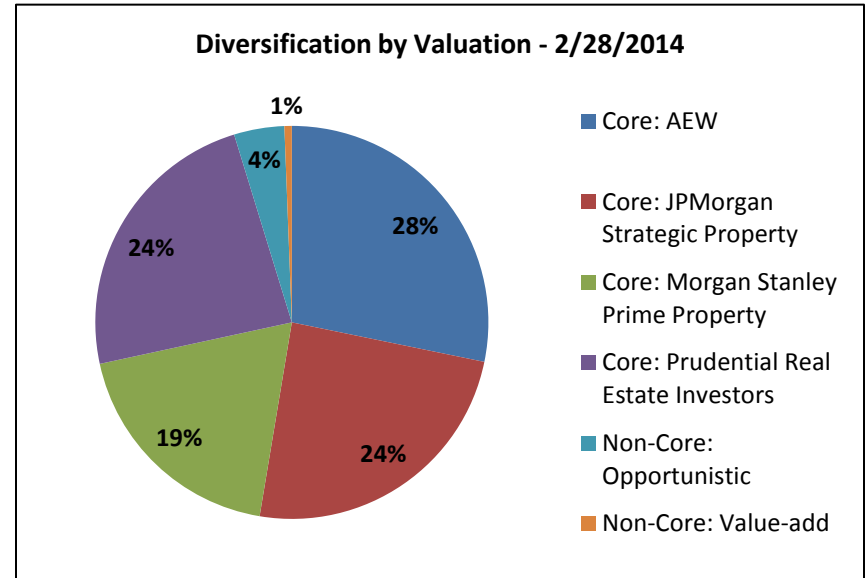
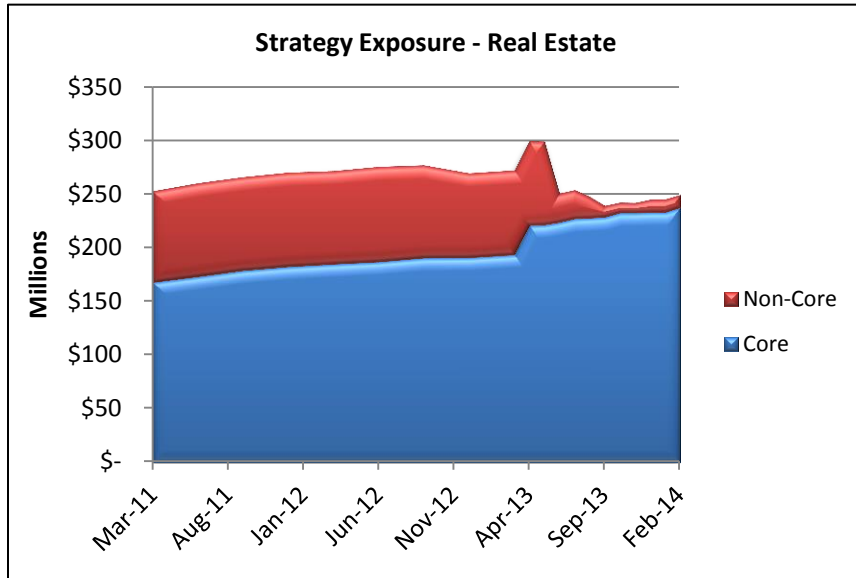


**State of Rhode Island Private Equity Unfunded Commitment February 2014**

<b>Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
Advent Global Private Equity Fund VII	\$ 20,000,000.00	\$ 14,220,000.00
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 750,000.00
Aurora Equity Partners II	\$ 15,000,000.00	\$ -
Aurora Equity Partners III	\$ 15,000,000.00	\$ 835,850.00
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ -
Avenue V	\$ 20,000,000.00	\$ -
Bain X	\$ 25,000,000.00	\$ 875,000.00
Birch Hill Equity Partners III	\$ 16,101,612.00	\$ 590,546.72
Braemar Energy Ventures III	\$ 10,000,000.00	\$ 6,542,096.00
Castile III	\$ 5,000,000.00	\$ 250,000.00
Centerbridge	\$ 15,000,000.00	\$ 1,090,623.00
Centerbridge Special Credit Partners II	\$ 25,000,000.00	\$ 6,875,000.00
Charterhouse Capital Partners VIII	\$ 20,416,500.00	\$ 2,561,691.21
Coller International Capital IV	\$ 14,250,000.00	\$ 1,350,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 3,270,000.00
Constellation III	\$ 15,000,000.00	\$ 456,888.82
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.00
CVC European Equity Partners IV	\$ 22,458,150.00	\$ 2,633,351.76
CVC V	\$ 27,222,000.00	\$ 5,362,224.96
CVC VI	\$ 20,416,500.00	\$ 20,255,063.18
EnCap Energy Fund IX	\$ 18,000,000.00	\$ 15,569,470.81
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 232,336.00
Fenway III	\$ 15,000,000.00	\$ 1,517,699.00
First Reserve Fund X	\$ 20,000,000.00	\$ 1.00
First Reserve Fund XI	\$ 20,000,000.00	\$ (1.00)
Focus Ventures III	\$ 15,000,000.00	\$ -
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 375,000.00
Green Equity Investors V	\$ 20,000,000.00	\$ 1,243,286.40
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 366,426.00
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 1,182,507.00
Leapfrog Ventures II	\$ 10,000,000.00	\$ 510,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 1,099,639.00
Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 750,000.00
LNK Partners	\$ 12,500,000.00	\$ 653,392.52
Matlin Patterson Glb. Opp. Fund (CSFB)	\$ 15,000,000.00	\$ -
MHR Institutional Partners III	\$ 20,000,000.00	\$ 7,374,396.00
Nautic Partners V	\$ 20,000,000.00	\$ 647,276.49
Nautic Partners VI	\$ 20,000,000.00	\$ 1,292,251.81
Nautic Partners VII	\$ 20,000,000.00	\$ 20,000,000.00
Nordic Capital Fund V	\$ 19,893,225.11	\$ -
Nordic Capital Fund VI	\$ 20,416,500.00	\$ -
Nordic VII	\$ 19,846,210.55	\$ 3,864,178.82

Nordic VIII	\$	20,416,500.00	\$	18,789,072.38
Oaktree Capital Management Fund III	\$	20,000,000.00	\$	11,600,000.00
Palladin III	\$	10,000,000.00	\$	2,871,663.00
Parthenon Investors II	\$	23,960,000.00	\$	1,821,022.00
Perseus VII	\$	15,000,000.00	\$	659,913.17
Point 406	\$	10,000,000.00	\$	1,400,000.00
Point Judith II	\$	5,000,000.00	\$	463,939.06
Providence Equity Partners III	\$	15,000,000.00	\$	1,938,956.00
Providence Equity Partners IV	\$	25,000,000.00	\$	1,998,616.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,157,993.00
Providence Equity Partners VI	\$	25,000,000.00	\$	2,713,262.00
Providence Equity Partners VII	\$	25,000,000.00	\$	20,720,499.00
Riverside VI	\$	20,000,000.00	\$	18,345,576.00
Summit Partners	\$	20,000,000.00	\$	5,500,000.00
Thomas McNerney & Partners	\$	15,000,000.00	\$	300,000.00
Thomas McNerney & Partners II	\$	15,000,000.00	\$	1,987,500.00
TPG Partners IV	\$	15,000,000.00	\$	1,110,679.00
TPG Partners V	\$	20,000,000.00	\$	2,342,952.00
TPG VI	\$	10,000,000.00	\$	2,253,052.00
Trilantic IV	\$	11,098,351.00	\$	1,315,090.18
VS&A Communication Partners III	\$	15,000,000.00	\$	-
W Capital Partners	\$	15,000,000.00	\$	802,500.00
W Capital Partners II	\$	15,000,000.00	\$	1,639,525.00
Wellspring Capital Partners III	\$	20,000,000.00	\$	283,861.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$	2,226,234.00
WLR	\$	8,000,000.00	\$	765,256.00
<b>Total Alternative Investments</b>	\$	1,206,245,548.65	\$	232,950,566.30

# Strategy Exposure & Committed Capital – Real Estate



**State of Rhode Island Real Estate Unfunded Commitment February 2014**

<b>Real Estate Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
AEW	\$ 60,000,000.00	\$ -
Fillmore East Fund I	\$ 10,000,000.00	\$ -
GEM Realty V	\$ 50,000,000.00	\$ 47,594,375.00
Heitman	\$ 60,000,000.00	\$ 60,000,000.00
JPMorgan Strategic Property Fund	\$ 75,000,000.00	\$ 25,000,000.00
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
Magna Hotel	\$ 4,000,000.00	\$ 764,799.69
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ -
Tri Continental Fund VII	\$ 15,000,000.00	\$ 428,467.00
<b>Total Alternative Investments</b>	<b>\$ 379,000,000.00</b>	<b>\$ 133,787,641.69</b>

## Section V.

---

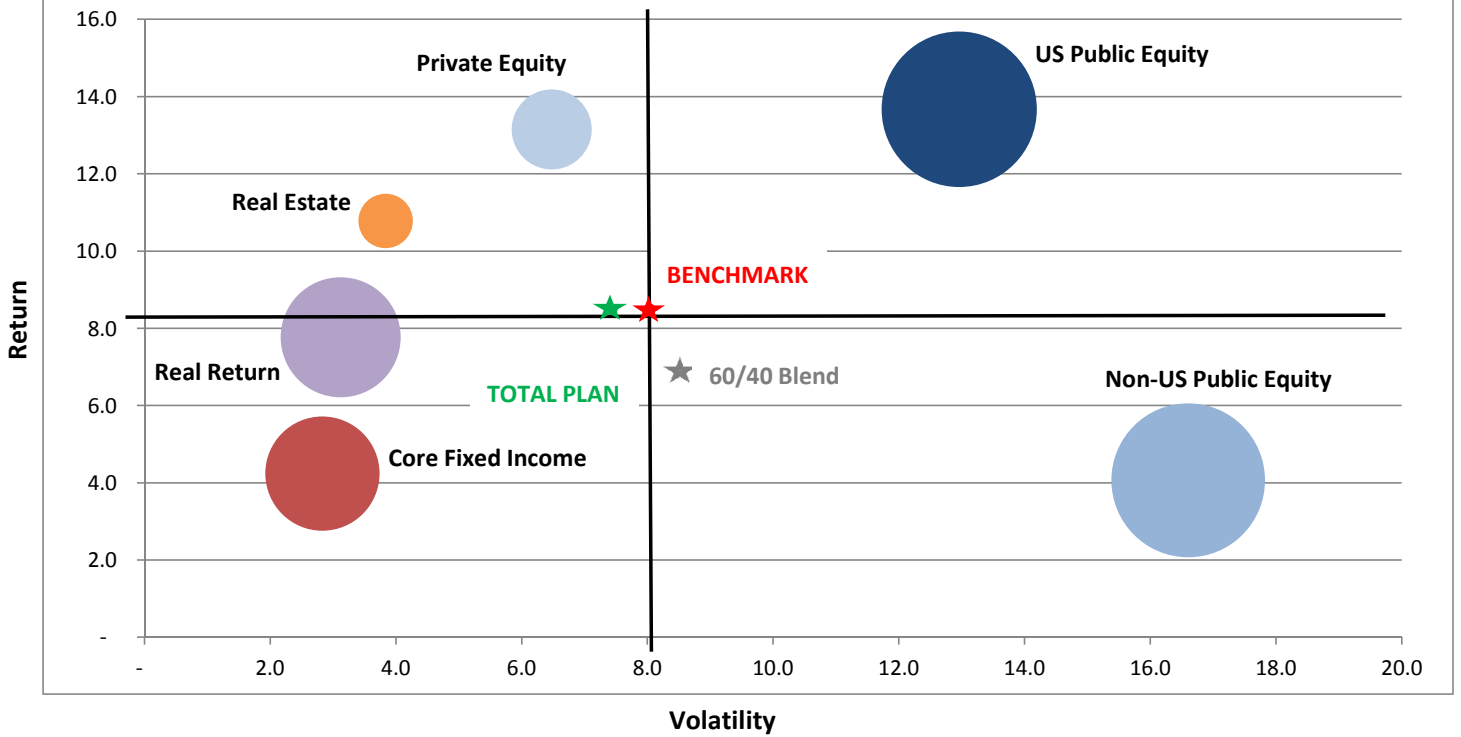
### Risk Overview

# ERSRI Portfolio

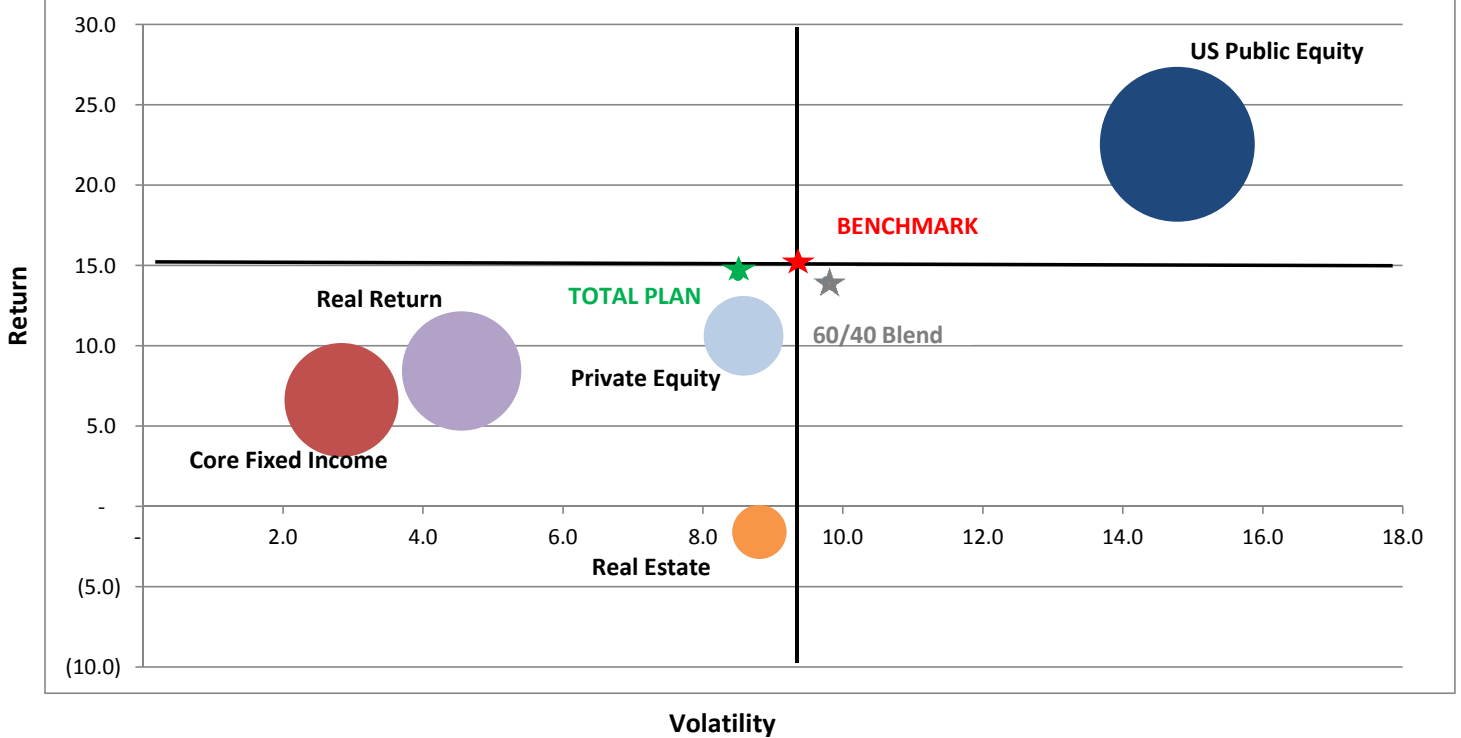
% - as of February 28, 2014

Bubble-Size Scaled based on Current Allocations

## 3-Year Risk-Return



## 5-Year Risk-Return





## 5 Years Ending February 28, 2014 Comparison

	<b>TOTAL PLAN</b>	<b>Total Plan Benchmark</b>
<b>Ann Return</b>	14.39	15.14
<b>Ann Ex Ret vs Mkt</b>	-0.65	0.00
<b>Ann Tracking Error</b>	1.65	0.00
<b>Ann Std Dev</b>	8.50	9.38
<b>Beta</b>	0.89	1.00
<b>R-Squared</b>	0.98	1.00
<b>Ann Alpha</b>	0.79	0.00
<b>Ann Sharpe Ratio</b>	1.62	1.54

## Risk Exposures

### 3 Years Ending February 28, 2014

	Annualized Return	Ann Std Dev	Beta (ACWI)	Beta (BC AGG)	Beta (GSCI)	Beta (CPI)
US Public Equity	13.67	12.96	0.87	-1.23	0.51	0.10
Non-US Public Equity	4.06	16.60	1.14	-0.41	0.65	-0.67
Equity Hedge Funds	---	---	---	---	---	---
Private Equity	13.15	6.48	0.04	-0.49	0.09	1.09
Traditional Fixed Income	4.24	2.83	0.05	0.88	0.02	0.02
Real Estate	10.78	3.83	0.04	0.25	-0.01	-0.22
Real Return Hedge Funds	---	---	---	---	---	---
Inflation-Linked Bonds	5.79	5.03	0.02	1.44	0.02	-0.28
Cash	0.15	0.08	0.00	0.00	0.00	0.00
Russell Overlay Fd	0.25	0.18	0.01	0.00	0.00	0.00
<b>TOTAL PLAN</b>	<b>8.60</b>	<b>7.43</b>	<b>0.51</b>	<b>-0.25</b>	<b>0.30</b>	<b>-0.07</b>

**3 Years Ending February 28, 2014  
Correlation**

Ann Return

	US Pub EQ	Non-US Pub EQ	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	0.89	1.00									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.10	0.10	---	1.00							
<b>FI</b>	0.10	0.32	---	-0.21	1.00						
<b>RE</b>	0.09	0.17	---	0.26	0.22	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	-0.05	0.13	---	-0.09	0.75	0.20	---	1.00			
<b>Cash</b>	0.00	0.00	---	-0.03	0.03	0.30	---	-0.10	1.00		
<b>Overlay</b>	0.37	0.40	---	0.17	0.07	0.11	---	0.16	-0.08	1.00	
<b>Total</b>	0.96	0.97	---	0.15	0.29	0.18	---	0.13	0.00	0.40	1.00
<b>Tot BM</b>	0.96	0.97	---	0.09	0.27	0.14	---	0.08	0.01	0.42	0.99

**5 Years Ending February 28, 2014  
Correlation**

Ann Return

	US Pub Eq	Non-US Pub Eq	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	---	---									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.00	---	---	1.00							
<b>FI</b>	0.17	---	---	-0.32	1.00						
<b>RE</b>	-0.15	---	---	0.24	-0.32	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	---	---	---	---	---	---	---	---			
<b>Cash</b>	0.03	---	---	-0.22	0.18	-0.19	---	---	1.00		
<b>Overlay</b>	0.14	---	---	-0.23	0.24	-0.39	---	---	0.12	1.00	
<b>Total</b>	0.96	---	---	0.05	0.31	-0.15	---	---	0.06	0.17	1.00
<b>Tot BM</b>	0.97	---	---	-0.06	0.32	-0.19	---	---	0.09	0.21	0.99

## Section VI.

---

### Performance Overview

TOTAL NET OF FEES

2/28/14

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	1 Year	Annualized			ITD	Inception Date
						3 Years	5 Years	10 Years		
SSGA R3000 INDEX <i>Russell 3000 Index</i>	2,037,819,159	25	4.72 4.74	18.66 18.77	26.60 26.74				24.03 24.12	10/1/2012 10/1/2012
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>2,037,819,233</b>	<b>25</b>	<b>4.72</b> 4.74	<b>18.66</b> 18.77	<b>26.60</b> 26.74	<b>13.67</b> 14.58	<b>22.55</b> 23.86		<b>6.56</b> 6.60	<b>8/1/2007</b> 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,438,956,683	18	5.57 5.56	19.51 19.48	19.57 19.28				23.28 23.04	9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	142,012,127	2	4.45 4.43	13.76 13.29	6.10 5.37				7.51 6.79	9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	415,450,376	5	3.20 3.31	3.98 4.05	-6.22 -6.01				3.31 3.52	9/1/2012 9/1/2012
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>1,996,419,284</b>	<b>25</b>	<b>4.99</b> 5.02	<b>15.51</b> 15.63	<b>12.16</b> 12.25	<b>4.06</b> 3.82			<b>13.22</b> 12.02	<b>5/1/2009</b> 5/1/2009
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>4,034,238,517</b>	<b>50</b>	<b>4.85</b> 4.83	<b>17.02</b> 16.53	<b>19.14</b> 18.16	<b>9.95</b> 8.35	<b>20.53</b> 19.58	<b>7.28</b> 6.87	<b>4.04</b>	<b>7/1/2000</b> 7/1/2000
Private Equity <i>Venture Economics Custom BM</i>	539,300,970	7	1.77 0.00	11.67 8.51	16.92 16.78	13.15 13.87	10.63 24.11	11.73 9.25	4.36	1/1/1993 1/1/1993
<i>S&amp;P + 300 BP</i>			4.73	19.28	28.37	17.51	26.48	10.29		1/1/1993
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>672,016,894</b>	<b>8</b>	<b>2.65</b> 2.63	<b>12.10</b> 10.79	<b>16.13</b> 12.07				<b>11.47</b> 8.57	<b>11/1/2011</b> 11/1/2011
<b>Total Equity</b>	<b>5,245,556,381</b>	<b>65</b>	<b>4.24</b>	<b>15.79</b>	<b>18.54</b>	<b>9.92</b>	<b>18.70</b>	<b>7.52</b>	<b>3.21</b>	<b>6/1/1996</b>
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	549,635,354	7	0.60 0.53	2.85 2.46	0.42 0.15				0.33 -0.02	11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	551,755,827	7	0.67 0.53	2.79 2.46	0.32 0.15				0.22 -0.02	11/1/2012 11/1/2012
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,101,701,973</b>	<b>14</b>	<b>0.63</b> 0.53	<b>2.82</b> 2.46	<b>0.37</b> 0.15	<b>4.24</b> 3.83	<b>6.63</b> 5.13	<b>4.91</b> 4.56	<b>5.83</b> 5.68	<b>7/1/2000</b> 7/1/2000

TOTAL NET OF FEES

2/28/14

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	Annualized					Inception Date
					1 Year	3 Years	5 Years	10 Years	ITD	
<b>Real Return Hedge Funds</b>	<b>516,702,675</b>	<b>6</b>	<b>1.03</b>	<b>4.04</b>	<b>5.87</b>				<b>5.87</b>	<b>11/1/2011</b>
<i>HFRI Fund of Funds Composite Index</i>			<i>1.72</i>	<i>6.57</i>	<i>7.56</i>				<i>5.65</i>	<i>11/1/2011</i>
PIMCO	205,856,543	3	0.15	3.54					2.75	5/1/2013
<i>30% BoA1-3BB-B HY/70%CSInstLLI</i>			<i>0.38</i>	<i>4.66</i>					<i>4.05</i>	<i>5/1/2013</i>
WAMCO	208,774,309	3	0.33	4.73					4.64	4/1/2013
<i>30% BoA 1-3 BB-B HY/70% CS LLI</i>			<i>0.36</i>	<i>4.65</i>					<i>4.83</i>	<i>4/1/2013</i>
<b>Credit Aggregate</b>	<b>414,630,853</b>	<b>5</b>	<b>0.24</b>	<b>4.14</b>					<b>3.35</b>	<b>5/1/2013</b>
<b>30% BoA1-3BB-B HY/70%CSInstLLI</b>			<b>0.38</b>	<b>4.66</b>	<b>5.54</b>				<b>5.54</b>	<b>3/1/2013</b>
BROWN BROTHERS HARR	280,676,836	3	0.23	0.48	-4.06				-1.55	11/1/2012
<i>BBH Inflation-Linked Custom BM</i>			<i>0.24</i>	<i>0.86</i>	<i>-4.17</i>				<i>-1.93</i>	<i>11/1/2012</i>
<b>Inflation-Linked Bonds</b>	<b>280,676,836</b>	<b>3</b>	<b>0.23</b>	<b>0.48</b>	<b>-4.06</b>	<b>5.79</b>			<b>5.76</b>	<b>11/1/2009</b>
<i>Total Inflation Linked Custom</i>			<i>0.24</i>	<i>0.86</i>	<i>-4.17</i>	<i>5.47</i>			<i>5.62</i>	<i>11/1/2009</i>
<b>Total Real Return</b>	<b>1,212,010,363</b>	<b>15</b>	<b>0.58</b>	<b>3.25</b>	<b>3.09</b>	<b>7.77</b>	<b>8.43</b>		<b>6.34</b>	<b>6/1/2004</b>
Real Estate	249,675,781	3	1.93	6.96	7.11	10.78	-1.58		0.59	1/1/2005
<i>NCREIF Property Lagged + 100bp</i>			<i>0.08</i>	<i>6.16</i>	<i>12.00</i>	<i>13.67</i>	<i>4.37</i>		<i>9.11</i>	<i>1/1/2005</i>
ERSRI CASH	241,291,569	3	0.01	0.10	0.14	0.13	0.19	4.64	15.57	7/1/2000
<i>BofA Merrill Lynch 3 Month US Treasury Bill GOO1</i>			<i>0.00</i>	<i>0.04</i>	<i>0.08</i>	<i>0.09</i>	<i>0.12</i>	<i>1.66</i>	<i>1.99</i>	<i>7/1/2000</i>
<b>Total Cash</b>	<b>243,775,942</b>	<b>3</b>	<b>0.01</b>	<b>0.10</b>	<b>0.14</b>	<b>0.15</b>	<b>0.19</b>		<b>2.80</b>	<b>4/1/2004</b>
<b>Russell Overlay Fd</b>	<b>16,721,188</b>	<b>0</b>	<b>-0.03</b>	<b>-0.10</b>	<b>-0.01</b>	<b>0.25</b>	<b>0.28</b>		<b>-0.11</b>	<b>9/1/2008</b>
<b>TOTAL PLAN</b>	<b>8,069,752,687</b>	<b>100</b>	<b>2.94</b>	<b>11.04</b>	<b>12.34</b>	<b>8.49</b>	<b>14.39</b>	<b>6.62</b>	<b>4.84</b>	<b>7/1/2000</b>
<i>Total Plan Benchmark</i>			<i>2.80</i>	<i>11.28</i>	<i>12.95</i>	<i>8.49</i>	<i>15.13</i>	<i>6.53</i>		<i>7/1/2000</i>
<i>60/40 Blend</i>			<i>3.11</i>	<i>10.82</i>	<i>10.75</i>	<i>6.81</i>	<i>13.97</i>	<i>6.30</i>		<i>7/1/2000</i>
<b>Total Plan ex PE &amp; RE</b>	<b>7,280,775,935</b>	<b>90</b>	<b>3.06</b>	<b>11.15</b>	<b>12.18</b>	<b>7.52</b>	<b>15.56</b>	<b>6.38</b>	<b>6.66</b>	<b>4/1/1996</b>
<i>Total Plan BM ex PE RE</i>			<i>3.30</i>	<i>11.87</i>	<i>13.11</i>	<i>8.32</i>	<i>15.38</i>	<i>6.34</i>		<i>4/1/1996</i>

TOTAL NET OF FEES

2/28/14

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				1/1/14 - 1/31/14	12/1/13 - 12/31/13					
SSGA R3000 INDEX <i>Russell 3000 Index</i>	2,037,819,159	25	4.72 4.74	-3.19 -3.16	2.62 2.64	33.49 33.55			10/1/2012 10/1/2012	
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>2,037,819,233</b>	<b>25</b>	<b>4.72</b> 4.74	<b>-3.19</b> -3.16	<b>2.62</b> 2.64	<b>33.48</b> 33.55	<b>15.66</b> 16.42	<b>-0.86</b> 1.03	<b>8/1/2007</b> 8/1/2007	
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,438,956,683	18	5.57 5.56	-4.01 -4.03	1.49 1.50	23.08 22.78			9/1/2012 9/1/2012	
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	142,012,127	2	4.45 4.43	-4.07 -4.14	1.66 1.61	6.35 5.63			9/1/2012 9/1/2012	
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	415,450,376	5	3.20 3.31	-6.58 -6.49	-1.25 -1.45	-2.81 -2.60			9/1/2012 9/1/2012	
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>1,996,419,284</b>	<b>25</b>	<b>4.99</b> 5.02	<b>-4.57</b> -4.54	<b>0.90</b> 0.88	<b>15.18</b> 15.29	<b>17.02</b> 16.52	<b>-13.47</b> -12.14	<b>5/1/2009</b> 5/1/2009	
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>4,034,238,517</b>	<b>50</b>	<b>4.85</b> 4.83	<b>-3.88</b> -4.00	<b>1.71</b> 1.73	<b>23.90</b> 22.80	<b>17.82</b> 16.13	<b>-5.16</b> -7.35	<b>7/1/2000</b> 7/1/2000	
Private Equity <i>Venture Economics Custom BM</i>	539,300,970	7	1.77 0.00	-0.39 0.00	0.32 4.92	14.86 25.03	11.77 19.44	12.37 5.17	1/1/1993 1/1/1993	
<i>S&amp;P + 300 BP</i>			4.73	-3.07	2.74	35.39	19.44	5.17	1/1/1993	
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>672,016,894</b>	<b>8</b>	<b>2.65</b> 2.63	<b>0.05</b> -0.96	<b>1.65</b> 1.42	<b>17.11</b> 14.30	<b>7.98</b> 7.41		<b>11/1/2011</b> 11/1/2011	
<b>Total Equity</b>	<b>5,245,556,381</b>	<b>65</b>	<b>4.24</b>	<b>-3.03</b>	<b>1.56</b>	<b>21.95</b>	<b>15.88</b>	<b>-2.89</b>	<b>6/1/1996</b>	
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	549,635,354	7	0.60 0.53	1.53 1.48	-0.50 -0.57	-1.79 -2.02			11/1/2012 11/1/2012	
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	551,755,827	7	0.67 0.53	1.40 1.48	-0.43 -0.57	-1.93 -2.02			11/1/2012 11/1/2012	
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,101,701,973</b>	<b>14</b>	<b>0.63</b> 0.53	<b>1.46</b> 1.48	<b>-0.47</b> -0.57	<b>-1.86</b> -2.02	<b>7.95</b> 4.21	<b>5.50</b> 7.84	<b>7/1/2000</b> 7/1/2000	
<b>Real Return Hedge Funds</b> <i>HFRI Fund of Funds Composite Index</i>	<b>516,702,675</b>	<b>6</b>	<b>1.03</b> 1.72	<b>0.07</b> -0.41	<b>0.64</b> 1.11	<b>6.96</b> 8.74	<b>5.33</b> 4.79		<b>11/1/2011</b> 11/1/2011	
PIMCO <i>30% BoA1-3BB-B HY/70%CSInstLLI</i>	205,856,543	3	0.15 0.38	0.46 0.50	0.54 0.48				5/1/2013 5/1/2013	

TOTAL NET OF FEES

2/28/14

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				1/1/14 - 1/31/14	12/1/13 - 12/31/13					
WAMCO <i>30% BoA 1-3 BB-B HY/70% CS LLI</i>	208,774,309	3	0.33 0.36	0.63 0.56	0.50 0.46				4/1/2013 4/1/2013	
<b>Credit Aggregate</b>	<b>414,630,853</b>	<b>5</b>	<b>0.24</b>	<b>0.54</b>	<b>0.52</b>				<b>5/1/2013</b>	
<b>30% BoA 1-3 BB-B HY/70% CS LLI</b>			<b>0.36</b>	<b>0.56</b>	<b>0.46</b>				<b>3/1/2013</b>	
BROWN BROTHERS HARR <i>BBH Inflation-Linked Custom BM</i>	280,676,836	3	0.23 0.24	1.10 1.13	-1.04 -1.04	-5.03 -5.13			11/1/2012 11/1/2012	
<b>Inflation-Linked Bonds</b> <i>Total Inflation Linked Custom</i>	<b>280,676,836</b>	<b>3</b>	<b>0.23</b> 0.24	<b>1.10</b> 1.13	<b>-1.04</b> -1.04	<b>-5.03</b> -5.13	<b>9.20</b> 8.57	<b>13.80</b> 13.56	<b>11/1/2009</b> 11/1/2009	
<b>Total Real Return</b>	<b>1,212,010,363</b>	<b>15</b>	<b>0.58</b>	<b>0.47</b>	<b>0.21</b>	<b>3.39</b>	<b>6.55</b>	<b>13.58</b>	<b>6/1/2004</b>	
Real Estate <i>NCREIF Property Lagged + 100bp</i>	249,675,781	3	1.93 0.08	0.83 0.08	0.42 2.65	5.65 12.00	9.62 12.00	17.14 17.10	1/1/2005 1/1/2005	
ERSRI CASH <i>BofA Merrill Lynch 3 Month US Treasury Bill G001</i>	241,291,569	3	0.01 0.00	0.01 0.01	0.01 0.01	0.14 0.07	0.11 0.11	0.16 0.10	7/1/2000 7/1/2000	
<b>Total Cash</b>	<b>243,775,942</b>	<b>3</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.13</b>	<b>0.18</b>	<b>0.14</b>	<b>4/1/2004</b>	
<b>Russell Overlay Fd</b>	<b>16,721,188</b>	<b>0</b>	<b>-0.03</b>	<b>-0.02</b>	<b>0.00</b>	<b>0.17</b>	<b>0.18</b>	<b>-0.78</b>	<b>9/1/2008</b>	
<b>TOTAL PLAN</b> <sup>1</sup> <i>Total Plan Benchmark</i> <i>60/40 Blend</i>	<b>8,069,752,687</b>	<b>100</b>	<b>2.94</b> 2.80 3.11	<b>-1.69</b> -1.54 -1.81	<b>0.99</b> 1.53 0.81	<b>14.06</b> 15.00 12.32	<b>12.49</b> 11.80 11.48	<b>1.39</b> 1.55 -1.13	<b>7/1/2000</b> 7/1/2000 7/1/2000	
<b>Total Plan ex Overlay</b> <i>Total Plan Benchmark</i>	<b>8,053,031,499</b>	<b>100</b>	<b>2.97</b> 2.80	<b>-1.67</b> -1.54	<b>0.99</b> 1.53	<b>13.87</b> 15.00	<b>12.39</b> 11.80	<b>0.98</b> 1.55	<b>8/1/2008</b> 8/1/2008	
<b>Total Plan ex PE &amp; RE</b> <i>Total Plan BM ex PE RE</i>	<b>7,280,775,935</b>	<b>90</b>	<b>3.06</b> 3.30	<b>-1.88</b> -1.88	<b>1.06</b> 1.31	<b>14.33</b> 14.96	<b>11.25</b> 12.08	<b>-0.19</b> 0.66	<b>4/1/1996</b> 4/1/1996	



## END NOTES

2/28/14

1 RI6G23000000 TOTAL PLAN

Month - Current Month

Cumulative Months - Prior Month and Second Prior Month

Monthly Reporting for Private Equity and Real Estate skew performance on an actual and benchmark basis due to nature of valuations

2012, 2011, 2010 - Calendar Years

## Employees' Retirement System of the State of Rhode Island

Hedge Fund Portfolio

Portfolio Performance Summary

Estimated as of February 28, 2014

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Feb	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
<b>Global Equities</b>													
Ascend Partners Fund II LP	69,642,123	5.9%	1.92%	2.01%	2.01%	10.24%	11.76%	-	-	6.60%	2.66%	2.29	Nov-11
Davidson Kempner Institutional Partners, L.P.	72,660,739	6.1%	1.70%	2.15%	2.15%	6.07%	9.59%	-	-	8.55%	1.77%	4.46	Nov-11
Elliott Associates, L.P.	77,436,785	6.5%	0.40%	2.21%	2.21%	9.55%	13.51%	-	-	11.55%	3.33%	3.21	Nov-11
Indus Asia Pacific Fund, LP	42,950,096	3.6%	-0.50%	-3.85%	-3.85%	-1.30%	-2.88%	-	-	3.34%	6.03%	0.52	Jan-12
Mason Capital Ltd.	70,704,315	5.9%	3.20%	1.04%	1.04%	9.14%	18.07%	-	-	7.87%	6.73%	1.11	Jan-12
PFM Diversified Fund, L.P.	40,249,421	3.4%	4.84%	7.52%	7.52%	24.41%	26.46%	-	-	15.83%	8.57%	1.73	Mar-12
PFM Diversified Offshore Fund A.I., Ltd.	40,107,659	3.4%	5.03%	7.82%	7.82%	24.60%	26.56%	-	-	15.63%	8.65%	1.69	Mar-12
Samlyn Onshore Fund, L.P.	101,008,514	8.5%	2.80%	2.63%	2.63%	12.72%	16.20%	-	-	14.52%	5.22%	2.58	Jan-12
Third Point Partners Qualified L.P.	70,560,698	5.9%	4.40%	2.39%	2.39%	13.82%	20.82%	-	-	21.42%	6.40%	3.04	Jan-12
Viking Global Equities, LP	87,229,940	7.3%	4.00%	4.95%	4.95%	20.13%	26.19%	-	-	18.09%	4.48%	3.69	Dec-11
<b>Total Global Equities</b>	<b>672,550,288</b>	<b>56.6%</b>	<b>2.70%</b>	<b>2.70%</b>	<b>2.70%</b>	<b>12.20%</b>	<b>16.22%</b>	<b>-</b>	<b>-</b>	<b>11.39%</b>	<b>3.79%</b>	<b>2.78</b>	<b>Nov-11</b>
MSCI AC World Index Free - Net			4.83%	0.64%	0.64%	16.53%	18.16%	-	-	15.14%	11.76%	1.23	Nov-11
Russell 3000 Index (DRI)			4.74%	1.43%	1.43%	18.77%	26.75%	-	-	21.85%	9.90%	2.02	Nov-11
HFRI Equity Hedge (Total) Index			2.85%	1.84%	1.84%	10.99%	12.27%	-	-	8.65%	6.42%	1.27	Nov-11
<b>Real Return</b>													
BlueCrest Capital LP	21,047,905	1.8%	0.35%	1.04%	1.04%	1.92%	-0.70%	-	-	2.39%	2.50%	0.82	Jan-12
Brevan Howard LP	78,529,810	6.6%	-1.22%	-2.55%	-2.55%	-3.58%	-3.17%	-	-	1.99%	5.04%	0.35	Nov-11
Brigade Leveraged Capital Structures Fund LP	55,960,547	4.7%	0.94%	0.79%	0.79%	5.09%	6.22%	-	-	5.79%	2.57%	2.09	Mar-12
Capula Global Relative Value Fund Ltd.	54,643,083	4.6%	0.25%	1.35%	1.35%	5.73%	7.25%	-	-	4.03%	2.15%	1.69	Dec-11
Claren Road Credit Fund, Ltd.	52,628,560	4.4%	1.64%	4.03%	4.03%	3.12%	-	-	-	5.26%	5.02%	-	Apr-13
DE Shaw Composite Fund LLC	69,870,271	5.9%	2.90%	4.31%	4.31%	8.19%	13.71%	-	-	15.42%	4.06%	3.49	Nov-11
Graham Global Investment Fund I SPC Ltd. - Discretionary Segregated Port	52,982,058	4.5%	-0.85%	-1.53%	-1.53%	-0.09%	0.43%	-	-	2.71%	2.89%	0.82	Jan-12
OZ Domestic Partners II, L.P.	98,977,645	8.3%	2.38%	2.19%	2.19%	9.55%	13.90%	-	-	12.62%	3.00%	3.88	Nov-11
Winton Futures Fund Limited	32,094,039	2.7%	2.50%	0.07%	0.07%	4.78%	6.63%	-	-	3.04%	7.87%	0.38	Dec-11
<b>Total Real Return</b>	<b>516,733,918</b>	<b>43.4%</b>	<b>1.02%</b>	<b>1.09%</b>	<b>1.09%</b>	<b>4.04%</b>	<b>6.21%</b>	<b>-</b>	<b>-</b>	<b>6.01%</b>	<b>2.31%</b>	<b>2.39</b>	<b>Nov-11</b>
ML 3-month T-Bills			0.00%	0.01%	0.01%	0.04%	0.08%	-	-	0.08%	0.02%	-	Nov-11
HFRI Fund of Funds Composite Index			1.75%	1.29%	1.29%	6.54%	7.53%	-	-	5.63%	3.43%	1.52	Nov-11
<b>Total Hedge Fund Portfolio</b>	<b>1,189,284,206</b>	<b>100.0%</b>	<b>1.96%</b>	<b>1.99%</b>	<b>1.99%</b>	<b>8.47%</b>	<b>11.61%</b>	<b>-</b>	<b>-</b>	<b>8.93%</b>	<b>2.87%</b>	<b>2.88</b>	<b>Nov-11</b>
HFRI Fund of Funds Composite Index			1.75%	1.29%	1.29%	6.54%	7.53%	-	-	5.63%	3.43%	1.52	Nov-11
<b>Market Indices</b>													
Libor3Month			0.02%	0.04%	0.04%	0.16%	0.26%	-	-	0.35%	0.03%	-	Nov-11
Barclays Aggregate Bond Index			0.53%	2.02%	2.02%	2.47%	0.16%	-	-	2.21%	2.79%	0.67	Nov-11
Barclays High Yield Credit Bond Index			2.02%	2.73%	2.73%	8.85%	8.38%	-	-	11.31%	4.79%	2.20	Nov-11
S&P 500 TR			4.57%	0.96%	0.96%	17.43%	25.38%	-	-	21.09%	9.76%	1.99	Nov-11
MSCI EAFE - Net			5.56%	1.31%	1.31%	19.48%	19.28%	-	-	14.63%	14.65%	0.99	Nov-11
MSCI EMF (Emerging Markets Free) - Net			3.31%	-3.40%	-3.40%	4.05%	-6.01%	-	-	1.10%	16.46%	0.12	Nov-11

**Employees' Retirement System of the State of Rhode Island**

Hedge Fund Portfolio  
 Portfolio Performance Summary  
 Estimated as of February 28, 2014

Fund	Market Value	Actual %	Feb	QTD	YTD	Returns				Std Dev	Sharpe Ratio	Incep Date
						FYTD	1 Year	3 Year	5 Year			

Most recent month returns are based on manager estimates; prior months use final market values.

Hedge Fund Research, Inc. ("HFR") is the source and owner of the HFR data contained or reflected in this report. The HFR indices included in this report are revised by HFR for up to three months following their initial release. The revisions are reflected in the trailing period returns.

This report reflects information only through the date hereof. Our due diligence and reporting rely upon the accuracy and completeness of financial information (which may or may not be audited by the fund manager) and other information publicly available or provided to us by the fund manager, its professional staff, and through other references we have contacted. We have not conducted an independent verification of the information provided other than as described in this report. Our conclusions do not reflect an audit of the investment nor should they be construed as providing legal advice. Past performance does not guarantee future performance. The information contained herein is confidential commercial or financial information, the disclosure of which would cause substantial competitive harm to you, Cliffwater LLC, or the person or entity from whom the information was obtained, and may not be disclosed except as required by applicable law.

## Employees' Retirement System of the State of Rhode Island

Hedge Fund Portfolio  
Fund Level Performance Report  
Estimated as of February 28, 2014

Fund	Trailing Returns					Calendar Year Returns					5 Yr Std Dev	Sharpe Ratio			Start Date			
	QTD	YTD	Feb	Jan	Dec	1 Year	3 Year	5 Year	2013	2012		2011	2010	2009		3 yr	5 yr	Incep.
<b>Global Equities</b>																		
Ascend Partners Fund II LP	1.96%	1.96%	1.88%	0.08%	1.75%	11.69%	3.80%	5.29%	12.22%	2.50%	-3.02%	2.94%	13.61%	3.99%	0.91	1.22	1.12	Jan-04
Davidson Kempner Institutional Partners, LP	2.07%	2.07%	1.70%	0.36%	0.29%	9.19%	5.44%	9.03%	9.20%	6.87%	1.27%	9.17%	17.79%	3.32%	1.83	2.52	1.59	Mar-96
Elliott Associates, L.P. (HFR98)	2.21%	2.21%	0.40%	1.80%	1.10%	12.89%	9.74%	13.30%	12.44%	13.18%	3.94%	7.39%	30.85%	3.86%	3.11	3.17	1.95	Jan-90
Indus Asia Pacific Fund	-3.29%	-3.29%	-0.50%	-2.80%	-0.20%	-2.30%	0.69%	6.42%	4.97%	8.21%	-7.18%	7.36%	25.45%	7.52%	0.08	0.82	0.70	Dec-00
Mason Capital, Ltd.	1.26%	1.26%	3.44%	-2.11%	1.55%	18.17%	6.09%	11.10%	22.83%	-5.73%	4.20%	9.62%	25.16%	7.45%	0.86	1.41	0.86	Feb-02
PFM Diversified Fund, LP	7.45%	7.45%	4.84%	2.49%	2.34%	26.03%	9.17%	11.06%	22.24%	5.59%	-3.35%	4.36%	21.35%	7.56%	1.11	1.38	1.14	Nov-04
Samlyn Capital - Composite	2.64%	2.64%	2.80%	-0.16%	2.42%	15.92%	7.57%	8.72%	18.93%	10.49%	-5.05%	1.98%	23.57%	7.62%	0.96	1.09	1.25	Mar-07
Third Point Partners L.P.	2.52%	2.52%	4.40%	-1.80%	2.30%	21.31%	12.78%	24.50%	25.61%	21.12%	-0.54%	41.52%	38.14%	10.58%	1.57	2.11	1.30	Jun-95
Viking Global Equities	5.46%	5.46%	4.00%	1.40%	2.50%	26.41%	14.93%	12.73%	22.49%	12.75%	7.71%	3.67%	19.20%	5.62%	2.71	2.10	1.58	Oct-99
<b>Real Return</b>																		
BlueCrest Capital International Limited	1.04%	1.04%	0.35%	0.69%	-0.57%	-0.70%	3.05%	11.19%	-1.56%	5.83%	6.11%	12.80%	45.41%	4.99%	1.18	2.08	1.69	Dec-00
Brevan Howard L.P. (Series B)	-2.54%	-2.54%	-1.22%	-1.34%	0.39%	-3.85%	4.20%	4.64%	1.77%	3.60%	11.33%	0.92%	17.10%	4.99%	0.69	0.86	1.13	Sep-05
Brigade Leveraged Capital Structures Fund	0.80%	0.80%	0.93%	-0.13%	0.70%	6.24%	4.33%	10.80%	6.13%	6.91%	2.55%	7.66%	39.64%	5.10%	1.48	1.97	0.84	Jan-07
Capula Global Relative Value Fund Limited	1.34%	1.34%	0.25%	1.09%	0.31%	7.24%	4.90%	6.66%	7.60%	0.41%	6.19%	9.58%	12.24%	2.24%	1.95	2.73	1.68	Oct-05
Claren Road Credit Master Fund	4.00%	4.00%	1.61%	2.35%	0.00%	7.30%	4.99%	8.08%	5.43%	1.49%	6.88%	4.64%	24.75%	4.48%	1.13	1.68	1.80	Jan-06
DE Shaw Composite International Fund	4.03%	4.03%	2.80%	1.20%	0.20%	11.95%	10.86%	9.62%	11.62%	13.94%	3.69%	1.56%	21.31%	4.60%	2.52	1.95	1.46	Mar-01
Graham Discretionary - 6V Portfolio	-1.51%	-1.51%	-0.85%	-0.67%	1.17%	0.42%	2.26%	6.04%	3.61%	3.82%	3.56%	7.12%	17.09%	3.11%	0.69	1.79	0.85	Jun-04
OZ Master Fund, Ltd	2.19%	2.19%	2.38%	-0.19%	1.55%	13.37%	8.30%	11.46%	14.20%	12.01%	0.17%	8.62%	26.15%	3.85%	2.18	2.76	1.26	Jan-04
Winton Futures Fund - USD Class B	0.07%	0.07%	2.50%	-2.37%	0.37%	6.65%	3.38%	3.99%	9.43%	-3.56%	6.29%	14.47%	-4.64%	8.37%	0.41	0.46	0.71	Oct-97
<b>Benchmarks</b>																		
HFRI Fund of Funds Composite Index	1.29%	1.29%	1.75%	-0.45%	1.09%	7.53%	2.52%	5.02%	8.72%	4.79%	-5.72%	5.70%	11.47%	4.22%	0.53	1.10	0.65	Jan-90
HFRI Fund Weighted Composite Index	1.54%	1.54%	2.09%	-0.55%	1.04%	7.98%	3.19%	8.40%	9.14%	6.36%	-5.25%	10.25%	19.98%	5.87%	0.54	1.34	1.03	Jan-90
<b>Market Indices</b>																		
3 Month Libor - BOM	0.04%	0.04%	0.02%	0.02%	0.02%	0.25%	0.34%	0.37%	0.26%	0.42%	0.35%	0.35%	0.65%	0.05%				Mar-86
Barclays Aggregate Bond Index	2.02%	2.02%	0.53%	1.48%	-0.57%	0.16%	3.84%	5.14%	-2.02%	4.23%	7.86%	6.56%	5.93%	2.85%				Jan-76
Barclays High Yield Credit Bond Index	2.73%	2.73%	2.02%	0.70%	0.54%	8.38%	9.03%	18.94%	7.46%	15.81%	4.98%	15.11%	58.21%	8.78%				Jul-83
S&P 500 (TR)	0.96%	0.96%	4.57%	-3.46%	2.53%	25.37%	14.35%	23.00%	32.39%	16.00%	2.11%	15.06%	26.46%	14.34%				Jan-70
MSCI EAFE - Net - USD	1.31%	1.31%	5.56%	-4.03%	1.50%	19.28%	6.63%	17.60%	22.78%	17.32%	-12.14%	7.75%	31.78%	18.58%				Dec-69
MSCI EM (EMERGING MARKETS) - Net - USD	-3.40%	-3.40%	3.31%	-6.49%	-1.45%	-6.01%	-1.99%	16.88%	-2.60%	18.22%	-18.42%	18.88%	78.51%	22.38%				Jan-99

Note: The above is manager composite history.

# Portfolio Summary

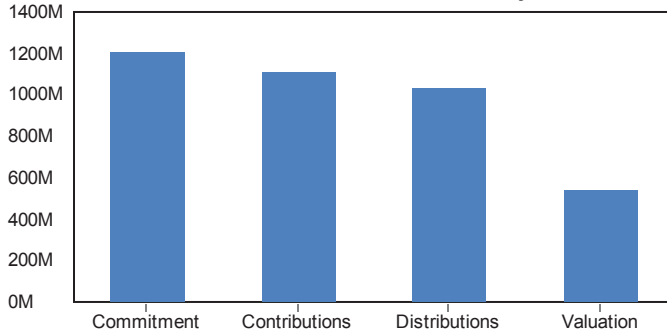
2/28/2014

All Portfolio Investments

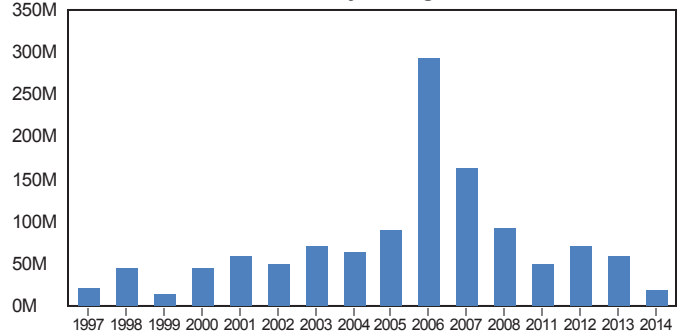
## Performance Summary

Asset Class	Investment Type	Number of Investments	Commitment	Contributions	Distributions	Adjusted Valuation	Multiple of Cost	IRR	TWR
Private Equity Funds	Buyout	41	760,749,249	711,148,991	743,635,429	316,592,519	1.49	11.41	4.82
	Distressed Debt	9	155,000,000	148,557,251	150,949,490	60,148,047	1.42	11.48	10.56
	Energy	1	18,000,000	2,430,529	0	2,400,487	0.99	-2.26	-73.14
	Opportunistic Credit	1	20,000,000	14,535,452	3,797,010	12,311,585	1.11	8.26	6.86
	Secondary	4	60,000,000	54,931,892	48,310,280	20,058,780	1.24	7.21	6.19
	Venture Capital	16	196,250,000	180,258,812	86,287,523	130,857,455	1.20	4.29	-3.25
<b>Total: Private Equity Funds</b>		<b>72</b>	<b>1,209,999,249</b>	<b>1,111,862,928</b>	<b>1,032,979,732</b>	<b>542,368,873</b>	<b>1.42</b>	<b>10.11</b>	<b>4.69</b>
<b>Total:</b>		<b>72</b>	<b>1,209,999,249</b>	<b>1,111,862,928</b>	<b>1,032,979,732</b>	<b>542,368,873</b>	<b>1.42</b>	<b>10.11</b>	<b>4.69</b>

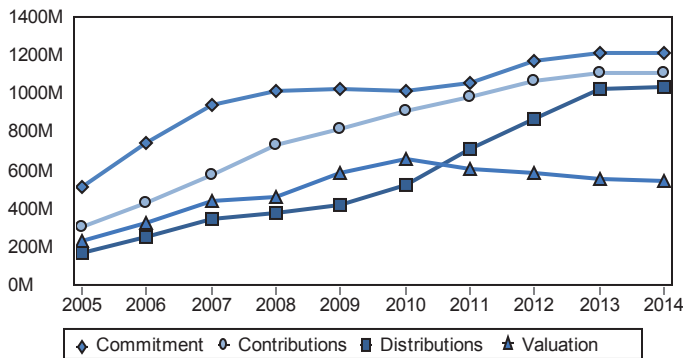
Cash Flow and Valuation Summary



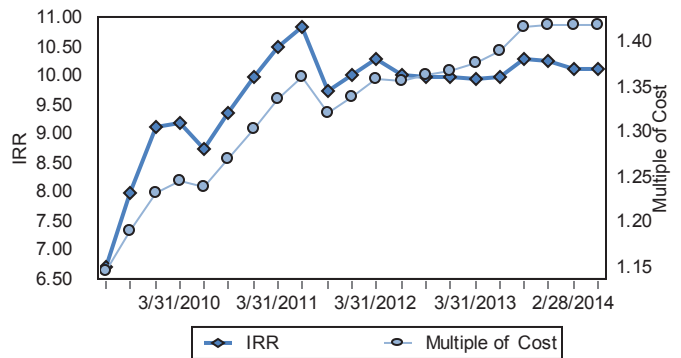
Commitment by Vintage Year



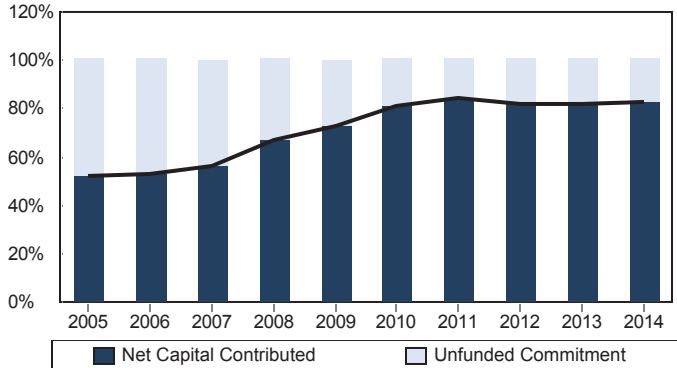
Historical Cash Flows and Valuation



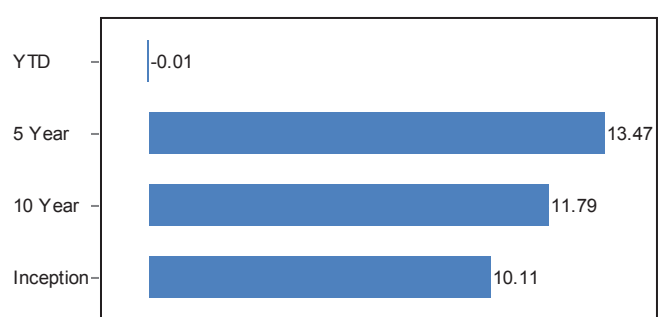
Historical Performance



Historical Percent Funded



Period IRRs



## Section VII.

---

### Cash Flow

# Monthly Valuation Change

Period : 2014-02-01 - 2014-02-28

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Grand Total</b>		<b>8,069,752,686.71</b>	<b>230,177,686.54</b>	<b>(40,046,133.61)</b>	<b>7,879,621,133.78</b>
<b>Total Global Equity</b>		<b>4,706,255,238.98</b>	<b>204,024,368.47</b>	<b>20,287,909.42</b>	<b>4,481,942,961.09</b>
<b>Global Equity</b>		<b>4,034,238,344.90</b>	<b>186,699,530.88</b>	<b>287,909.42</b>	<b>3,847,250,904.60</b>
	SSGA R3000 INDEX	2,037,819,158.66	91,819,265.91	63,252.06	1,945,936,640.69
	SSGA MSCI EAFE	1,438,956,683.18	75,948,989.99	105,188.18	1,362,902,505.01
	SSGA MSCI CANADA	142,012,127.18	6,051,158.48	10,542.79	135,950,425.91
	SSGA MSCI EM	415,450,375.88	12,880,116.50	108,926.39	402,461,332.99
<b>Global Equity Hedge Funds</b>		<b>672,016,894.08</b>	<b>17,324,837.59</b>	<b>20,000,000.00</b>	<b>634,692,056.49</b>
	ASCEND PTRS II	69,612,138.45	1,285,973.95	0.00	68,326,164.50
	DAVIDSON KEMPNER	72,660,738.65	1,270,442.27	0.00	71,390,296.38
	ELLIOTT ASSOCIATES	77,436,785.04	479,039.04	0.00	76,957,746.00
	INDUS ASIA PACIFIC	42,950,096.37	(201,614.53)	0.00	43,151,710.90
	MASON CAPITAL	70,720,904.74	2,218,058.77	0.00	68,502,845.97
	PFM DIVERSIFIED	80,357,079.54	3,828,898.94	0.00	76,528,180.60
	SAMLYN ON/OFFSHORE	100,488,513.52	2,188,138.24	20,000,000.00	78,300,375.28
	THIRD POINT PTRS	70,560,697.50	2,886,459.15	0.00	67,674,238.35
	VIKING GLOBAL EQUITI	87,229,940.27	3,369,441.76	0.00	83,860,498.51
<b>Private Equity</b>		<b>539,300,970.38</b>	<b>9,479,384.85</b>	<b>(6,812,932.53)</b>	<b>536,634,518.06</b>
<b>Private Equity</b>		<b>539,300,970.38</b>	<b>9,479,384.85</b>	<b>(6,812,932.53)</b>	<b>536,634,518.06</b>
	PRIVATE EQUITY	539,300,970.38	9,479,384.85	(6,812,932.53)	536,634,518.06
<b>Total Fixed Income</b>		<b>1,101,391,180.57</b>	<b>6,927,902.70</b>	<b>0.00</b>	<b>1,094,463,277.87</b>
<b>Fixed Income</b>		<b>1,101,391,180.57</b>	<b>6,927,902.70</b>	<b>0.00</b>	<b>1,094,463,277.87</b>
	MACKAY SHIELDS	549,635,353.52	3,256,716.60	0.00	546,378,636.92
	PYRAMIS GLOBAL ADV	551,755,827.05	3,671,186.10	0.00	548,084,640.95
<b>Total Real Return</b>		<b>1,212,010,363.06</b>	<b>6,930,589.96</b>	<b>0.00</b>	<b>1,205,079,773.10</b>
<b>Alternative Absolute Return</b>		<b>353,501,089.62</b>	<b>3,826,601.06</b>	<b>0.00</b>	<b>349,674,488.56</b>
	BLUE CREST CAP	21,047,905.16	68,826.48	0.00	20,979,078.68
	BREVAN HOWARD	78,529,810.07	(939,797.38)	0.00	79,469,607.45
	DE SHAW	69,870,271.00	1,947,785.20	0.00	67,922,485.80
	GRAHAM GLOBAL	52,982,057.94	(456,585.89)	0.00	53,438,643.83
	OZ DOMESTIC PTRS	98,977,644.85	2,421,552.50	0.00	96,556,092.35
	WINTON FUTURE FD	32,093,400.60	784,820.15	0.00	31,308,580.45
<b>Alternative Fixed Income</b>		<b>163,201,585.15</b>	<b>1,459,729.21</b>	<b>0.00</b>	<b>161,741,855.94</b>
	BRIGADE LEV CAP	55,929,942.32	495,498.73	0.00	55,434,443.59
	CAPULA GLOBAL	54,643,082.82	133,292.03	0.00	54,509,790.79
	CLAREN ROAD CR. FUND	52,628,560.01	830,938.45	0.00	51,797,621.56
<b>Credit</b>		<b>414,630,852.75</b>	<b>1,000,585.50</b>	<b>0.00</b>	<b>413,630,267.25</b>
	PIMCO	205,856,543.27	317,301.97	0.00	205,539,241.30
	WAMCO	208,774,309.48	683,283.53	0.00	208,091,025.95
<b>GILBs</b>		<b>280,676,835.54</b>	<b>643,674.19</b>	<b>0.00</b>	<b>280,033,161.35</b>
	BROWN BROTHERS HARR	280,676,835.54	643,674.19	0.00	280,033,161.35
<b>Real Estate</b> 39		<b>249,675,781.26</b>	<b>4,730,393.09</b>	<b>(410,706.01)</b>	<b>245,356,094.18</b>
<b>Real Estate</b>		<b>249,675,781.26</b>	<b>4,730,393.09</b>	<b>(410,706.01)</b>	<b>245,356,094.18</b>

# Monthly Valuation Change

Period : 2014-02-01 - 2014-02-28

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
	REAL ESTATE	249,675,781.26	4,730,393.09	(410,706.01)	245,356,094.18
<b>Total Cash</b>		<b>243,775,942.49</b>	<b>(77,697.01)</b>	<b>(57,763,229.68)</b>	<b>301,616,869.18</b>
<b>Cash Accounts</b>		<b>243,775,942.49</b>	<b>(77,697.01)</b>	<b>(57,763,229.68)</b>	<b>301,616,869.18</b>
	ERSRI CASH	241,291,569.49	(77,697.01)	(58,447,074.68)	299,816,341.18
	CITIZENS CASH	2,484,373.00	0.00	683,845.00	1,800,528.00
<b>Total Other</b>		<b>16,721,187.80</b>	<b>(1,847,195.87)</b>	<b>5,000,000.00</b>	<b>13,568,383.67</b>
<b>Other</b>		<b>16,721,187.80</b>	<b>(1,847,195.87)</b>	<b>5,000,000.00</b>	<b>13,568,383.67</b>
	RUSSELL OVERLAY FD	16,721,187.80	(1,847,195.87)	5,000,000.00	13,568,383.67
<b>Total Miscellaneous</b>		<b>622,022.17</b>	<b>9,940.35</b>	<b>(347,174.81)</b>	<b>959,256.63</b>
<b>Miscellaneous Accounts</b>		<b>622,022.17</b>	<b>9,940.35</b>	<b>(347,174.81)</b>	<b>959,256.63</b>
	RI TRANS ACCT	187,968.36	1,347.29	(12,511.94)	199,133.01
	SHOTT CAPITAL	1,399.92	6,819.08	(317,659.65)	312,240.49
	DOM EQUITY TRANS	74.25	0.00	0.00	74.25
	NON-US EQUITY TRANS	97.72	2.31	0.00	95.41
	FIXED INC TRANS	310,792.19	1,450.37	(12,382.79)	321,724.61
	MACKAY SHIELDS LLC	121,689.73	321.30	(4,619.93)	125,988.36
	TAPLIN CANIDA HAB	0.00	0.00	(0.50)	0.50



## Custodian Inception To Date Valuation Change

Period : 2012-11-01 - 2014-02-28

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Grand Total</b>		<b>8,069,752,686.71</b>	<b>1,289,017,941.31</b>	<b>(600,521,165.76)</b>	<b>7,381,255,911.16</b>
<b>Total Global Equity</b>		<b>4,706,255,238.98</b>	<b>1,073,346,477.29</b>	<b>(134,046,148.99)</b>	<b>3,766,954,910.68</b>
<b>Global Equity</b>		<b>4,034,238,344.90</b>	<b>951,195,931.81</b>	<b>(148,596,907.59)</b>	<b>3,231,639,320.68</b>
	SSGA MSCI CANADA	142,012,127.18	10,265,188.87	53,188.18	131,693,750.13
	SSGA MSCI EAFE	1,438,956,683.18	349,114,095.09	(9,503,665.67)	1,099,346,253.76
	SSGA MSCI EM	415,450,375.88	(1,303,397.51)	561,683.36	416,192,090.03
	SSGA R3000 INDEX	2,037,819,158.66	593,120,045.36	(139,708,113.46)	1,584,407,226.76
<b>Global Equity Hedge Funds</b>		<b>672,016,894.08</b>	<b>122,150,545.48</b>	<b>14,550,758.60</b>	<b>535,315,590.00</b>
	ASCEND PTRS II	69,612,138.45	8,625,858.45	0.00	60,986,280.00
	DAVIDSON KEMPNER	72,660,738.65	8,614,458.65	0.00	64,046,280.00
	ELLIOTT ASSOCIATES	77,436,785.04	12,250,025.04	0.00	65,186,760.00
	INDUS ASIA PACIFIC	42,950,096.37	1,277,736.37	0.00	41,672,360.00
	MASON CAPITAL	70,720,904.74	14,007,704.74	0.00	56,713,200.00
	PFM DIVERSIFIED	80,357,079.54	22,289,559.54	0.00	58,067,520.00
	SAMLYN ON/OFFSHORE	100,488,513.52	15,613,453.52	20,000,000.00	64,875,060.00
	THIRD POINT PTRS	70,560,697.50	19,796,588.90	(5,449,241.40)	56,213,350.00
	VIKING GLOBAL EQUITI	87,229,940.27	19,675,160.27	0.00	67,554,780.00
<b>Private Equity</b>		<b>539,300,970.38</b>	<b>101,853,298.07</b>	<b>(169,283,775.61)</b>	<b>606,731,447.92</b>
<b>Private Equity</b>		<b>539,300,970.38</b>	<b>101,853,298.07</b>	<b>(169,283,775.61)</b>	<b>606,731,447.92</b>
	PRIVATE EQUITY	539,300,970.38	101,853,298.07	(169,283,775.61)	606,731,447.92
<b>Total Fixed Income</b>		<b>1,101,391,180.57</b>	<b>3,984,259.50</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>
<b>Fixed Income</b>		<b>1,101,391,180.57</b>	<b>3,984,259.50</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>
	MACKAY SHIELDS	549,635,353.52	2,400,586.51	0.00	547,234,767.01
	PYRAMIS GLOBAL ADV	551,755,827.05	1,583,672.99	1,482,609.33	548,689,544.73
<b>Total Real Return</b>		<b>1,212,010,363.06</b>	<b>66,013,316.64</b>	<b>252,456,172.37</b>	<b>893,540,874.05</b>
<b>Alternative Absolute Return</b>		<b>353,501,089.62</b>	<b>42,937,301.38</b>	<b>(54,619,461.76)</b>	<b>365,183,250.00</b>
	BLUE CREST CAP	21,047,905.16	80,405.16	0.00	20,967,500.00
	BREVAN HOWARD	78,529,810.07	1,807,435.07	0.00	76,722,375.00
	DE SHAW	69,870,271.00	15,009,571.00	0.00	54,860,700.00
	GRAHAM GLOBAL	52,982,057.94	2,256,357.94	0.00	50,725,700.00
	OZ DOMESTIC PTRS	98,977,644.85	16,702,419.85	0.00	82,275,225.00
	WEXFORD SPECTRUM	0.00	3,621,811.76	(54,619,461.76)	50,997,650.00
	WINTON FUTURE FD	32,093,400.60	3,459,300.60	0.00	28,634,100.00
<b>Alternative Fixed Income</b>		<b>163,201,585.15</b>	<b>8,703,611.02</b>	<b>15,075,634.13</b>	<b>139,422,340.00</b>
	BRIGADE LEV CAP	55,929,942.32	4,396,842.32	0.00	51,533,100.00
	CAPULA GLOBAL	54,643,082.82	4,819,482.82	0.00	49,823,600.00
	CLAREN ROAD CR. FUND	52,628,560.01	2,628,560.01	50,000,000.00	0.00
	GRACIE CREDIT FUND	0.00	(3,141,274.13)	(34,924,365.87)	38,065,640.00
<b>Credit</b>		<b>414,630,852.75</b>	<b>14,630,852.75</b>	<b>400,000,000.00</b>	<b>0.00</b>
	PIMCO	205,856,543.27	5,856,543.27	200,000,000.00	0.00
	WAMCO	208,774,309.48	8,774,309.48	200,000,000.00	0.00
<b>GILBs</b>		<b>280,676,835.54</b>	<b>(258,448.51)</b>	<b>(108,000,000.00)</b>	<b>388,935,284.05</b>
41	BROWN BROTHERS HARR	280,676,835.54	(258,448.51)	(108,000,000.00)	388,935,284.05

## Custodian Inception To Date Valuation Change

Period : 2012-11-01 - 2014-02-28

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Real Estate</b>		<b>249,675,781.26</b>	<b>26,087,135.40</b>	<b>(51,579,074.34)</b>	<b>275,167,720.20</b>
Real Estate		249,675,781.26	26,087,135.40	(51,579,074.34)	275,167,720.20
	REAL ESTATE	249,675,781.26	26,087,135.40	(51,579,074.34)	275,167,720.20
<b>Total Cash</b>		<b>243,775,942.49</b>	<b>(1,708,608.99)</b>	<b>(403,141,918.34)</b>	<b>648,626,469.82</b>
Cash Accounts		243,775,942.49	(1,708,608.99)	(403,141,918.34)	648,626,469.82
	CITIZENS CASH	2,484,373.00	0.00	2,484,373.00	0.00
	ERSRI CASH	241,291,569.49	(1,708,608.99)	(405,626,291.34)	648,626,469.82
<b>Total Other</b>		<b>16,721,187.80</b>	<b>18,975,512.54</b>	<b>(72,000,000.00)</b>	<b>69,745,675.26</b>
Other		16,721,187.80	18,975,512.54	(72,000,000.00)	69,745,675.26
	RUSSELL OVERLAY FD	16,721,187.80	18,975,512.54	(72,000,000.00)	69,745,675.26
<b>Total Miscellaneous</b>		<b>622,022.17</b>	<b>466,550.86</b>	<b>(24,409,030.18)</b>	<b>24,564,501.49</b>
Miscellaneous Accounts		622,022.17	466,550.86	(24,409,030.18)	24,564,501.49
	BROWN BROS BOND	0.00	(1,271,132.15)	(629,969.37)	1,901,101.52
	BROWN BROS HARR	0.00	(330,705.68)	330,092.71	612.97
	DOM EQUITY TRANS	74.25	(66,717.51)	66,634.41	157.35
	FIDELITY MGMT	0.00	(64,776.86)	(351,063.60)	415,840.46
	FIXED INC TRANS	310,792.19	648,175.36	(16,183,144.42)	15,845,761.25
	MACKAY SHIELDS LLC	121,689.73	335,141.46	(5,104,725.81)	4,891,274.08
	NON-US EQUITY TRANS	97.72	(89,318.01)	71,484.13	17,931.60
	RI TRANS ACCT	187,968.36	(75,499.86)	(169,016.18)	432,484.40
	SHOTT CAPITAL	1,399.92	1,374,822.62	(2,360,062.30)	986,639.60
	TAPLIN CANIDA HAB	0.00	6,561.49	(79,259.75)	72,698.26

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2014

	FY 2013-14												
	TOTAL	Projected June	Projected May	Projected April	Projected March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	837,072,667	70,100,000	70,100,000	70,100,000	70,100,000	69,456,982	69,461,627	69,437,646	69,523,293	69,702,496	69,797,473	69,805,492	69,488,000
ADMINISTRATIVE EXPENSES	7,723,748	757,076	453,061	517,020	662,098	524,992	1,111,034	1,074,316	553,524	565,615	532,331	736,515	23,000
INVESTMENT EXPENSES	6,848,540	417,092	172,318	301,668	450,999	446,564	1,555,456	1,017,944	69,216	1,070,145	593,340	26,112	72,000
TOTAL OUTFLOW	851,644,955	71,274,168	70,725,379	70,918,688	71,213,097	70,428,537	72,128,117	71,529,906	70,146,032	71,338,256	70,923,145	70,568,119	70,450,000
CONTRIBUTIONS	446,563,420	38,133,817	31,828,584	35,569,085	39,422,719	34,548,964	45,580,776	34,754,689	36,130,761	36,350,442	27,777,778	28,296,782	58,160,000
OTHER INCOME*	76,780,524	4,836,170	6,903,236	4,371,211	8,611,826	3,521,822	5,275,655	8,139,354	9,826,932	10,483,882	6,256,390	2,556,842	5,990,000
TOTAL INCOME	523,343,944	42,969,987	38,731,820	39,940,296	48,034,545	38,070,786	50,856,431	42,894,043	45,957,693	46,834,324	34,034,168	30,853,624	64,160,000
DIFFERENCE	(328,301,011)	(28,304,181)	(31,993,559)	(30,978,392)	(23,178,552)	(32,357,751)	(21,271,686)	(28,635,864)	(24,188,340)	(24,503,932)	(36,888,977)	(39,714,496)	(6,280,000)

Municipal Employees Retirement System

	TOTAL	Projected June	Projected May	Projected April	Projected March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	85,767,468	7,100,000	7,100,000	7,100,000	7,100,000	7,240,502	7,243,689	7,220,144	7,210,875	7,218,924	7,158,292	7,186,464	6,880,000
ADMINISTRATIVE EXPENSES	1,576,641	153,323	91,479	104,125	132,873	108,650	229,258	221,317	113,669	115,797	108,666	149,656	4,000
INVESTMENT EXPENSES	1,400,713	84,469	34,793	60,754	90,509	92,418	320,963	209,704	14,214	219,088	121,120	5,306	14,000
TOTAL OUTFLOW	88,744,823	7,337,792	7,226,272	7,264,879	7,323,381	7,441,570	7,793,910	7,651,166	7,338,757	7,553,809	7,388,079	7,341,425	7,080,000
CONTRIBUTIONS	50,031,448	4,499,901	3,503,059	4,320,753	4,111,725	3,845,023	4,312,820	4,516,034	4,524,554	4,066,559	4,317,534	3,012,033	5,000,000
OTHER INCOME*	15,651,704	979,420	1,393,850	880,339	1,728,258	728,858	1,088,613	1,676,769	2,018,006	2,146,339	1,277,136	519,535	1,210,000
TOTAL INCOME	65,683,152	5,479,321	4,896,909	5,201,092	5,839,983	4,573,881	5,401,433	6,192,803	6,542,560	6,212,898	5,594,670	3,531,568	6,210,000
DIFFERENCE	(23,061,671)	(1,858,471)	(2,329,363)	(2,063,787)	(1,483,398)	(2,867,689)	(2,392,477)	(1,458,363)	(796,198)	(1,340,911)	(1,793,409)	(3,809,857)	(860,000)

CASH FLOW ANALYSIS - INCOME & EXPENSES

State Police  
Retirement System

TOTAL	Projected June	Projected May	Projected April	Projected March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual Jul 201	
MEMBER BENEFITS	1,603,244	133,000	133,000	133,000	133,000	136,050	145,422	135,474	137,759	129,570	131,038	123,069	13
ADMINISTRATIVE EXPENSES	118,067	11,299	6,700	7,591	9,628	8,373	17,530	16,820	8,592	8,725	8,139	11,132	
INVESTMENT EXPENSES	105,313	6,225	2,548	4,429	6,558	7,122	24,542	15,937	1,074	16,509	9,072	395	1
TOTAL OUTFLOW	1,826,623	150,523	142,248	145,020	149,186	151,546	187,493	168,231	147,426	154,804	148,248	134,596	14
CONTRIBUTIONS	5,038,244	293,000	498,000	303,000	423,000	376,050	645,422	535,474	432,759	319,570	351,038	538,069	32
OTHER INCOME*	1,168,928	72,175	102,087	64,180	125,231	56,169	83,239	127,430	152,542	161,729	95,653	38,645	8
TOTAL INCOME	6,207,172	365,175	600,087	367,180	548,231	432,220	728,661	662,904	585,302	481,299	446,691	576,714	41
DIFFERENCE	4,380,549	214,652	457,839	222,160	399,045	280,674	541,168	494,674	437,876	326,495	298,443	442,118	26

Judicial  
Retirement System

TOTAL	Projected June	Projected May	Projected April	Projected March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual Jul 201	
MEMBER BENEFITS	1,614,824	130,000	130,000	130,000	130,000	139,516	139,534	139,552	139,534	139,534	139,534	128,810	12
ADMINISTRATIVE EXPENSES	60,311	5,764	3,425	3,859	4,919	4,280	8,958	8,606	4,398	4,457	4,160	5,680	
INVESTMENT EXPENSES	53,799	3,176	1,303	2,252	3,351	3,640	12,541	8,154	550	8,433	4,637	201	
TOTAL OUTFLOW	1,728,935	138,940	134,728	136,110	138,270	147,437	161,032	156,312	144,482	152,424	148,331	134,692	13
CONTRIBUTIONS	3,479,824	210,000	215,000	210,000	315,000	269,516	409,534	359,552	269,534	279,534	279,534	423,810	23
OTHER INCOME*	597,208	36,821	52,188	32,625	63,982	28,710	42,535	65,202	78,081	82,617	48,892	19,720	4
TOTAL INCOME	4,077,033	246,821	267,188	242,625	378,982	298,226	452,069	424,753	347,615	362,151	328,426	443,530	28
DIFFERENCE	2,348,098	107,881	132,461	106,515	240,712	150,790	291,036	268,441	203,133	209,726	180,095	308,838	14

\*includes income from Real Estate Investments, Private Equity, and Cash Accounts

FISCAL YEAR 2014

DIRECT BILLED INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

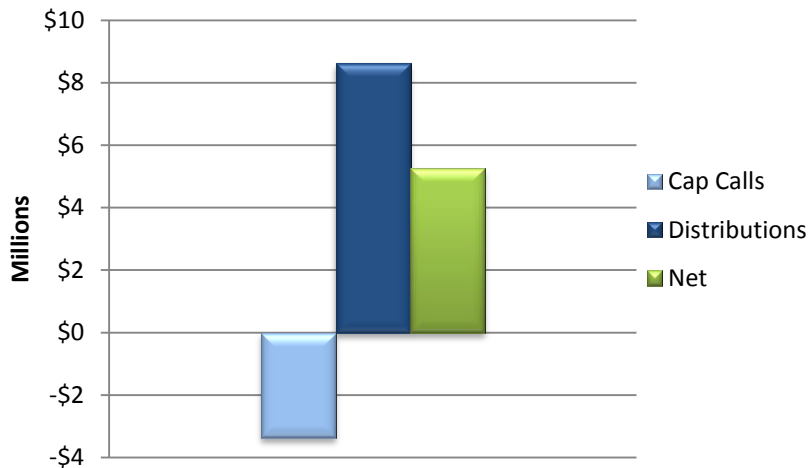
ACCRUAL BASIS

	Actual Jul 13	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Projected Dec	Projected Jan 14	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected June	Projected TOTAL
<b>EQUITIES US</b>													
SSGA Russell 2000/3000			59,934			63,252			55,000			55,000	233,186
Shott Capital/Hamilton Lane			<u>26,442</u>			<u>785</u>			<u>5,000</u>			<u>5,000</u>	<u>37,227</u>
			86,376			64,037			60,000			60,000	270,413
<b>FIXED INCOME</b>													
Pyramis			172,121			172,589			175,000			175,000	694,710
Mackay Shields			180,883			185,000			185,000			185,000	735,883
Brown Bros.TIPS/GILB			<u>80,272</u>			<u>82,134</u>			<u>115,000</u>			<u>115,000</u>	<u>392,406</u>
			433,276			439,723			475,000			475,000	1,822,999
<b>INT'L EQUITIES</b>													
SSGA MSCI ACWI			0			0			0			0	0
SSGA MSCI EAFE			97,005			105,188			95,000			95,000	392,193
SSGA MSCI CAD			9,974			10,543			10,000			10,000	40,516
SSGA MSCI Emerg Mkts			<u>101,705</u>			<u>108,926</u>			<u>110,000</u>			<u>110,000</u>	<u>430,632</u>
			208,684			224,657			215,000			215,000	863,341
<b>CREDIT</b>													
WAMCO			150,562			152,426			150,000			150,000	602,987
PIMCO			<u>237,417</u>			<u>240,686</u>			<u>225,000</u>			<u>225,000</u>	<u>928,103</u>
			387,978			393,112			375,000			375,000	1,531,090
<b>REAL ESTATE</b>													
Direct Billed Real Estate	139,113	(470)	85,776	142,518	0	218,158	291,327	260,428	161,136	134,488	0	84,537	1,517,011
<b>ALTERNATIVE INVESTMENTS</b>													
Direct Billed Private Equity	752,409	32,484	642,393	687,733	85,054	1,033,582	1,622,232	289,334	551,417	234,616	420,078	436,103	6,787,435
<b>SUB TOTAL-INV MGMT FEES</b>	<b>891,522</b>	<b>32,014</b>	<b>1,456,505</b>	<b>830,252</b>	<b>85,054</b>	<b>1,980,157</b>	<b>1,913,559</b>	<b>549,762</b>	<b>1,837,553</b>	<b>369,103</b>	<b>420,078</b>	<b>1,645,640</b>	<b>12,792,289</b>
<b>PROFESSIONAL FEES</b>													
Legal	8,490	39,510	26,807	27,576	10,438	11,810	10,000	10,000	10,000	10,000	10,000	10,000	184,630
BNY Mellon - Custodial	29,511	29,219	28,904	28,946	29,131	29,306	30,000	30,000	30,000	30,000	30,000	30,000	355,018
Cliffwater	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
PCA/Russell	13,125	13,125	64,468	13,125	13,125	70,163	13,125	13,125	13,125	13,125	13,125	13,125	265,884
PCA Real Estate	<u>10,417</u>	<u>12,314</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>126,901</u>
	99,044	131,667	168,096	117,565	100,611	159,196	101,042	101,042	101,042	101,042	101,042	101,042	1,382,433
<b>OPERATING EXPENSE</b>													
Retirement Transfers	188,298	765,281	527,948	573,526	642,997	1,214,092	1,265,779	537,772	607,063	510,434	562,143	1,078,917	8,474,249
Other Expense	<u>13,762</u>	0	<u>7,500</u>	<u>2,450</u>	<u>7,500</u>	<u>5,925</u>	0	<u>7,500</u>	<u>12,525</u>	<u>5,400</u>	<u>6,250</u>	<u>17,192</u>	<u>86,004</u>
	202,060	765,281	535,448	575,976	650,497	1,220,017	1,265,779	545,272	619,588	515,834	568,393	1,096,109	8,560,253
<b>TOTAL:</b>	<b>1,192,625</b>	<b>928,962</b>	<b>2,160,048</b>	<b>1,523,792</b>	<b>836,162</b>	<b>3,359,370</b>	<b>3,280,380</b>	<b>#####</b>	<b>2,558,183</b>	<b>985,980</b>	<b>1,089,513</b>	<b>2,842,791</b>	<b>22,734,974</b>

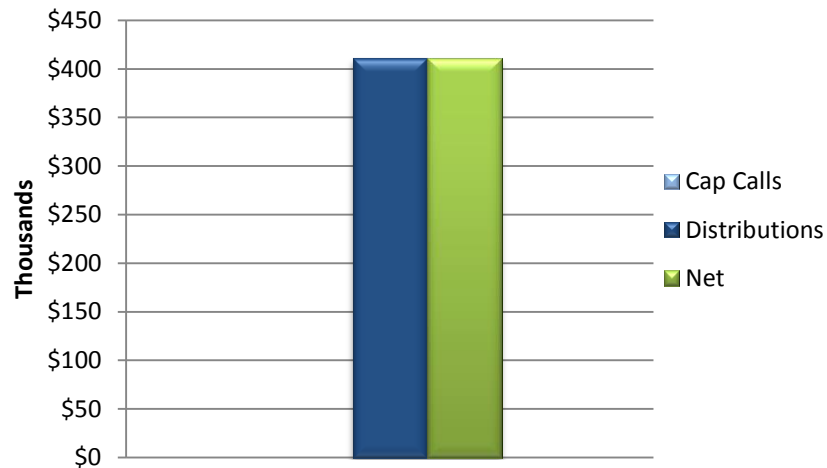
Note: Numbers in bold are actual.

# Private Equity & Real Estate Cash Flow

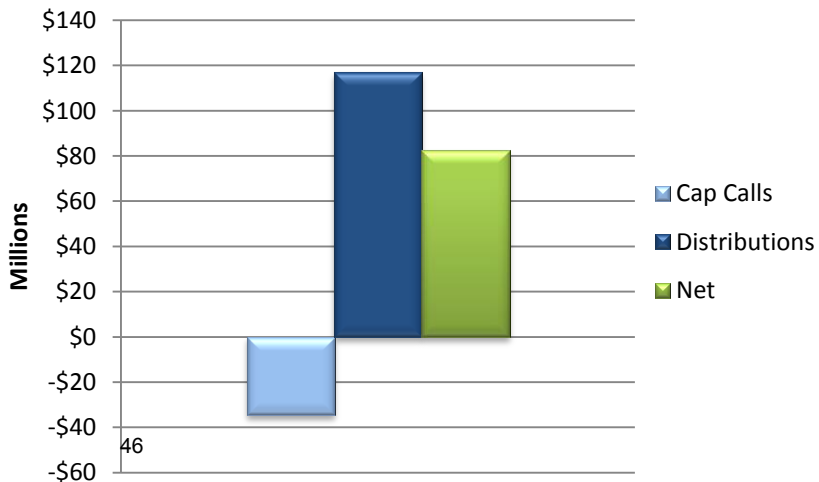
Private Equity - MTD February 2014



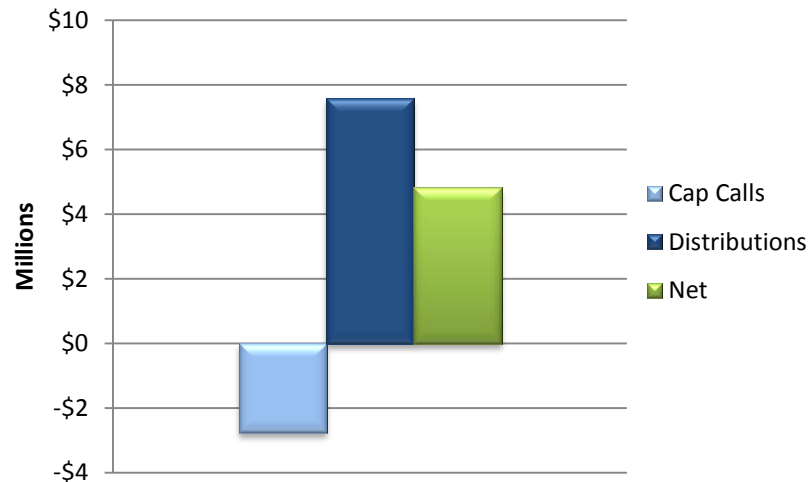
Real Estate - MTD February 2014



Private Equity- Fiscal YTD February 2014



Real Estate - Fiscal YTD February 2014

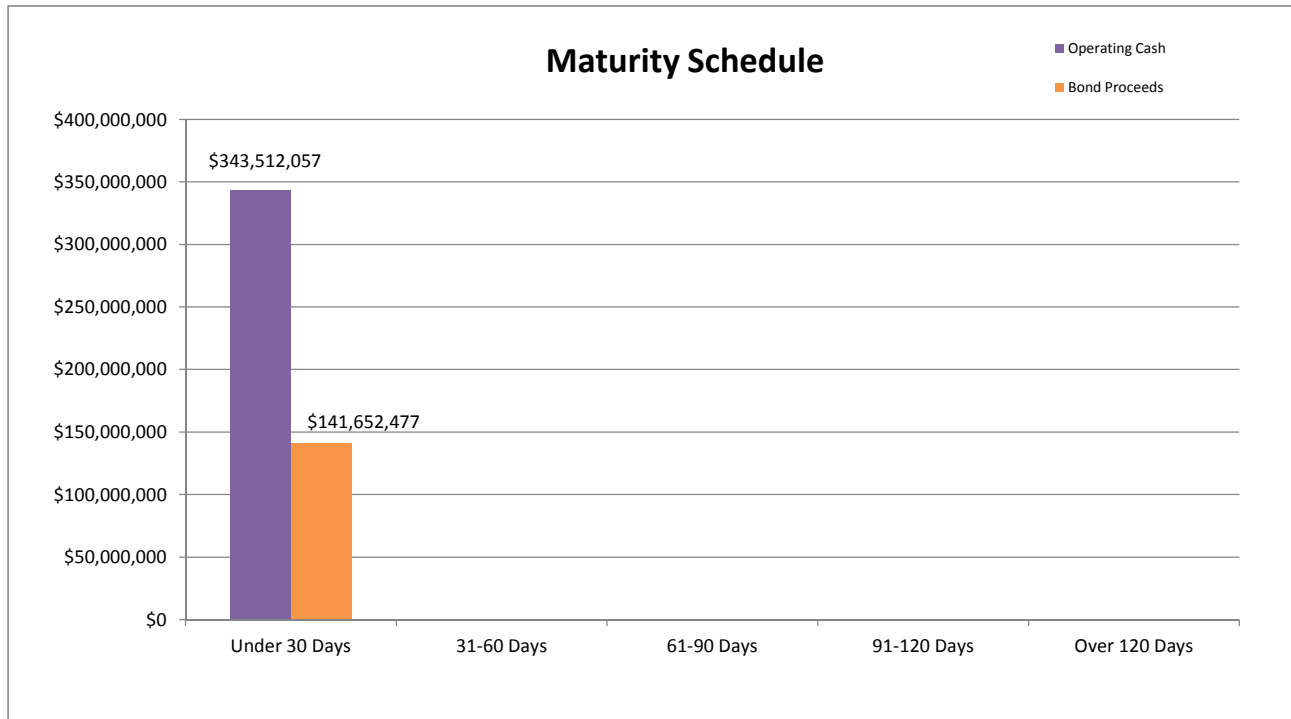


## Section VIII.

---

### Short-Term Investments

**Short-Term Investment Maturity Schedule & SIC Compliance Report at February 28, 2014**



Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GID	OSIP	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	50%/50%	
OSIP	0	0	0	0	0	0	0	115,951,411	115,951,411
	0%	0%	0%	0%	0%	0%	0%	34%	33.75%
Bank RI	0	15,110,184	0	0	0	0	0	0	15,110,184
	0%	4%	0%	0%	0%	0%	0%	0%	4.40%
Sovereign Bank	0	0	0	0	64,780,635	0	0	0	64,780,635
	0%	0%	0%	0%	19%	0%	0%	0%	18.86%
Citizens Bank	0	0	0	0	1,507,278	0	0	0	1,507,278
	0%	0%	0%	0%	0%	0%	0%	0%	0.44%
Webster Bank	0	0	0	0	65,835,911	0	0	0	65,835,911
	0%	0%	0%	0%	19%	0%	0%	0%	19.17%
Washington Trust	0	0	0	65,325,241	0	0	0	0	65,325,241
	0%	0%	0%	19%	0%	0%	0%	0%	19.02%
TD Bank	0	0	0	0	15,001,397	0	0	0	15,001,397
	0%	0%	0%	0%	4%	0%	0%	0%	4.37%
<b>TOTALS</b>	<b>-</b>	<b>15,110,184</b>	<b>-</b>	<b>65,325,241</b>	<b>147,125,222</b>	<b>-</b>	<b>-</b>	<b>115,951,411</b>	<b>343,512,057</b>
<b>(%) PORTFOLIO</b>	<b>0.00%</b>	<b>4.40%</b>	<b>0.00%</b>	<b>19.02%</b>	<b>42.83%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>33.75%</b>	<b>100.00%</b>

Note: PIP + CD must be under 75%.

Note: Maximum participation by any one vendor limited to 35% of total portfolio.



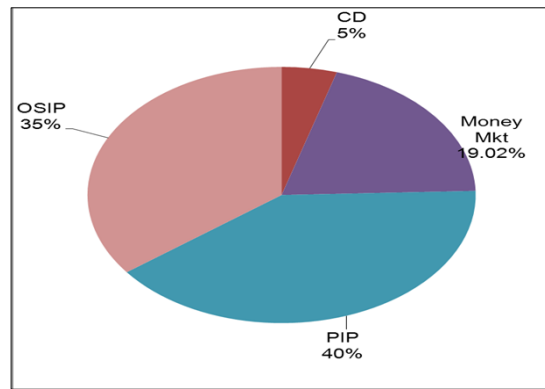
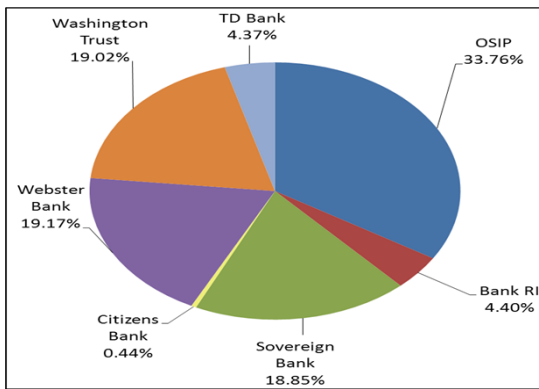
**State of Rhode Island**  
**Short Term Cash Monthly Performance**  
**Performance for**  
**February 01, 2014 to February 28, 2014**

<b>Fund Name</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Average Daily Balance</b>	<b>Earnings</b>	<b>Yield(Annual)</b>
GENERAL FUND	\$ 107,453,369.60	\$ 40,081,541.42	\$ 123,639,083.89	\$ 28,171.82	0.2970%
H.A.V.A	\$ 294.74	\$ 294.75	\$ 294.74	\$ 0.01	0.0442%
GENERAL FUND (HIST PRES)	\$ 537,507.71	\$ 537,530.69	\$ 537,507.71	\$ 22.98	0.0557%
HISTORIC TAX CREDITS	\$ 102,367.02	\$ 102,371.40	\$ 102,367.02	\$ 4.38	0.0558%
HIGHWAY FUND	\$ 18,178,314.43	\$ 13,680,542.06	\$ 14,910,457.29	\$ 2,227.63	0.1948%
T.D.I. RESERVE (DET)	\$ 96,466,582.13	\$ 112,481,590.38	\$ 113,609,439.27	\$ 15,008.25	0.1722%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 74,803,740.61	\$ 66,211,694.89	\$ 71,968,026.33	\$ 7,954.28	0.1441%
BOND CAPITAL FUND	\$ 6,573,528.08	\$ 2,174,694.40	\$ 6,084,242.37	\$ 1,166.32	0.2499%
R.I. CLEAN WATER ACT	\$ 3,179,449.72	\$ 3,179,588.54	\$ 3,179,449.72	\$ 138.82	0.0569%
STATE LOTTERY FUND	\$ 44,701,696.60	\$ 47,509,881.20	\$ 41,058,839.46	\$ 8,184.60	0.2599%
ASSESSED FRINGE BEN ADM	\$ 7,759.50	\$ 7,759.86	\$ 7,759.50	\$ 0.36	0.0605%
AUTO EQUIPMENT SERVICE	\$ 1,243.12	\$ 1,243.18	\$ 1,243.12	\$ 0.06	0.0629%
HEALTH INSURANCE FUND	\$ 41,273,034.38	\$ 42,274,724.47	\$ 39,483,748.67	\$ 1,690.09	0.0558%
FLEET REVOLVING LOAN FUND	\$ 7,624,881.38	\$ 7,626,270.63	\$ 7,624,881.38	\$ 1,389.25	0.2375%
EMPLOYEES RETIREMENT	\$ 629,433.17	\$ 581,720.49	\$ 8,586,576.03	\$ 2,287.32	0.3472%
MUNICIPAL EMPLOYEES RET.	\$ 116,659.38	\$ 116,939.09	\$ 1,459,516.52	\$ 279.71	0.2498%
RETIREE HEALTH FUND	\$ 3,755,407.03	\$ 55,447.54	\$ 848,264.17	\$ 40.51	0.0623%
BOG RETIREE FUND	\$ 137,260.19	\$ 7,261.84	\$ 35,117.33	\$ 1.65	0.0612%
RIPTA HEALTH FUND	\$ 664.61	\$ 664.64	\$ 664.61	\$ 0.03	0.0588%
PERMANENT SCHOOL FUND	\$ 1,934,266.11	\$ 1,934,348.82	\$ 1,934,266.11	\$ 82.71	0.0557%
TEACHER RETIREE HEALTH FUND	\$ 306,477.39	\$ 306,490.49	\$ 306,477.39	\$ 13.10	0.0557%
RI ST POL RETIREE HEALTH	\$ 167,853.74	\$ 167,860.92	\$ 167,853.74	\$ 7.18	0.0558%
RI LEG RETIREE HEALTH	\$ 196.20	\$ 196.21	\$ 196.20	\$ 0.01	0.0664%
RI JUDICIAL RETIREE HEALTH	\$ 168.39	\$ 168.40	\$ 168.39	\$ 0.01	0.0774%
UNIVERSITY COLLEGE	\$ 8,952.73	\$ 8,953.11	\$ 8,952.73	\$ 0.38	0.0553%
HIGHER EDUCATION	\$ 3,407,131.63	\$ 1,607,247.10	\$ 2,689,274.49	\$ 115.47	0.0560%
INDUS. BLDG. & MTG. INS.	\$ 2,854,908.46	\$ 2,855,030.53	\$ 2,854,908.46	\$ 122.07	0.0557%
<b>Operating Funds Totals</b>	<b>\$ 414,223,148.05</b>	<b>\$ 343,512,057.05</b>	<b>\$ 441,099,576.64</b>	<b>\$ 68,909.00</b>	<b>0.204%</b>
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.78	\$ 7,385.57	\$ 7,385.29	\$ 0.32	0.0565%
BOND CCDL 1994 SERIES A	\$ 15,001.08	\$ 15,000.64	\$ 15,000.08	\$ 0.64	0.0556%
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 41,015.30	\$ 41,014.09	\$ 41,012.55	\$ 1.75	0.0556%
CCDL1998A	\$ 1,695,956.01	\$ 1,695,905.97	\$ 1,695,842.21	\$ 72.51	0.0557%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,391.56	\$ 102,388.54	\$ 102,384.69	\$ 4.38	0.0558%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 201,341.42	\$ 201,335.48	\$ 201,327.91	\$ 8.61	0.0557%
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 2,453,470.97	\$ 2,453,387.76	\$ 2,453,296.30	\$ 104.90	0.0557%
BOND CCDL 2005 SERIES C	\$ 7,043,117.03	\$ 7,021,396.17	\$ 7,034,959.07	\$ 300.80	0.0557%
BOND CCDL 2005 SERIES E	\$ 717,070.42	\$ 717,049.27	\$ 717,022.31	\$ 30.66	0.0557%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 2,406,830.18	\$ 2,406,759.17	\$ 2,406,668.69	\$ 102.90	0.0557%
GO BND-NTAX 2007 SERIES A	\$ 5,938,767.12	\$ 5,938,591.90	\$ 5,938,368.64	\$ 253.91	0.0557%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 349,810.61	\$ 349,800.29	\$ 349,787.14	\$ 14.96	0.0558%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 1,730,125.02	\$ 1,730,073.97	\$ 1,730,008.93	\$ 73.97	0.0557%
CCDL10C	\$ 159,248.92	\$ 159,187.80	\$ 159,224.66	\$ 6.81	0.0558%
CCDL10D	\$ 103,923.45	\$ 103,920.38	\$ 103,916.48	\$ 4.44	0.0557%
CCDL2011A	\$ 24,844,865.62	\$ 24,276,281.52	\$ 24,640,378.63	\$ 1,053.69	0.0557%
CCDL2012B	\$ 55,446,305.09	\$ 55,390,716.59	\$ 55,423,310.72	\$ 2,369.79	0.0557%
GO CCDL 2013A	\$ 25,328,005.33	\$ 24,630,103.27	\$ -	\$ 1,072.40	0.0557%
GO CCDL 2013B	\$ 12,500,903.30	\$ 12,500,534.48	\$ -	\$ 534.48	0.0557%
CLEAN WATER CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 1994 (A)	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 2002 B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2004 SERIES A	\$ 187,035.05	\$ 187,029.21	\$ 187,022.20	\$ 8.00	0.0558%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 205,304.19	\$ 205,298.13	\$ 205,290.41	\$ 8.78	0.0558%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,272.53	\$ 283,264.17	\$ 283,253.52	\$ 12.11	0.0557%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ -	\$ -	\$ -	\$ -	-
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,089.32	\$ 1,236,052.85	\$ 1,236,006.38	\$ 52.85	0.0557%
CCDL2011A POLL CTRL CMPNT	\$ -	\$ -	\$ -	\$ -	-
<b>Bond Proceeds Fund Totals</b>	<b>\$ 142,997,235.30</b>	<b>\$ 141,652,477.22</b>	<b>\$ 104,931,466.81</b>	<b>\$ 6,093.66</b>	<b>0.056%</b>
TANS PROCEEDS	\$ -	\$ -	\$ -	\$ -	-
<b>Grand Totals</b>	<b>\$ 557,220,383.35</b>	<b>\$ 485,164,534.27</b>	<b>\$ 546,031,043.45</b>	<b>\$ 75,002.66</b>	<b>0.168%</b>

**State of Rhode Island  
Office of the General Treasurer  
Short Term Investments**

**Issuer Credit Rating  
February 28, 2014**

Issuer	Type of Instrument*	Month End % Portfolio	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook
			Moody's		Moody's	S&P	Moody's	S&P	S&P
Bank RI	3,4	4.40%	N/R		N/A	N/A	N/A	N/A	N/A
Sovereign Bank	3,4	18.85%	Baa1		P-2	A-2	Baa1	BBB	Negative
Bank of America		0.00%	Baa2		P-2	A-2	Baa2	A-	Negative
JP Morgan Chase		0.00%	A3		P-2	A-1	A3	A	Negative
Fidelity		0.00%	N/R		N/A	N/A	N/A	N/A	N/A
State Street Bank & Trust Company		0.00%	Aa3		P-1	A-1+	Aa3	AA-	Stable
RBS Citizens	3,4	0.44%	A3*		P-2	A-2	A3	A-	Negative
Webster Bank	3,4	19.17%	A3		P-2	A-2	A3	BBB	Positive
Ocean State Investment Pool	6	33.76%	N/R		N/A	N/A	N/A	N/A	N/A
Washington Trust	3,7	19.02%	N/R		N/A	N/A	N/A	N/A	N/A
TD Bank	3	4.37%	Aa1		P-1	A-1+	Aa1	AA-	Stable



REPO = Repurchase Agreement	1*
CP = Commercial Paper	2*
CD = Certificate of Deposit	3*
CoD = Collateralized Deposit	4*
AG = US Government Agency Note	5*
MM = Government Money Market	6*
GID = Government Insured Deposit	7*

**Ratings Definitions**

**Moody's Short-Term Debt Ratings:**

**P-1** - Prime-1 have a superior ability for repayment of sr. S-T debt obligations  
**P-2** - Prime-1 have a strong ability for repayment of sr. S-T debt obligations  
**P-3** - Prime-1 have an acceptable ability for repayment of sr. S-T debt obligations  
**NP** - Not Prime

**Moody's Issuer Rating Symbols:**

**Aaa** - Offer exceptional financial security (high-grade)  
**Aa** - Offer excellent financial security (high-grade)  
**A** - Offer good financial security  
**Baa** - Offer adequate financial security  
**Ba** - Offer questionable financial security  
**B** - Offer poor financial security  
**Caa** - Offer very poor financial security  
**Ca** - Offer extremely poor financial security  
**C** - Lowest rated class, usually in default

**Moody's Long-Term Debt Ratings:**

**Aaa** - Best Quality  
**Aa** - High Quality  
**A** - Possess many favorable investment attributes  
**Baa** - Medium-grade obligations  
**Ba** - Possess speculative elements  
**B** - Generally lack characteristics of desirable investments  
**Caa** - Poor standing  
**Ca** - Speculative in a high degree  
**C** - Lowest rated class of bonds

**Modifiers:**

**1** - Higher end of letter rating category  
**2** - Mid-range of letter rating category  
**3** - Lower end of letter rating category

**S&P Short -Term Credit Ratings:**

**A-1** - Highest rated, strong capacity to meet obligations  
**A-2** - Somewhat more susceptible to adverse effects of changes in financial conditions; satisfactory  
**A-3** - Exhibits adequate protection parameters  
**B** - Significant speculative characteristics, faces major ongoing uncertainties  
**C** - Vulnerable to non-payment  
**D** - Payment default

**Modifiers:**

+ or - show relative standing within the category.

**S&P Outlook Definitions:**

**Positive** - A rating may be raised  
**Negative** - A rating may be lowered  
**Stable** - A rating is not likely to change  
**Developing** - May be raised or lowered  
**NM** - Not meaningful

**S&P Long-Term Debt Ratings:**

**AAA** - Highest rating, extremely strong  
**AA** - Differs slightly from highest rating, very strong  
**A** - More susceptible to adverse effects of change in economic condition, strong  
**BBB** - Exhibits adequate protection parameters  
**BB, B,** - Have significant speculative characteristics. BB least speculative  
**CCC, CC, C** - C highest degree  
**D** - Payment default

**Modifiers:**

+ or - show relative standing within the category.

## Section IX.

---

### Defined Contribution Plan

# 2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns					Annualized Total Returns as of 12/31/13					Since	Incep.	Sharpe Ratio		Std. Deviation		Tracking Error		
As of 2/28/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
<b>Stable Value/Guaranteed &amp; Money Market</b>																									
<b>Stable Value/Guaranteed</b>																									
TIAA Stable Value****		Current crediting rate = 2.00							0.15	0.32	1.75														
<b>Money Market</b>																									
Vanguard Prime Money Market Inv		VMMXX	10.50	131,831.74	0.17	0.17		-	-	-	0.02		0.03		0.14		1.74		5.52	06/04/75	(2.96)		0.01		0.04
Current 7-day Yield: 0.01																									
Citi 3-Month Treasury Bill																									
<b>FIXED INCOME</b>																									
<b>Intermediate-Term Bond</b>																									
Vanguard Total Bond Market Index Sig		VBTSX	21.08	17,653.96	0.10	0.10	1	-	0.49	2.05	(2.15)	67	3.15	67	4.39	83			4.95	09/01/06	1.09	61	2.82	42	0.24
Barclays U.S. Aggregate Float Adjusted Index																									
Intermediate-Term Bond Median																									
Intermediate-Term Bond Number of Funds																									
<b>Inflation-Linked Bond</b>																									
PIMCO Real Return Instl		PRRIX	6.08	15,879.93	0.48	0.45	17	-	0.62	2.84	(9.05)	62	3.50	5	7.29	1	5.25	2	6.76	01/29/97	0.60	34	5.91	91	1.20
Barclays US Treasury US TIPS TR USD																									
Inflation-Protected Bond Median																									
Inflation-Protected Bond Number of Funds																									
<b>Equity</b>																									
<b>Large Cap Blend</b>																									
Vanguard 500 Index Signal		VIFSX	22.08	14,960.20	0.05	0.05	1	-	4.57	0.95	32.33	43	16.14	22	17.94	28			6.86	09/29/06	1.30	13	12.10	24	0.69
S&P 500 TR USD																									
Large Blend Median																									
Large Blend Number of Funds																									
<b>Mid Cap Blend</b>																									
Vanguard Mid Cap Index Signal		VMISX	15.67	6,727.28	0.10	0.10	1	-	6.03	3.56	35.15	41	15.40	40	22.07	23			7.22	03/30/07	1.06	27	14.53	29	0.81
Spliced Mid Cap Index *																									
CRSP US Mid Cap TR USD																									
Mid-Cap Blend Median																									
Mid-Cap Blend Number of Funds																									
<b>Small Cap Blend</b>																									
Vanguard Small Cap Index Signal		VSISX	22.08	8,206.53	0.10	0.10	-	-	5.07	2.93	37.79	47	16.61	29	22.55	19			8.50	12/15/06	1.02	34	16.30	37	1.75
Spliced Small Cap Index **																									
CRSP US Small Cap TR USD																									
Small Blend Median																									
Small Blend Number of Funds																									

# 2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns					Annualized Total Returns as of 12/31/13					Since	Incep.	Sharpe Ratio		Std. Deviation		Tracking Error		
As of 2/28/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
<b>Foreign Large Blend</b>																									
TIAA-CREF International Eq Idx Instl		TCIEX	9.42	5,628.79	0.08	0.08	1	-	6.05	1.20	21.96	25	8.49	20	12.24	48	7.00	43	9.85	10/01/02	0.57	21	16.47	55	3.67
MSCI EAFE NR USD									5.56	1.31	22.78		8.17		12.44		6.91		9.84		0.56		16.48		
Foreign Large Blend Median					1.46	1.28			5.59	0.88	19.91		7.03		12.17		6.75				0.49		16.39		3.66
Foreign Large Blend Number of Funds					834	834					788	788	700	697	630	626	322	320	834		700	700	700	700	700
<b>Diversified Emerging Markets</b>																									
Vanguard Emerging Mkts Stock Idx Stq		VERSX	5.42	46,555.10	0.18	0.18	1	-	3.43	(4.07)	(5.02)	77	(2.81)	64	14.00	51			3.60	01/19/07	(0.05)	61	19.64	63	3.15
Spliced Emerging Markets Index ***									3.02	(3.86)	(4.28)		(2.63)		14.39										
FTSE Emerging NR USD									3.02	(3.86)	(3.79)		(2.93)		14.78				4.13						
MSCI EM NR USD									3.31	(3.40)	(2.60)		(2.06)		14.79		11.17				(0.02)		19.31		
Diversified Emerging Mkts Median					1.89	1.58			3.52	(3.19)	(1.62)		(2.04)		14.06		10.30				(0.02)		19.31		5.06
Diversified Emerging Mkts Number of Funds					734	734					614	614	401	399	317	315	151	150	733		401	401	401	401	401
<b>Miscellaneous Sector</b>																									
TIAA Real Estate Account		Variable Annuity	9.08	16,907.56	0.90	0.90		0.24	1.02	1.96	9.65		10.89		2.25		4.80		6.11	10/02/95	6.25		1.65		12.14
<b>Lifecycle</b>																									
Vanguard Target Retirement Income Trust II					0.11	0.11			1.74	1.56	5.82		6.49		8.60				5.32	02/29/08					
Vanguard Target Retirement Income Compos. Lx									1.77	1.55	6.03		6.57		8.65										
Retirement Income Median					1.07	0.89			2.15	1.63	6.55		5.90		9.60		4.33				1.04		5.58		2.24
Retirement Income Number of Funds					298	298					293	293	271	271	238	238	41	41			271	271	271	271	271
Vanguard Target Retirement 2010 Trust II					0.11	0.11			2.17	1.54	9.13		7.51		10.63				5.52	02/29/08					
Vanguard Target Retirement 2010 Compos. Lx									2.21	1.55	9.55		7.63		10.70										
Target Date 2000-2010 Median					1.14	0.89			2.53	1.47	8.62		6.20		10.71		4.81				0.96		6.73		1.56
Target Date 2000-2010 Number of Funds					171	171					154	153	141	140	125	124	35	35			141	141	141	141	141
Vanguard Target Retirement 2015 Trust II					0.11	0.11			2.79	1.55	13.07		8.60		11.84				5.95	02/29/08					
Vanguard Target Retirement 2015 Compos. Lx									2.79	1.55	13.45		8.68		11.90										
Target Date 2011-2015 Median					1.21	0.92			2.76	1.56	10.44		6.89		11.29		4.62				0.93		7.58		1.72
Target Date 2011-2015 Number of Funds					194	195					178	178	141	141	114	114	13	13			141	141	141	141	141
Vanguard Target Retirement 2020 Trust II					0.11	0.11			3.22	1.54	15.86		9.41		12.80				6.11	02/29/08					
Vanguard Target Retirement 2020 Compos. Lx									3.21	1.56	16.33		9.73		13.06										
Target Date 2016-2020 Median					1.30	0.98			3.15	1.60	12.67		7.60		12.14		5.35				0.92		8.33		1.86
Target Date 2016-2020 Number of Funds					243	243					223	222	187	186	169	168	39	39			187	187	187	187	187
Vanguard Target Retirement 2025 Trust II					0.11	0.11			3.54	1.45	18.23		10.11		13.70				6.22	02/29/08					
Vanguard Target Retirement 2025 Composite Lx									3.53	1.50	18.64		10.42		13.95										
Target Date 2021-2025 Median					1.23	0.95			3.74	1.57	16.28		8.82		13.39		5.71				0.90		9.95		1.66
Target Date 2021-2025 Number of Funds					197	197					181	181	134	134	101	101	8	8			134	134	134	134	134



# 2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns					Annualized Total Returns as of 12/31/13					Since	Incep.	Sharpe Ratio		Std. Deviation		Tracking Error		
As of 2/28/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
<b>Vanguard Target Retirement 2030 Trust II</b>				0.11	0.11				3.89	1.40	20.55		10.81		14.58				6.30	02/29/08					
<i>Vanguard Target Retirement 2030 Composite Lx</i>									3.86	1.44	21.00		11.08		14.84										
<i>Target Date 2026-2030 Median</i>					1.35	1.05			3.88	1.51	17.87		9.23		13.85		5.80			0.87		10.87			1.80
<i>Target Date 2026-2030 Number of Funds</i>					243	243					223	222	187	186	169	168	34	34		187	187	187	187		187
<b>Vanguard Target Retirement 2035 Trust II</b>				0.11	0.11				4.20	1.32	22.93		11.46		15.40				6.56	02/29/08					
<i>Vanguard Target Retirement 2035 Composite Lx</i>									4.18	1.38	23.39		11.74		15.65										
<i>Target Date 2031-2035 Median</i>					1.34	1.01			4.40	1.45	20.79		10.26		14.74		5.82			0.88		11.95			1.62
<i>Target Date 2031-2035 Number of Funds</i>					197	197					181	181	134	134	101	101	8	8		134	134	134	134		134
<b>Vanguard Target Retirement 2040 Trust II</b>				0.11	0.11				4.48	1.30	24.42		11.94		15.73				6.85	02/29/08					
<i>Vanguard Target Retirement 2040 Composite Lx</i>									4.41	1.34	24.79		12.18		15.93										
<i>Target Date 2036-2040 Median</i>					1.43	1.06			4.51	1.46	21.84		10.31		14.98		6.06			0.86		12.30			1.60
<i>Target Date 2036-2040 Number of Funds</i>					240	240					219	218	183	182	165	164	34	34		183	183	183	183		183
<b>Vanguard Target Retirement 2045 Trust II</b>				0.11	0.11				4.48	1.26	24.43		11.97		15.76				6.81	02/29/08					
<i>Vanguard Target Retirement 2045 Composite Lx</i>									4.41	1.34	24.79		12.18		15.93										
<i>Target Date 2041-2045 Median</i>					1.38	1.03			4.59	1.42	23.08		10.82		15.30		7.37			0.87		12.78			1.54
<i>Target Date 2041-2045 Number of Funds</i>					197	197					180	180	133	133	99	99	1	1		133	133	133	133		133
<b>Vanguard Target Retirement 2050 Trust II</b>				0.11	0.11				4.46	1.25	24.47		11.94		15.75				6.85	02/29/08					
<i>Vanguard Target Retirement 2050 Composite Lx</i>									4.41	1.34	24.79		12.18		15.93										
<i>Target Date 2046-2050 Median</i>					1.67	1.06			4.57	1.41	23.26		10.89		15.24		6.53			0.87		12.76			1.67
<i>Target Date 2046-2050 Number of Funds</i>					225	225					203	202	155	154	129	128	6	6		155	155	155	155		155
<b>Vanguard Target Retirement 2055 Trust II</b>				0.11	0.11				4.47	1.30	24.34		12.00						16.68	08/31/10					
<i>Vanguard Target Retirement 2055 Composite Lx</i>									4.41	1.34	24.79		12.18												
<b>Vanguard Target Retirement 2060 Trust II</b>				0.11	0.11				4.45	1.26	24.32								15.80	03/01/12					
<i>Vanguard Target Retirement 2060 Composite Lx</i>									4.41	1.34	24.79														
<i>Target Date 2051+ Median</i>					1.44	1.03			4.66	1.40	23.40		10.86		14.85				12.13	0.85		13.04			1.54
<i>Target Date 2051+ Number of Funds</i>					159	159					130	130	67	67	17	17	-	-		67	67	67	67		67

Source: Morningstar & TIAA-CREF

-Tracking error calculated using "Morningstar Analyst Assigned Benchmark"

Recent returns for 1-month and YTD as of 2/28/14. All other data as of 12/31/13.

Since Incep. = Since Inception Date; Incep. Date = Inception Date

Vanguard Index Information from available at <http://www.vanguard.com>

\* = S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter

\*\* = Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter

\*\*\* = Spliced Emerging Markets Index reflects performance of the Select Emerging Markets Index through August 23, 2006; the MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; and FTSE Emerging Index thereafter.

\*\*\*\* = The TIAA Stable Value Inception Date represents the date that the plan's TIAA Stable Value record was initiated on TIAA-CREF's recordkeeping system which may be earlier than the date of first deposit to the contract.

"Since Inception" performance is calculated from this date.

\*\*\*\*\* = For definitions please visit [www.tiaa-cref.org/public/assetmanagement](http://www.tiaa-cref.org/public/assetmanagement)

Note: Rankings shown for returns are calculated by Morningstar. Rankings for expense ratio, Sharpe ratio and standard deviation are calculated by TIAA-CREF and may differ based on calculation methods

Fee Disclosures: 1 The net expense ratio reflects total annual fund operating expenses excluding interest expense. If interest expense was included, returns would have been lower.

2 Accumulations in mutual funds not managed by TIAA-CREF may be subject to administrative charges. These charges are subject to change. Please review current documents related to your plan.



# Disclosures



%ile --> Percentile Ranking in Morningstar Category.

**The performance data quoted represents past performance and is no guarantee of future results. Your returns and the principal value of your investments will fluctuate so that your shares or accumulation units, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted below. For performance current to the most recent month-end, visit the TIAA-CREF Website at [www.tiaa-cref.org](http://www.tiaa-cref.org), or call 877 518-9161.**

Annuity account options are available through annuity contracts issued by TIAA or CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of income options, including lifetime income. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.

For the variable annuity accounts, we estimate expenses for the plan year based on projected expense and asset levels. Differences between estimated and actual expenses are adjusted quarterly and reflected in current investment results. Historically, the adjusting payments have resulted in both upward and downward adjustments.

Investing in non-investment grade securities presents special risks, including significantly higher interest-rate and credit risk.

Small-cap and mid-cap stocks may have limited marketability and may be subject to more abrupt or erratic market movements than large-cap stocks.

The risks associated with foreign investments are often magnified in emerging markets where there is greater potential for political, currency, and economic volatility.

Funds that invest in fixed-income securities are not guaranteed and are subject to interest-rate, inflation and credit risks.

# Disclosures



Funds that invest in fixed-income securities are not guaranteed and are subject to interest-rate, inflation and credit risks.

Funds that invest in foreign securities are subject to special risks, including currency fluctuation and political and economic instability.

Real estate securities are subject to various risks, including fluctuations in property values, higher expenses or lower income than expected, and potential environmental problems and liability.

Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. TIAA Stable Value is guaranteed insurance contract and not an investment for Federal Securities Law purposes.

Target Date Funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the Target Date Funds, there is exposure to the fees and expenses associated with the underlying mutual funds as well.

TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., members FINRA, distribute securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association (TIAA ) and College Retirement Equities Fund (CREF), New York, NY.

**Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.**

**You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or log on to [tiaacref.org](http://tiaacref.org) for product and fund prospectuses that contains this and other information. Please read the prospectuses carefully before investing.**



# Disclosures



Morningstar is an independent service that rates mutual funds and variable annuities, based on risk-adjusted returns. Although Morningstar data is gathered from reliable sources, neither Morningstar nor TIAA-CREF can guarantee its completeness and accuracy. Morningstar does not rate money market accounts, and the other TIAA-CREF mutual fund accounts are too new to be rated. Past performance does not guarantee future results. Accumulation net asset values and returns will vary.

For each fund/account with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's/account's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. Where applicable, Morningstar's performance rankings are based on linked performance that considers the differences in expense ratios, while actual performance data shown does not reflect such differences. The top 10 percent of funds/accounts in a category receive five stars, the next 22.5 percent receive four stars, and the next 35 percent receive three stars, the next 22.5 percent receive two stars and the bottom 10 percent receive one star. (Each share class is counted as a fraction of one fund/account within this scale and rated separately, which may cause slight variations in the distribution percentages.) Morningstar proprietary ratings on U.S.-domiciled funds/accounts reflect historical risk-adjusted performance, are subject to change every month. They are derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Please note, Morningstar now rates group variable annuities within the open-end mutual fund universe.

# Disclosures



## **Prospectus Gross Expense Ratio**

The percentage of fund assets used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

--The expense ratio for fund of funds is the aggregate expense ratio as defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees.

--Often referred to as the Annual Operating Expense, the Prospectus Gross Expense Ratio is collected annually from a fund's prospectus.

## **Prospectus Net Expense Ratio**

The percentage of fund assets, net of reimbursements, used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

--The expense ratio for fund of funds is the aggregate expense ratio as defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees.

--Net reimbursements, the Prospectus Net Expense Ratio is collected annually from a fund's prospectus.

--TIAA-CREF, unless noted, does not charge additional fees for record keeping a fund. 12b-1, revenue share and admin fees are all included in the Prospectus fees.

-- Prospectus Net Expense Ratio % - ile rank is the percentile rank for the fund. The better the expense ratio (lower) the lower the ranking out of 100.

## **Sharpe Ratio (Source: Morningstar Direct)**

A risk-adjusted measure developed by Nobel Laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. The Sharpe Ratio can be used to compare two portfolios directly with regard to how much excess return each portfolio achieved for a certain level of risk. Morningstar first calculates a monthly Sharpe Ratio and then annualizes it to put the number in a more useful one-year context.

# Disclosures



**Standard Deviation** (Source: Morningstar Direct) The statistical measurement of dispersion about an average, which depicts how widely a stock or portfolio's returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that is most likely for a given investment. When a stock or portfolio has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

**Information Ratio** (Source: Morningstar Direct) **Benchmark Specific**

Information ratio is a risk-adjusted performance measure. The information ratio is a special version of the Sharpe Ratio in that the benchmark doesn't have to be the risk-free rate.

**Beta** (Source: Morningstar Direct) **Benchmark Specific**

Beta is a measure of a portfolio's sensitivity to market movements. The beta of the market is 1.00 by definition.

**Alpha** (Source: Morningstar Direct) **Benchmark Specific**

A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. A positive Alpha figure indicates the portfolio has performed better than its beta would predict. In contrast, a negative Alpha indicates the portfolio has underperformed, given the expectations established by beta.

**Tracking Error** (Source: Morningstar Direct) **Benchmark Specific**

Tracking error is a measure of the volatility of excess returns relative to a benchmark.

**Upside** (Source: Morningstar Direct) **Benchmark Specific**

Upside Capture Ratio measures a manager's performance in up markets relative to the market (benchmark) itself. It is calculated by taking the security's upside capture return and dividing it by the benchmark's upside capture return.

**Downside** (Source: Morningstar Direct) **Benchmark Specific**

Downside Capture Ratio measures a manager's performance in down markets relative to the market (benchmark) itself. It is calculated by taking the security's downside capture return and dividing it by the benchmark's downside capture return.

**R-Square** (Source: Morningstar Direct) **Benchmark Specific**

Reflects the percentage of a portfolio's movements that can be explained by movements in its benchmark.

You cannot invest directly in index.

TIAA-CREF reported performance may differ from Morningstar source returns for the same option over the same time period. We would expect an occasional one to two basis point difference. Morningstar Direct calculates returns by one share owned by a hypothetical investor over the requested time period. So the return for one year is calculated using the same formula as one month. TIAA-CREF calculates returns by \$1,000 owned by hypothetical investor for one month then links returns for requested time period. Both set of returns include dividends and capital gains.

C12205

## Section XI.

---

### OPEB Trust

TOTAL NET OF FEES

2/28/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	1 Year	Annualized				Inception Date
						3 Years	5 Years	10 Years	ITD	
Mackay Shields OPEB	33,081,250.2	34.1	0.54	2.61					-0.83	5/1/2013
<i>Barclays U.S. Aggregate Bond Index</i>			<i>0.53</i>	<i>2.46</i>					<i>-0.93</i>	<i>5/1/2013</i>
SSGA S&P 500 INDX	64,063,106.6	66.0	4.55	17.34	25.09				15.68	5/1/2011
<i>S&amp;P 500 - Total Return Index</i>			<i>4.57</i>	<i>17.42</i>	<i>25.37</i>				<i>14.06</i>	<i>5/1/2011</i>
<b>Total OPEB</b>	<b>97,144,356.8</b>	<b>100.0</b>	<b>3.11</b>	<b>12.04</b>	<b>14.59</b>				<b>10.31</b>	<b>5/1/2011</b>
<i>OPEB Custom Blend</i>			<i>3.16</i>	<i>12.09</i>	<i>14.83</i>				<i>8.45</i>	<i>5/1/2011</i>

END NOTES

2/28/2014

1 RI7GX0903OPE OPEB Custom Blend

65% Barclays Aggregate and 35% S&P 500

TOTAL NET OF FEES

2/28/2014

Account Name Benchmark Name	Market Value	% of Total	YTD	Month	Cumulative			2013	2012	2011	Inception Date
					1/1/2014 - 1/31/2014	12/1/2013 - 12/31/2013					
Mackay Shields OPEB	33,081,250.2	34.1	2.08	0.54	1.53	-0.47				5/1/2013	
<i>Barclays U.S. Aggregate Bond Index</i>			2.02	0.53	1.48	-0.57				5/1/2013	
SSGA S&P 500 INDX	64,063,106.6	66.0	0.93	4.55	-3.46	2.53	32.09	15.96		5/1/2011	
<i>S&amp;P 500 - Total Return Index</i>			0.96	4.57	-3.46	2.53	32.39	16.00		5/1/2011	
<b>Total OPEB</b>	<b>97,144,356.8</b>	<b>100.0</b>	<b>1.34</b>	<b>3.11</b>	<b>-1.71</b>	<b>1.49</b>	<b>15.77</b>	<b>9.74</b>		<b>5/1/2011</b>	
<i>OPEB Custom Blend</i>			1.37	3.16	-1.73	1.45	15.73	8.30		5/1/2011	

END NOTES

2/28/2014

- |   |              |                   |   |
|---|--------------|-------------------|---|
| 1 | RI7G10000000 | Total OPEB        | YTD - Calendar Year to Dat<br>Month - Current Mont<br>Cumulative Months - Prior Month and Second Prior Mont |
| 2 | RI7GX0903OPE | OPEB Custom Blend | 2012, 2011, 2010 - Calendar Yea<br>65% S&P 500 and 35% Barclays Aggregate                                   |