

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
February 28, 2011**

**March 23, 2011  
MEETING**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

**Honorable Gina M. Raimondo, Chair**

**Ms. Rosemary Booth Gallogly  
Mr. Thomas P. Fay  
Mr. Robert Giudici  
Ms. Marcia Reback**

**Mr. J. Michael Costello  
Mr. Robert R. Gaudreau, Jr.  
Dr. Robert J. McKenna  
Mr. Andrew K. Reilly**

# 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 23, 2011 at 9:00 a.m. in Room 135 of the State House.

**AGENDA**

1. Chairperson Call to Order
2. Membership Roll Call
3. Approval of Minutes
  - State Investment Commission Meeting held on February 23, 2011 \*
4. Asset Liability Study– Update
5. Alternative Consultant Presentation/Recommendation\*
6. Short-Term Investments
  - Clarification of FHLB Letter of Credit as Acceptable Collateral\*
7. Legal Counsel Report
8. Chief Investment Officer Report
9. Treasurer's Report
10. New Business

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

**POSTED ON FRIDAY, March 18, 2011**

# APPROVAL OF MINUTES



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

Gina M. Raimondo  
General Treasurer

State of Rhode Island and Providence Plantations  
STATE INVESTMENT COMMISSION

Monthly Meeting February 23, 2011

A State Investment Commission (SIC) meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, February 23, 2011. General Treasurer Raimondo called the meeting to order at 9:04 a.m.

Membership Roll Call. Present were: Ms. Rosemary Booth Gallogly, Mr. Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau Jr., Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo, establishing a quorum. Also present were: Ms. Sally Dowling, of Adler Pollock, & Sheehan and Joe Rodio, Jr., of Rodio & Ursillo, Legal Counsel to the Commission; Mr. John Burns of Pension Consulting Alliance (PCA), General Policy Consultant to the Commission; Mr. Nick Katsikis and Ms. Lisa Tyrrell of State Street Corporation, Frank Karpinski, Executive Director of the Employees' Retirement System of Rhode Island and members of the Treasurer's staff.

State Investment Commission Minutes. Treasurer Raimondo entertained a motion for approval of the minutes for the meeting of January 26, 2011. Mr. Costello moved, Ms. Booth Gallogly seconded, and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr. Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau Jr., Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

**VOTED: To approve the Minutes of the January 26, 2011 monthly meeting.**

General Consultant Report. The Treasurer asked John Burns from Pension Consulting Alliance to make a presentation on asset liability study.

Mr. Burns pointed out that page two of his handout is basically what we need to know on the topic. The last liability study was in 2003 by Wilshire Associates. PCA did do an asset allocation study in 2009. The asset liability study needs to be performed more frequently to ensure that investments are on track with long-term objectives. The third bullet is important in that the investment markets have changed since 2003 and more importantly the plan's financial condition has changed. Reasons to consider in deciding on a study are: 1. your tolerance for risk could change 2. The plan's financial condition constantly changes or 3. your funding ratio changes. Your view of risk when your 75% funded is very different than when you are 55% funded. The study primarily focuses on risk and return but will also incorporate planned financial metrics like funding ratio, contribution level, and volatility. Typically a study like this takes 2-4 months and there is a lot of board involvement and interactions. A study is usually conducted once every 4 or 5 years and also when RFPs are issued for consultants.

Treasurer Raimondo asked, in addition to the fact that this is a good thing to do because we're over due for it and as trustees we ought to do it, this will also be an opportunity to engage in a discussion about risk. What does risk mean and what level of risk do we feel comfortable with? This is a great board exercise to go through.

Treasurer Raimondo said she also chairs the retirement board which represents the liability side. They are in the process of conducting an experience study. The actuary should finish the study in April. What they do is test our actual experience relative to the assumptions they made. We will have the most accurate data around the liabilities which is another benefit to doing this now.

Treasurer Raimondo entertained a motion to begin an asset liability study. Ms. Booth Gallogly moved, Ms. Reback seconded, and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr. Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau Jr., Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

**VOTED: To begin an asset liability study.**

Update on the Alternative Consultant Mr. Goodreau stated we have an active alternative consultant RFP and we had three firms come in to make presentations. We've also opened the discussion to look at real estate, the hedge fund space and the total return bucket. The Treasurer has had discussions with many of the board members and she thinks we need to look seriously at making the switch from PCG. She has met with Cliffwater and is meeting with Hamilton Lane this week. The Treasurer thinks we should move on this because we have a large alternative asset portfolio that needs to be managed. If we can find a firm which has expertise across the spectrum there may be benefits because of economies of scale and we should get a little more attention. We are not making a recommendation today, because we are taking it very seriously and being very diligent about it, but next month we may come back and have someone present to the board and we want to engage all of you in this process.

Local Government Investment Pool Presentation: Vincent Izzo explained that we have presented this study on two occasions in the prior administration about our thoughts and research on LGIP. We want to further this discussion and ask the board's approval to go to the next step. To recap, 45 of the 50 states have some type of government pool which services the state, state quasi-agencies, municipalities and legal subdivisions of municipalities. The time is right to bring this to the state of Rhode island. The big benefit is that the pool can get enhanced yield over what we currently invest in while not changing our investment policies. The investment commission's investment policies for short-term investments will govern the pool and we expect, because of the composition of the pool, to get a 25 plus basis point yield in this environment.

Mr. Goodreau stated that this is a vehicle that will be attractive and other municipalities will want to be involved. We are going to be the biggest client, so it will predominately be our decision-making that affects the pool and not 40 different types of opinions. It will have liquidity and is materially more attractive in a low interest rate environment. It will be even more attractive in an environment with higher rates of return.

Treasurer Raimondo says to be clear, in order to set this up it will require some resources from Treasury and Vin's team to establish the structure, an RFP proposal and some education. There will be some start up time commitments that the Treasurer's staff will have to do, but on a go-forward basis the plan would be very limited involvement from our staff. The Treasurer had a lunch with city managers and mayors and the concept has been very favorably viewed.

The Treasurer entertained for a motion to move forward with the creation of an LGIP and to seek statutory authority for the LGIP. Ms. Booth Gallogly moved, Mr. Costello seconded, and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr.

Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau Jr., Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

**VOTED: To move forward with a creation of an LGIP and to seek statutory authority for the LGIP.**

Consideration of SBA Pools as Acceptable Collateral for Short-Term Investments: Mr. Izzo says this has risen from a request from our providers. This practice is used throughout the country as the SBA pool is considered a US agency obligation, but since we have never accepted or used SBA pools as collateral, we are asking for formal approval. Being a US agency obligation means it is guaranteed by the full faith and credit of the United States government. From the banks perspective these pools are rated as a zero risk weighted asset. Vin passed out a research paper by Morgan Keegan that supports the use of the pools an investment vehicle and means of collateral. The state of Massachusetts accepts these as collateral and the GFOA best practices states they are accepted by almost every state and subdivision in the country. Mr. Izzo hopes it can produce higher yields on the state's investments because the banks have lower costs of collateral.

Treasurer Raimondo entertained a motion to accept SBA pools as collateral for short-term investments. Ms. Reback moved, Mr. Reilly seconded, and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr. Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau Jr., Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

**VOTED: To accept SBA pools as collateral for short-term investments.**

Presentation on the OPEB Custodian Contract: Mr. Dingley explained the trust was executed and put into place in December and submitted to the IRS for a favorable determination letter. The state is ready to move assets, but because it deals with retiree health benefits, which must be kept completely separate from pension benefits, a separate custodial agreement is required. We have worked closely with State Street and used the existing custodial agreement for pension assets and revised it to eliminate mention of pension assets and to incorporate the appropriate parts of the OPEB statute. Sally Dowling has reviewed the agreement.

Ms. Dowling stated that the agreement is a traditional custodial agreement which has been modified to conform to the statute. The state needs to do the schedule B fee agreement.

Mr. Dingley says the two remaining elements are the investment policy and fee schedule. Once we finalize the investment policy, we will talk to State Street about fees. We expect the fees to be a few thousand dollars.

Treasurer Raimondo entertained a motion to approve the separate custodial agreement for the OPEB trust subject to final review and approval by legal counsel. Ms. Booth Gallogly moved, Mr. Fay seconded, and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr. Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau Jr., Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

**VOTED: To approve the separate custodial agreement for the OPEB trust subject to final review and approval by legal counsel.**

Legal Counsel Report. Legal Counsel had no other report.

Chief Investment Officer Report. Mr. Goodreau had no other report.

Treasurer's Report. Treasurer Raimondo thanked everyone for taking the time to meet with her one-on-one. She has a couple more and she is looking forward to those meetings. These meetings are helpful for her to hear the board's ideas, get some historical perspective and hear the board's suggestions on how we should go forward. The board will be hearing from the Treasurer's office about attending some educational sessions. The Treasurer is continuing the review of her office. She has met with most of the and today she is meeting with PCG to get updated on the private equity portfolio. Mr. Costello asked for an update on Alliance Bernstein.

Treasurer Raimondo has engaged a consultant who is an expert in the 529 area and they started a study last week so hopefully we will know more in 30-60 days. The Treasurer has not yet met with Alliance who has asked for a meeting, but she prefers to do her due diligence first and then have the meeting.

New Business. There was no new business.

There being no new business, Ms. Marcia Reback moved to adjourn, Mr. Costello seconded and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr. Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau Jr., Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

**VOTED: To adjourn the meeting.**

There being no further business, the meeting was adjourned at 9:55 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gina Raimondo".

Gina M. Raimondo  
General Treasurer



# STAFF SUMMARY

**RHODE ISLAND STATE INVESTMENT COMMISSION  
STAFF SUMMARY ANALYSIS  
PORTFOLIO HIGHLIGHTS  
February 28, 2011**

**PORTFOLIO PERFORMANCE**

**February**

The ERSRI portfolio posted a 1.99% gain for the month of February, against the policy index of 2.19%. Domestic Equities gained 3.98%, international equities were up 2.64%, and the fixed income asset class returned 0.49%. If we factor out PE & RE investments, due to the way they are monitored, the plan performance was 2.36% against its 2.18% index.

**Calendar Year to Date**

For the two months ending February 28, 2011, the portfolio is up 3.11% against the policy index of 3.48%. Domestic equities were up 5.65%, international equities were up 3.64%, while fixed income generated a return of 0.79%.

**Fiscal Year to Date**

For the Fiscal Year ended June 30, 2011, the fund has gained 17.89%, against the policy index of 19.74%.

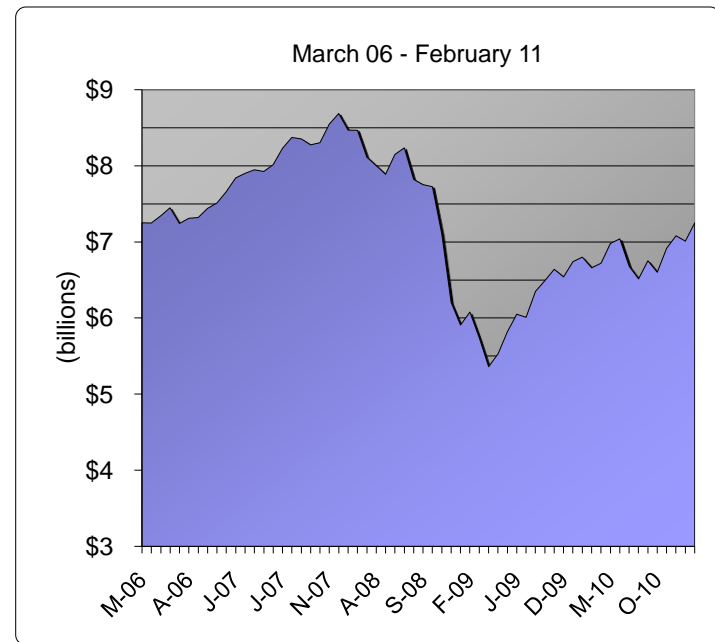
<b>Index Performance Summary - February 28, 2011</b>		
<b>Market Indices</b>	<b>Feb-11</b>	<b>Calendar YTD</b>
<b><u>Domestic Equity</u></b>		
S & P 500	3.43%	5.88%
DJ Wilshire 5000	3.64%	5.90%
Russell 2000	5.48%	5.21%
Policy Index	2.18%	3.43%
<b><u>International Equity</u></b>		
MSCI ACWI	2.66%	3.68%
<b><u>Fixed Income</u></b>		
BC AGG	0.25%	0.37%
<b><u>Real Estate</u></b>		
NCREIF	0.08%	0.17%

<b>ERSRI Performance By Asset Class</b>	<b>Feb-11</b>	<b>Calendar YTD</b>
Domestic Equity	3.98%	5.65%
Fixed Income	0.49%	0.79%
International Equity	2.64%	3.64%
<b>Total Fund Composite*</b>	<b>2.36%</b>	<b>3.31%</b>
<b>Manager Summary</b>	<b>Feb-11</b>	<b>CYTD</b>
<b><u>DOMESTIC EQUITY</u></b>		
Shott	3.33%	9.33%
SSgA S&P 500	3.42%	5.89%
Russell Overlay	-0.03%	-1.23%
Wellington Technical Eq	4.15%	4.39%
Russell 2000 Index	5.51%	5.26%
<b>Total Domestic Equity</b>	<b>3.98%</b>	<b>5.65%</b>
<b><u>FIXED INCOME</u></b>		
Brown Bros TIPS	0.81%	1.05%
Brown Bros Core	0.49%	0.79%
Fidelity	0.25%	0.42%
Taplin Canida & Habacht	1.08%	1.10%
Fixed Income Cash Acct	0.02%	0.03%
Mackay Shield	1.29%	3.13%
<b>Total Fixed Income</b>	<b>0.49%</b>	<b>0.79%</b>
<b><u>INTERNATIONAL EQUITY</u></b>		
<b>Total International Equity</b>	<b>2.64%</b>	<b>3.64%</b>
*Total Fund Composite includes all classes ex PE & RE		

**Market Valuation Report  
February 28, 2011**

**Market Values**

The total portfolio value increased in February by \$114.4 million to \$7.43 billion. This compares with an increase in value of \$60 million for the same period in 2010. The Domestic Equity Market values increased by \$107.6 million, including transfers in of \$0.3 million; Fixed Income increased by \$9.1 million, including transfers in of \$0.06 million; while International Values increased by \$34.6 million, including transfers out of \$0.06 million. The Cash Accounts increased by \$0.2 million including transfers out of \$2.9 million, and Alternative Investments decreased by \$37.8 million, including transfers out of \$30.4 million. The Real Return Pool increased by \$3.2 million including transfers in of \$0.00 million. The overlay account decreased by \$2.4 million.



### Cash Flow

February's pension payroll of \$73.3 million was greater than the \$44.0 million in contributions and wire transfers received by \$29.3 million.

To meet pension and other obligations, a transfer from long-term investments of \$33.5 million was necessary.

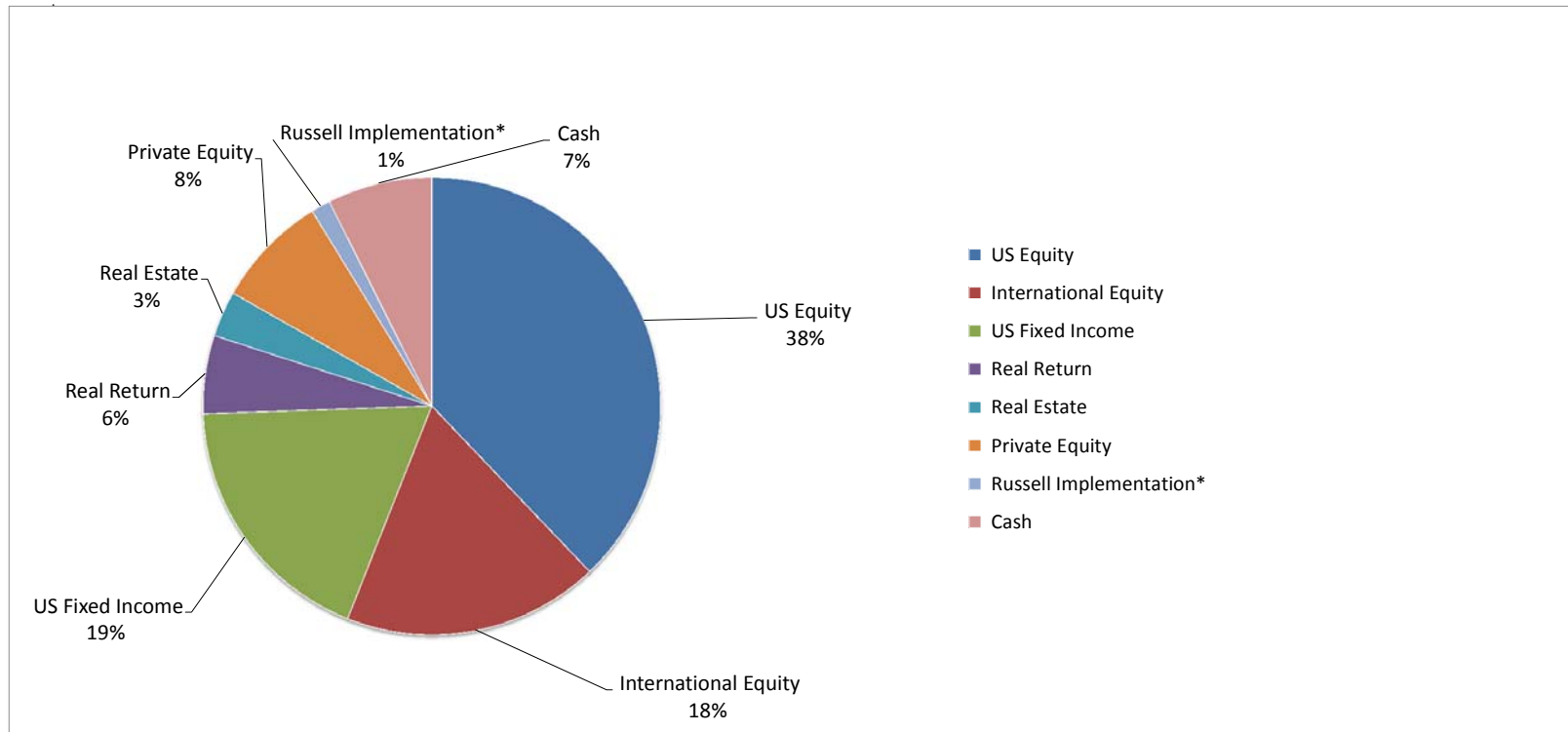
### Alternative Investments

At this time the alternative investment asset class has unfunded commitments of approximately \$181.4 million on commitments of \$1,094 million.

#### **CAPITAL CALLS Net of Distributions**

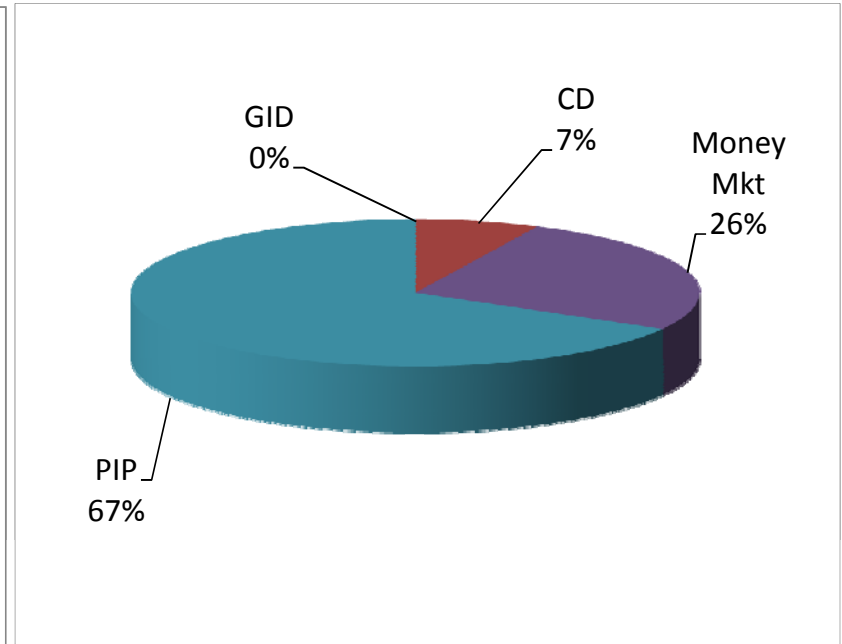
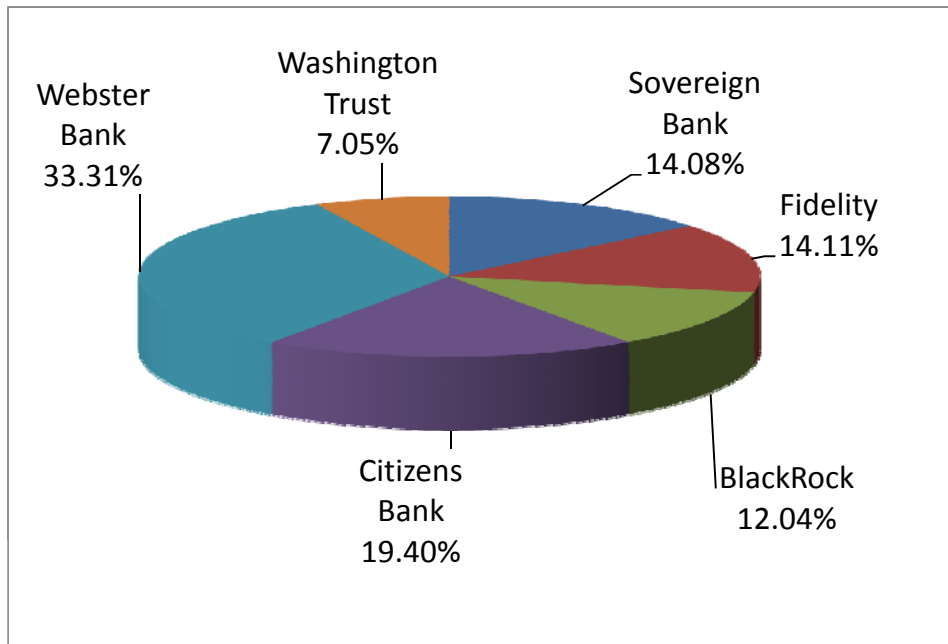
February 2011	FYTD	UNFUNDED BALANCE
<b>-\$20,925,019</b>	<b>-\$74,713,629</b>	<b>\$ 181,364,945</b>
February 2010	FYTD	UNFUNDED BALANCE
<b>-\$572,562</b>	<b>\$11,490,873</b>	<b>\$300,994,417</b>

**State of Rhode Island**  
 Asset Allocation  
 PERIODS ENDING February 28, 2011



	Value	Allocation
US Equity	2,814.20	37.9%
International Equity	1,346.84	18.1%
US Fixed Income	1,371.38	18.5%
Real Return	410.54	5.5%
Real Estate	240.22	3.2%
Private Equity	595.38	8.0%
Russell Implementation*	101.55	1.4%
Cash	549.94	7.4%
<b>Total Fund</b>	<b>7,430.04</b>	<b>100.0%</b>

**RHODE ISLAND STATE INVESTMENT COMMISSION  
SHORT TERM CASH INVESTMENTS AT:  
February 28, 2011**



REPO	= Repurchase Agreement
GID	= Government Insured Deposit
CP	= Commercial Paper
CD	= Certificate of Deposit
PIP	= Collateralized Deposit
Agency	= US Government Agency

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

**Issuer Credit Ratings  
Feb-11**

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	0.00%				N/R		N/R	
JP Morgan Chase	2,3,5	0.00%	Aa3		P-1	A-1	Aa3	A+	Stable
BlackRock Inc.	6	12.04%	A1		P-1	A-1	A1	A+	Stable
RBS Citizens	3,4	19.40%	A2		P-1	A-2	A2	A-	Negative
Federated	6	0.00%				N/R		N/R	N/R
Fidelity	6	14.11%				N/R		N/R	N/R
Merrill Lynch	2,5,6	0.00%	A2		P-1	A-1	A2	A	Negative
Morgan Stanley	1,2,5	0.00%	A2		P-1	A-1	A2	A	Negative
Sovereign Bank	3,4	14.08%	A3		P-2	A-1	A3	A	Stable
State Street Bank & Trust Comp	1,3	0.00%	A1		P-1	A-1	A1	A+	Negative
Webster Bank	3,4	33.31%	A3		P-2	A-2	A3	BBB	Stable
Washington Trust	3,7	7.05%				N/R		N/R	N/R
Oppenheimer	5	0.00%					B2		Stable

**Instrument Codes**

- 1 Repurchase Agreement
- 2 Commercial Paper
- 3 Certificate of Deposit
- 4 Collateralized Deposit
- 5 US Agency Discount Note
- 6 Government Money Market
- 7 Government Insured Deposit

**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

**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.

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

**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 Long-Term Debt Ratings:**

- AAA** - Highest rating, extremely strong
  - AA** - Differs slightly from highest rating, very strong
  - A** - Somewhat more susceptible to adverse effects of change in economic condition, strong
  - BBB** - Exhibits adequate protection parameters
  - BB, B, CCC, CC, C** - Have significant speculative characteristics. BB least speculative, C highest degree.
  - D** - Payment default
- Modifiers:  
+ or - show relative standing within the category.

# PERFORMANCE





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

Gina M. Raimondo  
General Treasurer

March 15, 2011

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, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on February 28, 2011.

**Employees' Retirement System of Rhode Island**  
**Composite Reporting Investment Valuation**

February 28, 2011

Asset Class		
Cash/Short Term Investments		794,760,103
Equities - Domestic		2,808,320,767
Equities - International		1,346,819,083
Fixed Income - Government	\$1,030,169,726	
Fixed Income - Corporate	\$614,407,990	
Fixed Income - In State	\$0	
Total Fixed Income		1,644,577,716
Alternative Investments		595,346,554
Real Estate		240,215,518
<b>Total Fund Investments</b>		<b>7,430,039,741</b>
Plan Allocation		
State Employees & Teachers	82.96%	6,164,331,951
Municipal Employees	15.58%	1,157,830,642
State Police	0.93%	69,428,580
Judicial	0.52%	38,448,568
<b>Total Fund Investments</b>	<b>100.00%</b>	<b>7,430,039,741</b>

The amount listed for alternative investments designation is illiquid and does not have a readily determinable market value. It is based on appraisals only.

Respectfully submitted,

Vincent Izzo  
Cash Manager

## State of Rhode Island

### Summary of Performance

#### Rates of Return

PERIODS ENDING February 28, 2011

		11/30/2010 MKT VAL	% of FUND	1 Month	3 Months	YTD	FYTD	1 Year	2 Years	3 Years	5 Years	ITD	Incept Date
<b>DOMESTIC EQUITY</b>													
<b>Index</b>													
	SSGA S&P 500 INDEX FUND S&P 500	1,945,464,710	26.2	3.4 3.4	13.0 13.0	5.9 5.9	30.5 30.5	22.7 22.6	37.3 37.2	2.3 2.2		1.4 1.3	11/01/2006
	RUSSELL 2000 INDEX FUND RUSSELL 2000	697,579,572	9.4	5.5 5.5	13.6 13.6	5.3 5.2	36.3 36.1	32.7 32.6				34.9 34.8	05/01/2009
<b>Active Core</b>													
	WELLINGTON TECHNICAL EQUITY RUSSELL 3000	168,374,376	2.3	4.2 3.6	10.3 13.1	4.4 5.9	25.4 31.8	12.9 24.3	18.9 39.2	4.8 3.1		5.0 0.4	08/01/2007
<b>Other</b>													
	SHOTT CAPITAL	2,782,379	0.0							10.8	-4.7		04/01/1999
<b>TOTAL US EQUITY RUSSELL 3000</b>		<b>2,814,201,037</b>	<b>37.9</b>	<b>4.0 3.6</b>	<b>13.0 13.1</b>	<b>5.7 5.9</b>	<b>31.7 31.8</b>	<b>24.5 24.3</b>	<b>38.7 39.2</b>	<b>3.6 3.1</b>	<b>3.0</b>	<b>9.3 0.4</b>	<b>03/01/1989</b>
<b>INTERNATIONAL EQUITY</b>													
<b>Index</b>													
	MSCI ACWI EX US INDEX FUND MSCI AC WORLD ex US (NET)	1,346,288,917	18.1	2.6 2.6	11.8 11.8	3.6 3.6	29.5 29.5	21.3 21.1				29.7 29.5	05/01/2009
<b>Active</b>													
	TAX RECLAIMS MSCI AC WORLD ex US (GROSS)	224,680	0.0	2.7	11.8	3.7	29.7	21.6				15.9	11/01/2009
	SSGA TRANSITION ACCOUNT	326,848	0.0										11/01/2000
<b>TOTAL INTERNATIONAL EQUITY MSCI AC WORLD ex US (GROSS)</b>		<b>1,346,840,446</b>	<b>18.1</b>	<b>2.6 2.7</b>	<b>11.8 11.8</b>	<b>3.6 3.7</b>	<b>29.5 29.7</b>	<b>21.3 21.6</b>	<b>38.1</b>	<b>1.1</b>	<b>4.7</b>	<b>5.2 15.9</b>	<b>03/01/1989</b>
<b>U.S. FIXED INCOME</b>													
<b>Core</b>													
	BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	361,890,500	4.9	0.5 0.2	-0.1 -0.9	0.8 0.3	2.3 1.3	5.4 4.7	7.1 6.5	5.3 5.4	5.1 6.0	6.5 7.1	03/01/1990
<b>Mortgage</b>													
	PYRAMIS GLOBAL ADVISORS BC MBS	465,113,506	6.3	0.3 0.3	-0.1 -0.3	0.4 0.3	2.0 1.2	5.7 4.1	7.5 5.4	6.3 6.0	5.9 6.2	7.4 7.1	10/01/1989
<b>Corporates</b>													
	TAPLIN, CANIDA & HABACHT BC CREDIT	367,484,578	5.0	1.1 0.7	0.7 -0.1	1.1 0.9	3.9 3.7	7.9 7.4	17.6 13.7	6.5 6.7	5.4 6.1	6.7 6.6	04/01/1996
<b>High Yield</b>													
	MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	176,887,937	2.4	1.3 1.3	4.5 5.3	3.1 3.3	11.9 13.0	14.8 16.4	27.9 32.6	10.4 11.4	8.1 8.6	12.0 11.0	10/01/2002
<b>Other</b>													
	FIXED INCOME CASH ACCOUNT	526,012,080	7.1	0.0	0.1	0.0	0.2	0.2	0.3	0.9		1.9	04/01/2007
<b>TOTAL US FIXED INCOME BC AGGREGATE</b>		<b>1,897,388,600</b>	<b>25.5</b>	<b>0.5 0.3</b>	<b>0.5 -0.7</b>	<b>0.8 0.4</b>	<b>2.9 1.5</b>	<b>5.7 4.9</b>	<b>10.5 7.1</b>	<b>5.6 5.4</b>	<b>5.7 5.8</b>	<b>6.5 6.4</b>	<b>12/01/1992</b>
<b>REAL RETURN POOL</b>													
	BROWN BROTHERS HARRIMAN - TIPS BARCLAYS US TIPS INDEX	410,540,740	5.5	0.8 0.9	-0.7 -0.6	1.1 1.0	2.6 2.9	6.6 7.0	9.6 9.6	3.9 3.5	5.7 5.5	5.8 5.5	06/01/2004
<b>TOTAL REAL RETURN CPI + 4%</b>		<b>410,540,740</b>	<b>5.5</b>	<b>0.8 0.8</b>	<b>-0.7 2.1</b>	<b>1.1 1.6</b>	<b>2.6 4.2</b>	<b>6.6 5.9</b>	<b>9.6</b>	<b>3.9</b>	<b>5.7</b>	<b>5.8 5.6</b>	<b>06/01/2004</b>
<b>ALTERNATIVE INVESTMENTS</b>													
	REAL ESTATE NCREIF PROPERTY LAG + 100 BPS	240,216,279	3.2	0.7 0.1	5.0 0.0	2.6 0.0	11.6 0.0	10.5 0.0	-17.1 0.0	-14.9 0.0	-4.2 0.0	-2.8 0.0	01/01/2005
	PRIVATE EQUITY S&P 500 PLUS 300 BP	595,377,713	8.0	-1.4 3.7	2.5 13.8	1.1 6.4	7.3 33.0	14.7 26.2	8.0 41.2	-0.8 5.3	6.2 6.0	8.9 13.1	01/01/1989
<b>TOTAL ALTERNATIVE INVESTMENTS TOTAL ALTERNATIVES BENCHMARK</b>		<b>835,593,992</b>	<b>11.3</b>	<b>-0.8 2.2</b>	<b>3.2 9.7</b>	<b>1.5 3.8</b>	<b>8.5 22.3</b>	<b>13.7 18.1</b>	<b>-0.3 19.1</b>	<b>-5.1 2.0</b>	<b>2.9 5.6</b>	<b>8.1</b>	<b>04/01/1996</b>
<b>RE-BALANCING</b>													
	RUSSELL IMPLEMENTATION SERVICES	101,550,731	1.4	0.0	-1.5	-1.2	-1.4	-1.1	0.3			-0.5	09/01/2008
<b>CASH</b>													
	CASH ACCOUNT (INSIDE)	19,524,143	0.3										07/01/2000
	CASH ACCOUNT (OUTSIDE)	4,400,052	0.1										07/01/2000
<b>TOTAL PLAN TOTAL PLAN BENCHMARK*</b>		<b>7,430,039,741</b>	<b>100.0</b>	<b>2.0 2.2</b>	<b>7.1 8.0</b>	<b>3.1 3.5</b>	<b>17.9 19.7</b>	<b>16.4 16.7</b>	<b>24.1 25.9</b>	<b>2.1 1.8</b>	<b>3.9 4.0</b>	<b>9.4</b>	<b>01/01/1984</b>

\* Effective 4/1/09: 36.0% RUSSELL 3000/ 22.0% BC AGG / 17.5% MSCI AC WORLD FREE EX USA / 10.0% CPI + 4% / 7.5% S&P 500 + 3% / 5.0%NCREIF PROPERTY LAGG / 2.0% 91 DAY T-BILL

## State of Rhode Island

### Summary of Performance

#### Rates of Return

PERIODS ENDING February 28, 2011

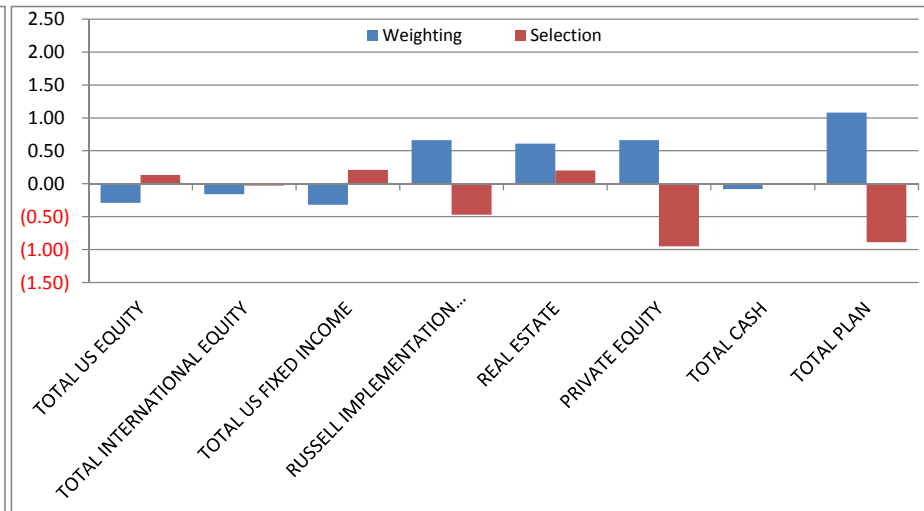
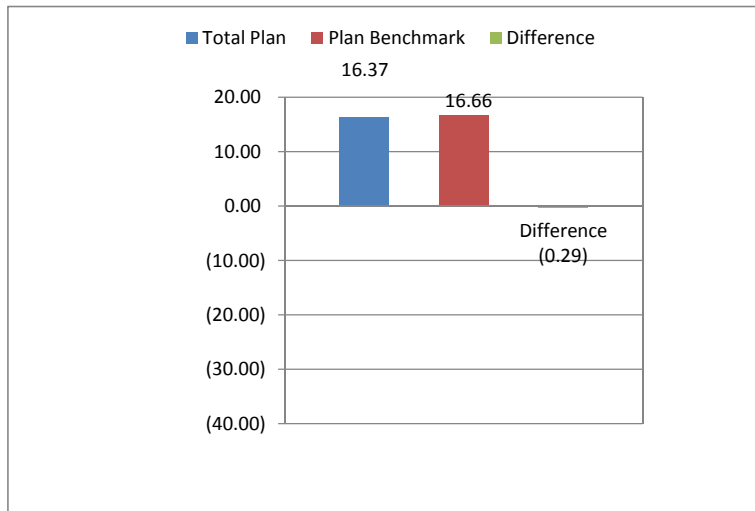
		11/30/2010 MKT VAL	% of FUND	6 YEARS	7 YEARS	8 YEARS	9 YEARS	10 YEARS	ITD	Incept Date
<b>DOMESTIC EQUITY</b>										
<i>Index</i>										
	SSGA S&P 500 INDEX FUND S&P 500	1,945,465	26.2						1.4	11/1/2006
	RUSSELL 2000 INDEX FUND RUSSELL 2000	697,580	9.4	3.8	4.2	8.0	4.1	2.6	34.9	5/1/2009
<i>Active Core</i>										
	WELLINGTON TECHNICAL EQUITY S&P 500	168,374	2.3	3.8	4.2	8.0	4.1	2.6	5.0	8/1/2007
<i>Other</i>										
	SHOTT CAPITAL	2,782	0.0							4/1/1999
<b>TOTAL US EQUITY</b>		<b>2,814,201</b>	<b>37.9</b>	<b>4.4</b>	<b>4.9</b>	<b>9.5</b>	<b>5.5</b>	<b>3.9</b>	<b>9.3</b>	<b>3/1/1989</b>
<i>RUSSELL 3000</i>				<b>4.4</b>	<b>4.8</b>	<b>8.8</b>	<b>4.9</b>	<b>3.4</b>		
<b>INTERNATIONAL EQUITY</b>										
<i>Index</i>										
	MSCI ACWI EX US INDEX FUND MSCI EAFE (NET)	1,346,289	18.1	4.8	6.7	11.6	8.0	4.9	29.7	5/1/2009
<i>Active</i>										
	TAX RECLAIMS MSCI AC WORLD ex US (GROSS)	225	0.0	7.3	9.0	14.0	10.2	7.1		11/1/2009
	SSGA TRANSITION ACCOUNT	327	0.0							11/1/2000
<b>TOTAL INTERNATIONAL EQUITY</b>		<b>1,346,840</b>	<b>18.1</b>	<b>6.9</b>	<b>8.7</b>	<b>13.2</b>	<b>9.0</b>	<b>6.0</b>	<b>5.2</b>	<b>3/1/1989</b>
<i>MSCI AC WORLD ex US (GROSS)</i>				<b>7.3</b>	<b>9.0</b>	<b>14.0</b>	<b>10.2</b>	<b>7.1</b>		
<b>U.S. FIXED INCOME</b>										
<i>Core</i>										
	BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	361,891	4.9	4.8	4.6	4.8	5.4	5.6	6.5	3/1/1990
<i>Mortgage</i>										
	PYRAMIS GLOBAL ADVISORS BC MBS	465,114	6.3	5.5	5.3	5.3	5.6	5.9	7.4	10/1/1989
<i>Corporates</i>										
	TAPLIN, CANIDA & HABACHT BC CREDIT	367,485	5.0	5.0	4.9	5.9	6.2	6.3	6.7	4/1/1996
<i>High Yield</i>										
	MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	176,888	2.4	7.4	8.0	10.9			12.0	10/1/2002
<i>Other</i>										
	FIXED INCOME CASH ACCOUNT	526,012	7.1	7.7	8.2	10.2	9.9	8.7	1.9	4/1/2007
<b>TOTAL US FIXED INCOME</b>		<b>1,897,389</b>	<b>25.5</b>	<b>5.3</b>	<b>5.3</b>	<b>5.8</b>	<b>6.0</b>	<b>5.8</b>	<b>6.5</b>	<b>12/1/1992</b>
<i>BC AGGREGATE</i>				<b>5.3</b>	<b>4.9</b>	<b>4.8</b>	<b>5.4</b>	<b>5.6</b>		
<b>REAL RETURN POOL</b>										
	BROWN BROTHERS HARRIMAN - TIPS BC GLOBAL INFLATION LINKED: U.S. TIPS	410,541	5.5	5.4	5.2	5.1	5.3	6.8	6.7	5.8
<b>TOTAL REAL RETURN</b>		<b>410,541</b>	<b>5.5</b>	<b>5.4</b>	<b>6.5</b>	<b>6.6</b>	<b>6.5</b>	<b>6.5</b>	<b>6.4</b>	<b>5.8</b>
<i>CPI + 4%</i>										
<b>ALTERNATIVE INVESTMENTS</b>										
	REAL ESTATE NCREIF PROPERTY INDEX QTR LAG	240,216	3.2	-3.7	6.1	7.0	7.1	6.9	7.3	-2.8
	PRIVATE EQUITY S&P 500 PLUS 300 BP	595,378	8.0	10.8	6.9	11.9	12.4	9.8	7.2	8.9
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>835,594</b>	<b>11.3</b>	<b>7.5</b>	<b>9.0</b>	<b>9.8</b>	<b>7.5</b>	<b>5.5</b>	<b>8.1</b>	<b>4/1/1996</b>
<i>TOTAL ALTERNATIVES BENCHMARK</i>				<b>7.0</b>	<b>7.6</b>	<b>9.9</b>	<b>7.6</b>	<b>6.8</b>		
<b>RE-BALANCING</b>										
	RUSSELL IMPLEMENTATION SERVICES	101,551	1.4						-0.5	9/1/2008
<b>CASH</b>										
	CASH ACCOUNT (INSIDE)	19,524	0.3							
	CASH ACCOUNT (OUTSIDE)	4,400	0.1							
<b>TOTAL PLAN</b>		<b>7,430,040</b>	<b>100.0</b>	<b>5.2</b>	<b>5.9</b>	<b>9.3</b>	<b>6.6</b>	<b>5.2</b>	<b>9.4</b>	<b>1/1/1984</b>
<i>TOTAL PLAN BENCHMARK</i>				<b>5.1</b>	<b>5.7</b>	<b>9.0</b>	<b>6.4</b>	<b>5.1</b>		

\* Effective 4/1/09: 36.0% RUSSELL 3000/ 22.0% BC AGG / 17.5% MSCI AC WORLD FREE EX USA / 10.0% CPI + 4% / 7.5% S&P 500 + 3% / 5.0%NCREIF PROPERTY LAGG / 2.0% 91 DAY T-BILL

**STATE OF RHODE ISLAND**  
**TOTAL PLAN POOL ATTRIBUTION**  
 1 Year Period: February 28, 2010 - February 28, 2011  
 Value Added

**1 YEAR RETURNS**

**VALUE ADDED ATTRIBUTION**



	Beginning Weights			Returns			Value Added		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference	Weighting	Selection	Timing
TOTAL US EQUITY	39.20	42.50	(3.30)	24.50	24.25	0.25	(0.29)	0.13	
TOTAL INTERNATIONAL EQUITY	18.50	20.00	(1.50)	21.31	21.63	(0.32)	(0.16)	(0.03)	
TOTAL US FIXED INCOME	26.60	25.00	1.60	5.65	4.93	0.72	(0.32)	0.21	
RUSSELL IMPLEMENTATION SERVICES	1.60	0.00	1.60	(1.13)	24.19	(25.32)	0.66	(0.47)	
REAL ESTATE	3.60	5.00	(1.40)	10.48	5.84	4.64	0.61	0.20	
PRIVATE EQUITY	10.30	7.50	2.80	14.65	26.19	(11.54)	0.66	(0.95)	
TOTAL CASH	0.20	0.00	0.20	0.20	0.14	0.06	(0.08)	0.01	
<b>TOTAL PLAN</b>	<b>100</b>	<b>100</b>		<b>16.37</b>	<b>16.66</b>	<b>(0.29)</b>	<b>1.08</b>	<b>(0.89)</b>	<b>(0.42)</b>

**ERSRI Monthly Market Value Report With Time Weighted Returns**

February 28, 2011

	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								1/31/2011	In/(out)	2/28/2011	Increase/decrease
<b>Domestic Equity</b>											
Shott Capital Management IRR	9.33%	5.88%	3.45%	S & P 500	3.33%	3.43%	-0.10%	2,692,647		2,782,379	89,733
SSgA S&P 500	5.89%	5.88%	0.01%	S & P 500	3.42%	3.43%	-0.01%	1,881,100,252		1,945,464,710	64,364,458
Wellington Tech Eq	4.39%	5.90%	-1.51%	Russell 3000	4.15%	3.64%	0.51%	161,719,317	300,000	168,374,376	6,355,059
Russell 2000 Index Fund	5.26%	5.21%	0.05%	Russell 2000	5.51%	5.48%	0.03%	661,129,623		697,579,572	36,449,948
<b>Total Domestic Equity</b>	<b>5.65%</b>	<b>5.90%</b>	<b>-0.25%</b>		<b>3.98%</b>	<b>3.64%</b>	<b>0.34%</b>	<b>2,706,641,839</b>	<b>300,000</b>	<b>2,814,201,037</b>	<b>107,259,198</b>
<b>International Equity</b>											
Boston Company		3.68%		MSCI ACWI		2.66%		64,397	(6,774)	57,667	43
Goldman Sachs		3.68%		MSCI ACWI		2.66%		108,949	(7,691)	101,874	616
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	335,184	(6,819)	326,848	(1,517)
Mondrian		3.68%		MSCI ACWI		2.66%		102,504	(37,432)	65,140	67
MSCI Ex US Index Fund	3.64%	3.64%	0.00%	MSCI Ex US Index Fund	2.64%	2.63%	0.01%	1,311,628,836		1,346,288,917	34,660,082
<b>Total International Equity</b>	<b>3.64%</b>	<b>3.68%</b>	<b>-0.04%</b>		<b>2.64%</b>	<b>2.66%</b>	<b>-0.02%</b>	<b>1,312,239,871</b>	<b>(58,715)</b>	<b>1,346,840,446</b>	<b>34,659,290</b>
<b>Fixed Income</b>											
Fidelity Management & Research	0.42%	0.30%	0.12%	BC MBS	0.25%	0.25%	0.00%	463,945,791	-	465,113,506	1,167,716
Brown Brothers, Harriman	0.79%	0.31%	0.48%	Citigroup BIG	0.49%	0.20%	0.29%	360,300,260	-	361,890,500	1,590,240
Taplin, Canida & Habacht	1.10%	0.93%	0.17%	BC Credit	1.08%	0.72%	0.36%	363,565,696	-	367,484,578	3,918,882
Mackay Shields	3.13%	3.34%	-0.21%	CS First BosHiYield	1.29%	1.30%	-0.01%	174,630,473	-	176,887,937	2,257,464
Fixed Income Cash Acct	0.03%	0.02%	0.01%		0.02%	0.02%	0.00%	525,866,427	63,863	526,012,080	81,789
<b>Total Fixed Income</b>	<b>0.79%</b>	<b>0.37%</b>	<b>0.42%</b>		<b>0.49%</b>	<b>0.25%</b>	<b>0.24%</b>	<b>1,888,308,646</b>	<b>63,863</b>	<b>1,897,388,600</b>	<b>9,016,091</b>
<b>Alternative Investments</b>											
Private Equity	1.09%	6.39%	-5.30%	N/A	-1.40%	3.67%	-5.07%	625,275,854	(20,925,019)	595,377,713	(8,973,122)
Real Estate	2.63%	0.17%	2.46%	NCREIF + 100	0.65%	0.08%	0.57%	248,152,754	(9,516,770)	240,216,279	1,580,295
<b>Total Alternatives</b>	<b>1.53%</b>	<b>3.81%</b>	<b>-2.28%</b>		<b>-0.82%</b>	<b>2.20%</b>	<b>-3.02%</b>	<b>873,428,608</b>	<b>(30,441,789)</b>	<b>835,593,992</b>	<b>(7,392,827)</b>
<b>Cash Accounts</b>											
Cash in Trust	0.03%	0.02%	0.01%		0.02%	0.02%	0.00%	22,252,470	(2,928,206)	19,524,143	199,880
Cash Outside Trust	0.00%	0.02%	-0.02%		0.00%	0.02%	-0.02%	1,483,581	-	4,400,052	2,916,471
<b>Total Cash</b>	<b>0.03%</b>	<b>0.02%</b>	<b>0.01%</b>		<b>0.01%</b>	<b>0.02%</b>	<b>-0.01%</b>	<b>23,736,051</b>	<b>(2,928,206)</b>	<b>23,924,196</b>	<b>3,116,351</b>
<b>Real Return Pool</b>											
Brown Bros TIPS	1.05%	1.02%	0.03%	CPI +4%	0.81%	0.88%	-0.07%	407,345,836	-	410,540,740	3,194,904
<b>Other</b>											
Russell Overlay	-1.23%				-0.03%			103,950,831	-	101,550,731	(2,400,100)
<b>Total Plan Ex PE &amp; RE</b>	<b>3.31%</b>	<b>3.43%</b>	<b>-0.12%</b>		<b>2.36%</b>	<b>2.18%</b>	<b>0.18%</b>	<b>7,315,651,681</b>	<b>(33,064,847)</b>	<b>7,430,039,741</b>	<b>147,452,907</b>
<b>Total Plan</b>	<b>3.11%</b>	<b>3.48%</b>	<b>-0.37%</b>		<b>1.99%</b>	<b>2.19%</b>	<b>-0.20%</b>				

\*Policy Index: (Effective 04/1/09)

36% Russell 3000

22% BC Agg

17.5% MSCI World Free Ex USA

10% CPI + 4%

7.5% S&P 500 + 3%

Effective 11/1/09 Moved TIPS from Fixed Income to Real Return. The history remains in Fixed Income.

## State of Rhode Island

RATES OF RETURN - Total

Periods Ending February 28, 2011



STATE STREET

### PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
<b>U.S. EQUITY</b>									
SSGA S&P 500 INDEX FUND	S&P 500	3.42	3.43	-0.01	5.89	5.88	0.01	1,945,465	0
SHOTT CAPITAL	S&P 500	3.33	3.43	-0.10	9.33	5.88	3.45	2,782	0
WELLINGTON TECHNICAL EQUITY	RUSSELL 3000	4.15	3.64	0.51	4.39	5.90	-1.51	168,374	-49
RUSSELL 2000 INDEX FUND	RUSSELL 2000	5.51	5.48	0.03	5.26	5.21	0.05	697,580	0
TOTAL US EQUITY	RUSSELL 3000	3.98	3.64	0.34	5.65	5.90	-0.25	2,814,201	-49
<b>INTERNATIONAL EQUITY</b>									
THE BOSTON COMPANY	MSCI AC WORLD ex US (GROSS)		2.66			3.68		58	-7
GOLDMAN SACHS	MSCI AC WORLD ex US (GROSS)		2.66			3.68		102	-8
MONDRIAN	MSCI AC WORLD ex US (GROSS)		2.66			3.68		65	-37
MSCI ACWI EX US INDEX FUND	MSCI AC WORLD ex US (NET)	2.64	2.63	0.01	3.64	3.64	0.00	1,346,289	0
TOTAL INTERNATIONAL EQUITY	MSCI AC WORLD ex US (GROSS)	2.64	2.66	-0.02	3.64	3.68	-0.04	1,346,840	-59
<b>U.S. FIXED INCOME</b>									
PYRAMIS GLOBAL ADVISORS	BC MBS	0.25	0.25	0.00	0.42	0.30	0.12	465,114	0
BROWN BROTHERS HARRIMAN - CORE	CITIGROUP BIG	0.49	0.20	0.29	0.79	0.31	0.48	361,890	-167
TAPLIN, CANIDA & HABACHT	BC CREDIT	1.08	0.72	0.36	1.10	0.93	0.17	367,485	0
MACKAY SHIELDS, LLC	CSFB GLOBAL HIGH YIELD	1.29	1.30	-0.01	3.13	3.34	-0.21	176,888	0
FIXED INCOME CASH ACCOUNT	91 DAY T-BILL	0.02	0.02	0.00	0.03	0.02	0.01	526,012	64
TOTAL US FIXED INCOME	BC AGGREGATE	0.49	0.25	0.24	0.79	0.37	0.42	1,897,389	-103

# State of Rhode Island

RATES OF RETURN - Total

Periods Ending February 28, 2011



STATE STREET

## PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
<b>REAL RETURN POOL</b>									
1 BROWN BROTHERS HARRIMAN - TIPS	BARCLAYS US TIPS INDEX	0.81	0.88	-0.07	1.05	1.02	0.03	410,541	-115
TOTAL REAL RETURN POOL	CPI + 4%	0.81	0.80	0.01	1.05	1.61	-0.56	410,541	-115
<b>ALTERNATIVE INVESTMENTS</b>									
PRIVATE EQUITY	S&P 500 PLUS 300 BP	-1.40	3.67	-5.07	1.09	6.39	-5.30	595,378	-21,281
REAL ESTATE	NCREIF PROPERTY LAG + 100 BPS	0.65	0.08	0.57	2.63	0.17	2.46	240,216	-9,530
TOTAL ALTERNATIVE INVESTMENTS	TOTAL ALTERNATIVES BENCHMARK	-0.82	2.20	-3.02	1.53	3.81	-2.28	835,594	-30,811
<b>CASH EQUIVALENTS</b>									
CASH ACCOUNT (INSIDE)	91 DAY T-BILL	0.02	0.02	0.00	0.03	0.02	0.01	19,524	-2,759
CASH ACCOUNT (OUTSIDE)	91 DAY T-BILL	0.00	0.02	-0.02	0.00	0.02	-0.02	4,400	2,916
TOTAL CASH	91 DAY T-BILL	0.01	0.02	-0.01	0.03	0.02	0.01	23,924	157
<b>OTHER</b>									
RUSSELL IMPLEMENTATION SERVICES		-0.03			-1.23			101,551	0
<b>TOTAL PLAN</b>									
TOTAL PLAN	TOTAL PLAN BENCHMARK	1.99	2.19	-0.20	3.11	3.48	-0.37	7,430,040	-30,979
TOTAL PLAN ex PE RE	TOTAL PLAN BENCHMARK ex PE RE	2.36	2.18	0.18	3.31	3.43	-0.12	6,594,446	-168

## State of Rhode Island

RATES OF RETURN - Total

Periods Ending February 28, 2011



STATE STREET

### PERFORMANCE SUMMARY REPORT

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#### Endnotes

- 1 Effective 11/1/09: Moved from Fixed Income to Real Return The return history remains in fixed income.



# State of Rhode Island

TOTAL PLAN

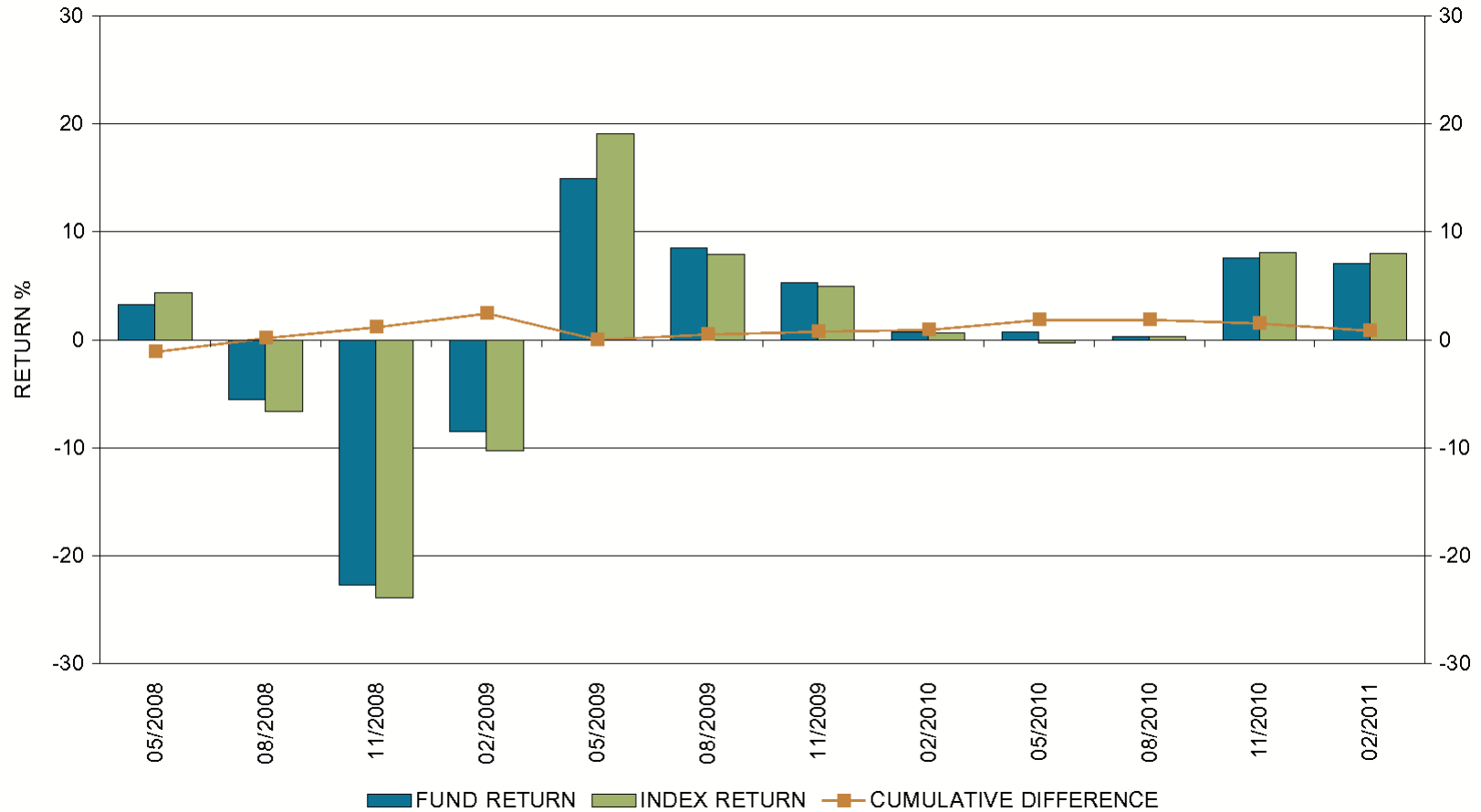
Index: TOTAL PLAN BENCHMARK

PERIODS: February 29, 2008 - February 28, 2011



STATE STREET

## CUMULATIVE PERFORMANCE REPORT



# State of Rhode Island

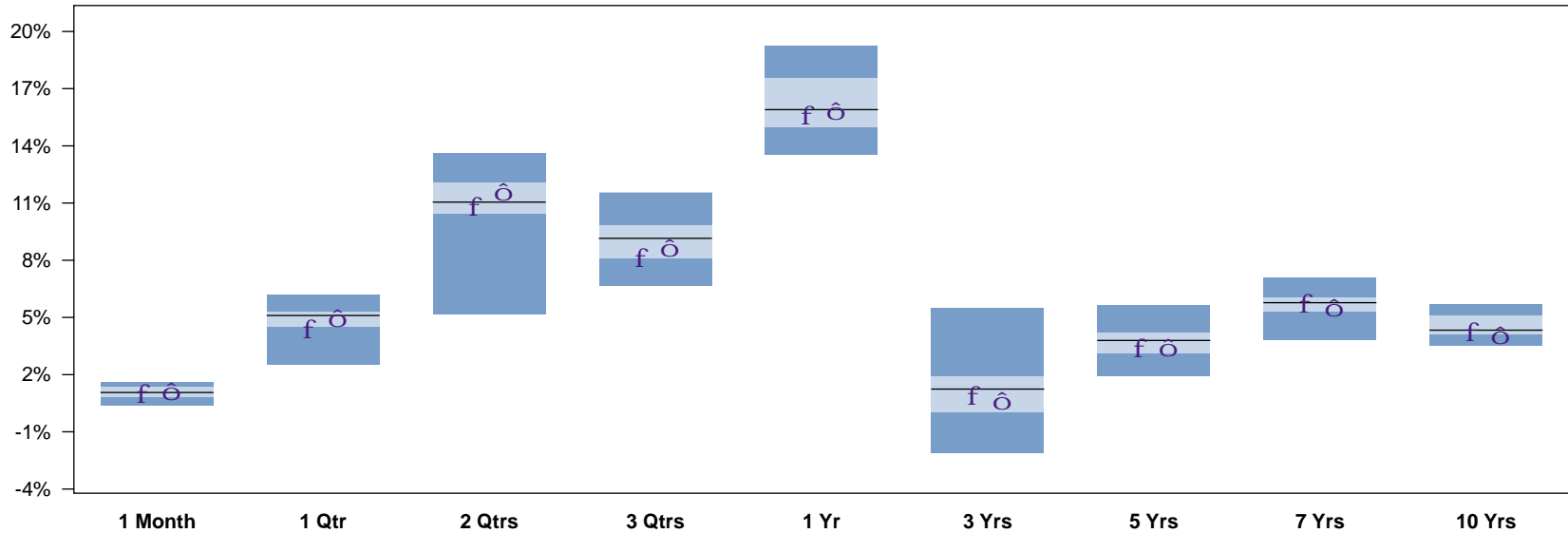
Public Funds (DB) > \$1 Billion (SSC)

PERIOD ENDING January 31, 2011



STATE STREET

## TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	1.58		6.20		13.61		11.54		19.23		5.49		5.66		7.08		5.69	
25th Percentile	1.36		5.33		12.10		9.85		17.57		1.94		4.23		6.08		5.13	
50th Percentile	1.06		5.10		11.05		9.15		15.90		1.24		3.79		5.77		4.33	
75th Percentile	0.80		4.48		10.46		8.07		14.98		0.02		3.13		5.31		4.09	
95th Percentile	0.39		2.52		5.18		6.65		13.54		-2.09		1.94		3.83		3.53	
No. of Obs	31		30		29		29		28		28		28		28		27	
f TOTAL PLAN	1.10	47	4.48	75	10.92	54	8.22	72	15.72	57	0.98	56	3.49	67	5.86	36	4.35	48
o 1 TOTAL PLAN BENCHMARK	1.26	32	5.09	51	11.70	39	8.79	56	15.98	48	0.74	65	3.54	64	5.62	60	4.19	64

## State of Rhode Island

Public Funds (DB) > \$1 Billion (SSC)

PERIOD ENDING January 31, 2011



STATE STREET

### TOTAL RETURN

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#### Endnotes

1 Effective 4/1/09: 36.0% RUSSELL 3000/ 22.0% BC AGG / 17.5% MSCI AC WORLD FREE EX USA / 10.0% CPI + 4% / 7.5% S&P 500 + 3% / 5.0% NCREIF PROPERTY LAGG / 2.0% 91 DAY T-BILL

As of 04/30/2006: 42.5% W5000 / 25.0% BC AGG / 20.0% MSCI AC WORLD FREE ex USA / 5.0% NCREIF PROPERTY LAG / 7.5% S&P 500 plus 300bps

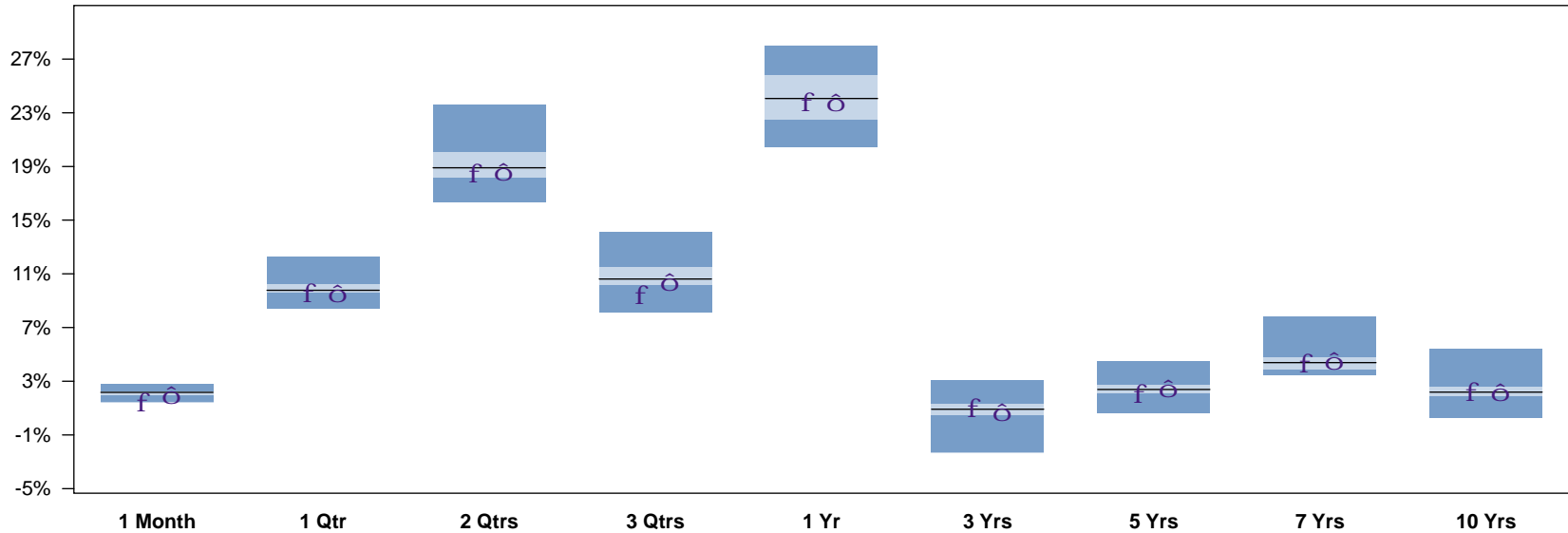
Prior to 04/30/2006: 52.5% W5000/ 25.0% BC AGG / 22.5% MSCI AC WORLD FREE ex USA

# State of Rhode Island

US EQUITY POOLS PUBLIC GT 1BILL (SSC)  
 PERIOD ENDING January 31, 2011



## TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	2.81		12.27		23.57		14.10		27.96		3.09		4.49		7.77		5.39	
25th Percentile	2.29		10.23		20.07		11.49		25.82		1.38		2.73		4.79		2.58	
50th Percentile	2.17		9.78		18.90		10.62		24.06		0.92		2.39		4.39		2.19	
75th Percentile	1.93		9.61		18.12		10.13		22.44		0.43		2.04		3.88		1.82	
95th Percentile	1.44		8.46		16.34		8.09		20.44		-2.31		0.62		3.49		0.26	
No. of Obs	28		28		29		29		28		25		25		21		21	
f TOTAL US EQUITY	1.61	90	9.73	66	18.62	65	9.59	87	23.95	56	1.16	35	2.26	59	4.52	37	2.34	42
o WILSHIRE 5000	2.15	55	9.73	67	18.81	56	10.54	53	23.94	57	0.86	57	2.62	34	4.70	31	2.33	42

# State of Rhode Island

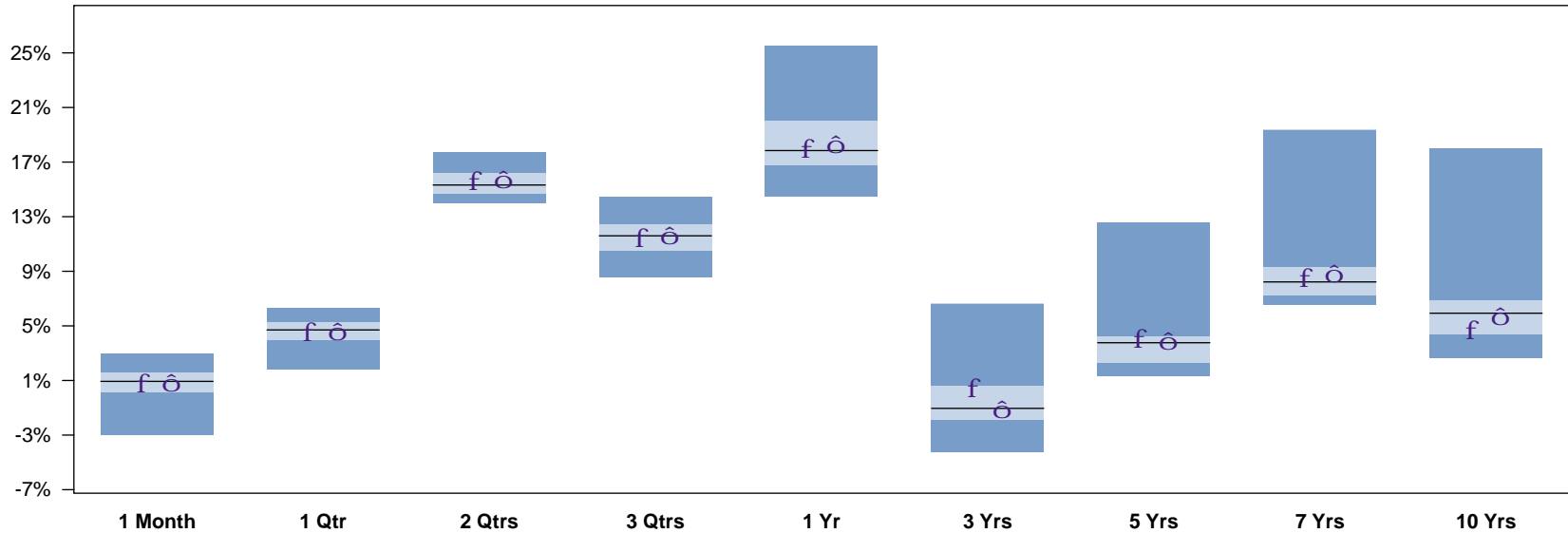
Intl Equity Pools - Public Funds (DB) (SSC)

PERIOD ENDING January 31, 2011



STATE STREET

## TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	2.95		6.33		17.71		14.46		25.49		6.63		12.57		19.35		17.98	
25th Percentile	1.61		5.32		16.18		12.49		20.04		0.65		4.25		9.37		6.87	
50th Percentile	0.94		4.70		15.32		11.60		17.84		-1.04		3.77		8.22		5.93	
75th Percentile	0.11		3.98		14.67		10.48		16.76		-1.93		2.29		7.17		4.35	
95th Percentile	-3.02		1.84		13.97		8.55		14.47		-4.28		1.34		6.52		2.65	
No. of Obs	43		42		42		43		43		36		33		32		29	
f TOTAL INTERNATIONAL	0.97	49	4.70	51	15.77	39	11.58	51	18.16	44	0.59	26	4.18	27	8.64	44	4.84	64
o MSCI AC WORLD ex US (	1.00	46	4.75	47	15.88	33	11.79	43	18.50	41	-0.96	49	4.08	32	9.00	41	5.92	51

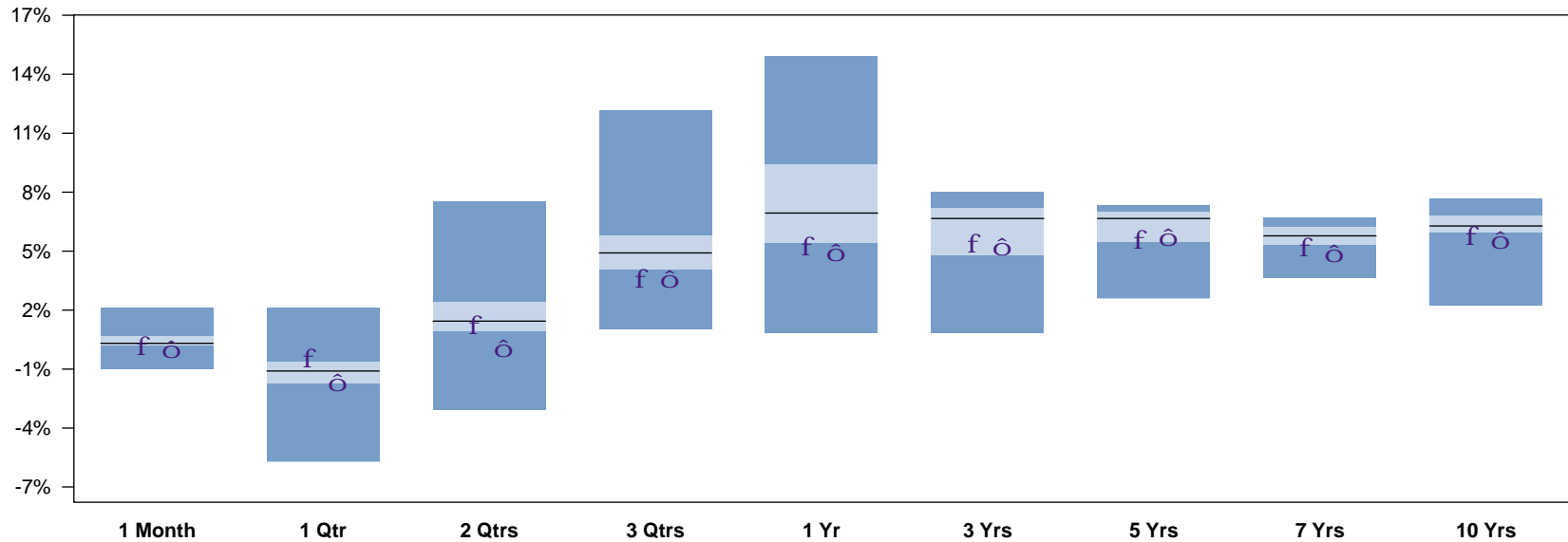
# State of Rhode Island

US FIXED INC POOL PUBLIC GT 1 BILL (SSC)  
 PERIOD ENDING January 31, 2011



STATE STREET

## TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	2.10		2.12		7.54		12.17		14.95		7.99		7.34		6.71		7.68	
25th Percentile	0.67		-0.61		2.42		5.80		9.45		7.20		7.02		6.23		6.81	
50th Percentile	0.31		-1.10		1.44		4.91		6.94		6.66		6.66		5.78		6.28	
75th Percentile	0.17		-1.75		0.94		4.06		5.40		4.74		5.43		5.29		5.93	
95th Percentile	-1.01		-5.71		-3.06		1.02		0.85		0.83		2.60		3.64		2.24	
No. of Obs	17		16		16		17		16		13		13		13		13	
f TOTAL US FIXED INCOM	0.30	62	-0.34	19	1.36	54	3.73	85	5.36	83	5.50	65	5.67	66	5.33	73	5.86	79
o BC AGGREGATE	0.12	78	-1.53	67	0.20	85	3.72	85	5.06	90	5.36	67	5.82	61	5.00	82	5.68	80

# State of Rhode Island

TOTAL PLAN

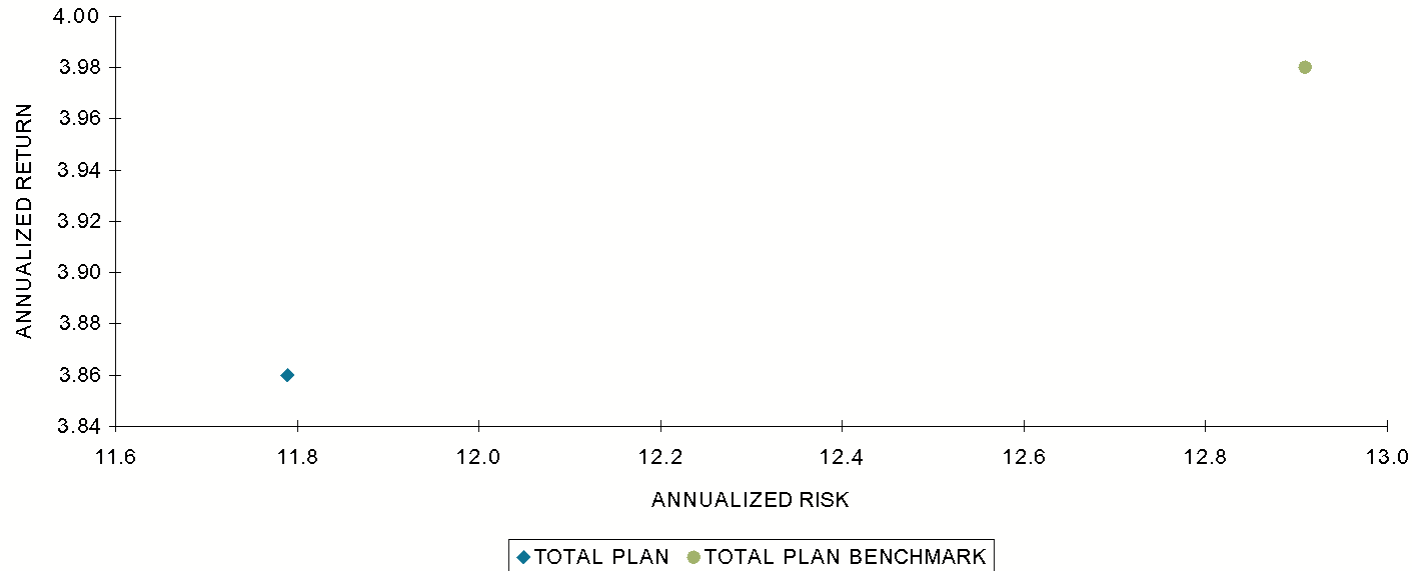
Benchmark: TOTAL PLAN BENCHMARK

February 28, 2006 - February 28, 2011



STATE STREET

## RISK VS. RETURN



### RISK INFORMATION

Portfolio Return	3.86
Benchmark Return	3.98
Return Differences	-0.13
Portfolio Standard Deviation	11.79
Benchmark Standard	12.91
Tracking Error	1.87

### RISK STATISTICS

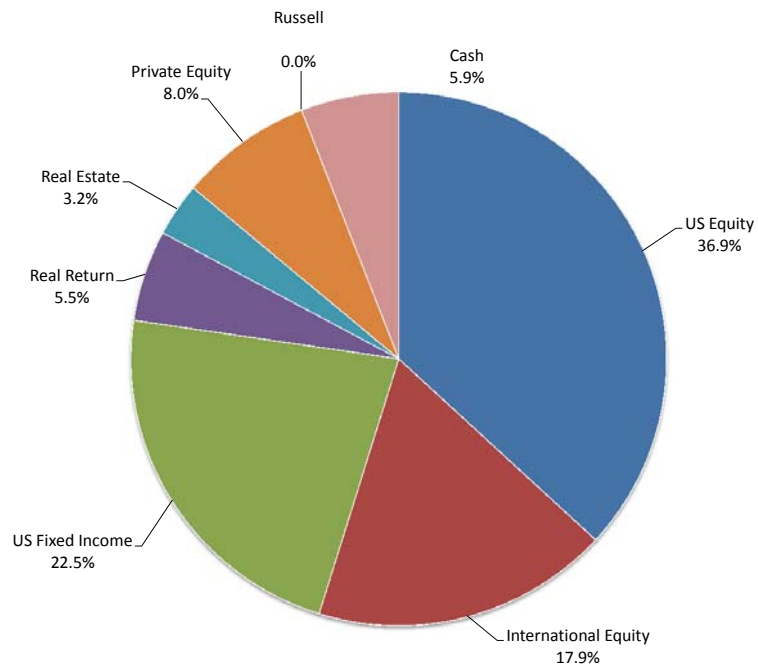
Historic Beta	0.91
R-squared	0.99
Jensen's Alpha	0.03
Sharpe Ratio	0.13
Treynor Ratio	1.71
Information Ratio	-0.07

# ASSET ALLOCATION

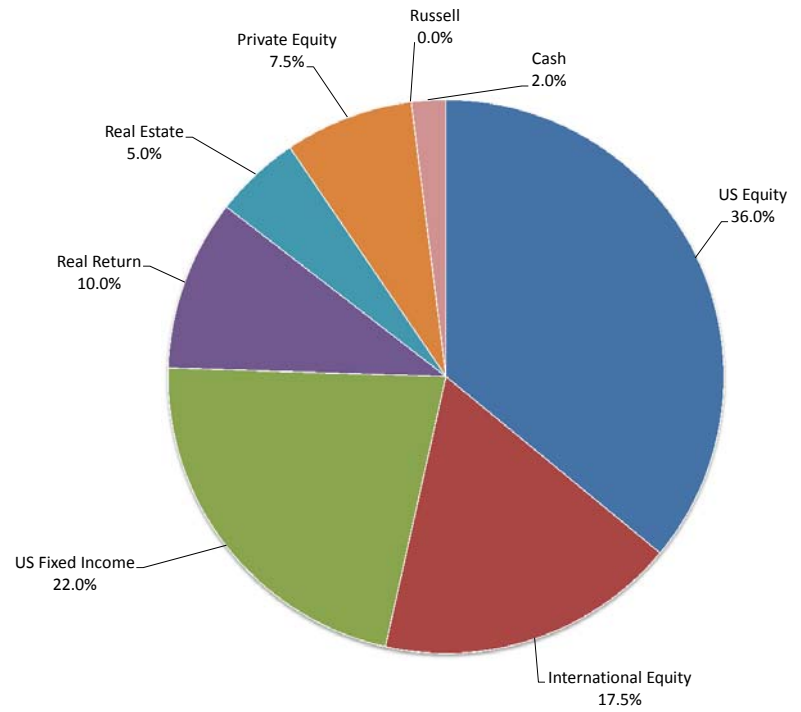


**State of Rhode Island**  
 Asset Allocation  
 PERIODS ENDING February 28, 2011

**Notional Allocation**



**Policy Allocation**

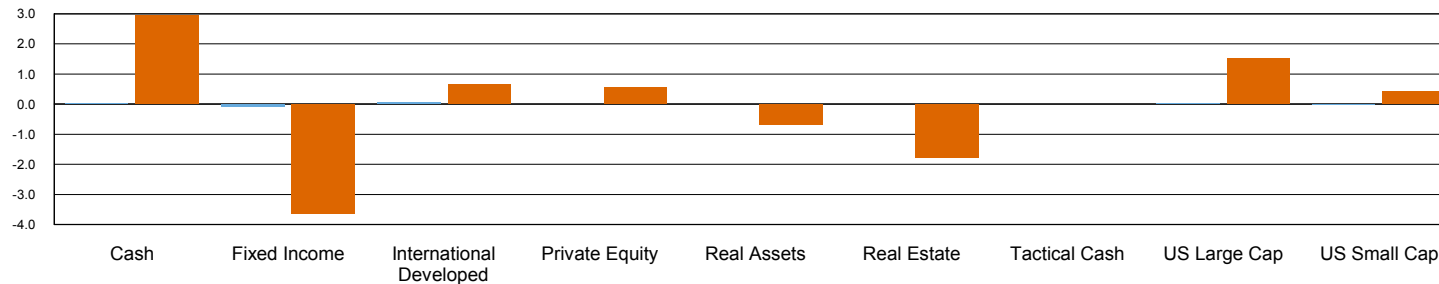


\* Difference in actual investment allocation versus target allocation policy is offset by the notional overlay provided by the Russell Implementation account.

# Asset Summary

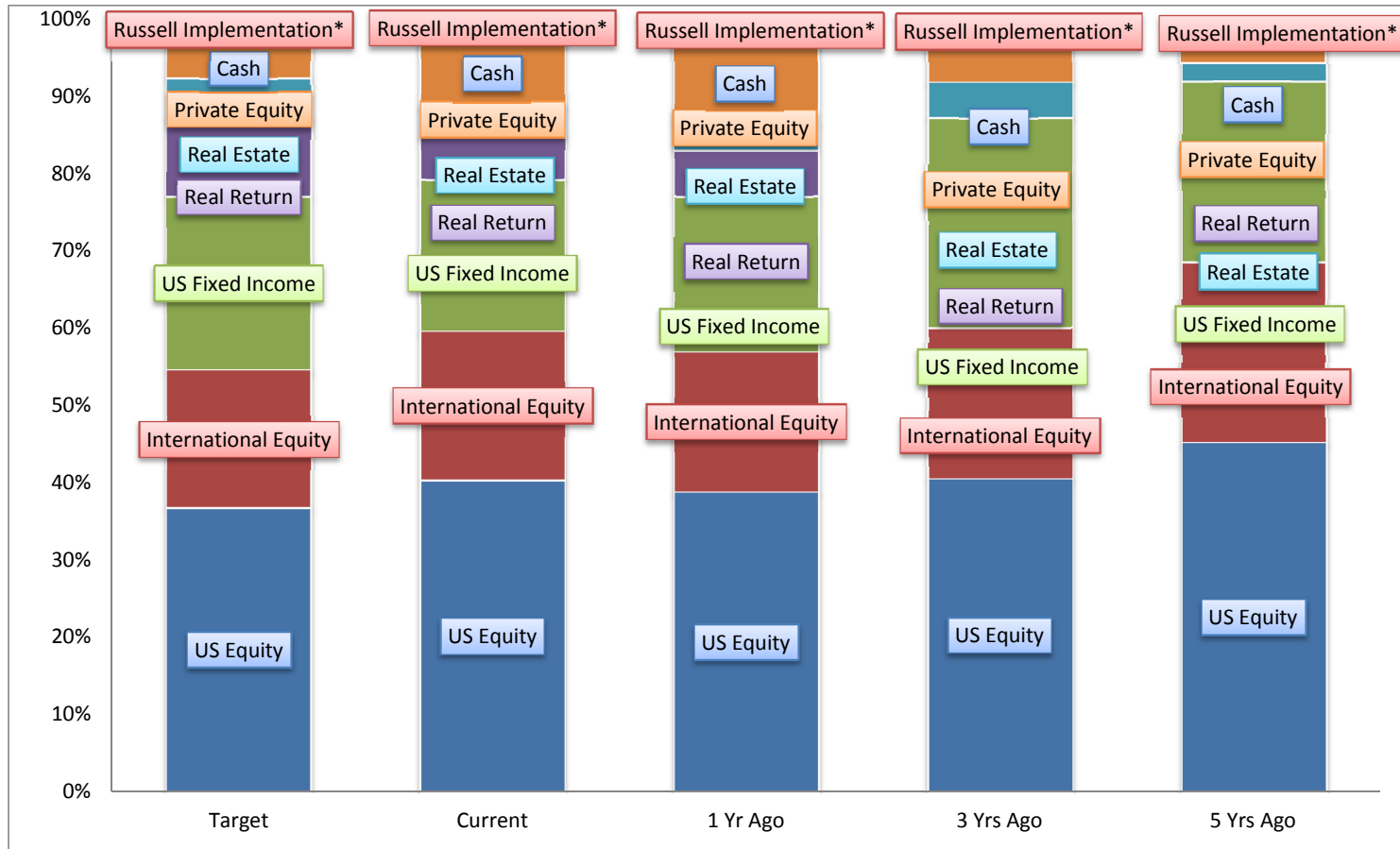
<u>Asset Class</u>	<u>Physical Exposure</u>		<u>Synthetic Exposure</u>		<u>Net Position</u>		<u>Overlay Target</u>		<u>Policy Target</u>	
<b>Total Market Value</b>	<b>7,417.7</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>	<b>7,417.7</b>	<b>100.0%</b>	<b>7,417.7</b>	<b>100.0%</b>	<b>7,417.7</b>	<b>100.00%</b>
<b>Cash</b>	<b>218.7</b>	<b>2.9%</b>	<b>-211.6</b>	<b>-2.9%</b>	<b>7.1</b>	<b>0.1%</b>	<b>5.5</b>	<b>0.1%</b>	<b>0.0</b>	<b>0.00%</b>
Cash	218.7	2.9%	-211.6	-2.9%	7.1	0.1%	5.5	0.1%	0.0	0.00%
<b>Equity</b>	<b>4,756.2</b>	<b>64.1%</b>	<b>-97.4</b>	<b>-1.3%</b>	<b>4,658.8</b>	<b>62.8%</b>	<b>4,653.6</b>	<b>62.7%</b>	<b>4,524.8</b>	<b>61.00%</b>
International Developed	1,346.5	18.2%	-15.0	-0.2%	1,331.5	17.9%	1,326.9	17.9%	1,298.1	17.50%
Private Equity	597.1	8.1%	0.0	0.0%	597.1	8.1%	597.1	8.1%	556.3	7.50%
US Small Cap	697.6	9.4%	-16.9	-0.2%	680.7	9.2%	682.4	9.2%	667.6	9.00%
US Large Cap	2,114.9	28.5%	-65.4	-0.9%	2,049.5	27.6%	2,047.2	27.6%	2,002.8	27.00%
<b>Fixed</b>	<b>1,362.6</b>	<b>18.4%</b>	<b>309.0</b>	<b>4.2%</b>	<b>1,671.6</b>	<b>22.5%</b>	<b>1,678.4</b>	<b>22.6%</b>	<b>1,631.9</b>	<b>22.00%</b>
Fixed Income	1,362.6	18.4%	309.0	4.2%	1,671.6	22.5%	1,678.4	22.6%	1,631.9	22.00%
<b>Other</b>	<b>1,080.2</b>	<b>14.6%</b>	<b>0.0</b>	<b>0.0%</b>	<b>1,080.2</b>	<b>14.6%</b>	<b>1,080.2</b>	<b>14.6%</b>	<b>1,261.0</b>	<b>17.00%</b>
Tactical Cash	430.2	5.8%	0.0	0.0%	430.2	5.8%	430.2	5.8%	430.2	5.80%
Real Estate	239.5	3.2%	0.0	0.0%	239.5	3.2%	239.5	3.2%	370.9	5.00%
Real Assets	410.5	5.5%	0.0	0.0%	410.5	5.5%	410.5	5.5%	459.9	6.20%

## Deviations from Target Allocation



# State of Rhode Island

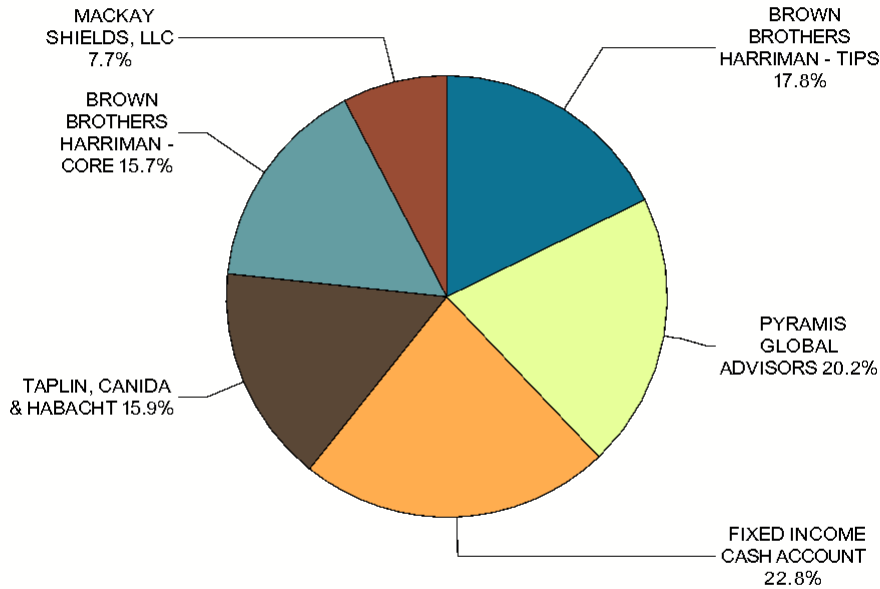
Historical Asset Allocation  
PERIODS ENDING February 28, 2011



	Target	Current	1 Yr Ago	3 Yrs Ago	5 Yrs Ago
US Equity	36.0%	37.9%	36.9%	40.4%	45.0%
International Equity	17.5%	18.1%	17.4%	19.6%	23.2%
US Fixed Income	22.0%	18.5%	19.0%	27.0%	23.3%
Real Return	10.0%	5.5%	5.7%	0.0%	0.0%
Real Estate	5.0%	3.2%	3.4%	4.6%	2.6%
Private Equity	7.5%	8.0%	9.7%	8.2%	5.5%
Russell Implementation*	0.0%	1.4%	1.5%	0.0%	0.0%
Cash	2.0%	7.4%	6.3%	0.2%	0.5%
<b>Total Plan</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>



CURRENT MANAGER ALLOCATION



FUND	CURRENT PERIOD	ONE YEAR AGO	ALLOC.
BROWN BROTHERS	410.5	385.7	17.8
PYRAMIS GLOBAL ADVISORS	465.1	440.5	20.2
FIXED INCOME CASH	526.0	407.8	22.8
TAPLIN, CANIDA & HABACHT	367.5	341.2	15.9
BROWN BROTHERS	361.9	343.9	15.7
MACKAY SHIELDS, LLC	176.9	154.7	7.7
TOTAL	2,307.9	2,073.8	100.0



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**CURRENT MANAGER ALLOCATION**

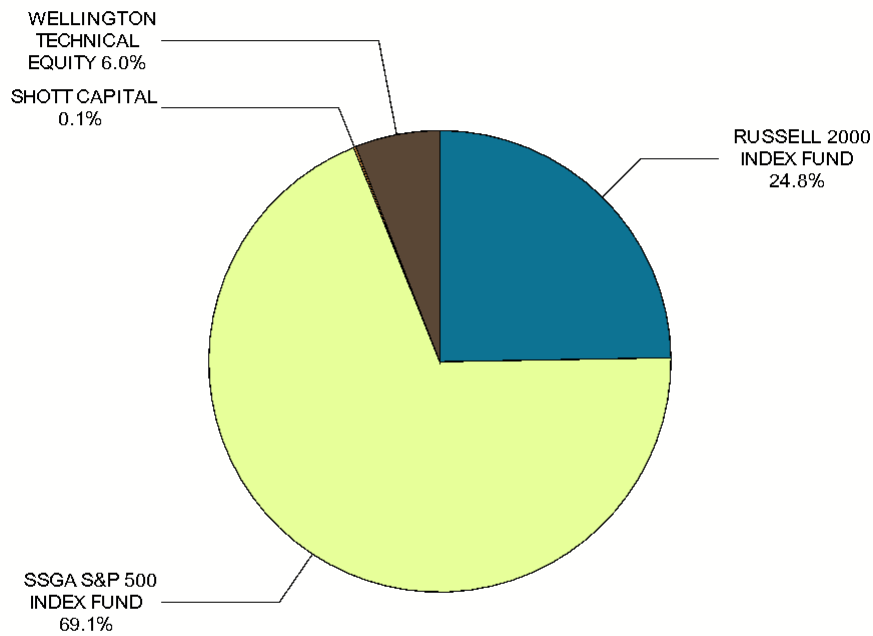
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**Endnotes**

- 1 Effective 11/1/09: Moved from Fixed Income to Real Return The return history remains in fixed income.

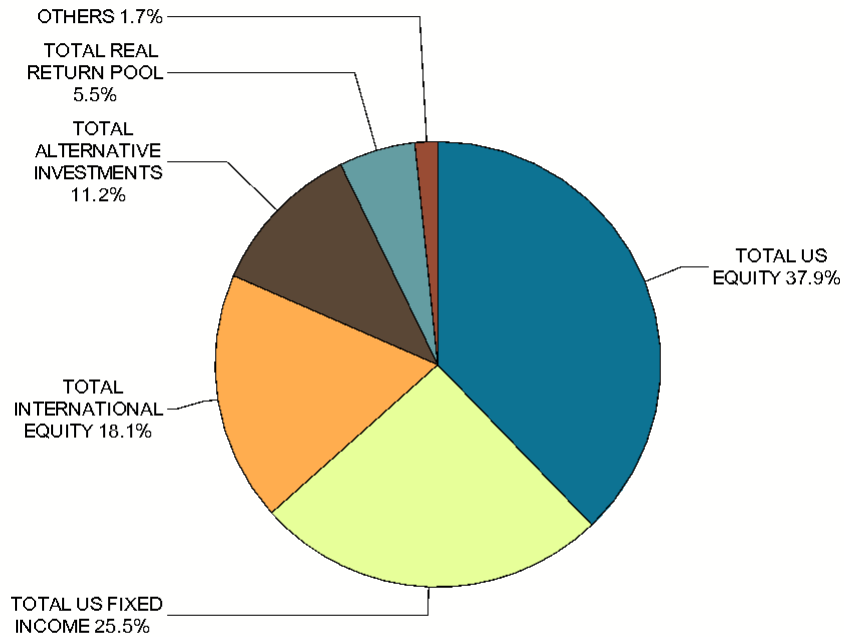


CURRENT MANAGER ALLOCATION



FUND	CURRENT PERIOD	ONE YEAR AGO	ALLOC.
RUSSELL 2000 INDEX FUND	697.6	659.4	24.8
SSGA S&P 500 INDEX FUND	1,945.5	1,670.9	69.1
SHOTT CAPITAL	2.8	1.5	0.1
WELLINGTON TECHNICAL	168.4	150.7	6.0
TOTAL	2,814.2	2,482.5	100.0

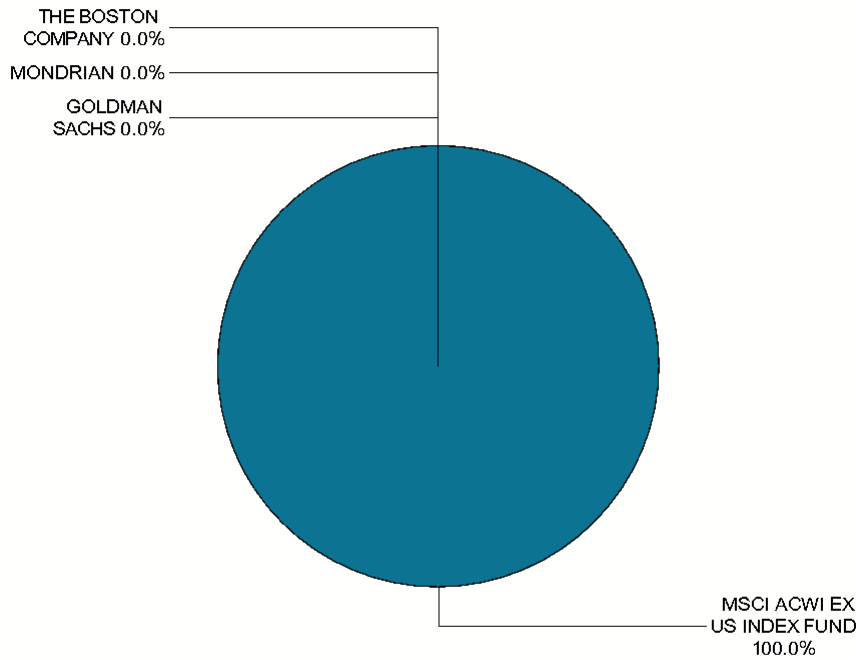
**CURRENT ASSET CLASS ALLOCATION (IN MILLIONS)**



FUND	CURRENT PERIOD
TOTAL US EQUITY	2,814.2
TOTAL US FIXED INCOME	1,897.4
TOTAL INTERNATIONAL EQUITY	1,346.8
TOTAL ALTERNATIVE INVESTMENTS	835.6
TOTAL CASH	23.9
RUSSELL IMPLEMENTATION SERVICES	101.6
TOTAL REAL RETURN POOL	410.5
<b>TOTAL</b>	<b>7,430.0</b>



CURRENT MANAGER ALLOCATION



FUND	CURRENT PERIOD	ONE YEAR AGO	ALLOC.
■ MSCI ACWI EX US INDEX	1,346.3	1,168.4	100.0
■ GOLDMAN SACHS	0.1	0.2	0.0
■ MONDRIAN	0.1	0.3	0.0
■ THE BOSTON COMPANY	0.1	0.3	0.0
TOTAL	1,346.5	1,169.1	100.0



# CASH FLOW

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2011	FY 2010-11												TOTAL
	Actual July 2010	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2011	Actual February	Projected March	Projected April	Projected May	Projected June	
MEMBER BENEFITS	64,786,488	65,481,557	65,315,924	65,166,401	65,107,559	65,068,608	66,691,648	66,939,123	64,656,314	64,567,121	64,560,508	64,475,293	782,816,543
ADMINISTRATIVE EXPENSES	393,312	548,021	590,613	618,987	508,890	492,317	396,616	429,243	750,716	624,882	615,392	866,576	6,835,565
INVESTMENT EXPENSES	1,380,131	2,706	360,147	343,219	464,523	886,459	508,571	306,066	234,516	376,620	378,219	352,246	5,593,424
TOTAL OUTFLOW	66,559,931	66,032,284	66,266,684	66,128,608	66,080,973	66,447,384	67,596,835	67,674,432	65,641,546	65,568,623	65,554,119	65,694,115	795,245,532
CONTRIBUTIONS	36,468,984	42,272,364	26,277,602	55,664,547	35,150,605	40,872,116	56,234,751	35,617,401	38,842,643	43,857,442	20,000,348	36,811,095	468,069,898
OTHER INCOME*	1,128,429	5,823,900	2,312,189	3,673,433	3,646,844	7,980,238	4,938,253	4,258,601	5,187,461	3,439,255	1,361,324	7,740,460	51,490,388
TOTAL INCOME	37,597,413	48,096,264	28,589,791	59,337,980	38,797,449	48,852,354	61,173,004	39,876,002	44,030,104	47,296,697	21,361,672	44,551,555	519,560,286
DIFFERENCE	(28,962,518)	(17,936,020)	(37,676,893)	(6,790,627)	(27,283,524)	(17,595,030)	(6,423,831)	(27,798,430)	(21,611,442)	(18,271,926)	(44,192,447)	(21,142,560)	(275,685,246)

Municipal Employees Retirement System

	Actual July 2010	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2011	Actual February	Projected March	Projected April	Projected May	Projected June	TOTAL
MEMBER BENEFITS	5,759,121	5,970,389	5,961,434	5,986,138	6,028,530	6,024,441	6,159,822	6,273,090	5,676,550	5,696,530	5,747,541	5,766,674	71,050,260
ADMINISTRATIVE EXPENSES	72,431	100,922	109,616	114,883	94,718	91,633	73,821	80,624	135,206	113,371	111,649	159,026	1,257,898
INVESTMENT EXPENSES	254,162	498	66,843	63,701	86,460	164,993	94,658	57,488	42,237	68,329	68,619	64,641	1,032,628
TOTAL OUTFLOW	6,085,714	6,071,810	6,137,893	6,164,722	6,209,708	6,281,067	6,328,300	6,411,201	5,853,993	5,878,230	5,927,809	5,990,340	73,340,786
CONTRIBUTIONS	4,157,420	4,226,982	3,779,357	3,955,928	4,286,411	4,770,013	4,702,497	7,972,265	6,226,961	4,556,660	4,271,452	7,021,682	59,927,628
OTHER INCOME*	207,809	1,072,515	429,137	681,781	678,772	1,485,328	919,136	799,882	934,273	623,975	246,982	1,420,455	9,500,045
TOTAL INCOME	4,365,229	5,299,497	4,208,494	4,637,709	4,965,183	6,255,341	5,621,633	8,772,147	7,161,234	5,180,635	4,518,434	8,442,137	69,427,673
DIFFERENCE	(1,720,485)	(772,313)	(1,929,399)	(1,527,013)	(1,244,525)	(25,726)	(706,667)	2,360,946	1,307,242	(697,595)	(1,409,375)	2,451,797	(3,913,113)

**CASH FLOW ANALYSIS - INCOME & EXPENSES**

Judges/State Police  
Retirement System

	Actual July 2010	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2011	Actual February	Projected March	Projected April	Projected May	Projected June	TOTAL
<i>MEMBER BENEFITS</i>	115,057	113,835	125,801	123,501	123,501	123,501	126,501	126,501	108,054	108,054	108,054	108,054	1,410,414
<i>ADMINISTRATIVE EXPENSES</i>	6,471	9,016	9,907	10,383	8,694	8,411	6,776	7,512	11,745	9,954	9,803	14,075	112,746
<i>INVESTMENT EXPENSES</i>	22,706	45	6,041	5,757	7,936	15,144	8,688	5,356	3,669	5,999	6,025	5,721	93,088
<i>TOTAL OUTFLOW</i>	144,233	122,896	141,749	139,641	140,131	147,056	141,965	139,369	123,468	124,007	123,881	127,851	1,616,248
<i>CONTRIBUTIONS</i>	370,000	390,000	375,000	705,000	424,000	425,000	430,000	432,000	462,000	528,000	65,000	760,000	5,366,000
<i>OTHER INCOME*</i>	18,565	95,814	38,784	61,618	62,303	136,335	84,365	74,526	81,161	54,785	21,685	125,725	855,666
<i>TOTAL INCOME</i>	388,565	485,814	413,784	766,618	486,303	561,335	514,365	506,526	543,161	582,785	86,685	885,725	6,221,666
<i>DIFFERENCE</i>	244,332	362,918	272,035	626,977	346,172	414,279	372,400	367,157	419,692	458,778	(37,196)	757,875	4,605,418

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

FISCAL YEAR 2011

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

ACCRUAL BASIS

	Actual Jul 10	Actual Aug	Actual Sept	Actual Oct	Projected Nov	Projected Dec	Projected Jan 11	Projected Feb 11	Projected Mar 11	Projected Apr 11	Projected May 11	Projected June 11	Projected TOTAL
<b>EQUITIES</b>													
SSgA Russell 1000/S&P 500			37,365			7,127			31,075			100,000	175,567
SSGA Russell 2000			30,227			30,801			33,387			17,388	
Shott Capital			264			1,110			460			2,718	4,551
Wellington Tech Eq			315,297			348,655			340,655			350,000	1,354,608
			383,153			387,693			405,577			470,106	1,534,726
<b>FIXED INCOME</b>													
Brown Bros.			166,174			167,249			159,463			152,252	645,139
Fidelity			152,798			153,780			147,583			140,949	595,110
Taplin			228,218			231,147			214,524			179,763	853,653
Mackay Shields			175,084			161,036			167,506			147,848	651,474
Brown Bros.TIPS			114,026			114,761			108,601			113,544	450,932
			836,300			827,973			797,678			734,357	3,196,308
<b>INT'L EQUITIES</b>													
The Boston Co			0			0			0			0	0
Mondrian			0			0			0			0	0
Goldman Sachs Asset Mgmt			0			0			0			0	0
SSgA MSCI ACWI			151,078			149,875			149,217			150,000	600,170
	0		151,078	0		149,875			149,217			150,000	600,170
<b>REAL ESTATE</b>													
L & B Real Estate	135,186	0	86,931	127,607	357,152	979,695	147,277	12,834	243,230	150,642	385,731	86,250	2,712,536
<b>ALTERNATIVE INVESTMENTS</b>													
Other Alt Inv Mgmt Fds	1,521,813	3,248	346,100	285,070	201,766	86,901	464,640	356,076	195,052	300,306	67,133	336,359	4,164,465
<b>SUB TOTAL-INV MGMT FEES</b>													
	1,656,999	3,248	1,803,562	412,677	558,919	2,432,137	611,917	368,910	1,790,754	450,948	452,864	1,777,072	12,208,205
<b>PROFESSIONAL FEES</b>													
Legal	11,405	1,415	1,350	1,013	639	788	2,316	2,933	729	731	12,273	2,453	38,044
St St Bank Custodial	62,022	61,219	62,196	65,675	64,092	64,122	61,466	63,896	61,083	63,189	62,639	62,000	753,598
Pacific Corp Group		84,375	0	0	84,375	0	0	87,500	0	84,375	0	93,750	434,375
PCA/Wilshshire/Russell	29,792	13,125	74,629	13,125	13,125	13,125	13,125	13,125	93,129	13,125	13,125	13,125	315,678
Townsend	0	0	35,625	0	0	35,625	0	0	35,625	0	0	35,625	142,500
	103,220	160,134	173,801	79,812	162,231	113,660	76,907	167,453	190,565	161,421	88,037	206,954	1,684,195
<b>OPERATING EXPENSE</b>													
Retirement Transfers	264,911	439,143	641,931	665,657	385,417	690,850	332,707	349,925	524,808	647,610	392,246	827,323	6,162,528
Other Expense	12,500	0	5,700	0	0	11,950	11,250	0	11,650	0	6,250	5,400	64,700
	277,411	439,143	647,631	665,657	385,417	702,800	343,957	349,925	536,458	647,610	398,496	832,723	6,227,228
<b>TOTAL:</b>	2,037,629	602,525	2,624,994	1,158,146	1,106,567	3,248,597	1,032,782	886,288	2,517,778	1,259,979	939,396	2,816,748	20,119,628

Note: Numbers in bold are actual.

State of Rhode Island Alternative Investments Unfunded Commitment  
February 2011

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Remaining Commitment</u>
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 5,250,000.00
Aurora Equity Partners II**	\$ 15,000,000.00	\$ -
Aurora Equity Partners III**	\$ 15,000,000.00	\$ 835,850.00
Avenue Special Situations Fund III	\$ 15,000,000.00	\$ -
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ -
Avenue V	\$ 20,000,000.00	\$ -
Bain X	\$ 25,000,000.00	\$ 12,812,500.00
Birch Hill Equity Partners III*	\$ 18,527,400.00	\$ 867,626.19
Castile III	\$ 5,000,000.00	\$ 1,225,000.00
Centerbridge	\$ 15,000,000.00	\$ 1,149,308.28
Charterhouse Capital Partners VIII*	\$ 20,709,000.00	\$ 4,061,627.80
Coller International Capital IV**	\$ 15,000,000.00	\$ 2,100,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 4,387,500.00
Constellation III	\$ 15,000,000.00	\$ 6,943,979.59
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.05
CVC European Equity Partners IV*	\$ 22,779,900.00	\$ 2,905,014.12
CVC 5	\$ 27,612,000.00	\$ 13,353,429.39
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 182,176.02
Fenway III	\$ 15,000,000.00	\$ 1,518,063.00
First Reserve Fund X	\$ 20,000,000.00	\$ 1.00
First Reserve Fund XI	\$ 20,000,000.00	\$ 4,960,688.00
Focus Ventures III	\$ 15,000,000.00	\$ 375,000.00
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 3,000,000.00
Green Equity Investors V	\$ 20,000,000.00	\$ 9,017,638.12
Harvest Partners III	\$ 15,000,000.00	\$ 357,288.61
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 1,312,078.00
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 5,550,000.00
Leapfrog Ventures II	\$ 10,000,000.00	\$ 1,220,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 53,569.26
Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 2,475,000.00
LNK Partners	\$ 12,500,000.00	\$ 3,277,671.47
Matlin Patterson Glob. Opp. Fund (CSFB)	\$ 15,000,000.00	\$ -
MHR Institutional Partners III	\$ 20,000,000.00	\$ 5,877,953.00
Nautic Partners V	\$ 20,000,000.00	\$ 659,283.90
Nautic Partners VI	\$ 20,000,000.00	\$ 8,488,003.84
Nordic Capital Fund III*	\$ 12,648,000.00	\$ 206,175.83
Nordic Capital Fund V*	\$ 20,178,228.33	\$ -
Nordic Capital Fund VI*	\$ 20,709,000.00	\$ 966,807.93
Nordic VII	\$ 20,709,000.00	\$ 8,432,218.11

State of Rhode Island Alternative Investments Unfunded Commitment  
February 2011

OCM Opportunities Fund II	\$	12,000,000.00	\$	-
Palladin III	\$	10,000,000.00	\$	4,689,863.99
Parthenon Investors	\$	15,000,000.00	\$	-
Parthenon Investors II	\$	20,000,000.00	\$	1,953,022.00
Perseus VII	\$	15,000,000.00	\$	3,092,906.00
Point 406	\$	10,000,000.00	\$	3,579,999.84
Point Judith II	\$	5,000,000.00	\$	1,210,638.62
Providence Equity Partners III	\$	15,000,000.00	\$	1,938,955.51
Providence Equity Partners IV	\$	25,000,000.00	\$	1,893,462.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,139,004.00
Providence Equity Partners VI	\$	25,000,000.00	\$	7,804,183.00
SKM Equity Fund II**	\$	10,000,000.00	\$	1,735,947.00
Thomas McNerney & Partners	\$	15,000,000.00	\$	1,387,500.00
Thomas McNerney & Partners 2	\$	15,000,000.00	\$	6,262,500.00
TPG Partners II	\$	10,000,000.00	\$	308,515.00
TPG Partners IV	\$	15,000,000.00	\$	1,080,897.00
TPG Partners V	\$	20,000,000.00	\$	2,854,306.00
TPG VI	\$	10,000,000.00	\$	5,963,651.00
Trilantic IV	\$	11,098,351.00	\$	4,403,667.53
VS&A Communication Partners III	\$	15,000,000.00	\$	-
W Capital Partners	\$	15,000,000.00	\$	880,500.00
W Capital Partners II	\$	15,000,000.00	\$	5,309,550.00
Washington & Congress Capital Partners**	\$	15,000,000.00	\$	305,637.24
Wellspring Capital Partners III	\$	20,000,000.00	\$	58,611.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$	2,129,761.00
WLR	\$	8,000,000.00	\$	3,447,950.00
<b>Total Alternative Investments</b>	\$	<b>1,093,720,879.33</b>	\$	<b>181,364,945.25</b>

\*transactions occur in foreign currence

\*\* fees NOT affecting unfunded commitment

State of Rhode Island Real Estate Investment Unfunded Commitment  
February 2011

<u>Real Estate Partnership Investment</u>			<u>ERSRI Remaining Commitment</u>
AEW	\$	35,000,000.00	\$ 648,148.40
Fillmore East Fund I	\$	10,000,000.00	\$ 0.08
Fremont Strategic Property Partners II	\$	15,000,000.00	\$ 1,873,108.00
GMAC Commerical Realty Partners II	\$	15,000,000.00	\$ 2,155,117.00
JPMorgan Fleming Asset Mgmt. Strat. Prop. F	\$	50,000,000.00	\$ -
JPMorgan Alternative Property Fund	\$	20,000,000.00	\$ -
LaSalle Income & Growth Fund IV	\$	15,000,000.00	\$ 397,937.57
Magna Hotel	\$	4,000,000.00	\$ 2,709,898.00
Morgan Stanley Prime Property Fund	\$	35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$	50,000,000.00	\$ -
Prudential Real Estate Investors (PRISA) II	\$	15,000,000.00	\$ -
RREEF America REIT II Fund	\$	35,000,000.00	\$ -
Starwood Hospitality Fund I	\$	10,000,000.00	\$ -
TA Realty Fund VIII	\$	15,000,000.00	\$ -
Tri Continental Fund VII	\$	15,000,000.00	\$ 428,467.00
Walton Street Real Estate Fund V	\$	20,000,000.00	\$ -
Westbrook Real Estate Fund VI	\$	15,000,000.00	\$ 79,399.00
Westbrook Real Estate Fund VII	\$	15,000,000.00	\$ 1,500,000.00
	\$	389,000,000.00	\$ 9,792,075.05

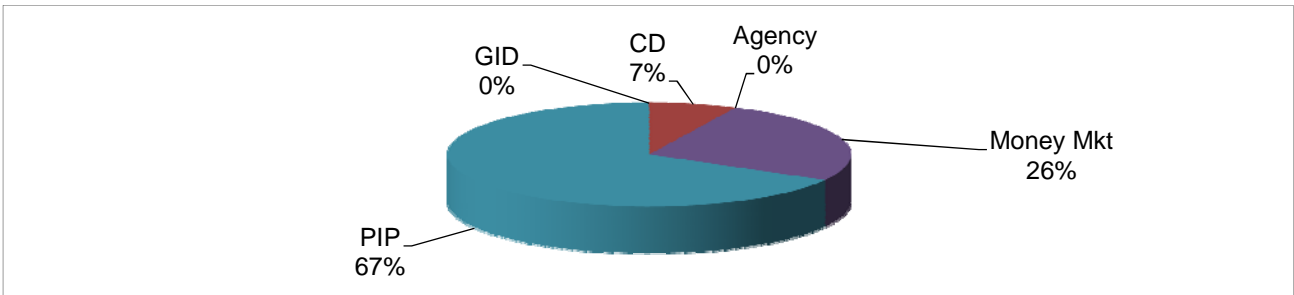
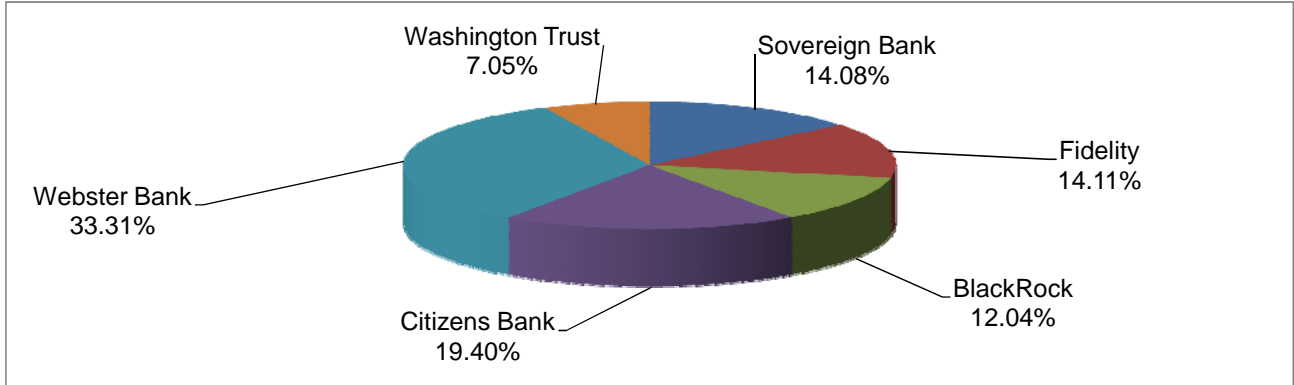
# SHORT TERM INVESTMENTS



RI SIC GUIDELINE COMPLIANCE REPORT

INVESTMENTS AS OF:

February 28, 2011



REPO = Repurchase Agreement  
 CP = Commercial Paper  
 GID = Government Insured Deposit  
 CD = Certificate of Deposit  
 PIP = Collateralized Deposit  
 Agency = US Government Agency

Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GID	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	
Bank RI	0	0	0	0	0	0	0	0
Sovereign Bank	0	0	0	0	50,000,000	0	0	50,000,000
JP Morgan Chase	0	0	0	0	0	0	0	0
Federated Investors	0	0	0	0	0	0	0	0
Fidelity	0	0	0	50,100,290	0	0	0	50,100,290
BlackRock	0	0	0	42,763,609	0	0	0	42,763,609
Wells Fargo	0	0	0	0	0	0	0	0
Citizens Bank	0	0	0	0	68,864,270	0	0	68,864,270
Webster Bank	0	0	0	0	118,258,937	0	0	118,258,937
Oppenheimer Inc	0	0	0	0	0	0	0	0
Washington Trust	0	25,046,001	0	0	0	0	0	25,046,001
<b>TOTALS</b>	-	<b>25,046,001.08</b>	-	<b>92,863,899.79</b>	<b>237,123,206.55</b>	-	-	<b>355,033,107</b>
<b>(%) PORTFOLIO</b>	<b>0.00%</b>	<b>7.05%</b>	<b>0.00%</b>	<b>26.16%</b>	<b>66.79%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>100.00%</b>

Note: PIP + CD must be under 75%.

Actual PIP + CD: 73.84%

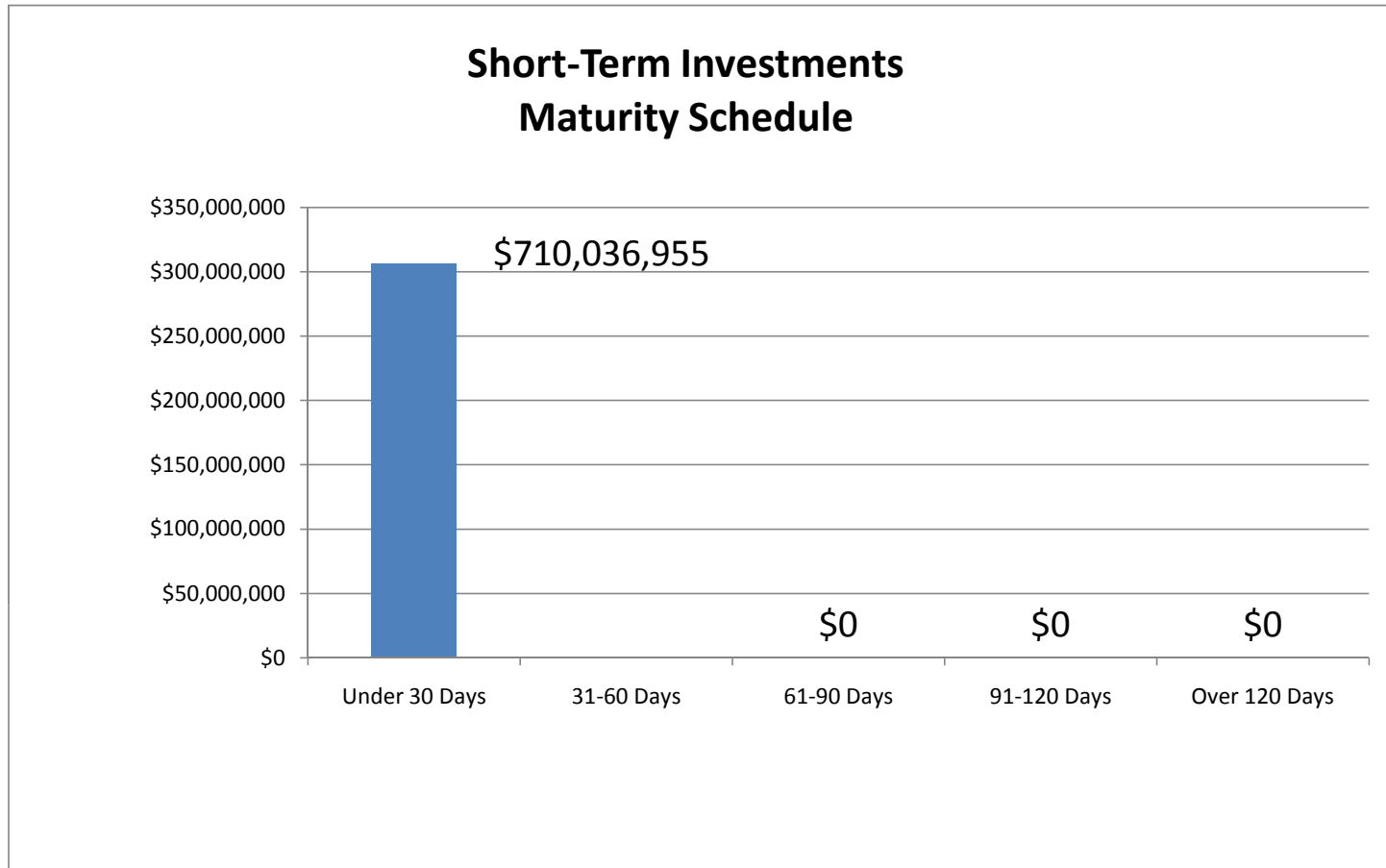
Note: Maximum participation by any one vendor limited to 35% of total portfolio.

**State of Rhode Island**  
**Short Term Cash Monthly Performance**  
**Performance for**

**February 01, 2011 to February 28, 2011**

<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	\$ 66,150,787.65	\$ 36,059,452.96	\$ 30,575,787.65	\$ 8,665.31	0.3694%
H.A.V.A	\$ 294.04	\$ 294.07	\$ 294.04	\$ 0.03	0.1330%
GENERAL FUND (HIST PRES)	\$ 535,646.43	\$ 535,694.71	\$ 535,646.43	\$ 48.28	0.1175%
HIGHWAY FUND	\$ 11,552,756.33	\$ 7,154,122.07	\$ 13,927,756.33	\$ 1,365.74	0.1278%
T.D.I. RESERVE (DET)	\$ 71,198,767.71	\$ 88,716,826.00	\$ 87,341,624.85	\$ 18,058.29	0.2695%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 126,150,514.87	\$ 122,562,721.86	\$ 124,707,657.72	\$ 12,206.99	0.1276%
BOND CAPITAL FUND	\$ 3,107,634.13	\$ 1,607,970.12	\$ 3,721,919.84	\$ 335.99	0.1177%
R.I. CLEAN WATER ACT	\$ 3,004,630.36	\$ 3,004,901.16	\$ 3,004,630.36	\$ 270.80	0.1175%
STATE LOTTERY FUND	\$ 38,247,526.47	\$ 40,951,763.27	\$ 35,768,955.05	\$ 4,236.80	0.1544%
ASSESSED FRINGE BEN ADM	\$ 2,505,754.33	\$ 1,605,939.29	\$ 2,052,182.90	\$ 184.96	0.1175%
AUTO EQUIPMENT SERVICE	\$ 155,881.61	\$ 155,895.66	\$ 155,881.61	\$ 14.05	0.1175%
HEALTH INSURANCE FUND	\$ 18,911,852.88	\$ 21,912,805.91	\$ 20,643,995.74	\$ 953.03	0.0602%
FLEET REVOLVING LOAN FUND	\$ 70,165.34	\$ 70,171.77	\$ 70,165.34	\$ 6.43	0.1195%
EMPLOYEES RETIREMENT	\$ 910,355.67	\$ 2,113,209.85	\$ 18,556,784.24	\$ 2,854.18	0.2005%
MUNICIPAL EMPLOYEES RET.	\$ 262,180.58	\$ 1,962,480.95	\$ 3,174,680.58	\$ 300.37	0.1233%
RETIREE HEALTH FUND	\$ 11,413,282.47	\$ 10,814,312.08	\$ 11,423,996.76	\$ 1,029.61	0.1175%
BOG RETIREE FUND	\$ 1,761,362.61	\$ 1,761,521.36	\$ 1,761,362.61	\$ 158.75	0.1175%
RIPTA HEALTH FUND	\$ 2,057,704.89	\$ 1,357,856.55	\$ 1,682,704.89	\$ 151.66	0.1175%
PERMANENT SCHOOL FUND	\$ 1,429,052.94	\$ 1,429,181.74	\$ 1,429,052.94	\$ 128.80	0.1175%
TEACHER RETIREE HEALTH FUND	\$ 2,557,407.25	\$ 2,557,637.74	\$ 2,557,407.25	\$ 230.49	0.1175%
UNIVERSITY COLLEGE	\$ 672.88	\$ 672.94	\$ 672.88	\$ 0.06	0.1162%
HIGHER EDUCATION	\$ 404,368.91	\$ 3,104,518.34	\$ 1,657,940.34	\$ 149.43	0.1175%
INDUS. BLDG. & MTG. INS.	\$ 3,642,740.83	\$ 3,643,069.14	\$ 3,642,740.83	\$ 328.31	0.1175%
<b>Operating Funds Totals</b>	<b>\$ 366,031,341.18</b>	<b>\$ 353,083,019.54</b>	<b>\$ 368,393,841.18</b>	<b>\$ 51,678.36</b>	<b>0.183%</b>
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.47	\$ 7,385.32	\$ 7,385.30	\$ 0.07	0.0124%
BOND CCDL 1994 SERIES A	\$ 15,000.45	\$ 15,000.14	\$ 15,000.11	\$ 0.14	0.0122%
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 41,013.57	\$ 41,012.71	\$ 41,012.65	\$ 0.37	0.0118%
CCDL1998A	\$ 1,695,884.29	\$ 1,695,848.83	\$ 1,695,846.17	\$ 15.37	0.0118%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,387.23	\$ 102,385.09	\$ 102,384.93	\$ 0.93	0.0118%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 270,301.66	\$ 260,675.26	\$ 265,141.76	\$ 2.41	0.0118%
CCDL2002B	\$ 1,426.22	\$ 1,426.19	\$ 1,426.19	\$ 0.01	0.0091%
CCDL 2004 SERIES A	\$ 3,113,043.48	\$ 3,112,978.64	\$ 3,112,973.69	\$ 28.21	0.0118%
BOND CCDL 2005 SERIES C	\$ 10,641,943.71	\$ 10,062,707.26	\$ 10,331,518.36	\$ 93.91	0.0118%
BOND CCDL 2005 SERIES E	\$ 1,068,757.29	\$ 1,068,736.36	\$ 1,068,734.33	\$ 9.68	0.0118%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 9,864,391.95	\$ 9,446,702.99	\$ 9,640,519.74	\$ 87.57	0.0118%
GO BND-NTAX 2007 SERIES A	\$ 5,385,903.44	\$ 5,385,787.13	\$ 5,385,779.60	\$ 48.81	0.0118%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 7,119,272.61	\$ 6,294,343.87	\$ 6,677,265.69	\$ 60.91	0.0119%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 26,829,586.50	\$ 25,015,652.97	\$ 25,857,534.36	\$ 235.20	0.0119%
CCDL10C	\$ 28,738,259.91	\$ 25,915,819.61	\$ 26,621,247.10	\$ 243.45	0.0119%
CCDL10D	\$ 11,428,354.84	\$ 11,428,115.89	\$ 11,428,097.96	\$ 103.56	0.0118%
CLEAN WATER CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 1994 (A)	\$ 0.14	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ 0.26	\$ -	\$ -	\$ -	0.0000%
CLEAN WATER CCDL 2002 B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2004 SERIES A	\$ 333,822.26	\$ 333,814.43	\$ 333,814.11	\$ 3.03	0.0118%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 233,217.12	\$ 233,212.24	\$ -	\$ 2.11	0.0118%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,260.55	\$ 283,254.63	\$ -	\$ 2.57	0.0118%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ 54,386.99	\$ 54,385.85	\$ -	\$ 0.49	0.0117%
<b>Bond Proceeds Fund Totals</b>	<b>\$ 107,227,599.94</b>	<b>\$ 100,759,245.41</b>	<b>\$ 102,585,682.05</b>	<b>\$ 938.80</b>	<b>0.012%</b>
TANS PROCEEDS	\$ 254,195,188.04	\$ 254,244,601.67	\$ 254,195,188.04	\$ 49,413.63	0.2534%
<b>Grand Totals</b>	<b>\$ 727,454,129.16</b>	<b>\$ 708,086,866.62</b>	<b>\$ 725,174,711.27</b>	<b>\$ 102,030.79</b>	<b>0.183%</b>

Short Term Investments  
Maturity Schedule  
February 28, 2011



Maturities in \$Millions

Note: Includes \$595 Million of Money Market and PIP investments with no specific maturity

# SPECIAL FUNDS

**ABRAHAM TOURO FUND  
INVESTMENT SUMMARY  
February 28, 2011**

<b><u>Fund Name</u></b>		<b>Gain/Loss</b>		<b>Total Market Value</b>
<b>Abraham Touro Fund ( Fidelity Balanced Fund)</b>	<b>\$</b>	<b>47,962</b>	<b>\$</b>	<b>2,102,550</b>
<b>*Yearly Withdrawl</b>	<b>\$</b>	<b>(88,373)</b>		
<b><u>Totals</u></b>	<b>\$</b>	<b>(40,411)</b>	<b>\$</b>	<b>2,102,550</b>

**\* Rhode Island Law 35-9**