

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
August 31, 2014**

**September 24, 2014  
MEETING**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

**Honorable Gina M. Raimondo, Chair**

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

**Mr. Thomas P. Fay  
Mr. Frank J. Karpinski  
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, September 24, 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 July 23, 2014\*
- Defined Contribution Plan – Quarterly Update
- FARP Investment Options Recommendation\*
- Private Equity Recommendations\*\*
  - Sorenson Capital Partners III \*
  - Centerbridge Capital Partners III\*
- General Consultant Review
- Review of Long-Term Returns
- Short-Term Cash Investment Policy Recommendation\*
- Master Limited Partnerships Briefing
- Legal Counsel Report
- Chief Investment Officer Report
  - Portfolio 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).

**POSTED ON FRIDAY, SEPTEMBER 19, 2014**

## Section II.

---

### Approval of Minutes



**State Investment Commission**  
**Monthly Meeting Minutes**  
**Wednesday, July 23, 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, July 23, 2014 in Room 205, State House.

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

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

Also in attendance:

Mr. Steve Buckley and Mr. Kirk Kashevaroff of MacKay Shields; Mr. John Burns and Mr. David Glickman of Pension Consulting Alliance (PCA), general consultant; Ms. Christina Menard and Mr. Gregory Miller of ING/Voya Financial; Mr. Greg Balewicz of State Street Global Advisors (SSGA); Ms. Sally Dowling of Adler Pollock & Sheehan P.C., legal counsel; 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. Thomas Mullaney were absent.

## **II. Approval of Minutes**

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

**VOTED: to approve the draft of the minutes of the June 25, 2014 meeting of the State Investment Commission.**

## **III. Fixed Income Annual Review**

Mr. Kashevaroff talked about the role core bonds play in the portfolio. He noted the current yield on bonds is 2.2%. He reviewed the relative sensitivity of assets to movements in interest rates. If rates were to rise 1%, the index would lose 5%.

He reviewed the historical composition of the market going back to 1990 and explained that general allocations have not shifted significantly over time. He noted the investment grade market tends to be more correlated to interest rates relative to other parts of the market.

He reviewed the historical performance and said fixed income markets have had a thirty-year bull run with the decline of interest rates. It has been a tremendous performance history with some periods of outsized performance. There have been only three calendar years in the last thirty years in which there have been negative returns. Every time the equity market experienced a very sharp backup, when economic conditions start to turn, the core fixed income asset class tended to do pretty well.

Mr. Kashevaroff said the expectation is when the Fed is ready to start raising rates, credit spreads will continue to stay relatively unchanged. MacKay doesn't anticipate massive widening in the market.

They feel now that the markets' expectations have been more aligned with what the Fed is doing, they don't see the market dislocating like last May or June.

Ms. Fink asked if they believe credit spreads will grind tighter.

Mr. Kashevaroff said spreads are not near all-time tights. Companies don't have nearly the degree of leverage as during the financial crisis of 2008. He added that a slow-growth environment is one of the best environments for a bond investor.

He went on to review economic views. They believe that the economy will continue to recover. He would expect the rebound seen in Q2 to continue in Q3 and Q4.

He gave a brief overview of other markets to identify the potential risks to the United States. His firm believes the Fed is going to be very data dependent and will continue their tapering until the end of the year. At that point it could be 6-12 months until the Fed raises the rates. MacKay sees interest rates eventually moving higher but doesn't see them spiking. They expect them to move up gradually. Mr. Kashevaroff said he expects returns in fixed income to be very muted but not to have a steep decline like last year.

#### **IV. OPEB Annual Review**

Ms. Fink gave an annual review of the OPEB trust performance. Fiscal-year-to-date the portfolio had a very good year. The strong performance was largely due to the decision to reorient the portfolio away from fixed income.

She gave a brief overview of the actuarial report recently done for the OPEB board. The trust has approximately \$100 million. Looking at all plans in the trust, it is only about 8% funded, due to its recent start in 2011.

She reviewed the OPEB growth from contributions and investment performance. It is growing because the state contributes about \$2 million monthly. She added that the OPEB fund will be cash-flow positive for more than a decade.

She reviewed the allocation. 65% of the portfolio is in equity managed by SSGA and 35% is in fixed income managed by MacKay Shields. The OPEB board, on the advice of the actuary, continued the plan's discount rate and expected rate of return at 5%. The allocation is working so she recommended maintaining it.

#### **V. Real Estate Pacing Plan**

Mr. Glickman gave a review of the real estate performance as of the quarter ending in March. The net performance for the year was in excess of the benchmark. The three-year performance was very close to benchmark. And the five-year performance is beginning to improve as the strong impact of the global financial crisis is more distant. Last year, after fees, the portfolio generated approximately 13% in total return. Since most of the portfolio is invested in core funds, it has a better return on a risk-adjusted basis.

Mr. Glickman noted that overall by property type the portfolio is slightly underweight to retail, industrial and apartments and slightly overweight to hotel and office. The commitments made in the last 15 months will bring that much more into balance with the benchmark portfolio.

He gave a review of the markets. He said as the recovery is becoming less and less fragile, people are beginning to rent more space and companies are beginning to operate a little less leanly. In real estate, that translates into renewing leases, taking more space and willingness to pay higher rent in order to get good space. Leasing decisions that were deferred for several years are now being made. That is lifting occupancy levels in a lot of different markets.

Also the removal of some uncertainty about fiscal policy has made people a little more willing to move further afield than merely the top five or six metro areas. Core funds are beginning to invest money more quickly because they have more choices to pick from.

Mr. Glickman went on to review the pacing plan for the real estate portfolio. PCA would like to see the portfolio continue to invest towards an ultimate balance of about 75% core properties with current

income and about 25% non-core properties that generate more return from capital appreciation than from current income. With the commitments made over the past 18 months, the total ERSRI portfolio would be at about 5%-6% in real estate towards target of 8%.

Looking ahead to achieve 8%, he said there will be roughly another \$100 million committed to core in each of next two years and \$180 million to be invested in non-core over next two years.

Mr. Costello asked if PCA has identified current managers for the additional allocation or are they anticipating adding another whole group of managers. Mr. Glickman said they will work with the managers they currently have and may select a few others. A concern is ERSRI's small investment staff. They think it's important that there be a period of absorption and integration for new managers. He noted that in the next 6-9 months the portfolio shouldn't be adding many more names.

Looking forward, PCA believes there may be some opportunities to consider in senior housing and a little more retail to get the retail holdings closer to the benchmark. He noted a lot of the attractive retail is owned by publicly traded companies. Adding an allocation to publicly traded real estate could increase the percentage in real estate more quickly. The option would be to take the money currently in cash awaiting investment in real estate and put it into publically traded real estate investment trusts (REITs). If properly constructed, the REITs have the same property characteristics as the core properties in open-end funds. They will not have the same return characteristics in the short term because some of their short-term performance will be subject to daily stock market volatility. REITs are not as steady as private real estate. There are two ways of investing in REITs. One is active managers who make selections and charge an active-management fee. The other is a passive REIT vehicle. Down the road, he believed it might be worth thinking about REITs if it's important to get closer to the target allocation target a little faster.

The board asked questions and discussed.

## **VI. 457 Plans Annual Review**

Mr. Rhoads gave a brief overview of the three 457 plans. The plans' administrators are Fidelity, ING (soon to be Voya Financial) and Valic.

In 2012 the SIC updated the 457 plans. During that process they added higher Morningstar-rated funds, streamlined the lineup, reduced expenses, and added more index options as well as target-date funds to two of the three plans. He noted that staff is constantly looking at fees on these plans.

He briefly reviewed the performance. He said most of the funds are in the top half for performance and are doing well over the course of 1, 3, and 5 years. He reviewed the contributions to each plan. Valic is a more mature plan. Of the \$55 million in the plan, Valic's participants over 50 years old make up \$32.5 million of the assets. Valic is aware of this dynamic and they have put a service rep on the account for outreach efforts.

He noted that Treasury staff has been working with Fidelity pushing for more outreach efforts.

He compared the three plans. He said Fidelity has a higher average account balance and higher equity allocation. He added that Valic's target-date fund assets have accumulated assets more rapidly, possibly because their pricing is more competitive.

He noted ING is in the process of rebranding to Voya Financial. Ms. Menard gave a brief update on the transition as they rebrand. She said they have been doing outreach with participants to make them aware of the name change.

Mr. Rhoads added that Voya's outreach efforts remain strong. They have a dedicated service rep. He noted that they did a share class review on the Voya plan. Voya has a daily asset charge which they are willing to lower from 0.25% to 0.15%.

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

**VOTED: to approve switching share classes in the 457 plan with Voya Financial and to lower fees from 0.25% to 0.15%.**

## **VII. Defined Contribution Plan—S&P 500 Share Class Change**

Mr. Rhoads said that the Vanguard S&P 500 surpassed the threshold of \$5.5M in the defined contribution plan. He requested a vote to switch the share class and lower the fees from 0.5% to 0.4%. Motion by Mr. Costello and seconded by Reilly, it was unanimously

**VOTED: to approve switching the share class in the Vanguard S&P 500 of the defined contribution plan and lowering the fees from 0.5% to 0.4%.**

## **VIII. Legal Counsel Report**

There was no legal counsel report.

## **IX. CIO Report**

Ms. Fink gave an update on performance for the month of June. The portfolio was up 1.23%. It was ahead of the bottom-up benchmark and 60/40 basic benchmark. Asset allocation and particularly non-US equity really helped.

Fiscal-year-to-date the fund was up 15.1%, twice the expected rate of return. The plan has better risk-adjusted return than 60/40 and continues to outperform on this metric on a three- and five-year basis. She believes it's going to be harder to generate as robust returns going forward. Having a portfolio that is well positioned and well diversified should serve the pool well in the future.

She gave an update of what she and Treasury staff are currently working on. She said that staff is working on RFP responses for the 529 investment consultants. They are currently going through the process of evaluating the responses. They have also put out an RFP for a Master Limited Partnerships (MLP) manager on a long-only basis. They are also continuing to work on the consolidated investment policy. They continue to seek opportunities for lower fees, and are gathering data for annual disclosures. As always, they are continuing to evaluate managers as well as new investment opportunities.

Treasurer Raimondo asked for an update on PIMCO.

Ms. Fink noted that PIMCO is at the top of the list for deeper evaluation. PIMCO points to the fact that they have a lower risk portfolio for their lack of performance. Over the year that the state has been invested in them, spreads have come down and assets have gone up. She and staff are looking into the impact of the quality bias as well as other impacts on performance. She said she may have a recommendation later this year.

The Treasurer asked if there was a way to quantify the level of risk reduction in the plan to account for the lag of the portfolio to the benchmarks.

Ms. Fink said they would need to look at performance over a longer period. An encouraging factor is that over 1, 3, and 5 years the portfolio is doing better than the 60/40 plan. The low risk approach takes time to show its value particularly in a period, like last fiscal year, where equity markets were up 25%. She reviewed the measure for standard deviation. She said it has come down dramatically over the last 5 years. It has come down about 30% over the last three years. This reduction is partially because the risk in the overall markets has come down, and also because of the SIC's changed asset allocation. The portfolio's risk-adjusted return has gone up. The alpha, which is a way to measure return excluding the basic risks, is also going up. She believed the portfolio is very well positioned going forward.



## **X. Treasurer Report**

Treasurer Raimondo thanked the board and commended them for their continued work. She asked for a vote to cancel the August SIC meeting.

On a motion by Ms. Reback and seconded by Mr. Reilly, it was unanimously

**VOTED: to cancel the August SIC meeting.**

There being no other business to come before the Board, on a motion by Ms. Reback and seconded by Mr. Reilly the meeting adjourned at 10:26 a.m.

Respectfully submitted,

**Gina M. Raimondo**  
General Treasurer

DRAFT

## Section III.

---

### Staff Summary

# Portfolio Highlights

## PORTFOLIO PERFORMANCE

### August

The ERSRI portfolio posted a 1.55% gain for August, against the policy index of 1.45% and the 60/40 Blend of 1.77%. Total Equity returned 2.04%, as US Public Equity gained 4.18% and International Equity 0.57%, both comparable to their respective benchmarks, while Emerging Markets produced a gain of 2.18% and MSCI Canada returned 2.26%. Equity Hedge Funds returned 0.49%, lagging its benchmark of 1.75%. US Traditional Fixed Income returned 1.08%, compared to its benchmark of 1.10%. Real Return Hedge Funds returned 0.79% against its benchmark 0.93%, while GILBs gained 0.41% versus its benchmark 0.48%. The Credit strategy returned 0.44%, versus its benchmark 0.36%.

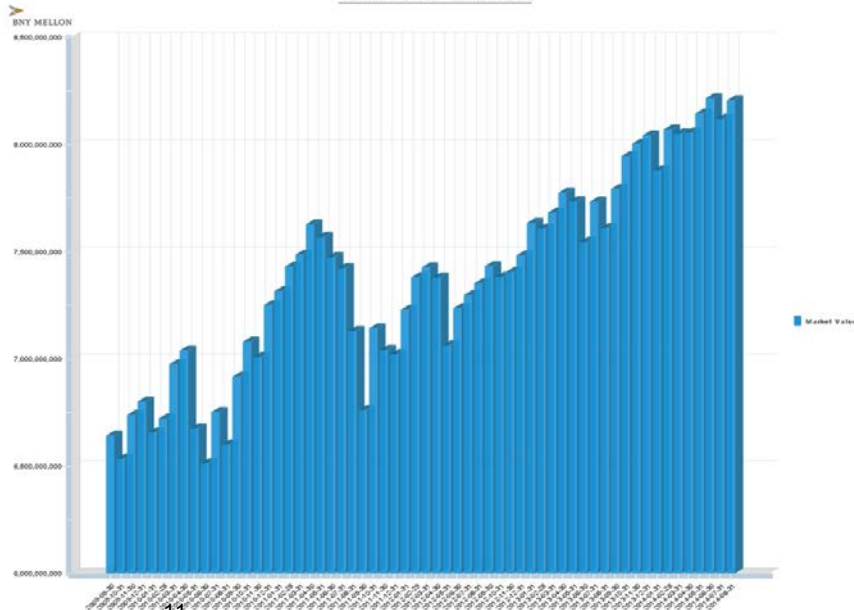
### Fiscal Year to Date

For the Fiscal Year, the fund has gained 0.84%, versus the policy index of 0.56% and the 60/40 Blend 0.92%.

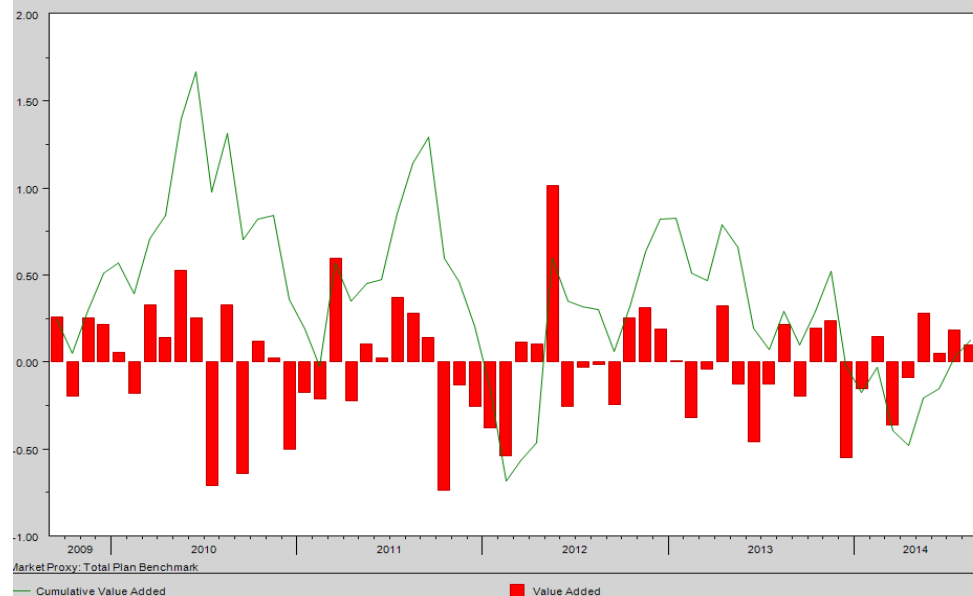
### Market Values

The total portfolio value increased by \$85.9 million to \$8.21 billion. The August increase represents \$129.3 million of positive market impact, and \$39.4 million of transfers out.

GRAND TOTAL - Market Value



TOTAL PLAN  
5 Years Ending August 31, 2014  
Value Added



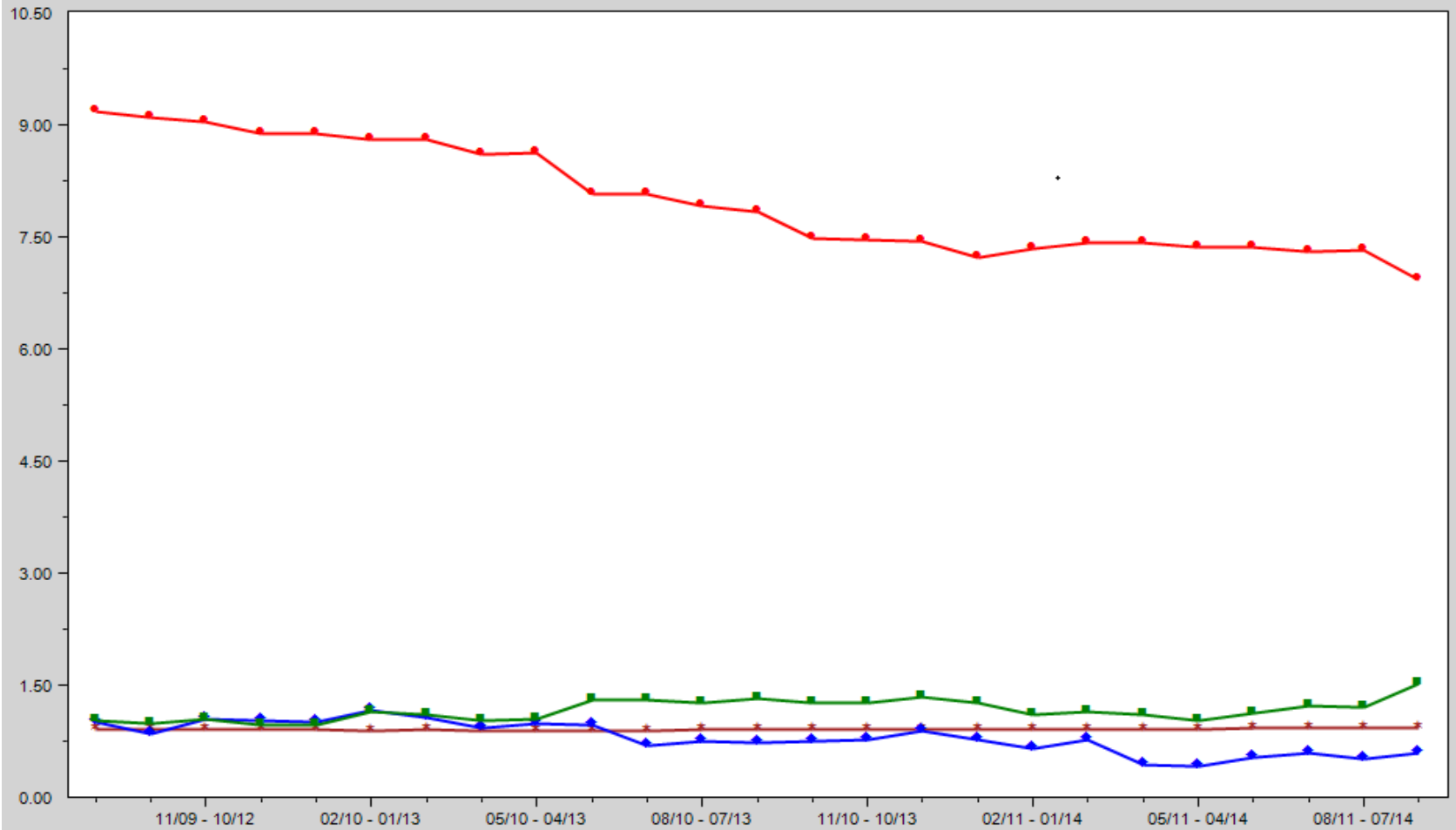
Account Name Benchmark Name	Market Value (M)	Month	Fiscal YTD
US Public Equity	2,100.08	4.18	2.18
Non-US Public Equity	2,028.00	0.57	-0.37
Equity Hedge Funds	656.46	0.49	-0.36
Private Equity	570.10	1.39	2.37
Traditional Fixed Income	1,131.94	1.08	0.80
Real Estate	309.00	0.46	1.64
Real Return Hedge Funds	524.54	0.79	0.74
Credit Aggregate	421.25	0.44	0.24
Inflation-Linked Bonds	285.79	0.41	0.25
Total Cash	158.82	0.01	0.02
<b>TOTAL PLAN</b>	<b>8,205.64</b>	<b>1.55</b>	<b>0.84</b>

## Historical Risk - Three Year Rolling Periods

### TOTAL PLAN

#### 5 Years Ending August 31, 2014

#### Trend



Market Proxy: Total Plan Benchmark; Risk-Free Proxy: BofA Merrill Lynch 3 Month US Treasury Bill G001

● Ann Std Dev     
 ■ Ann Sharpe Ratio     
 ◆ Ann Alpha     
 \* Beta



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

Gina M. Raimondo

General Treasurer

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

September 17, 2014

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 August 31, 2014.

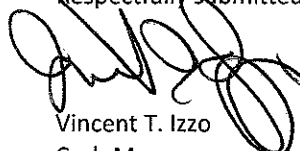
**Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
August 31, 2014**

<b>Asset Class</b>		
<b>Total Fund Investments</b>		<b>8,205,641,690</b>
CASH EQUIVALENT*		222,980,167
EQUITY HEDGE FUNDS**		656,458,542
GLOBAL PUBLIC EQUITY		4,128,084,437
CREDIT		406,379,739
INFLATION LINKED		
BONDS		268,355,324
PRIVATE EQUITY**		570,100,194
REAL ESTATE**		308,999,115
REAL RET HEDGE		
FUNDS**		524,543,912
US TRADITIONAL FIXED		1,119,740,261
<b>Plan Allocation</b>		
<b>Total Fund Investments</b>	<b>100.00%</b>	<b>8,205,641,690</b>
STATE EMP RET PLAN	80.94%	6,641,418,175
MUNI EMP RET PLAN	17.02%	1,396,375,626
STATE POLICE RET PL	1.35%	110,775,441
JUDICIAL RET PLAN	0.69%	56,727,330
NON-CONTRIB JUD RET	0.00%	345,118

\* 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.

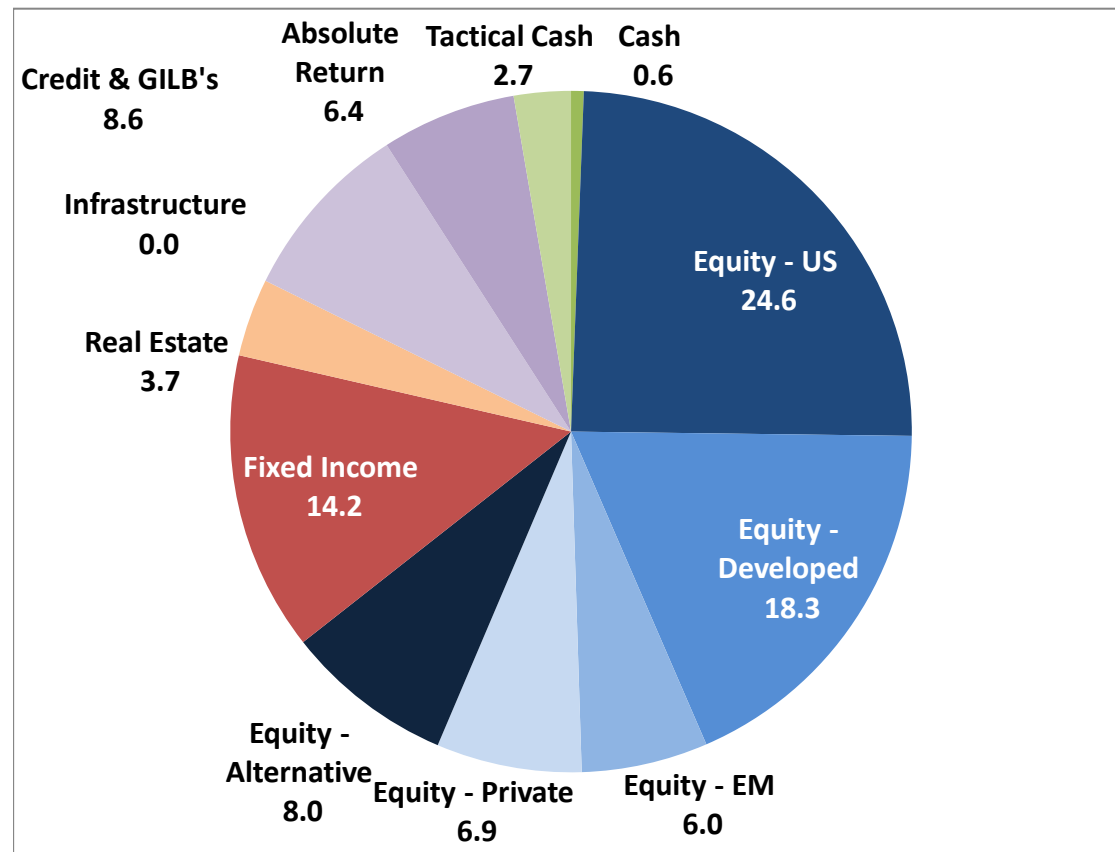
---

### Asset Allocation

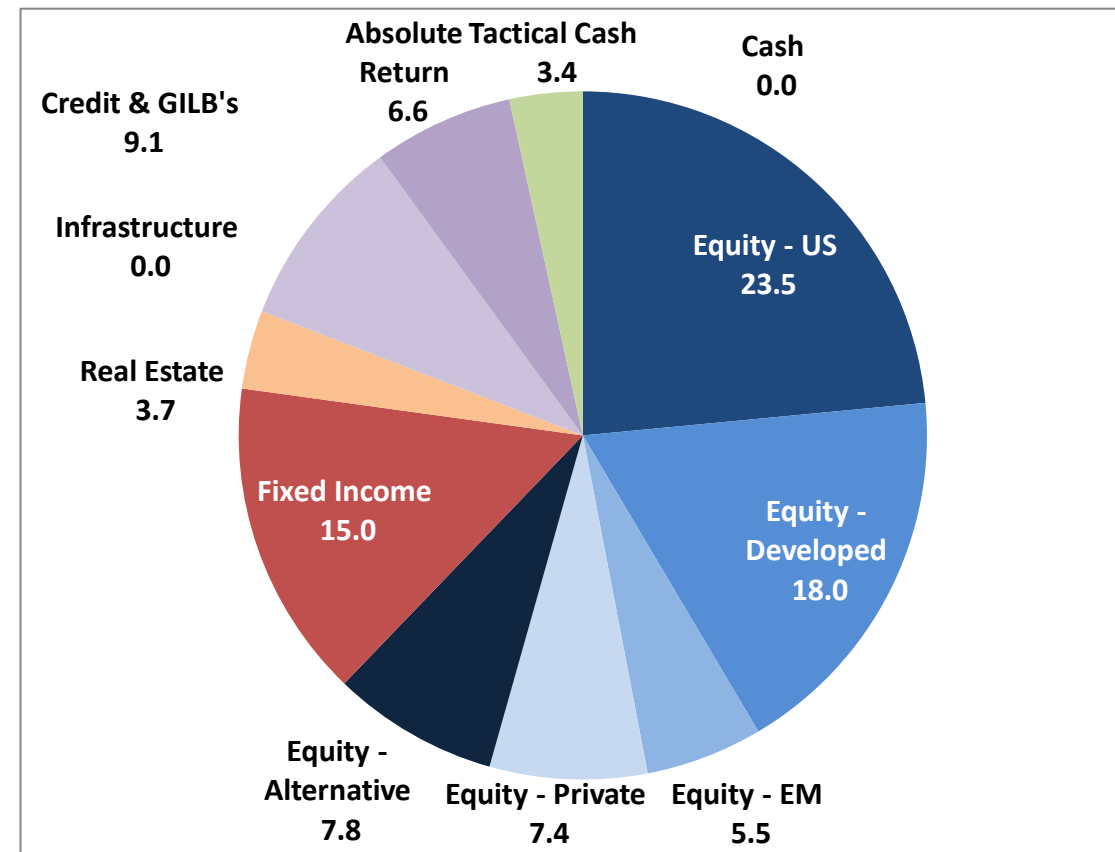
**ERSRI Portfolio**

%% - as of August 31, 2014

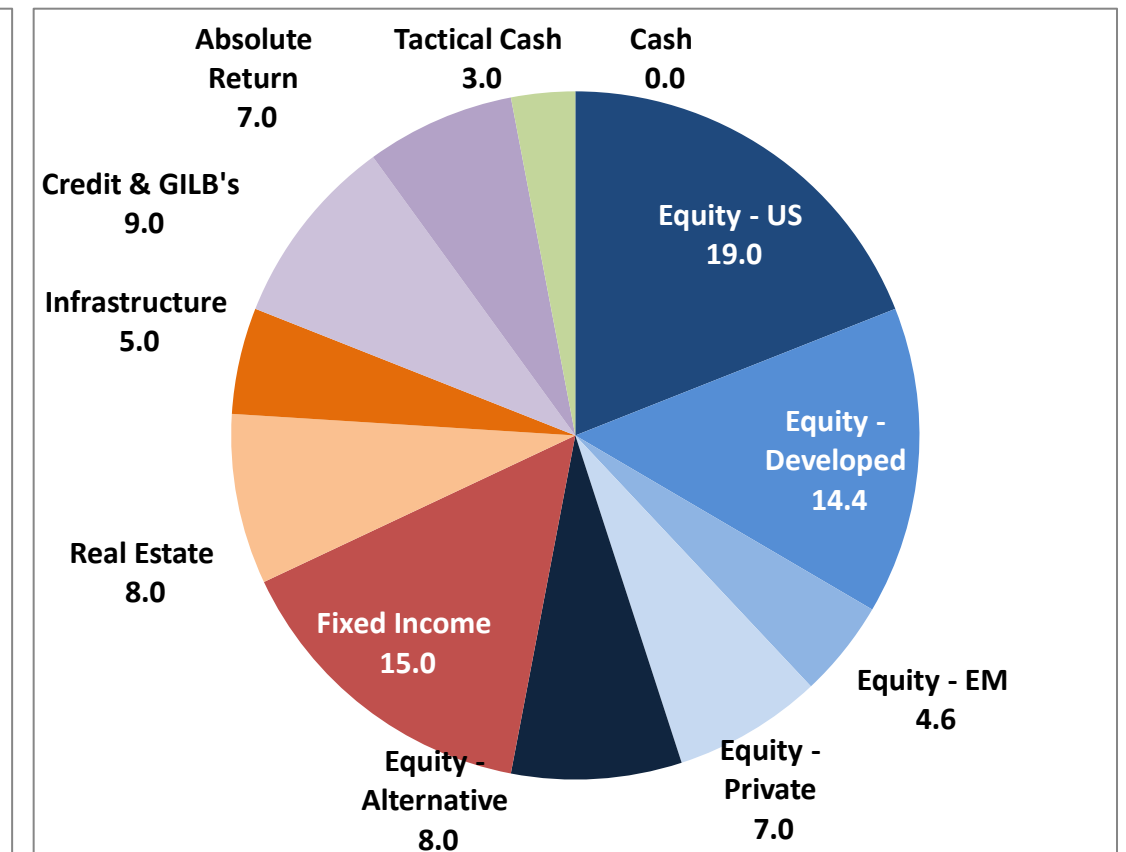
**Actual Allocation**



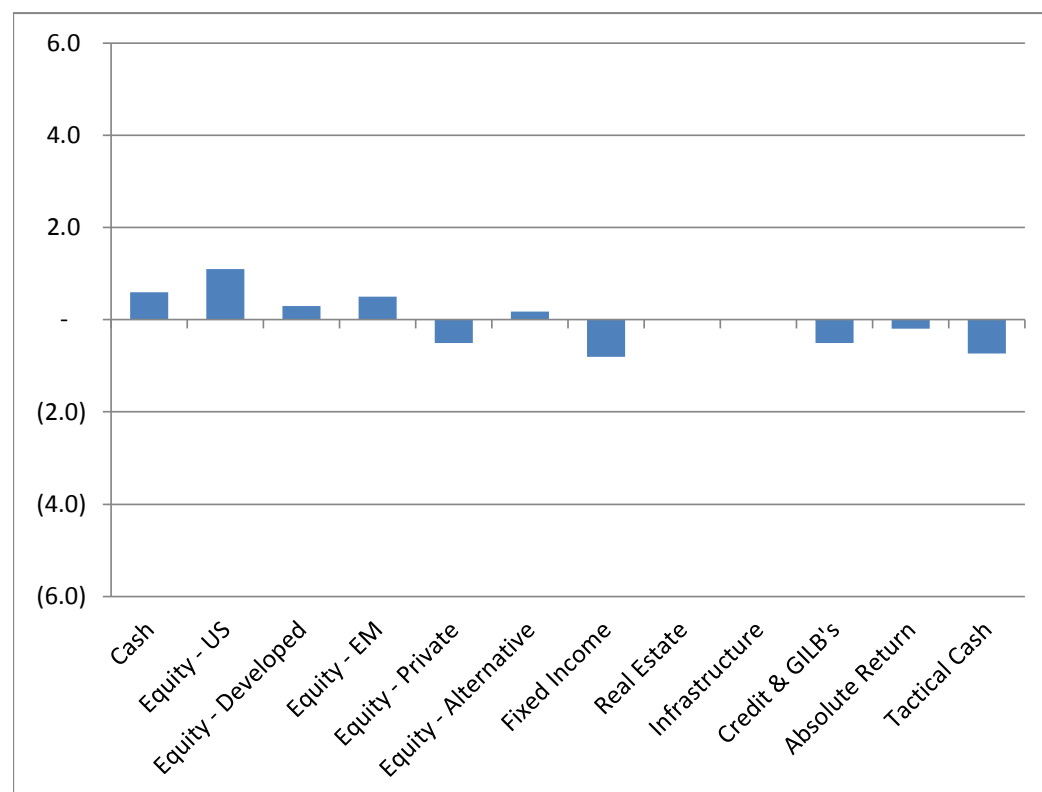
**Tactical Allocation**



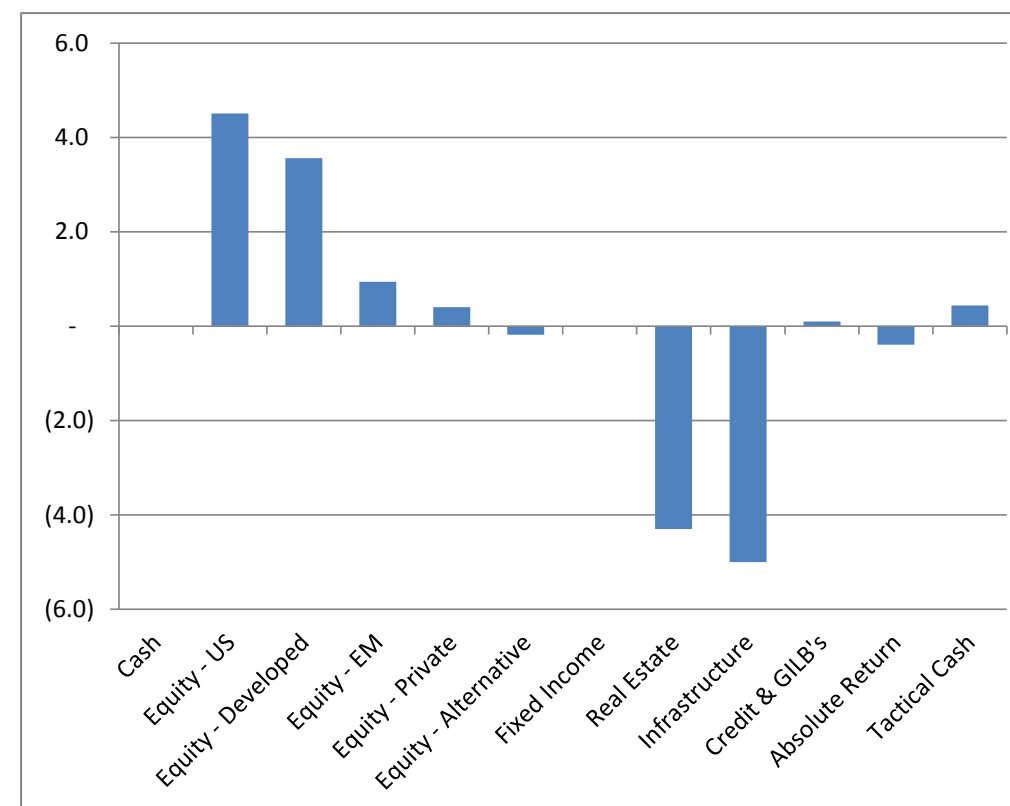
**Policy Allocation**



**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.

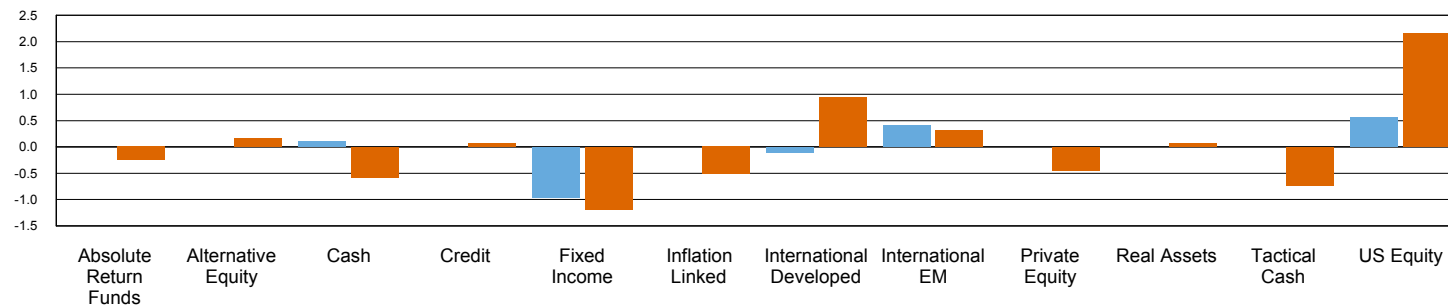
Tactical vs. Policy: Tactical allocations diverge from policy to allow time to vet third-party managers allowing prudent implementation of SIC policy decisions, and to diversify vintage-year exposure for drawdown funds (e.g., private equity, real estate, infrastructure).

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>8,192.5</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>	<b>8,192.5</b>	<b>100.0%</b>	<b>8,192.6</b>	<b>100.0%</b>	<b>8,192.6</b>	<b>100.00%</b>
<b>Cash</b>	<b>-48.0</b>	<b>-0.6%</b>	<b>51.3</b>	<b>0.6%</b>	<b>3.3</b>	<b>0.0%</b>	<b>-4.8</b>	<b>-0.1%</b>	<b>0.0</b>	<b>0.00%</b>
Cash	-48.0	-0.6%	51.3	0.6%	3.3	0.0%	-4.8	-0.1%	0.0	0.00%
<b>Equity</b>	<b>5,353.6</b>	<b>65.3%</b>	<b>-91.4</b>	<b>-1.1%</b>	<b>5,262.2</b>	<b>64.2%</b>	<b>5,191.0</b>	<b>63.4%</b>	<b>5,097.4</b>	<b>62.22%</b>
International Developed	1,552.2	18.9%	-41.1	-0.5%	1,511.1	18.4%	1,519.6	18.5%	1,474.7	18.00%
International EM	475.8	5.8%	21.3	0.3%	497.1	6.1%	464.3	5.7%	450.6	5.50%
US Equity	2,102.4	25.7%	-71.6	-0.9%	2,030.8	24.8%	1,983.9	24.2%	1,925.3	23.50%
Private Equity	569.1	6.9%	0.0	0.0%	569.1	6.9%	569.1	6.9%	606.3	7.40%
Alternative Equity	654.0	8.0%	0.0	0.0%	654.0	8.0%	654.0	8.0%	640.7	7.82%
<b>Fixed</b>	<b>1,131.9</b>	<b>13.8%</b>	<b>40.1</b>	<b>0.5%</b>	<b>1,172.0</b>	<b>14.3%</b>	<b>1,251.4</b>	<b>15.3%</b>	<b>1,228.9</b>	<b>15.00%</b>
Fixed Income	1,131.9	13.8%	40.1	0.5%	1,172.0	14.3%	1,251.4	15.3%	1,228.9	15.00%
<b>Other</b>	<b>1,754.9</b>	<b>21.4%</b>	<b>0.0</b>	<b>0.0%</b>	<b>1,754.9</b>	<b>21.4%</b>	<b>1,754.9</b>	<b>21.4%</b>	<b>1,866.3</b>	<b>22.78%</b>
Real Assets	308.4	3.8%	0.0	0.0%	308.4	3.8%	308.4	3.8%	303.1	3.70%
Absolute Return Funds	520.4	6.4%	0.0	0.0%	520.4	6.4%	520.4	6.4%	540.7	6.60%
Credit	419.3	5.1%	0.0	0.0%	419.3	5.1%	419.3	5.1%	413.8	5.05%
Inflation Linked	285.7	3.5%	0.0	0.0%	285.7	3.5%	285.7	3.5%	327.7	4.00%
Tactical Cash	221.2	2.7%	0.0	0.0%	221.2	2.7%	221.2	2.7%	281.0	3.43%

## Deviations from Target Allocation

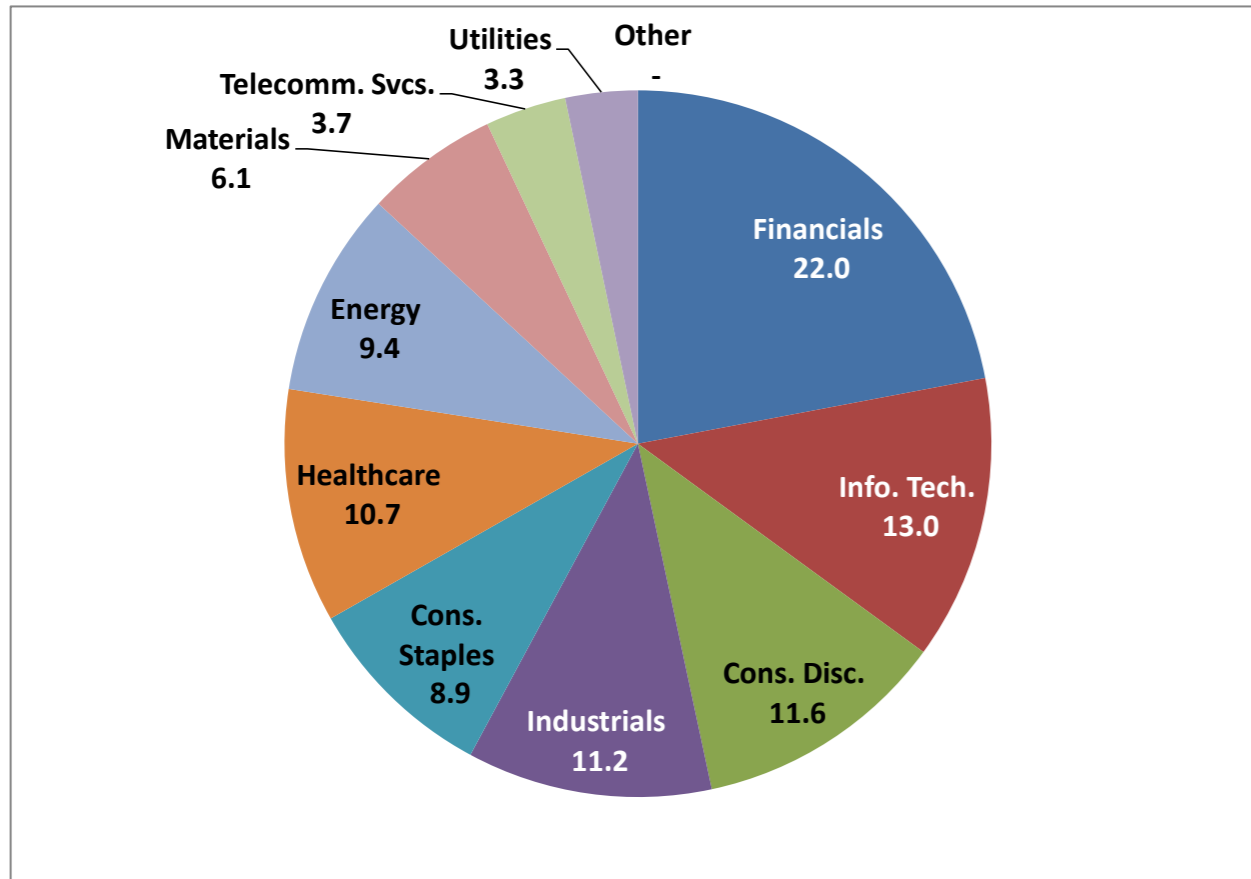




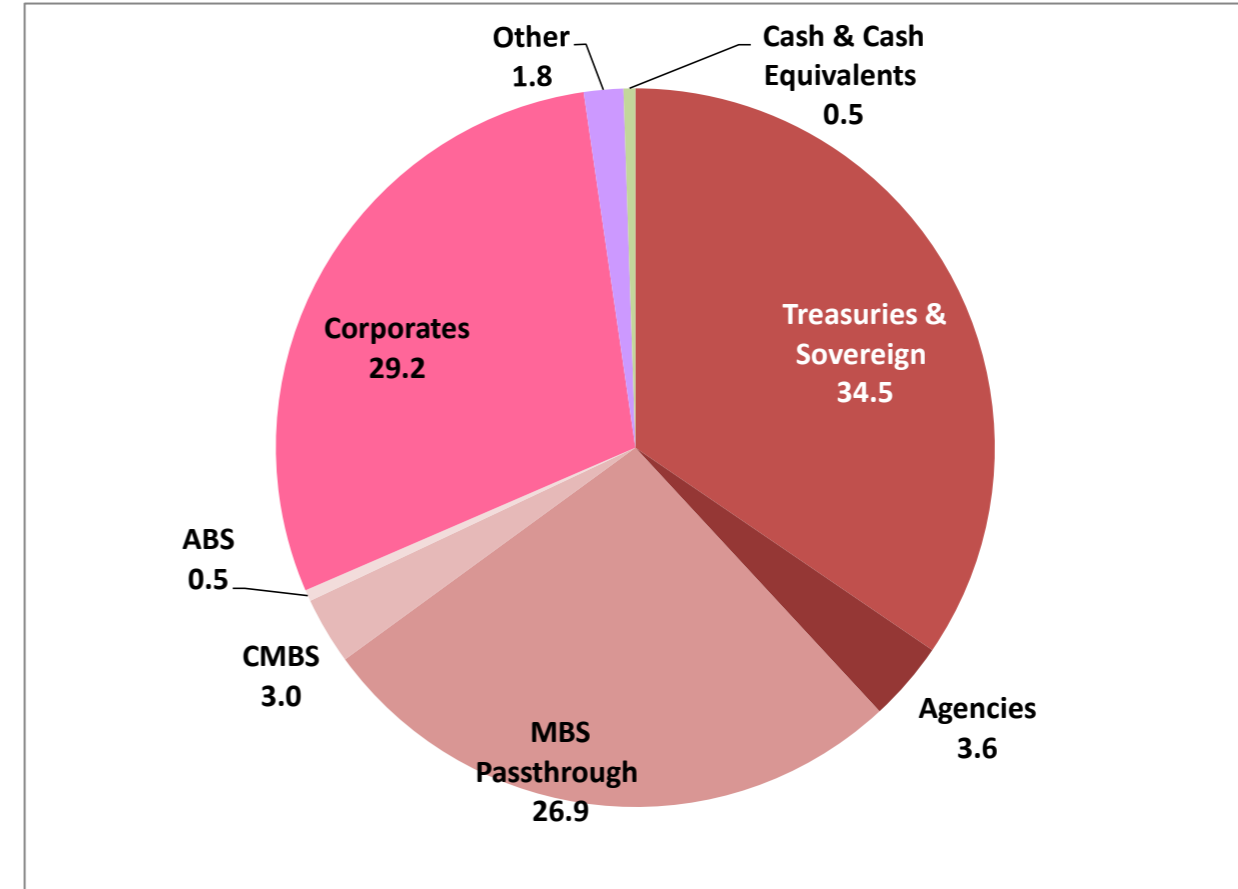
# ERSRI Asset Allocation Public-Asset Portfolios

%%% - as of August 31, 2014

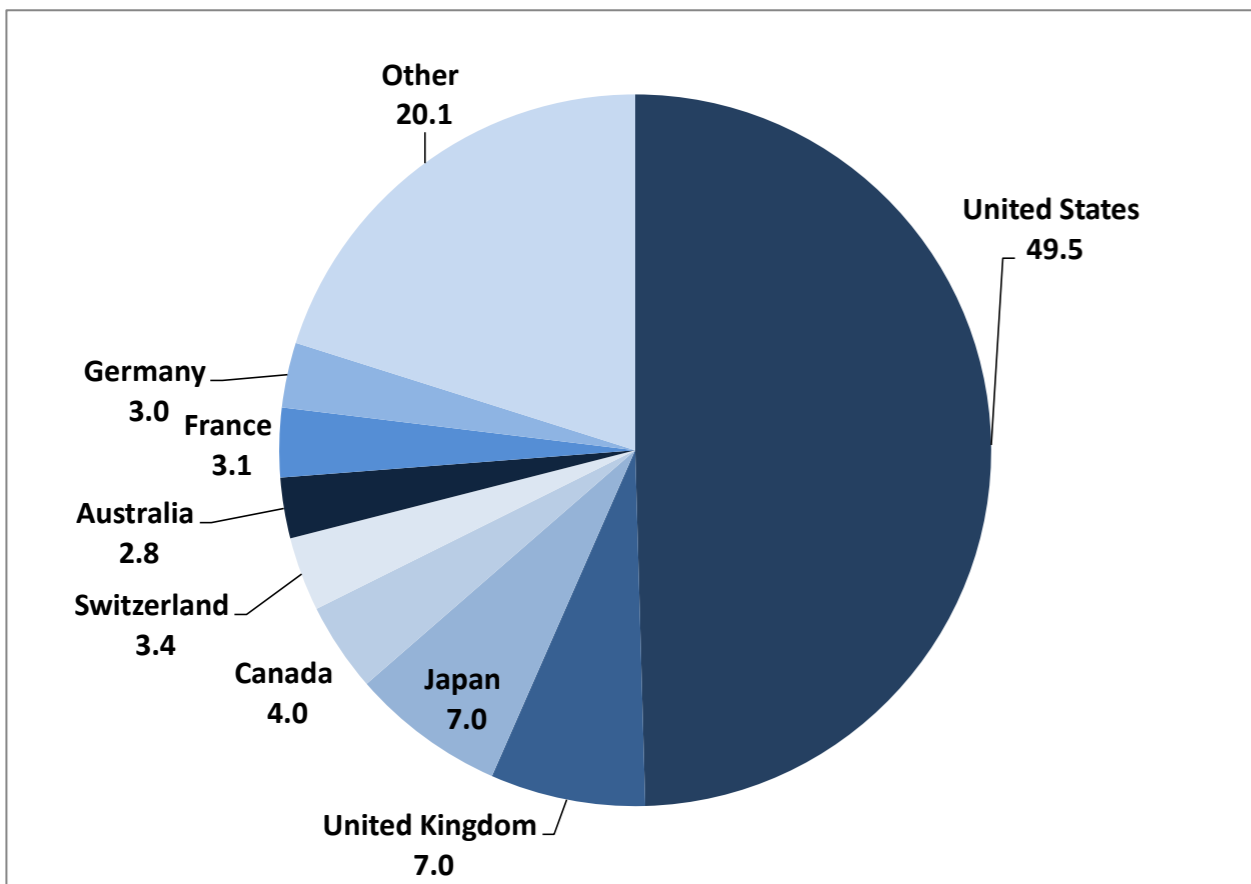
### Global Public Equity - by Industry Sector



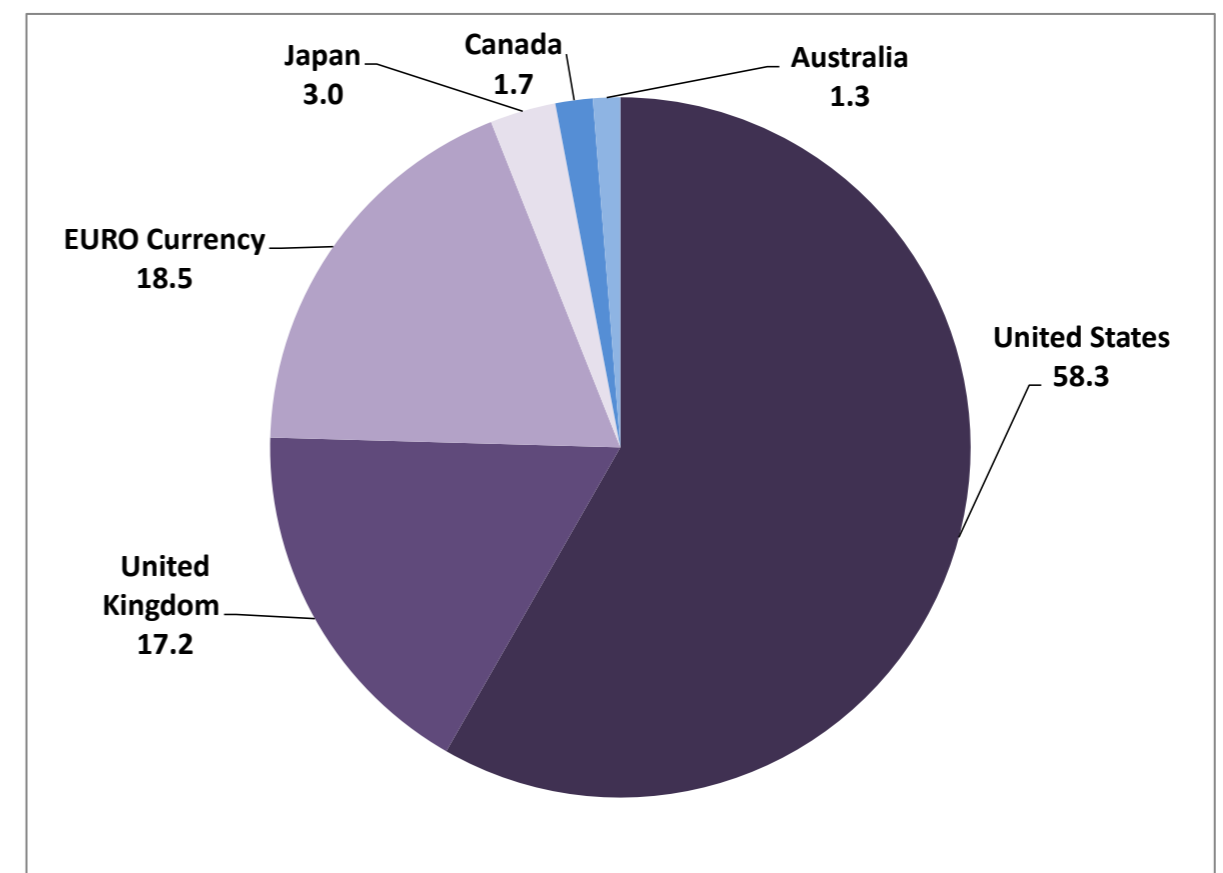
### Core Fixed Income - by Type



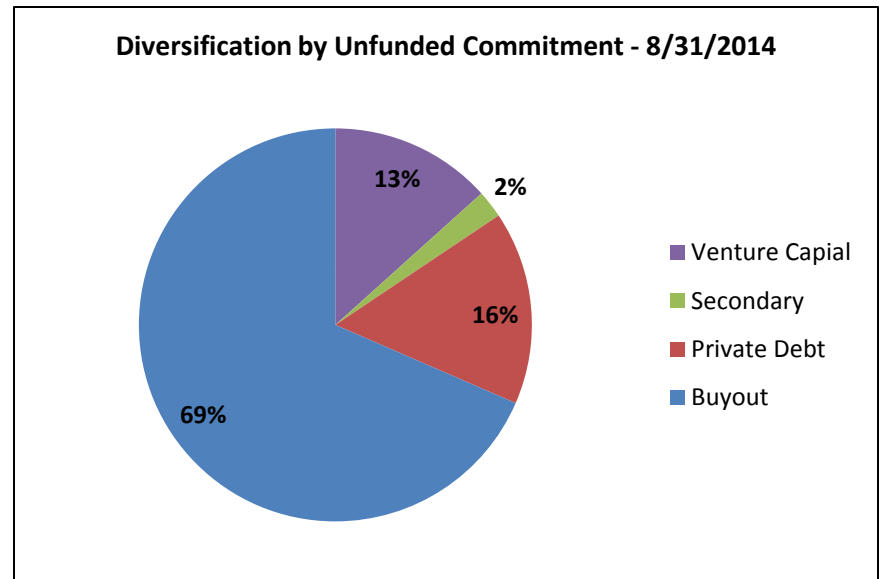
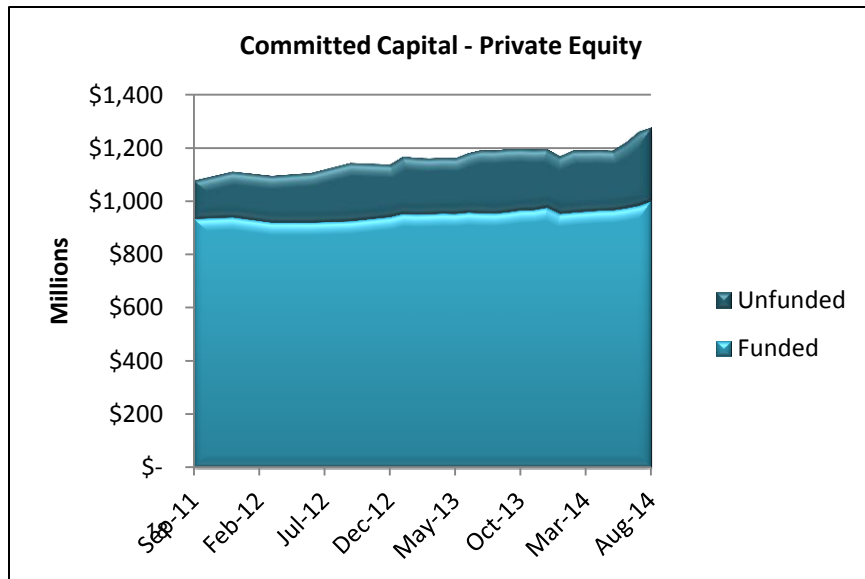
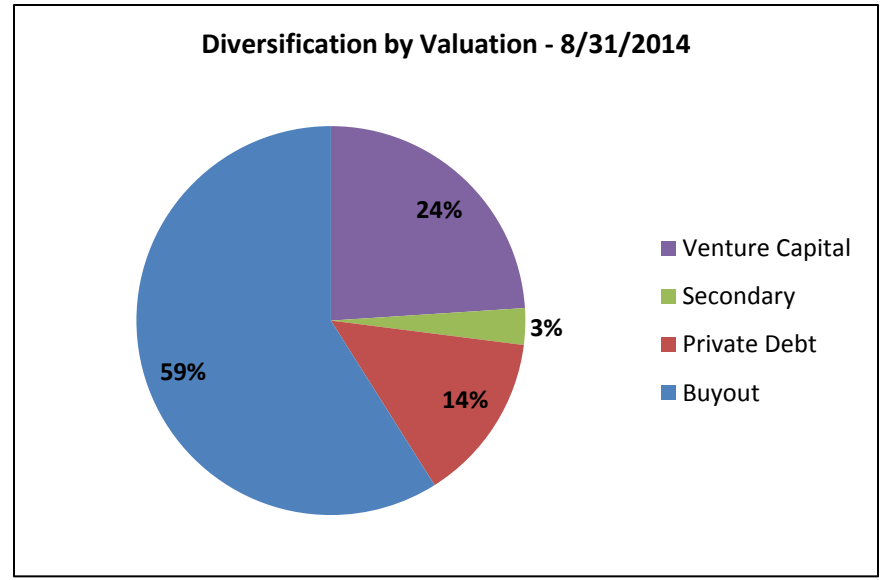
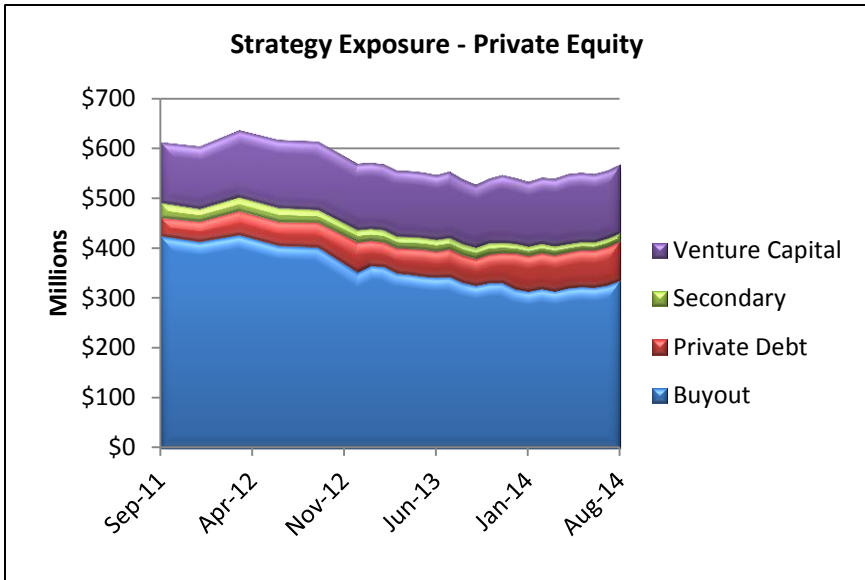
### Global Public Equity - by Geography



### Global Inflation-Linked Bonds - by Geography



# Strategy Exposure & Committed Capital – Private Equity

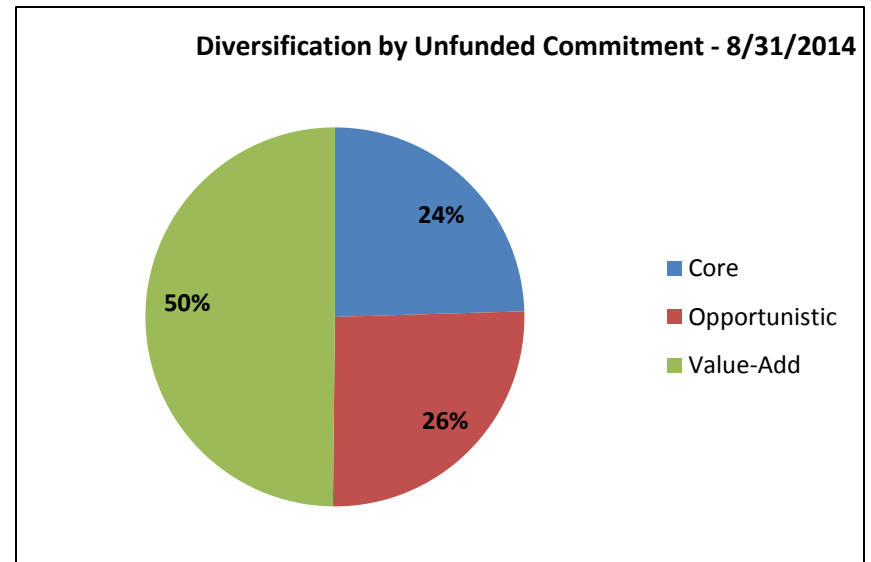
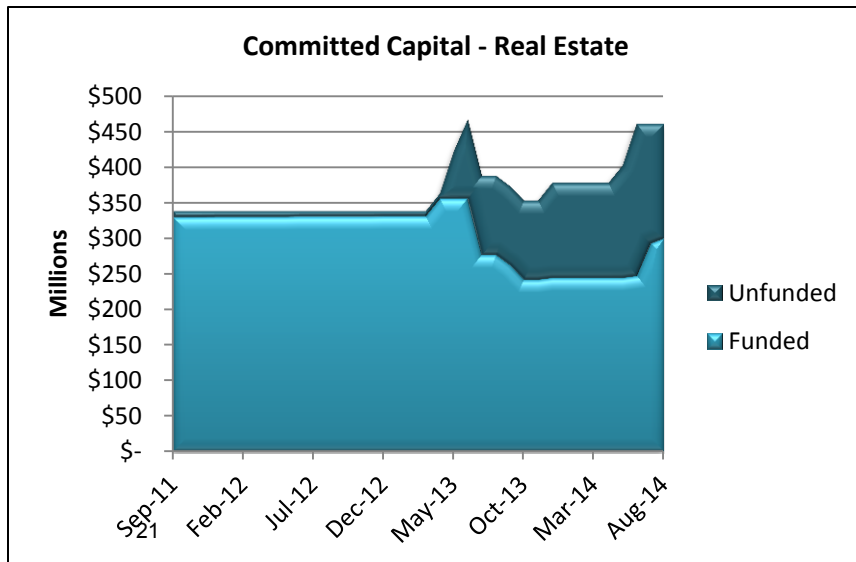
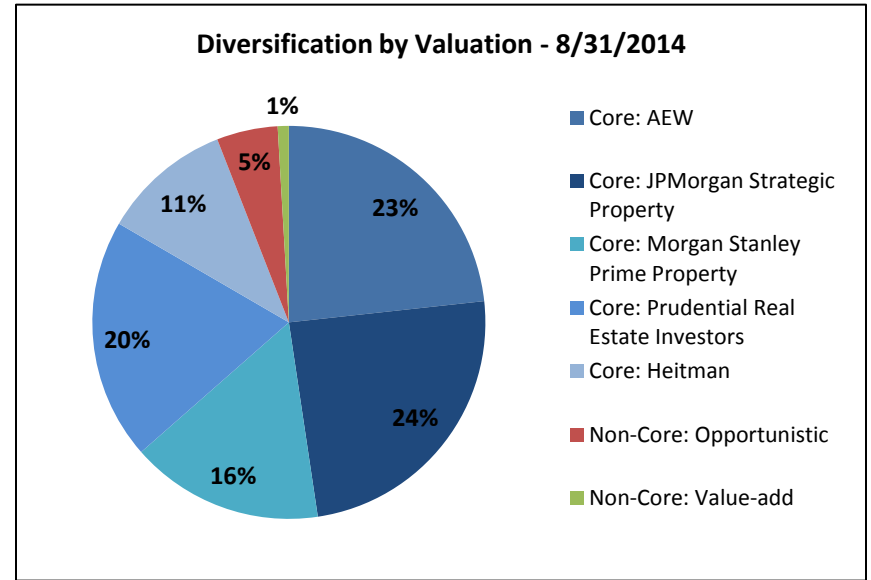
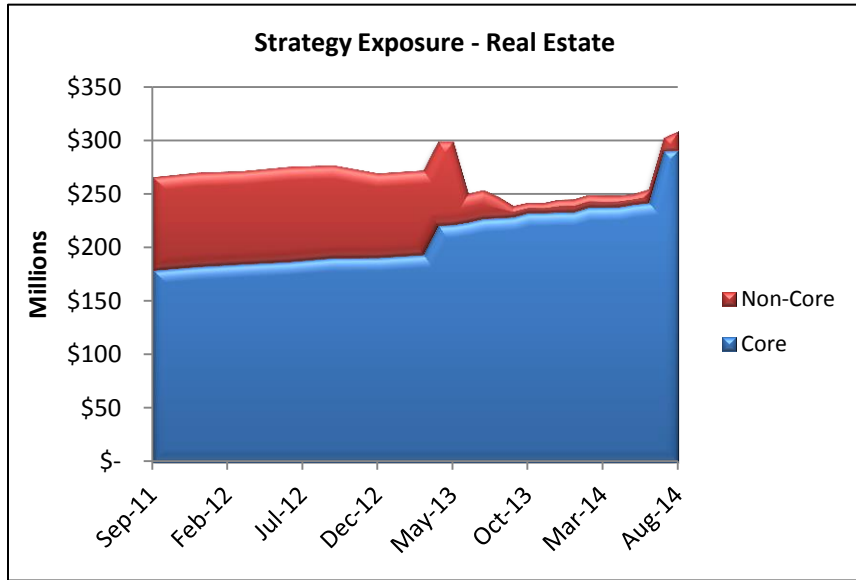


**State of Rhode Island Private Equity Unfunded Commitment August 2014**

<b>Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
Advent Global Private Equity Fund VII	\$ 20,000,000.00	\$ 9,260,000.00
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 750,000.00
Aurora Equity Partners 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	\$ 762,500.00
Birch Hill Equity Partners III	\$ 16,538,040.00	\$ 512,078.01
Braemar Energy Ventures III	\$ 10,000,000.00	\$ 5,516,586.00
Carlyle Asia Partners IV	\$ 30,000,000.00	\$ 26,253,048.00
Castile III	\$ 5,000,000.00	\$ 150,000.00
Centerbridge	\$ 15,000,000.00	\$ 1,090,623.00
Centerbridge Special Credit Partners II	\$ 25,000,000.00	\$ 5,000,000.00
Charterhouse Capital Partners VIII	\$ 18,710,606.25	\$ 468,539.38
Coller International Capital IV	\$ 14,250,000.00	\$ 600,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 3,270,000.00
Constellation III	\$ 15,000,000.00	\$ 908,695.66
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.00
CVC European Equity Partners IV	\$ 21,664,912.50	\$ 2,531,889.39
CVC V	\$ 26,260,500.00	\$ 2,802,324.35
CVC VI	\$ 19,695,375.00	\$ 17,978,767.72
EnCap Energy Fund IX	\$ 18,000,000.00	\$ 14,051,172.79
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 232,336.00
Fenway III	\$ 15,000,000.00	\$ 1,409,506.00
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	\$ 1,731,092.40
Industry Ventures Partnership Holdings III	\$ 25,000,000.00	\$ 20,750,000.00
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 366,426.00
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 844,050.00
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	\$ 605,489.52
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	\$ 644,505.65
Nautic Partners VI	\$ 20,000,000.00	\$ 777,633.10
Nautic Partners VII	\$ 20,000,000.00	\$ 20,000,000.00
Nordic Capital Fund V	\$ 19,190,582.54	\$ -
Nordic Capital Fund VI	\$ 19,695,375.00	\$ -

Nordic VII	\$	19,695,375.00	\$	3,711,593.80
Nordic VIII	\$	19,695,375.00	\$	16,208,787.66
Oaktree Capital Management Fund III	\$	20,000,000.00	\$	9,800,000.00
Palladin III	\$	10,000,000.00	\$	2,019,778.00
Parthenon Investors II	\$	23,960,000.00	\$	1,821,022.00
Perseus VII	\$	15,000,000.00	\$	522,311.17
Point 406	\$	10,000,000.00	\$	1,040,000.00
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	\$	1,989,319.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,210,779.00
Providence Equity Partners VI	\$	25,000,000.00	\$	2,084,773.00
Providence Equity Partners VII	\$	25,000,000.00	\$	20,138,580.00
Riverside VI	\$	20,000,000.00	\$	16,847,504.00
Riverside Micro-Cap Fund III	\$	20,000,000.00	\$	10,373,872.00
Summit Partners	\$	20,000,000.00	\$	-
Summit Partners II	\$	20,000,000.00	\$	20,000,000.00
Thomas McNerney & Partners	\$	15,000,000.00	\$	300,000.00
Thomas McNerney & Partners II	\$	15,000,000.00	\$	1,162,500.00
TPG Partners IV	\$	13,953,742.00	\$	64,421.00
TPG Partners V	\$	20,000,000.00	\$	2,328,181.00
TPG VI	\$	10,000,000.00	\$	1,554,063.00
Trilantic IV	\$	11,098,351.00	\$	1,290,939.97
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	\$	1,596,691.00
Wellspring Capital Partners III	\$	20,000,000.00	\$	283,861.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$	2,088,979.00
WLR	\$	8,000,000.00	\$	765,256.00
<b>Total Private Equity</b>	\$	1,279,158,234.29	\$	276,733,220.65

# Strategy Exposure & Committed Capital – Real Estate



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

<b>Real Estate Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
AEW	\$ 60,000,000.00	\$ -
Exeter Industrial Value Fund III	\$ 30,000,000.00	\$ 30,000,000.00
Fillmore East Fund I	\$ 10,000,000.00	\$ -
GEM Realty V	\$ 50,000,000.00	\$ 40,178,750.00
Heitman	\$ 60,000,000.00	\$ 26,976,067.01
IC Berkeley Partners III	\$ 18,000,000.00	\$ 15,186,662.83
JPMorgan Strategic Property Fund	\$ 75,000,000.00	\$ 12,500,000.00
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
Magna Hotel	\$ 4,000,000.00	\$ 649,244.14
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
Waterton Venture Fund XII	\$ 35,000,000.00	\$ 35,000,000.00
<b>Total Real Estate</b>	<b>\$ 462,000,000.00</b>	<b>\$ 160,919,190.98</b>

## Section V.

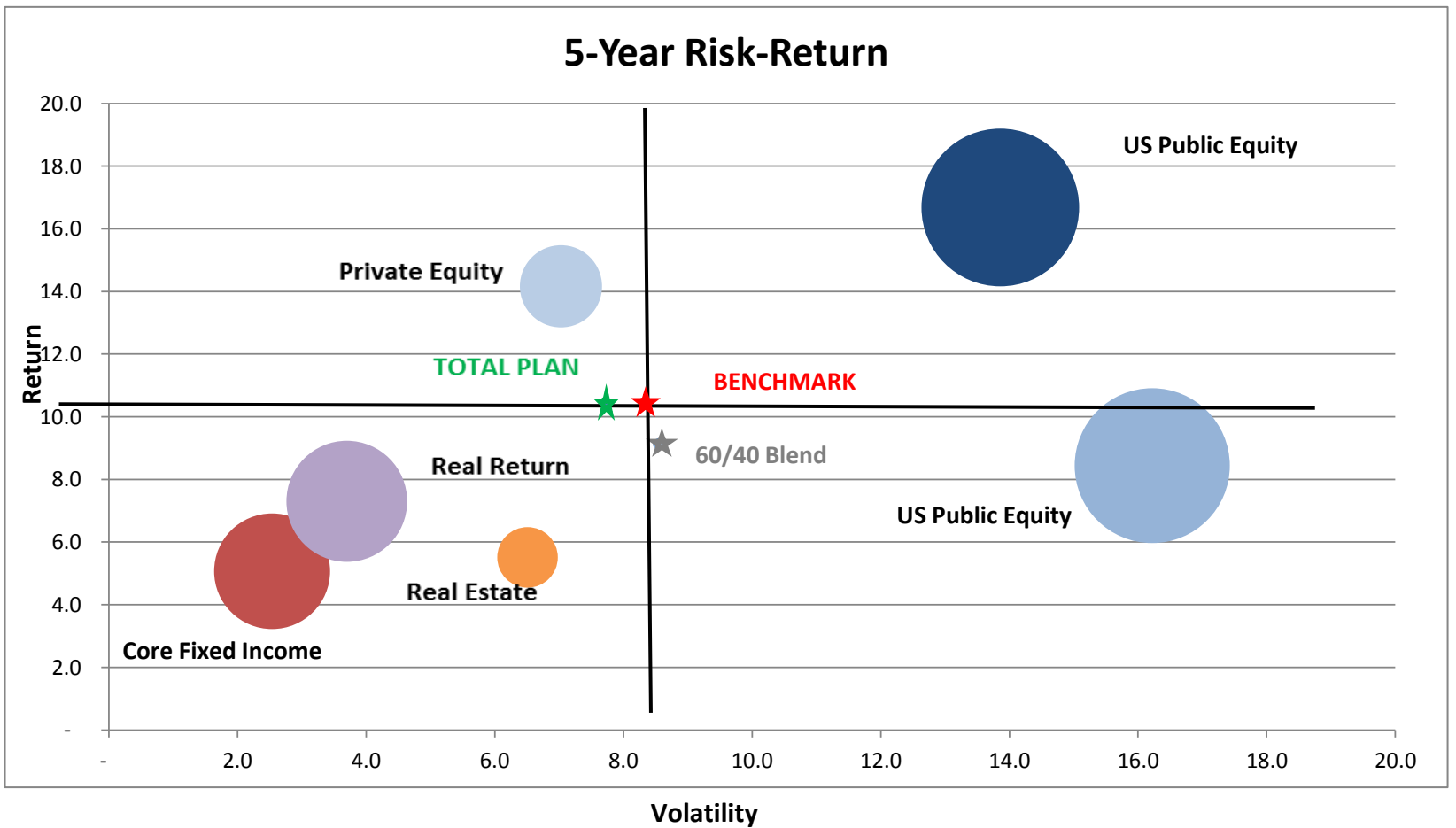
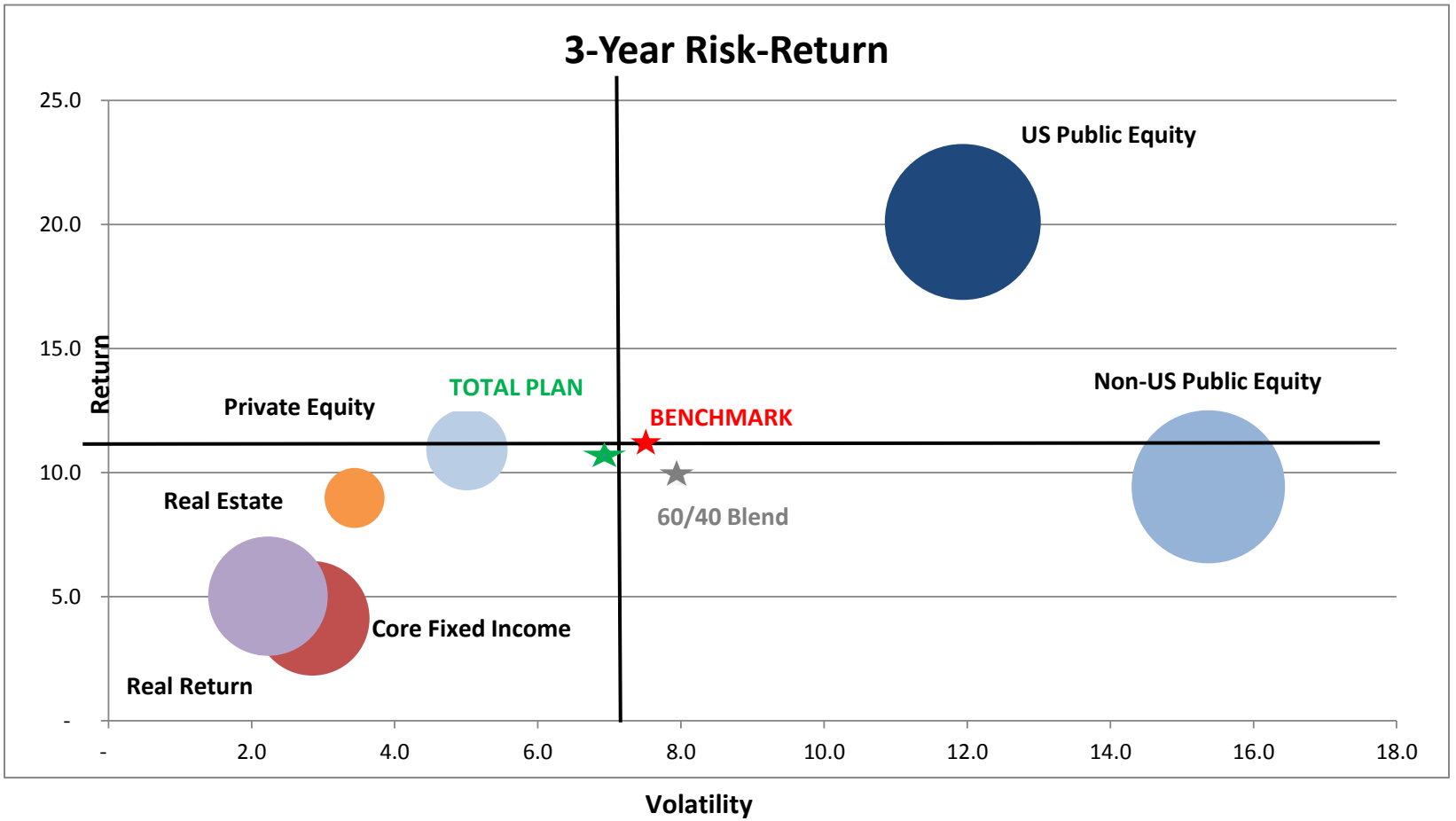
---

### Risk Overview

# ERSRI Portfolio

% - as of August 31, 2014

Bubble-Size Scaled based on Current Allocations





## 5 Years Ending August 31, 2014 Comparison

	<b>TOTAL PLAN</b>	<b>Total Plan Benchmark</b>
<b>Ann Return</b>	10.46	10.44
<b>Ann Ex Ret vs Mkt</b>	0.03	0.00
<b>Ann Tracking Error</b>	1.13	0.00
<b>Ann Std Dev</b>	7.72	8.31
<b>Beta</b>	0.92	1.00
<b>R-Squared</b>	0.99	1.00
<b>Ann Alpha</b>	0.77	0.00
<b>Ann Sharpe Ratio</b>	1.32	1.23

## Risk Exposures

### 3 Years Ending August 31, 2014

	Annualized Return	Ann Std Dev	Beta (ACWI)	Beta (BC AGG)	Beta (GSCI)	Beta (CPI)
US Public Equity	20.10	11.94	0.86	-0.55	0.53	0.06
Non-US Public Equity	9.43	15.37	1.14	0.20	0.66	-0.57
Equity Hedge Funds	---	---	---	---	---	---
Private Equity	10.93	5.01	0.11	-0.53	0.08	-0.12
Traditional Fixed Income	4.13	2.85	0.06	1.00	0.01	-0.12
Real Estate	8.98	3.44	0.06	0.37	-0.01	-0.67
Real Return Hedge Funds	---	---	---	---	---	---
Inflation-Linked Bonds	3.11	4.46	0.05	1.39	0.00	-0.70
Cash	0.15	0.08	0.00	0.00	0.00	0.01
Russell Overlay Fd	0.14	0.16	0.01	-0.02	0.01	0.00
<b>TOTAL PLAN</b>	<b>10.77</b>	<b>6.94</b>	<b>0.52</b>	<b>0.09</b>	<b>0.30</b>	<b>-0.28</b>

**3 Years Ending August 31, 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>	0.87	1.00									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.27	0.28	---	1.00							
<b>FI</b>	0.15	0.34	---	-0.21	1.00						
<b>RE</b>	0.20	0.26	---	0.03	0.30	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	0.07	0.20	---	-0.16	0.78	0.19	---	1.00			
<b>Cash</b>	-0.03	-0.01	---	-0.07	0.03	0.33	---	-0.10	1.00		
<b>Overlay</b>	0.64	0.65	---	0.15	0.00	0.15	---	0.08	-0.09	1.00	
<b>Total</b>	0.95	0.97	---	0.30	0.33	0.28	---	0.22	-0.01	0.65	1.00
<b>Tot BM</b>	0.96	0.96	---	0.25	0.30	0.25	---	0.17	-0.01	0.68	0.99

**5 Years Ending August 31, 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>	0.88	1.00									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.17	0.10	---	1.00							
<b>FI</b>	0.05	0.25	---	-0.17	1.00						
<b>RE</b>	0.09	0.14	---	-0.02	-0.01	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	---	---	---	---	---	---	---	---			
<b>Cash</b>	-0.06	0.01	---	-0.09	0.06	-0.02	---	---	1.00		
<b>Overlay</b>	-0.05	-0.04	---	0.01	0.07	-0.13	---	---	-0.05	1.00	
<b>Total</b>	0.96	0.96	---	0.21	0.21	0.13	---	---	-0.04	-0.04	1.00
<b>Tot BM</b>	0.97	0.96	---	0.16	0.19	0.12	---	---	-0.03	-0.05	0.99

## Section VI.

---

# Performance Overview

TOTAL NET OF FEES

8/31/2014

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>	2,100,082,880	26	4.18 4.20	2.18 2.14	24.75 24.74				21.92 21.93	10/1/2012 10/1/2012
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>2,100,082,954</b>	<b>26</b>	<b>4.18</b> 4.20	<b>2.18</b> 2.14	<b>24.73</b> 24.74	<b>20.10</b> 20.65	<b>16.68</b> 17.22		<b>7.21</b> 7.24	<b>8/1/2007</b> 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,389,991,194	17	-0.16 -0.15	-2.11 -2.11	16.73 16.44				17.86 17.55	9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	162,245,959	2	2.26 2.24	2.23 2.16	23.95 23.19				12.84 12.10	9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	475,764,400	6	2.18 2.25	4.13 4.23	19.84 19.98				9.63 9.83	9/1/2012 9/1/2012
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>2,028,001,646</b>	<b>25</b>	<b>0.57</b> 0.55	<b>-0.37</b> -0.44	<b>18.04</b> 17.75	<b>9.43</b> 9.69	<b>8.44</b> 7.23		<b>12.97</b> 11.81	<b>5/1/2009</b> 5/1/2009
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>4,128,084,600</b>	<b>50</b>	<b>2.38</b> 2.21	<b>0.91</b> 0.97	<b>21.29</b> 20.99	<b>15.83</b> 14.06	<b>13.51</b> 11.80	<b>8.39</b> 7.85	<b>4.35</b>	<b>7/1/2000</b> 7/1/2000
Private Equity <i>Venture Economics Custom BM</i> <i>S&amp;P + 300 BP</i>	570,100,194	7	1.39 0.00 4.10	2.37 0.00 2.95	16.78 16.57 28.25	10.93 18.98 23.81	14.16 17.29 20.13	11.00 10.16 11.49	4.66	1/1/1993 1/1/1993 1/1/1993
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>656,458,542</b>	<b>8</b>	<b>0.49</b> 1.75	<b>-0.36</b> 0.75	<b>10.17</b> 11.75				<b>9.21</b> 7.86	<b>11/1/2011</b> 11/1/2011
<b>Total Equity</b>	<b>5,354,643,337</b>	<b>65</b>	<b>2.04</b>	<b>0.90</b>	<b>19.33</b>	<b>14.33</b>	<b>13.17</b>	<b>8.42</b>	<b>3.44</b>	<b>6/1/1996</b>
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	564,665,065	7	1.03 1.10	0.80 0.85	5.99 5.66				1.73 1.47	11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	567,009,849	7	1.13 1.10	0.79 0.85	6.04 5.66				1.66 1.47	11/1/2012 11/1/2012
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,131,942,084</b>	<b>14</b>	<b>1.08</b> 1.10	<b>0.80</b> 0.85	<b>6.02</b> 5.66	<b>4.13</b> 2.91	<b>5.07</b> 4.48	<b>5.02</b> 4.72	<b>5.82</b> 5.67	<b>7/1/2000</b> 7/1/2000

TOTAL NET OF FEES

8/31/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	1 Year	Annualized				Inception Date
						3 Years	5 Years	10 Years	ITD	
<b>Real Return Hedge Funds</b>	<b>524,543,912</b>	<b>6</b>	<b>0.79</b>	<b>0.74</b>	<b>6.59</b>				<b>5.50</b>	<b>11/1/2011</b>
<i>HFRI Fund of Funds Composite Index</i>			<i>0.93</i>	<i>0.55</i>	<i>7.90</i>				<i>5.20</i>	<i>11/1/2011</i>
PIMCO	208,755,766	3	0.50	0.16	3.98				3.13	5/1/2013
<i>30% BoA1-3BB-B HY/70%CSInstLLI</i>			<i>0.36</i>	<i>0.22</i>	<i>4.97</i>				<i>4.36</i>	<i>5/1/2013</i>
WAMCO	212,496,008	3	0.38	0.32	5.22				4.55	4/1/2013
<i>30% BoA 1-3 BB-B HY/70% CS LLI</i>			<i>0.36</i>	<i>0.15</i>	<i>5.15</i>				<i>4.72</i>	<i>4/1/2013</i>
<b>Credit Aggregate</b>	<b>421,251,774</b>	<b>5</b>	<b>0.44</b>	<b>0.24</b>	<b>4.60</b>				<b>3.73</b>	<b>5/1/2013</b>
<b>30% BoA1-3BB-B HY/70%CSInstLLI</b>			<b>0.36</b>	<b>0.22</b>	<b>4.97</b>				<b>4.85</b>	<b>3/1/2013</b>
BROWN BROTHERS HARR	285,785,461	3	0.41	0.25	2.90				-0.15	11/1/2012
<i>BBH Inflation-Linked Custom BM</i>			<i>0.48</i>	<i>0.40</i>	<i>3.69</i>				<i>-0.14</i>	<i>11/1/2012</i>
<b>Inflation-Linked Bonds</b>	<b>285,785,461</b>	<b>3</b>	<b>0.41</b>	<b>0.25</b>	<b>2.90</b>	<b>3.11</b>			<b>5.54</b>	<b>11/1/2009</b>
<i>Total Inflation Linked Custom</i>			<i>0.48</i>	<i>0.40</i>	<i>3.69</i>	<i>3.07</i>			<i>5.53</i>	<i>11/1/2009</i>
<b>Total Real Return</b>	<b>1,231,581,148</b>	<b>15</b>	<b>0.58</b>	<b>0.45</b>	<b>5.05</b>	<b>5.02</b>	<b>7.27</b>	<b>5.94</b>	<b>6.21</b>	<b>6/1/2004</b>
Real Estate	308,999,115	4	0.46	1.64	10.07	8.98	5.51		0.97	1/1/2005
<i>NCREIF Property Lagged + 100bp</i>			<i>0.08</i>	<i>0.15</i>	<i>12.18</i>	<i>12.69</i>	<i>8.89</i>		<i>9.25</i>	<i>1/1/2005</i>
ERSRI CASH	155,934,491	2	0.01	0.02	0.16	0.13	0.16	3.76	14.99	7/1/2000
<i>BofA Merrill Lynch 3 Month US Treasury Bill GOO1</i>			<i>0.00</i>	<i>0.01</i>	<i>0.05</i>	<i>0.07</i>	<i>0.10</i>	<i>1.61</i>	<i>1.92</i>	<i>7/1/2000</i>
<b>Total Cash</b>	<b>158,816,547</b>	<b>2</b>	<b>0.01</b>	<b>0.02</b>	<b>0.16</b>	<b>0.15</b>	<b>0.17</b>	<b>2.50</b>	<b>2.67</b>	<b>4/1/2004</b>
<b>Russell Overlay Fd</b>	<b>17,309,296</b>	<b>0</b>	<b>-0.03</b>	<b>0.01</b>	<b>-0.11</b>	<b>0.14</b>	<b>-0.04</b>		<b>-0.10</b>	<b>9/1/2008</b>
<b>TOTAL PLAN</b>	<b>8,205,641,690</b>	<b>100</b>	<b>1.55</b>	<b>0.84</b>	<b>14.15</b>	<b>10.77</b>	<b>10.46</b>	<b>7.26</b>	<b>4.99</b>	<b>7/1/2000</b>
<i>Total Plan Benchmark</i>			<i>1.45</i>	<i>0.56</i>	<i>14.33</i>	<i>11.15</i>	<i>10.44</i>	<i>7.19</i>		<i>7/1/2000</i>
<i>60/40 Blend</i>			<i>1.77</i>	<i>0.92</i>	<i>14.73</i>	<i>9.72</i>	<i>9.12</i>	<i>6.95</i>		<i>7/1/2000</i>
<b>Total Plan ex PE &amp; RE</b>	<b>7,326,542,380</b>	<b>89</b>	<b>1.61</b>	<b>0.69</b>	<b>14.12</b>	<b>10.39</b>	<b>10.05</b>	<b>7.08</b>	<b>6.72</b>	<b>4/1/1996</b>
<i>Total Plan BM ex PE RE</i>			<i>1.69</i>	<i>0.62</i>	<i>14.92</i>	<i>11.06</i>	<i>10.34</i>	<i>6.97</i>		<i>4/1/1996</i>

TOTAL NET OF FEES

8/31/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				7/1/2014 - 7/31/2014	6/1/2014 - 6/30/2014					
SSGA R3000 INDEX <i>Russell 3000 Index</i>	2,100,082,880	26	4.18 4.20	-1.93 -1.97	2.48 2.51	33.49 33.55			10/1/2012 10/1/2012	
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>2,100,082,954</b>	<b>26</b>	<b>4.18</b> 4.20	<b>-1.93</b> -1.97	<b>2.48</b> 2.51	<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>	1,389,991,194	17	-0.16 -0.15	-1.96 -1.96	0.99 0.96	23.08 22.78			9/1/2012 9/1/2012	
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	162,245,959	2	2.26 2.24	-0.03 -0.08	6.03 5.95	6.35 5.63			9/1/2012 9/1/2012	
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	475,764,400	6	2.18 2.25	1.91 1.93	2.72 2.66	-2.81 -2.60			9/1/2012 9/1/2012	
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>2,028,001,646</b>	<b>25</b>	<b>0.57</b> 0.55	<b>-0.94</b> -0.99	<b>1.75</b> 1.68	<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>4,128,084,600</b>	<b>50</b>	<b>2.38</b> 2.21	<b>-1.44</b> -1.21	<b>2.12</b> 1.88	<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> <i>S&amp;P + 300 BP</i>	570,100,194	7	1.39 0.00 4.10	0.97 0.00 -1.11	-0.20 -0.20 2.22	14.86 25.14 35.39	11.77 19.44 19.44	12.37 5.17 5.17	1/1/1993 1/1/1993 1/1/1993	
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>656,458,542</b>	<b>8</b>	<b>0.49</b> 1.75	<b>-0.85</b> -0.98	<b>1.23</b> 1.69	<b>17.11</b> 14.28	<b>7.98</b> 7.41		<b>11/1/2011</b> 11/1/2011	
<b>Total Equity</b>	<b>5,354,643,337</b>	<b>65</b>	<b>2.04</b>	<b>-1.11</b>	<b>1.76</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>	564,665,065	7	1.03 1.10	-0.23 -0.25	0.09 0.05	-1.79 -2.02			11/1/2012 11/1/2012	
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	567,009,849	7	1.13 1.10	-0.33 -0.25	0.10 0.05	-1.93 -2.02			11/1/2012 11/1/2012	
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,131,942,084</b>	<b>14</b>	<b>1.08</b> 1.10	<b>-0.28</b> -0.25	<b>0.09</b> 0.05	<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>524,543,912</b>	<b>6</b>	<b>0.79</b> 0.93	<b>-0.05</b> -0.38	<b>0.44</b> 0.99	<b>6.96</b> 8.96	<b>5.33</b> 4.79		<b>11/1/2011</b> 11/1/2011	
PIMCO <i>30% BoA1-3BB-B HY/70%CSInstLLI</i>	208,755,766	3	0.50 0.36	-0.35 -0.14	0.50 0.47				5/1/2013 5/1/2013	

TOTAL NET OF FEES

8/31/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				7/1/2014 - 7/31/2014	6/1/2014 - 6/30/2014					
WAMCO <i>30% BoA 1-3 BB-B HY/70% CS LLI</i>	212,496,008	3	0.38 0.36	-0.07 -0.21	0.61 0.50				4/1/2013 4/1/2013	
<b>Credit Aggregate</b>	<b>421,251,774</b>	<b>5</b>	<b>0.44</b>	<b>-0.21</b>	<b>0.56</b>				<b>5/1/2013</b>	
<b>30% BoA 1-3 BB-B HY/70% CS LLI</b>			<b>0.36</b>	<b>-0.21</b>	<b>0.50</b>				<b>3/1/2013</b>	
BROWN BROTHERS HARR <i>BBH Inflation-Linked Custom BM</i>	285,785,461	3	0.41 0.48	-0.15 -0.08	0.09 0.24	-5.03 -5.13			11/1/2012 11/1/2012	
<b>Inflation-Linked Bonds</b> <i>Total Inflation Linked Custom</i>	<b>285,785,461</b>	<b>3</b>	<b>0.41</b> 0.48	<b>-0.15</b> -0.08	<b>0.09</b> 0.24	<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>1,231,581,148</b>	<b>15</b>	<b>0.58</b>	<b>-0.13</b>	<b>0.40</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>	308,999,115	4	0.46 0.08	1.18 0.08	0.88 2.81	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>	155,934,491	2	0.01 0.00	0.01 0.00	0.02 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>158,816,547</b>	<b>2</b>	<b>0.01</b>	<b>0.01</b>	<b>0.02</b>	<b>0.13</b>	<b>0.18</b>	<b>0.14</b>	<b>4/1/2004</b>	
<b>Russell Overlay Fd</b>	<b>17,309,296</b>	<b>0</b>	<b>-0.03</b>	<b>0.04</b>	<b>-0.01</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>	<b>8,205,641,690</b>	<b>100</b>	<b>1.55</b> 1.45	<b>-0.70</b> -0.89	<b>1.23</b> 1.18	<b>14.06</b> 15.02	<b>12.49</b> 11.80	<b>1.39</b> 1.55	<b>7/1/2000</b> 7/1/2000	
<i>60/40 Blend</i>			1.77	-0.83	1.15	12.32	11.48	-1.13	7/1/2000	
<b>Total Plan ex Overlay</b> <i>Total Plan Benchmark</i>	<b>8,188,332,393</b>	<b>100</b>	<b>1.58</b> 1.45	<b>-0.74</b> -0.89	<b>1.24</b> 1.18	<b>13.87</b> 15.02	<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>7,326,542,380</b>	<b>89</b>	<b>1.61</b> 1.69	<b>-0.91</b> -1.04	<b>1.35</b> 1.29	<b>14.33</b> 14.97	<b>11.25</b> 12.08	<b>-0.19</b> 0.66	<b>4/1/1996</b> 4/1/1996	



END NOTES

8/31/2014

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

2013, 2012, 2011 - Calendar Years

RI6G23000000 TOTAL PLAN

The current composition of the Total Plan Benchmark is as follows:

15.0% Barclays U.S. Aggregate Bond Index

47.0% MSCI World Index

7.0% HFRI Fund of Funds Composite Index

4.0% BofA Merrill Lynch 3 Month US Treasury Bill

7.5% HFRI Equity Hedge (Total) Index

3.5% NCREIF Property Index 1Q in Arrears

4.0% Barclays World Govt Inflation-Linked 1-10 Yr Index Hedged US

5.0% Credit Aggregate Custom: 30% BoA1-3BB-B HY/70%CSInstLLI

7.0% Venture Economics Custom BM

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

Hedge Fund Portfolio  
 Portfolio Performance Summary  
 Estimated as of August 31, 2014

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Aug	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
<b>Global Equities</b>													
Ascend Partners Fund II LP	70,835,144	6.0%	0.21%	0.67%	3.76%	0.67%	10.93%	-	-	6.03%	2.79%	2.00	Nov-11
Davidson Kempner Institutional Partners, L.P.	75,273,236	6.4%	-0.21%	-0.06%	5.82%	-0.06%	8.47%	-	-	8.33%	1.80%	4.29	Nov-11
Elliott Associates, L.P.	79,497,935	6.7%	-0.80%	0.09%	4.93%	0.09%	10.36%	-	-	10.44%	3.30%	2.93	Nov-11
ESG Cross Border Equity Fund LP	48,690,936	4.1%	-0.90%	-2.68%	-	-2.68%	-	-	-	-2.55%	3.36%	-	Jun-14
Indus Asia Pacific Fund, LP	961,995	0.1%	0.00%	-0.05%	-3.60%	-0.05%	0.01%	-	-	2.80%	5.98%	0.44	Jan-12
Luxor Capital Partners, LP	48,840,980	4.1%	2.97%	-0.59%	-	-0.59%	-	-	-	-2.32%	9.54%	-	May-14
Mason Capital Ltd.	67,139,403	5.7%	-1.04%	-3.00%	-4.06%	-3.00%	3.07%	-	-	4.31%	6.84%	0.60	Jan-12
PFM Diversified Fund, L.P.	37,439,077	3.2%	0.56%	0.16%	0.01%	0.16%	11.91%	-	-	9.27%	9.84%	0.92	Mar-12
PFM Diversified Offshore Fund A.I., Ltd.	37,134,874	3.1%	0.43%	0.08%	-0.17%	0.08%	11.60%	-	-	8.91%	9.79%	0.89	Mar-12
Samlyn Onshore Fund, L.P.	101,748,868	8.6%	1.68%	0.21%	3.38%	0.21%	13.84%	-	-	11.95%	5.80%	1.93	Jan-12
Viking Global Equities, LP	89,604,324	7.6%	2.70%	1.25%	7.81%	1.25%	20.32%	-	-	15.70%	5.88%	2.47	Dec-11
<b>Total Global Equities</b>	<b>657,166,771</b>	<b>55.6%</b>	<b>0.61%</b>	<b>-0.27%</b>	<b>2.34%</b>	<b>-0.27%</b>	<b>10.30%</b>	<b>-</b>	<b>-</b>	<b>9.15%</b>	<b>4.07%</b>	<b>2.10</b>	<b>Nov-11</b>
MSCI AC World Index Free - Net			2.21%	0.97%	7.21%	0.97%	20.99%	-	-	14.84%	10.79%	1.31	Nov-11
Russell 3000 Index (DRI)			4.20%	2.14%	9.23%	2.14%	24.74%	-	-	20.79%	9.44%	2.03	Nov-11
HFRI Equity Hedge (Total) Index			1.64%	0.67%	3.90%	0.67%	11.67%	-	-	7.83%	6.01%	1.23	Nov-11
<b>Real Return</b>													
BlueCrest Capital LP	20,885,539	1.8%	-0.43%	-0.45%	0.26%	-0.45%	0.78%	-	-	1.64%	2.32%	0.58	Jan-12
Brevan Howard LP	77,533,462	6.6%	-0.12%	0.63%	-3.78%	0.63%	-2.65%	-	-	1.18%	4.65%	0.20	Nov-11
Brigade Leveraged Capital Structures Fund LP	58,552,273	5.0%	0.78%	0.26%	5.46%	0.26%	9.10%	-	-	6.52%	2.55%	2.37	Mar-12
Capula Global Relative Value Fund Ltd.	56,288,503	4.8%	0.48%	0.89%	4.40%	0.89%	6.35%	-	-	4.40%	1.96%	2.05	Dec-11
Claren Road Credit Fund, Ltd.	51,689,466	4.4%	-0.08%	-0.33%	2.18%	-0.33%	3.00%	-	-	2.37%	4.25%	0.51	Apr-13
DE Shaw Composite Fund LLC	74,359,080	6.3%	1.00%	1.25%	11.01%	1.25%	16.03%	-	-	15.04%	3.91%	3.54	Nov-11
Graham Global Investment Fund I SPC Ltd. - Discretionary Segregated Port	52,974,543	4.5%	1.89%	2.03%	-1.54%	2.03%	1.76%	-	-	2.19%	2.95%	0.64	Jan-12
OZ Domestic Partners II, L.P.	99,386,038	8.4%	0.49%	0.47%	2.61%	0.47%	8.66%	-	-	10.45%	3.56%	2.73	Nov-11
Winton Futures Fund Limited	32,892,069	2.8%	4.00%	1.28%	2.56%	1.28%	12.34%	-	-	3.40%	7.73%	0.43	Dec-11
<b>Total Real Return</b>	<b>524,560,974</b>	<b>44.4%</b>	<b>0.76%</b>	<b>0.71%</b>	<b>2.62%</b>	<b>0.71%</b>	<b>6.18%</b>	<b>-</b>	<b>-</b>	<b>5.48%</b>	<b>2.24%</b>	<b>2.25</b>	<b>Nov-11</b>
ML 3-month T-Bills			0.00%	0.01%	0.03%	0.01%	0.05%	-	-	0.07%	0.02%	-	Nov-11
HFRI Fund of Funds Composite Index			0.89%	0.51%	2.64%	0.51%	7.87%	-	-	5.18%	3.32%	1.44	Nov-11
<b>Total Hedge Fund Portfolio</b>	<b>1,181,727,745</b>	<b>100.0%</b>	<b>0.68%</b>	<b>0.16%</b>	<b>2.48%</b>	<b>0.16%</b>	<b>8.44%</b>	<b>-</b>	<b>-</b>	<b>7.48%</b>	<b>3.03%</b>	<b>2.30</b>	<b>Nov-11</b>
HFRI Fund of Funds Composite Index			0.89%	0.51%	2.64%	0.51%	7.87%	-	-	5.18%	3.32%	1.44	Nov-11
<b>Market Indices</b>													
Libor3Month			0.02%	0.04%	0.15%	0.04%	0.24%	-	-	0.33%	0.03%	-	Nov-11
Barclays Aggregate Bond Index			1.10%	0.85%	4.80%	0.85%	5.66%	-	-	2.79%	2.69%	0.91	Nov-11
Barclays High Yield Credit Bond Index			1.59%	0.24%	5.71%	0.24%	10.59%	-	-	10.34%	4.57%	2.11	Nov-11
S&P 500 TR			4.00%	2.57%	9.89%	2.57%	25.25%	-	-	20.62%	9.16%	2.07	Nov-11
MSCI EAFE - Net			-0.15%	-2.12%	2.56%	-2.12%	16.43%	-	-	12.39%	13.45%	0.91	Nov-11
MSCI EMF (Emerging Markets Free) - Net			2.25%	4.23%	10.63%	4.23%	19.98%	-	-	5.85%	15.23%	0.43	Nov-11

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

Hedge Fund Portfolio  
 Portfolio Performance Summary  
 Estimated as of August 31, 2014

Fund	Market Value	Actual %	Aug	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 references we have contacted and other third parties. 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.

Copyright MSCI 2014. Unpublished. All Rights Reserved. This information may only be used for your internal use, may not be reproduced or disseminated, and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis and the user of this information assumes the entire risk of any use. Neither MSCI, any of its affiliates, Cliffwater or any other person involved in or related to compiling, computing or creating this information makes any express or implied warranties or representations with respect to such information. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates, Cliffwater or any other person involved in or related to compiling, computing or creating this information have any liability for any direct, indirect, special, incidental, punitive, consequential or any other damages.

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

Hedge Fund Portfolio  
Fund Level Performance Report  
Estimated as of August 31, 2014

Fund	Trailing Returns					Calendar Year Returns					5 Yr Std Dev	Sharpe Ratio			Start Date			
	QTD	YTD	Aug	Jul	Jun	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	0.66%	3.73%	0.21%	0.45%	1.15%	10.89%	5.63%	4.16%	12.22%	2.50%	-3.02%	2.94%	13.61%	3.91%	1.83	0.98	1.12	Jan-04
Davidson Kempner Institutional Partners, LP	-0.08%	5.56%	-0.21%	0.13%	1.43%	8.04%	7.29%	7.54%	9.20%	6.87%	1.27%	9.17%	17.79%	3.02%	3.28	2.32	1.61	Mar-96
Elliott Associates, L.P. (HFR98)	0.09%	4.77%	-0.80%	0.90%	1.70%	9.99%	9.44%	9.96%	12.44%	13.18%	3.94%	7.39%	30.85%	3.15%	2.85	2.94	1.94	Jan-90
ESG Cross Border Equity	-2.58%	-2.08%	-0.90%	-1.70%	0.10%	1.80%	5.09%	8.79%	13.62%	6.74%	9.45%	10.86%	7.79%	5.31%	0.89	1.56	1.00	Jan-04
Luxor Capital Partners, LP	-0.65%	-0.77%	2.97%	-3.52%	-1.37%	4.85%	4.20%	8.49%	14.77%	2.52%	6.07%	8.98%	31.26%	6.24%	0.65	1.29	1.19	Apr-02
Mason Capital, Ltd.	-2.97%	-3.84%	-1.04%	-1.95%	2.21%	3.26%	3.84%	6.66%	22.83%	-5.73%	4.20%	9.62%	25.16%	6.30%	0.51	1.01	0.78	Feb-02
PFM Diversified Fund, LP	0.17%	0.08%	0.56%	-0.39%	0.36%	11.74%	7.70%	6.79%	22.17%	5.59%	-3.35%	4.36%	21.35%	8.21%	0.83	0.80	0.94	Nov-04
Samlyn Capital - Composite	0.22%	2.62%	1.68%	-1.44%	3.12%	12.83%	9.53%	6.50%	18.93%	10.49%	-5.05%	1.98%	23.57%	7.53%	1.23	0.83	1.18	Mar-07
Viking Global Equities	0.85%	7.51%	2.70%	-1.80%	1.10%	19.66%	15.57%	11.72%	22.47%	12.75%	7.71%	3.67%	19.20%	6.38%	2.29	1.73	1.53	Oct-99
<b>Real Return</b>																		
BlueCrest Capital International Limited	-0.45%	0.32%	-0.43%	-0.02%	-0.31%	0.83%	2.52%	6.30%	-1.56%	5.83%	6.11%	12.80%	45.41%	3.25%	0.94	1.80	1.64	Dec-00
Brevan Howard L.P. (Series B)	0.63%	-3.78%	-0.12%	0.75%	-0.26%	-2.64%	0.73%	3.32%	1.77%	3.60%	11.33%	0.92%	17.10%	4.84%	0.11	0.63	1.06	Sep-05
Brigade Leveraged Capital Structures Fund	0.23%	5.43%	0.75%	-0.52%	1.48%	9.07%	5.54%	7.06%	6.13%	6.91%	2.55%	7.66%	39.64%	3.01%	1.87	2.18	0.90	Jan-07
Capula Global Relative Value Fund Limited	0.89%	4.38%	0.48%	0.41%	0.59%	6.33%	5.24%	6.01%	7.60%	0.41%	6.19%	9.58%	12.24%	2.15%	2.12	2.59	1.70	Oct-05
Claren Road Credit Master Fund	0.24%	2.57%	-0.08%	0.32%	-0.02%	3.32%	3.18%	4.74%	5.43%	1.49%	6.88%	4.64%	24.75%	3.96%	0.70	1.11	1.66	Jan-06
DE Shaw Composite International Fund	1.10%	9.86%	0.10%	1.00%	0.10%	14.20%	12.20%	8.83%	11.51%	13.94%	3.69%	1.56%	21.31%	4.28%	2.97	1.93	1.49	Mar-01
Graham Discretionary - 6V Portfolio	2.04%	-1.52%	1.89%	0.15%	-0.26%	1.77%	2.71%	3.94%	3.61%	3.82%	3.56%	7.12%	17.09%	2.84%	0.83	1.26	0.81	Jun-04
OZ Master Fund, Ltd	0.37%	2.46%	0.49%	-0.12%	1.41%	8.33%	8.79%	8.44%	14.20%	12.01%	0.17%	8.62%	26.15%	3.68%	2.20	2.14	1.21	Jan-04
Winton Futures Fund - USD Class B	1.29%	2.57%	4.00%	-2.61%	-0.57%	12.35%	2.73%	6.45%	9.43%	-3.56%	6.29%	14.47%	-4.64%	8.31%	0.35	0.76	0.71	Oct-97
<b>Benchmarks</b>																		
HFRI Fund of Funds Composite Index	0.48%	2.60%	0.89%	-0.41%	0.98%	7.83%	4.26%	3.80%	8.96%	4.79%	-5.72%	5.70%	11.47%	4.04%	1.04	0.86	0.65	Jan-90
HFRI Fund Weighted Composite Index	0.94%	4.12%	1.56%	-0.61%	1.30%	9.44%	5.42%	5.89%	9.13%	6.36%	-5.25%	10.25%	19.98%	5.30%	1.03	1.05	1.03	Jan-90
<b>Market Indices</b>																		
3 Month Libor - BOM	0.04%	0.15%	0.02%	0.02%	0.02%	0.24%	0.33%	0.32%	0.26%	0.42%	0.35%	0.35%	0.65%	0.03%				Mar-86
Barclays Aggregate Bond Index	0.85%	4.80%	1.10%	-0.25%	0.05%	5.66%	2.92%	4.49%	-2.02%	4.23%	7.86%	6.56%	5.93%	2.81%				Jan-76
Barclays High Yield Credit Bond Index	0.24%	5.71%	1.59%	-1.33%	0.84%	10.59%	10.65%	12.28%	7.46%	15.81%	4.98%	15.11%	58.21%	6.51%				Jul-83
S&P 500 (TR)	2.57%	9.89%	4.00%	-1.38%	2.07%	25.25%	20.61%	16.88%	32.39%	16.00%	2.11%	15.06%	26.46%	13.19%				Jan-70
MSCI EAFE - Net - USD	-2.12%	2.56%	-0.15%	-1.97%	0.96%	16.43%	11.36%	8.21%	22.78%	17.32%	-12.14%	7.75%	31.78%	16.57%				Dec-69
MSCI EM (EMERGING MARKETS) - Net - USD	4.23%	10.63%	2.25%	1.93%	2.66%	19.98%	4.35%	7.90%	-2.60%	18.22%	-18.42%	18.88%	78.51%	18.58%				Jan-99

Note: The above is manager composite history.

# Portfolio Summary

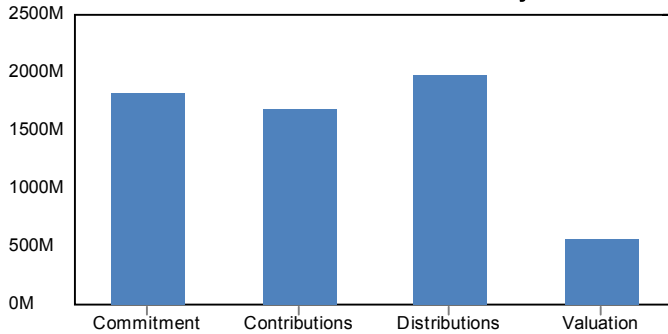
8/31/2014

All Portfolio Investments

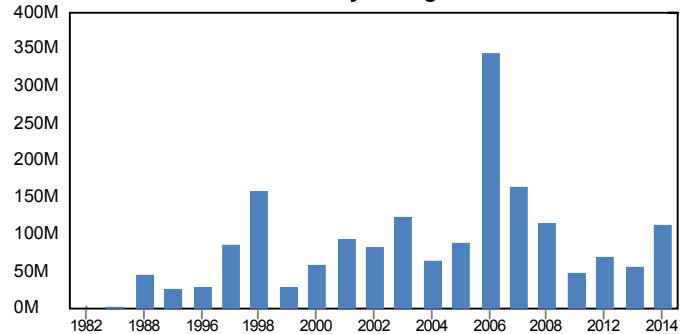
## Performance Summary

Asset Class	Investment Type	Number of Investments	Commitment	Contributions	Distributions	Adjusted Valuation	Multiple of Cost	IRR	TWR
Private Equity Funds	Buyout	75	1,238,855,303	1,158,719,516	1,469,781,540	330,126,995	1.55	14.04	13.58
	Distressed Debt	12	183,000,000	187,136,745	204,571,357	64,174,767	1.44	11.18	11.18
	Energy	1	18,000,000	4,203,070	254,243	5,285,361	1.32	44.97	-50.02
	Fund of Funds	2	70,000,000	49,312,702	106,748,821	4,250,000	2.25	19.94	-100.00
	Opportunistic Credit	1	20,000,000	20,035,452	6,963,868	15,679,203	1.13	10.00	8.53
	Secondary	4	60,000,000	54,909,565	51,260,304	17,258,261	1.25	7.03	6.04
	Venture Capital	19	231,250,000	221,706,468	137,701,009	136,367,914	1.24	4.65	1.37
	<b>Total: Private Equity Funds</b>		<b>114</b>	<b>1,821,105,303</b>	<b>1,696,023,519</b>	<b>1,977,281,142</b>	<b>573,142,501</b>	<b>1.50</b>	<b>13.78</b>
<b>Total:</b>		<b>114</b>	<b>1,821,105,303</b>	<b>1,696,023,519</b>	<b>1,977,281,142</b>	<b>573,142,501</b>	<b>1.50</b>	<b>13.78</b>	<b>11.17</b>

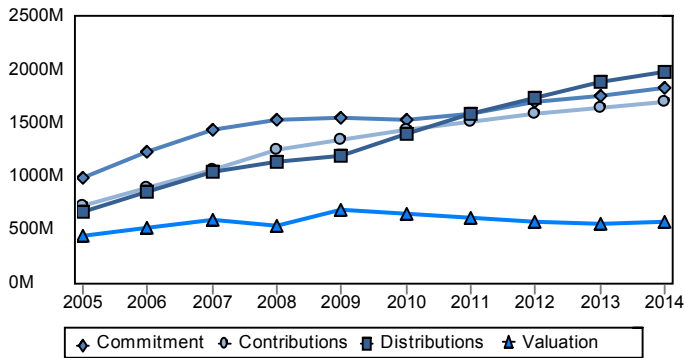
Cash Flow and Valuation Summary



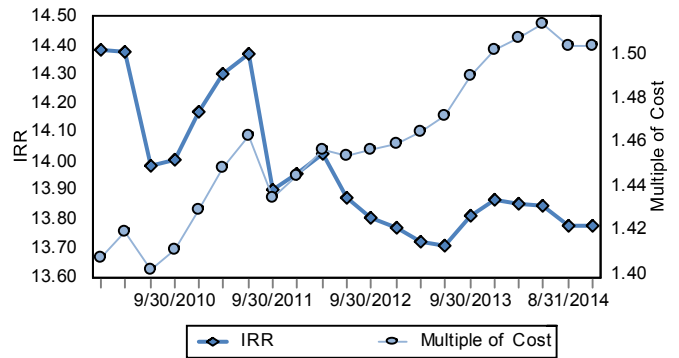
Commitment by Vintage Year



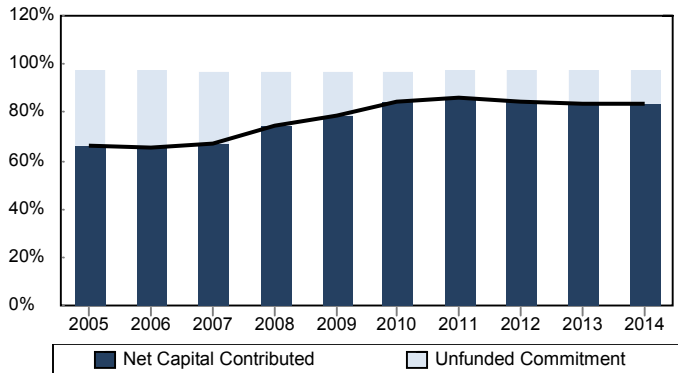
Historical Cash Flows and Valuation



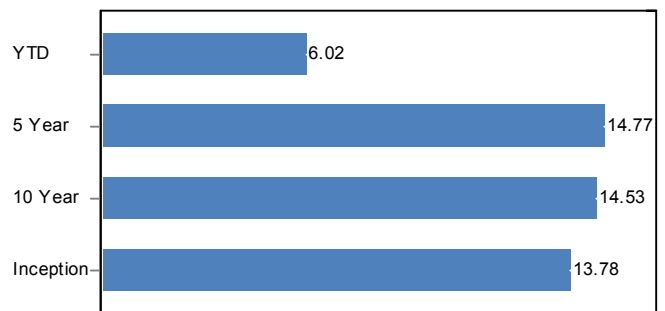
Historical Performance



Historical Percent Funded



Period IRRs



**Employees' Retirement System of Rhode Island Private Equity Performance**  
**3/31/2014**

Current Partnerships	Vintage Year	Amount Committed (In \$ unless otherwise noted)	Cumulative Cash Flows (\$)			Cumulative Performance*	
			Amount Drawn	Amount Distributed	Valuation (\$)	Net IRR (%)	Net Multiple of Investment
Advent International GPE VII	2012	20,000,000	7,700,000	200,000	9,829,271	35.7	1.3
Alta BioPharma Partners III	2003	15,000,000	14,250,000	13,898,972	6,403,362	5.7	1.4
Alta Partners VIII	2006	15,000,000	14,250,000	7,127,179	12,242,128	9.2	1.4
Aurora Equity Partners III	2004	15,000,000	16,237,863	26,065,571	1,592,073	15.5	1.7
Avenue Special Situations Fund IV	2006	20,000,000	25,179,595	32,706,000	191,659	8.3	1.3
Avenue Special Situations Fund V	2007	20,000,000	20,329,267	26,322,021	165,359	10.6	1.3
Bain Capital Fund X	2008	25,000,000	24,187,500	5,129,321	23,887,476	5.9	1.2
Birch Hill Equity Partners III	2005	CAD 18,000,000	18,618,606	14,308,617	14,325,309	10.8	1.5
Castile Ventures III	2006	5,000,000	4,759,730	1,093,457	2,406,996	-7.9	0.7
Centerbridge Capital Partners	2006	15,000,000	23,391,130	30,796,869	9,536,837	21.4	1.7
Centerbridge Special Credit Partners II	2012	25,000,000	18,125,000	-	20,729,907	13.2	1.1
Charterhouse Capital Partners VIII	2006	€ 15,000,000	18,059,537	9,634,743	8,156,056	-0.3	1.0
Coller International Partners IV	2002	15,000,000	13,294,667	15,772,827	2,396,974	12.1	1.4
Coller International Partners V	2006	15,000,000	12,520,679	8,851,428	8,244,301	8.9	1.4
CVC European Equity Partners III	2001	20,000,000	23,158,043	59,146,850	804,821	41.1	2.6
CVC European Equity Partners IV	2005	€ 16,500,000	21,256,080	31,720,722	7,316,401	17.3	1.8
CVC European Equity Partners V	2008	€ 20,000,000	25,148,297	12,727,300	19,767,112	10.7	1.3
EnCap Energy Capital Fund IX	2013	18,000,000	2,790,207	-	2,693,757	-6.2	1.0
Fenway Partners Capital Fund II	1998	15,000,000	18,513,234	20,037,332	2,160,003	5.2	1.2
Fenway Partners Capital Fund III	2006	15,000,000	16,799,766	8,899,298	7,854,309	-0.1	1.0
First Reserve Fund X	2004	20,000,000	19,999,999	35,228,489	1,554,129	31.2	1.8
First Reserve Fund XI	2006	20,000,000	22,125,580	12,666,536	11,883,775	2.8	1.1
Focus Ventures III	2006	15,000,000	15,000,000	2,923,233	10,863,336	-2.0	0.9
Granite Global Ventures II	2004	15,000,000	14,333,450	7,619,730	14,043,857	6.7	1.5
Granite Global Ventures III	2006	15,000,000	14,625,193	10,990,671	20,952,943	19.4	2.2
Green Equity Investors V	2007	20,000,000	20,773,606	17,237,951	17,376,804	19.0	1.7
Kayne Anderson Energy Fund III	2005	15,000,000	15,965,344	14,669,210	3,680,828	6.5	1.2
Kayne Anderson Energy Fund IV	2007	15,000,000	15,272,079	12,383,998	7,682,004	9.5	1.3
Leapfrog Ventures II	2005	10,000,000	9,490,000	6,811,564	4,367,422	3.5	1.2
Leeds Weld Equity Partners IV	2003	10,000,000	10,197,704	6,867,688	7,479,165	6.0	1.4
Lighthouse Capital Partners V	2003	11,250,000	10,462,500	11,981,355	344,621	3.9	1.2
Lighthouse Capital Partners VI	2007	15,000,000	14,250,000	10,266,657	9,460,077	7.0	1.4
LNK Partners	2006	12,500,000	11,848,860	12,216,606	6,333,294	11.4	1.6
MHR Institutional Partners III	2006	20,000,000	20,400,000	15,217,860	15,055,732	9.9	1.5
Nautic Partners V	2000	20,000,000	20,320,201	37,938,021	3,434,228	17.3	2.0
Nautic Partners VI	2007	20,000,000	23,138,523	8,543,027	22,558,388	8.9	1.3
Nordic Capital Fund V	2003	€ 14,615,550	21,434,529	55,521,454	4,318,223	21.4	2.8
Nordic Capital Fund VI	2006	€ 15,000,000	22,392,473	16,523,290	17,486,982	8.3	1.5
Nordic Capital Fund VII	2008	€ 15,000,000	18,648,649	2,688,290	21,245,607	7.4	1.3
Nordic Capital Fund VIII	2013	€ 15,000,000	1,571,831	48,256	1,294,592	-10.7	0.9
OCM Opportunities Fund II	1997	12,000,000	12,000,000	18,130,039	11,187	8.5	1.5
Oaktree European Principal Fund III	2011	20,000,000	8,400,000	610,523	9,580,823	11.0	1.2
Paladin III	2008	10,000,000	9,171,652	3,831,954	6,666,620	4.8	1.1
Parthenon Investors II	2001	23,960,000	23,409,381	34,665,342	5,618,475	13.5	1.7
Point 406 Ventures I	2006	10,000,000	9,451,265	3,900,894	10,237,906	10.6	1.5
Point Judith Venture Fund II	2006	5,000,000	5,562,562	1,772,155	6,063,315	9.1	1.4
Providence Equity Partners III	1999	15,000,000	16,497,650	24,987,025	256,254	15.9	1.5
Providence Equity Partners IV	2000	25,000,000	35,944,666	66,493,612	2,151,234	23.9	1.9
Providence Equity Partners V	2005	25,000,000	30,983,467	25,472,350	11,796,568	3.9	1.2
Providence Equity Partners VI	2007	25,000,000	27,069,946	14,720,847	18,543,533	5.4	1.2
Providence Equity Partners VII	2012	25,000,000	4,884,793	879,191	3,832,792	-4.9	1.0
Riverside Capital Appreciation Fund VI	2013	20,000,000	2,464,227	-	1,886,432	-32.1	0.8
TPG Partners IV	2003	15,000,000	16,672,684	26,564,869	5,792,835	16.5	1.9
TPG Partners V	2006	20,000,000	20,933,744	10,305,055	14,683,226	3.7	1.2
TPG Partners VI	2008	10,000,000	11,940,769	5,978,867	8,137,120	7.6	1.2
Trilantic Capital Partners IV	2007	11,098,351	11,019,107	9,187,130	10,509,749	20.7	1.8
VS&A Communications Partners III	1998	15,000,000	15,071,595	20,242,851	463,396	6.3	1.4
W Capital Partners	2004	15,000,000	14,197,500	10,062,238	1,975,827	-5.2	0.9
W Capital Partners II	2007	15,000,000	14,896,718	14,036,918	6,530,595	12.5	1.4
WLR Recovery Fund IV	2007	8,000,000	7,277,318	5,451,179	4,655,256	9.9	1.4
Other funds in aggregate**	various	140,000,000	129,683,584	91,273,530	64,851,016	n/a	n/a
<b>Total</b>		<b>\$ 1,160,878,018.20</b>	<b>\$ 1,088,352,350.00</b>	<b>\$ 1,011,348,962.00</b>	<b>\$ 556,364,277.00</b>		

\*IRR refers to the fund's Internal Rate of Return, or the annualized compounded yield on an investment. This is typically applied to private equity where there are multiple points at which capital is invested (capital called) and at which it is distributed. A positive IRR means that the fund's current value plus any cash distributions are greater than the cash value contributed. A fund will have a negative IRR during the first few years of its life, a period referred to as the "J-Curve", because cash is invested upfront and it takes time to generate value. It is important to consider a fund's start date (vintage year) when assessing IRRs. Multiple of investment is another indicator of returns, and is calculated by dividing the fund's cumulative distributions and current value by the amount of capital paid in. All performance figures are shown net of fees.

\*\*Other funds in aggregate are the total commitments to and amounts drawn and distributed by funds whose confidentiality provisions do not permit the disclosure of their performance data. These funds include Braemar Energy Ventures III, Constellation Ventures III, Perseus Partners VII, SKM Equity Fund II, Summit Partners Credit Fund, Thomas, Mc Nerney & Partners, Thomas Mc Nerney & Partners II, Wellspring Capital Partners III and Wellspring Capital Partners IV.

## Section VII.

---

### Cash Flow

# Monthly Valuation Change

Period : 2014-08-01 - 2014-08-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Grand Total</b>		<b>8,205,641,689.81</b>	<b>125,279,582.15</b>	<b>(39,403,557.72)</b>	<b>8,119,765,665.38</b>
<b>Total Global Equity</b>		<b>4,784,542,975.30</b>	<b>99,098,929.57</b>	<b>(3,655,209.89)</b>	<b>4,689,099,255.62</b>
<b>Global Equity</b>		<b>4,128,084,433.02</b>	<b>95,869,879.36</b>	<b>291,900.97</b>	<b>4,031,922,652.69</b>
	SSGA R3000 INDEX	2,100,082,880.02	84,305,000.30	63,261.46	2,015,714,618.26
	SSGA MSCI EAFE	1,389,991,194.17	(2,173,842.37)	106,444.74	1,392,058,591.80
	SSGA MSCI CANADA	162,245,959.30	3,592,132.05	11,420.20	158,642,407.05
	SSGA MSCI EM	475,764,399.53	10,146,589.38	110,774.57	465,507,035.58
<b>Global Equity Hedge Funds</b>		<b>656,458,542.28</b>	<b>3,229,050.21</b>	<b>(3,947,110.86)</b>	<b>657,176,602.93</b>
	ASCEND PTRS II	70,835,143.95	156,975.33	0.00	70,678,168.62
	DAVIDSON KEMPNER	75,273,236.06	(146,219.25)	0.00	75,419,455.31
	ELLIOTT ASSOCIATES	78,788,835.72	(1,349,980.28)	0.00	80,138,816.00
	INDUS ASIA PACIFIC	962,865.83	(3,675.85)	(3,947,110.86)	4,913,652.54
	MASON CAPITAL	67,139,402.63	(727,593.90)	0.00	67,866,996.53
	PFM DIVERSIFIED	74,573,950.86	356,393.13	0.00	74,217,557.73
	SAMLYN ON/OFFSHORE	101,748,868.07	1,678,820.81	0.00	100,070,047.26
	VIKING GLOBAL EQUITI	89,604,323.85	2,343,854.70	0.00	87,260,469.15
	LUXOR CAP PTNS LP	48,840,979.59	1,413,034.66	0.00	47,427,944.93
	ESG CBE FUND LP	48,690,935.72	(492,559.14)	0.00	49,183,494.86
<b>Private Equity</b>		<b>570,100,194.36</b>	<b>7,683,762.77</b>	<b>14,474,570.07</b>	<b>547,941,861.52</b>
<b>Private Equity</b>		<b>570,100,194.36</b>	<b>7,683,762.77</b>	<b>14,474,570.07</b>	<b>547,941,861.52</b>
	PRIVATE EQUITY	570,100,194.36	7,683,762.77	14,474,570.07	547,941,861.52
<b>Total Fixed Income</b>		<b>1,131,674,913.17</b>	<b>12,057,446.97</b>	<b>0.00</b>	<b>1,119,617,466.20</b>
<b>Fixed Income</b>		<b>1,131,674,913.17</b>	<b>12,057,446.97</b>	<b>0.00</b>	<b>1,119,617,466.20</b>
	MACKAY SHIELDS	564,665,064.67	5,733,827.01	0.00	558,931,237.66
	PYRAMIS GLOBAL ADV	567,009,848.50	6,323,619.96	0.00	560,686,228.54
<b>Total Real Return</b>		<b>1,231,581,147.88</b>	<b>7,149,448.76</b>	<b>0.00</b>	<b>1,224,431,699.12</b>
<b>Alternative Absolute Return</b>		<b>358,030,730.74</b>	<b>3,452,557.72</b>	<b>0.00</b>	<b>354,578,173.02</b>
	BLUE CREST CAP	20,885,539.44	(90,874.94)	0.00	20,976,414.38
	BREVAN HOWARD	77,533,462.20	(52,389.16)	0.00	77,585,851.36
	DE SHAW	74,359,079.51	768,957.04	0.00	73,590,122.47
	GRAHAM GLOBAL	52,974,542.74	976,590.83	0.00	51,997,951.91
	OZ DOMESTIC PTRS	99,386,037.93	586,416.99	0.00	98,799,620.94
	WINTON FUTURE FD	32,892,068.92	1,263,856.96	0.00	31,628,211.96
<b>Alternative Fixed Income</b>		<b>166,513,181.70</b>	<b>680,922.81</b>	<b>0.00</b>	<b>165,832,258.89</b>
	BRIGADE LEV CAP	58,535,212.55	435,746.00	0.00	58,099,466.55
	CAPULA GLOBAL	56,288,502.69	268,476.23	0.00	56,020,026.46
	CLAREN ROAD CR. FUND	51,689,466.46	(23,299.42)	0.00	51,712,765.88
<b>Credit</b>		<b>421,251,774.01</b>	<b>1,853,995.01</b>	<b>0.00</b>	<b>419,397,779.00</b>
	PIMCO	208,755,765.64	1,043,987.78	0.00	207,711,777.86
	WAMCO	212,496,008.37	810,007.23	0.00	211,686,001.14
<b>GILBs</b>		<b>285,785,461.43</b>	<b>1,161,973.22</b>	<b>0.00</b>	<b>284,623,488.21</b>
	BROWN BROTHERS HARR	285,785,461.43	1,161,973.22	0.00	284,623,488.21
<b>Real Estate</b>	40	<b>308,999,115.29</b>	<b>1,380,148.05</b>	<b>4,908,375.93</b>	<b>302,710,591.31</b>



# Monthly Valuation Change

Period : 2014-08-01 - 2014-08-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Real Estate</b>		<b>308,999,115.29</b>	<b>1,380,148.05</b>	<b>4,908,375.93</b>	<b>302,710,591.31</b>
	REAL ESTATE	308,999,115.29	1,380,148.05	4,908,375.93	302,710,591.31
<b>Total Cash</b>		<b>158,816,547.22</b>	<b>(90,437.98)</b>	<b>(55,659,028.82)</b>	<b>214,566,014.02</b>
<b>Cash Accounts</b>		<b>158,816,547.22</b>	<b>(90,437.98)</b>	<b>(55,659,028.82)</b>	<b>214,566,014.02</b>
	ERSRI CASH	155,934,491.22	(90,437.98)	(57,974,771.82)	213,999,701.02
	CITIZENS CASH	2,882,056.00	0.00	2,315,743.00	566,313.00
<b>Total Other</b>		<b>17,309,296.40</b>	<b>(1,746,810.61)</b>	<b>0.00</b>	<b>19,056,107.01</b>
<b>Other</b>		<b>17,309,296.40</b>	<b>(1,746,810.61)</b>	<b>0.00</b>	<b>19,056,107.01</b>
	RUSSELL OVERLAY FD	17,309,296.40	(1,746,810.61)	0.00	19,056,107.01
<b>Total Miscellaneous</b>		<b>2,617,500.19</b>	<b>(252,905.38)</b>	<b>527,734.99</b>	<b>2,342,670.58</b>
<b>Miscellaneous Accounts</b>		<b>2,617,500.19</b>	<b>(252,905.38)</b>	<b>527,734.99</b>	<b>2,342,670.58</b>
	RI TRANS ACCT	193,186.13	712.99	0.00	192,473.14
	SHOTT CAPITAL	2,156,975.12	(254,313.42)	535,977.77	1,875,310.77
	DOM EQUITY TRANS	74.25	0.00	0.00	74.25
	NON-US EQUITY TRANS	93.19	(1.47)	0.00	94.66
	FIXED INC TRANS	267,171.12	696.52	(8,242.78)	274,717.38
	MACKAY SHIELDS LLC	0.38	0.00	0.00	0.38

## Custodian Inception To Date Valuation Change

Period : 2012-11-01 - 2014-08-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance	ERSRI Sub Classification
<b>Grand Total</b>		<b>8,205,641,689.81</b>	<b>1,648,226,580.90</b>	<b>(823,840,802.25)</b>	<b>7,381,255,911.16</b>	
<b>Total Global Equity</b>		<b>4,784,542,975.30</b>	<b>1,324,316,799.13</b>	<b>(306,728,734.51)</b>	<b>3,766,954,910.68</b>	
<b>Global Equity</b>		<b>4,128,084,433.02</b>	<b>1,204,468,467.60</b>	<b>(308,023,355.26)</b>	<b>3,231,639,320.68</b>	
	SSGA MSCI CANADA	162,245,959.30	30,477,047.16	75,162.01	131,693,750.13	Global Equity
	SSGA MSCI EAFE	1,389,991,194.17	369,937,091.59	(79,292,151.18)	1,099,346,253.76	Global Equity
	SSGA MSCI EM	475,764,399.53	58,796,145.10	776,164.40	416,192,090.03	Global Equity
	SSGA R3000 INDEX	2,100,082,880.02	745,258,183.75	(229,582,530.49)	1,584,407,226.76	Global Equity
<b>Global Equity Hedge Funds</b>		<b>656,458,542.28</b>	<b>119,848,331.53</b>	<b>1,294,620.75</b>	<b>535,315,590.00</b>	
	ASCEND PTRS II	70,835,143.95	9,848,863.95	0.00	60,986,280.00	Global Equity Hedge Funds
	DAVIDSON KEMPNER	75,273,236.06	11,226,956.06	0.00	64,046,280.00	Global Equity Hedge Funds
	ELLIOTT ASSOCIATES	78,788,835.72	13,602,075.72	0.00	65,186,760.00	Global Equity Hedge Funds
	ESG CBE FUND LP	48,690,935.72	(1,309,064.28)	50,000,000.00	0.00	Global Equity Hedge Funds
	INDUS ASIA PACIFIC	962,865.83	1,408,686.83	(42,118,181.00)	41,672,360.00	Global Equity Hedge Funds
	LUXOR CAP PTNS LP	48,840,979.59	(1,159,020.41)	50,000,000.00	0.00	Global Equity Hedge Funds
	MASON CAPITAL	67,139,402.63	10,426,202.63	0.00	56,713,200.00	Global Equity Hedge Funds
	PFM DIVERSIFIED	74,573,950.86	16,506,430.86	0.00	58,067,520.00	Global Equity Hedge Funds
	SAMLYN ON/OFFSHORE	101,748,868.07	16,873,808.07	20,000,000.00	64,875,060.00	Global Equity Hedge Funds
	THIRD POINT PTRS	0.00	20,373,848.25	(76,587,198.25)	56,213,350.00	Global Equity Hedge Funds
	VIKING GLOBAL EQUITI	89,604,323.85	22,049,543.85	0.00	67,554,780.00	Global Equity Hedge Funds
<b>Private Equity</b>		<b>570,100,194.36</b>	<b>147,213,853.22</b>	<b>(183,845,106.78)</b>	<b>606,731,447.92</b>	
<b>Private Equity</b>		<b>570,100,194.36</b>	<b>147,213,853.22</b>	<b>(183,845,106.78)</b>	<b>606,731,447.92</b>	
	PRIVATE EQUITY	570,100,194.36	147,213,853.22	(183,845,106.78)	606,731,447.92	Private Equity
<b>Total Fixed Income</b>		<b>1,131,674,913.17</b>	<b>34,267,992.10</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>	
<b>Fixed Income</b>		<b>1,131,674,913.17</b>	<b>34,267,992.10</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>	
	MACKAY SHIELDS	564,665,064.67	17,430,297.66	0.00	547,234,767.01	Fixed Income
	PYRAMIS GLOBAL ADV	567,009,848.50	16,837,694.44	1,482,609.33	548,689,544.73	Fixed Income
<b>Total Real Return</b>		<b>1,231,581,147.88</b>	<b>85,584,101.46</b>	<b>252,456,172.37</b>	<b>893,540,874.05</b>	
<b>Alternative Absolute Return</b>		<b>358,030,730.74</b>	<b>47,466,942.50</b>	<b>(54,619,461.76)</b>	<b>365,183,250.00</b>	
	BLUE CREST CAP	20,885,539.44	(81,960.56)	0.00	20,967,500.00	Alternative Absolute Return
	BREVAN HOWARD	77,533,462.20	811,087.20	0.00	76,722,375.00	Alternative Absolute Return
	DE SHAW	74,359,079.51	19,498,379.51	0.00	54,860,700.00	Alternative Absolute Return
	GRAHAM GLOBAL	52,974,542.74	2,248,842.74	0.00	50,725,700.00	Alternative Absolute Return
	OZ DOMESTIC PTRS	99,386,037.93	17,110,812.93	0.00	82,275,225.00	Alternative Absolute Return
	WEXFORD SPECTRUM	0.00	3,621,811.76	(54,619,461.76)	50,997,650.00	Alternative Absolute Return
	WINTON FUTURE FD	32,892,068.92	4,257,968.92	0.00	28,634,100.00	Alternative Absolute Return
<b>Alternative Fixed Income</b>		<b>166,513,181.70</b>	<b>12,015,207.57</b>	<b>15,075,634.13</b>	<b>139,422,340.00</b>	
	BRIGADE LEV CAP	58,535,212.55	7,002,112.55	0.00	51,533,100.00	Alternative Fixed Income
	CAPULA GLOBAL	56,288,502.69	6,464,902.69	0.00	49,823,600.00	Alternative Fixed Income
	CLAREN ROAD CR. FUND	51,689,466.46	1,689,466.46	50,000,000.00	0.00	Alternative Fixed Income
	GRACIE CREDIT FUND	0.00	(3,141,274.13)	(34,924,365.87)	38,065,640.00	Alternative Fixed Income
<b>Credit</b>		<b>421,251,774.01</b>	<b>21,251,774.01</b>	<b>400,000,000.00</b>	<b>0.00</b>	
	PIMCO	208,755,765.64	8,755,765.64	200,000,000.00	0.00	Credit
42	WAMCO	212,496,008.37	12,496,008.37	200,000,000.00	0.00	Credit

## Custodian Inception To Date Valuation Change

Period : 2012-11-01 - 2014-08-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance	ERSRI Sub Classification
<b>GILBs</b>		<b>285,785,461.43</b>	<b>4,850,177.38</b>	<b>(108,000,000.00)</b>	<b>388,935,284.05</b>	
	BROWN BROTHERS HARR	285,785,461.43	4,850,177.38	(108,000,000.00)	388,935,284.05	GILBs
<b>Real Estate</b>		<b>308,999,115.29</b>	<b>36,701,063.83</b>	<b>(2,869,668.74)</b>	<b>275,167,720.20</b>	
<b>Real Estate</b>		<b>308,999,115.29</b>	<b>36,701,063.83</b>	<b>(2,869,668.74)</b>	<b>275,167,720.20</b>	
	REAL ESTATE	308,999,115.29	36,701,063.83	(2,869,668.74)	275,167,720.20	Real Estate
<b>Total Cash</b>		<b>158,816,547.22</b>	<b>(329,378.55)</b>	<b>(489,480,544.05)</b>	<b>648,626,469.82</b>	
<b>Cash Accounts</b>		<b>158,816,547.22</b>	<b>(329,378.55)</b>	<b>(489,480,544.05)</b>	<b>648,626,469.82</b>	
	CITIZENS CASH	2,882,056.00	0.00	2,882,056.00	0.00	Cash Accounts
	ERSRI CASH	155,934,491.22	(329,378.55)	(492,362,600.05)	648,626,469.82	Cash Accounts
<b>Total Other</b>		<b>17,309,296.40</b>	<b>20,563,621.14</b>	<b>(73,000,000.00)</b>	<b>69,745,675.26</b>	
<b>Other</b>		<b>17,309,296.40</b>	<b>20,563,621.14</b>	<b>(73,000,000.00)</b>	<b>69,745,675.26</b>	
	RUSSELL OVERLAY FD	17,309,296.40	20,563,621.14	(73,000,000.00)	69,745,675.26	Other
<b>Total Miscellaneous</b>		<b>2,617,500.19</b>	<b>(91,471.43)</b>	<b>(21,855,529.87)</b>	<b>24,564,501.49</b>	
<b>Miscellaneous Accounts</b>		<b>2,617,500.19</b>	<b>(91,471.43)</b>	<b>(21,855,529.87)</b>	<b>24,564,501.49</b>	
	BROWN BROS BOND	0.00	(1,271,132.15)	(629,969.37)	1,901,101.52	Miscellaneous Accounts
	BROWN BROS HARR	0.00	(330,705.68)	330,092.71	612.97	Miscellaneous Accounts
	DOM EQUITY TRANS	74.25	(66,717.51)	66,634.41	157.35	Miscellaneous Accounts
	FIDELITY MGMT	0.00	(64,776.86)	(351,063.60)	415,840.46	Miscellaneous Accounts
	FIXED INC TRANS	267,171.12	654,289.91	(16,232,880.04)	15,845,761.25	Miscellaneous Accounts
	MACKAY SHIELDS LLC	0.38	335,669.11	(5,226,942.81)	4,891,274.08	Miscellaneous Accounts
	NON-US EQUITY TRANS	93.19	(89,322.54)	71,484.13	17,931.60	Miscellaneous Accounts
	RI TRANS ACCT	193,186.13	(62,680.51)	(176,617.76)	432,484.40	Miscellaneous Accounts
	SHOTT CAPITAL	2,156,975.12	797,343.31	372,992.21	986,639.60	Miscellaneous Accounts
	TAPLIN CANIDA HAB	0.00	6,561.49	(79,259.75)	72,698.26	Miscellaneous Accounts

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2015

FY 2014-15		Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2015	Projected December	Projected November	Projected October	Projected September	Actual August	Actual July 2014
<b>TOTAL</b>													
MEMBER BENEFITS	833,717,160	69,500,000	69,500,000	69,500,000	69,500,000	69,500,000	69,500,000	69,500,000	69,500,000	69,500,000	69,500,000	69,404,421	69,312,739
ADMINISTRATIVE EXPENSES	8,252,646	963,307	847,608	517,846	585,674	524,992	1,111,034	1,074,316	553,524	565,615	532,331	732,436	243,962
INVESTMENT EXPENSES	10,422,888	765,218	1,135,741	505,742	1,533,133	446,564	1,555,456	1,017,944	69,216	1,070,145	593,340	1,008,054	722,335
TOTAL OUTFLOW	852,392,694	71,228,525	71,483,349	70,523,588	71,618,808	70,471,556	72,166,490	71,592,260	70,122,740	71,135,760	70,625,672	71,144,911	70,279,036
CONTRIBUTIONS	436,870,378	41,988,061	33,405,509	39,668,808	35,044,090	34,548,964	45,580,776	34,754,689	36,130,761	36,350,442	27,777,778	32,033,790	39,586,710
OTHER INCOME*	65,526,031	4,498,916	1,906,618	(143,191)	8,276,964	3,521,822	5,275,655	8,139,354	9,826,932	10,483,882	6,256,390	2,102,402	5,380,286
TOTAL INCOME	502,396,409	46,486,977	35,312,127	39,525,617	43,321,054	38,070,786	50,856,431	42,894,043	45,957,693	46,834,324	34,034,168	34,136,192	44,966,996
DIFFERENCE	(349,996,285)	(24,741,548)	(36,171,221)	(30,997,971)	(28,297,754)	(32,400,770)	(21,310,059)	(28,698,218)	(24,165,047)	(24,301,436)	(36,591,503)	(37,008,719)	(25,312,039)

Municipal Employees Retirement System

FY 2014-15		Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2015	Projected December	Projected November	Actual October	Projected September	Actual August	Actual July 2014
<b>TOTAL</b>													
MEMBER BENEFITS	87,921,160	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,212,685	7,208,475
ADMINISTRATIVE EXPENSES	1,710,005	201,403	176,864	107,748	121,610	108,650	229,258	221,317	113,669	115,797	108,666	153,997	51,027
INVESTMENT EXPENSES	2,161,082	159,988	236,987	105,229	318,341	92,418	320,963	209,704	14,214	219,088	121,120	211,946	151,083
TOTAL OUTFLOW	91,792,247	7,711,391	7,763,851	7,562,977	7,789,951	7,551,068	7,900,221	7,781,022	7,477,882	7,684,885	7,579,787	7,578,627	7,410,585
CONTRIBUTIONS	50,239,910	4,328,391	3,766,299	3,956,640	4,685,999	3,845,023	4,312,820	4,516,034	4,524,554	4,066,559	4,317,534	6,419,652	1,500,405
OTHER INCOME*	13,530,386	940,610	397,840	(29,794)	1,718,635	728,858	1,088,613	1,676,769	2,018,006	2,146,339	1,277,136	442,036	1,125,338
TOTAL INCOME	63,770,296	5,269,001	4,164,139	3,926,846	6,404,634	4,573,881	5,401,433	6,192,803	6,542,560	6,212,898	5,594,670	6,861,688	2,625,743
DIFFERENCE	(28,021,952)	(2,442,390)	(3,599,712)	(3,636,130)	(1,385,317)	(2,977,187)	(2,498,788)	(1,588,219)	(935,323)	(1,471,987)	(1,985,117)	(716,940)	(4,784,842)

CASH FLOW ANALYSIS - INCOME & EXPENSES

State Police Retirement System	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2015	Projected December	Projected November	Actual October	Projected September	Actual August	Actual July 2014
MEMBER BENEFITS	1,901,371	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	174,655	176,716
ADMINISTRATIVE EXPENSES	131,896	15,826	13,840	8,385	9,414	8,373	17,530	16,820	8,592	8,725	8,139	12,217	4,037
INVESTMENT EXPENSES	166,968	12,572	18,544	8,189	24,642	7,122	24,542	15,937	1,074	16,509	9,072	16,814	11,952
TOTAL OUTFLOW	2,200,236	183,398	187,384	171,573	189,056	170,495	197,072	187,757	164,667	180,234	172,210	203,686	192,704
CONTRIBUTIONS	5,411,371	405,000	395,000	395,000	415,000	395,000	655,000	555,000	450,000	345,000	375,000	624,655	401,716
OTHER INCOME*	1,036,615	73,912	31,131	(2,318)	133,035	56,169	83,239	127,430	152,542	161,729	95,653	35,067	89,024
TOTAL INCOME	6,447,986	478,912	426,131	392,682	548,035	451,169	738,239	682,430	602,542	506,729	470,653	659,722	490,740
DIFFERENCE	4,247,750	295,514	238,747	221,108	358,980	280,674	541,168	494,674	437,876	326,495	298,443	456,036	298,035

Judicial Retirement System	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2015	Projected December	Projected November	Actual October	Projected September	Actual August	Actual July 2014
MEMBER BENEFITS	1,609,633	134,136	134,136	134,136	134,136	134,136	134,136	134,136	134,136	134,136	134,136	134,136	134,136
ADMINISTRATIVE EXPENSES	67,456	8,097	7,079	4,287	4,812	4,280	8,958	8,606	4,398	4,457	4,160	6,256	2,066
INVESTMENT EXPENSES	85,383	6,432	9,485	4,187	12,597	3,640	12,541	8,154	550	8,433	4,637	8,610	6,117
TOTAL OUTFLOW	1,762,472	148,666	150,700	142,610	151,545	142,056	155,634	150,896	139,084	147,026	142,933	149,002	142,318
CONTRIBUTIONS	3,664,633	274,136	274,136	274,136	279,136	264,136	404,136	354,136	264,136	274,136	274,136	439,136	289,136
OTHER INCOME*	530,114	37,817	15,923	(1,185)	68,007	28,710	42,535	65,202	78,081	82,617	48,892	17,958	45,559
TOTAL INCOME	4,194,747	311,953	290,059	272,951	347,143	292,846	446,671	419,338	342,217	356,753	323,028	457,094	334,695
DIFFERENCE	2,432,275	163,287	139,359	130,341	195,598	150,790	291,036	268,441	203,133	209,726	180,095	308,091	192,377

\*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	Actual Dec	Actual Jan 14	Actual Feb	Actual Mar	Actual Apr	Actual May	Projected June	Projected TOTAL
<b>EQUITIES US</b>													
SSGA Russell 2000/3000			59,934			63,252			62,322			63,261	248,769
Shott Capital/Hamilton Lane			<u>26,442</u>			<u>785</u>			<u>535</u>			<u>670</u>	<u>28,432</u>
			86,376			64,037			62,856			63,931	277,201
<b>FIXED INCOME</b>													
Pyramis			172,121			172,589			173,901			176,654	695,265
Mackay Shields			180,883			181,518			183,411			187,131	732,943
Brown Bros.TIPS/GILB			<u>80,272</u>			<u>82,134</u>			<u>82,101</u>			<u>83,108</u>	<u>327,615</u>
			433,276			436,241			439,412			446,894	1,755,823
<b>INT'L EQUITIES</b>													
SSgA MSCI ACWI			0			0			0			0	0
SSGA MSCI EAFE			97,005			105,188			105,070			106,445	413,707
SSGA MSCI CAD			9,974			10,543			10,554			11,420	42,490
SSGA MSCI Emerg Mkts			<u>101,705</u>			<u>108,926</u>			<u>103,706</u>			<u>110,775</u>	<u>425,113</u>
			208,684			224,657			219,330			228,640	881,310
<b>CREDIT</b>													
WAMCO			150,562			152,426			154,078			155,337	612,403
PIMCO			<u>237,417</u>			<u>240,686</u>			<u>243,630</u>			<u>245,786</u>	<u>967,518</u>
			387,978			393,112			397,708			401,122	1,579,921
<b>REAL ESTATE</b>													
Direct Billed Real Estate	139,113	(470)	85,776	142,518	0	218,158	291,327	260,428	86,386	149,734	0	252,935	1,625,905
<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	1,802,381	473,634	1,400,808	691,307	9,513,351
<b>SUB TOTAL-INV MGMT FEES</b>	891,522	32,014	1,456,505	830,252	85,054	1,976,676	1,913,559	549,762	3,008,074	623,368	1,400,808	2,084,828	15,633,511
<b>PROFESSIONAL FEES</b>													
Legal	8,490	39,510	26,807	27,576	10,438	11,810	0	0	12,644	7,999	24,528	7,239	177,042
BNY Mellon - Custodial	29,511	29,219	28,904	28,946	29,131	29,306	29,071	29,446	29,413	28,906	28,933	30,000	350,786
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	76,073	13,125	13,125	99,929	415,636
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	90,113	90,488	166,047	97,948	114,503	185,086	1,520,365
<b>OPERATING EXPENSE</b>													
Retirement Transfers	188,298	765,281	527,948	573,526	642,997	1,214,092	1,265,779	470,299	936,603	515,370	943,387	1,631,781	9,675,360
Other Expense	<u>13,762</u>	0	<u>7,500</u>	<u>2,450</u>	<u>7,500</u>	<u>5,925</u>	0	0	<u>13,425</u>	<u>21,875</u>	<u>1,000</u>	<u>13,532</u>	<u>86,969</u>
	202,060	765,281	535,448	575,976	650,497	1,220,017	1,265,779	470,299	950,028	537,245	944,387	1,645,313	9,762,328
<b>TOTAL:</b>	1,192,625	928,962	2,160,048	1,523,792	836,162	3,355,888	3,269,451	1,110,549	4,124,149	1,258,561	2,459,698	3,915,227	26,916,204

Note: Numbers in bold are actual.

FISCAL YEAR 2015

DIRECT BILLED INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

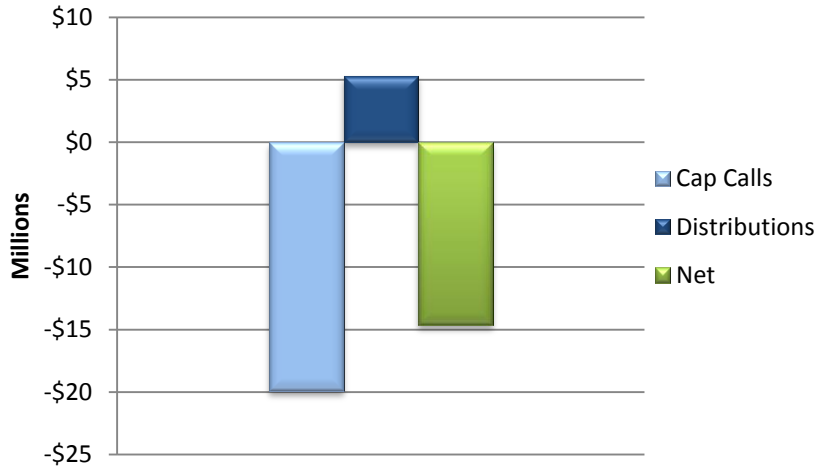
ACCRUAL BASIS

	Projected Jul 14	Projected Aug	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 15	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected June	Projected TOTAL
<b>EQUITIES US</b>													
SSGA Russell 2000/3000			63,000			63,000			63,000			63,000	252,000
Shott Capital/Hamilton Lane			<u>1,000</u>			<u>1,000</u>			<u>1,000</u>			<u>1,000</u>	<u>4,000</u>
			64,000			64,000			64,000			64,000	256,000
<b>FIXED INCOME</b>													
Pyramis			175,000			175,000			175,000			175,000	700,000
Mackay Shields			185,000			185,000			185,000			185,000	740,000
Brown Bros.TIPS/GILB			<u>85,000</u>			<u>85,000</u>			<u>85,000</u>			<u>85,000</u>	<u>340,000</u>
			445,000			445,000			445,000			445,000	1,780,000
<b>INT'L EQUITIES</b>													
SSgA MSCI ACWI			0			0			0			0	0
SSGA MSCI EAFE			105,000			105,000			105,000			105,000	420,000
SSGA MSCI CAD			11,000			11,000			11,000			11,000	44,000
SSGA MSCI Emerg Mkts			<u>110,000</u>			<u>110,000</u>			<u>110,000</u>			<u>110,000</u>	<u>440,000</u>
			226,000			226,000			226,000			226,000	904,000
<b>CREDIT</b>													
WAMCO			155,000			155,000			155,000			155,000	620,000
PIMCO			<u>245,000</u>			<u>245,000</u>			<u>245,000</u>			<u>245,000</u>	<u>980,000</u>
			400,000			400,000			400,000			400,000	1,600,000
<b>REAL ESTATE</b>													
Direct Billed Real Estate	<b>152,092</b>	<b>18,125</b>	85,776	142,518	0	218,158	291,327	260,428	86,386	149,734	0	252,935	1,657,479
<b>ALTERNATIVE INVESTMENTS</b>													
Direct Billed Private Equity	<b>161,438</b>	<b>1,227,352</b>	642,393	687,733	85,054	1,033,582	1,622,232	289,334	1,802,381	473,634	1,400,808	691,307	10,117,249
<b>SUB TOTAL-INV MGMT FEES</b>	<b>313,531</b>	<b>1,245,477</b>	<b>1,463,169</b>	<b>830,252</b>	<b>85,054</b>	<b>1,986,740</b>	<b>1,913,559</b>	<b>549,762</b>	<b>3,023,767</b>	<b>623,368</b>	<b>1,400,808</b>	<b>2,079,242</b>	<b>16,314,728</b>
<b>PROFESSIONAL FEES</b>													
Legal	<b>7,904</b>	39,510	26,807	27,576	10,438	11,810	0	0	12,644	7,999	24,528	7,239	176,456
BNY Mellon - Custodial	29,511	29,219	28,904	28,946	29,131	29,306	29,071	29,446	29,413	28,906	30,000	30,000	351,854
Cliffwater	<b>37,500</b>	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	<b>13,125</b>	13,125	64,468	13,125	13,125	70,163	13,125	13,125	76,073	13,125	13,125	80,000	395,707
PCA Real Estate	<b>10,417</b>	<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>
	98,458	131,667	168,096	117,565	100,611	159,196	90,113	90,488	166,047	97,948	115,571	165,156	1,500,917
<b>OPERATING EXPENSE</b>													
Retirement Transfers	<b>194,136</b>	765,281	527,948	573,526	642,997	1,214,092	1,265,779	470,299	936,603	515,370	943,387	1,631,781	9,681,197
Other Expense	<u>13,762</u>	<b>7,995</b>	<u>7,500</u>	<u>2,450</u>	<u>7,500</u>	<u>5,925</u>	<u>0</u>	<u>0</u>	<u>13,425</u>	<u>21,875</u>	<u>1,000</u>	<u>13,532</u>	<u>94,964</u>
	207,897	773,276	535,448	575,976	650,497	1,220,017	1,265,779	470,299	950,028	537,245	944,387	1,645,313	9,776,161
<b>TOTAL:</b>	<b>619,886</b>	<b>2,150,420</b>	<b>2,166,712</b>	<b>1,523,792</b>	<b>836,162</b>	<b>3,365,953</b>	<b>3,269,451</b>	<b>1,110,549</b>	<b>4,139,842</b>	<b>1,258,561</b>	<b>2,460,765</b>	<b>3,889,711</b>	<b>27,591,806</b>

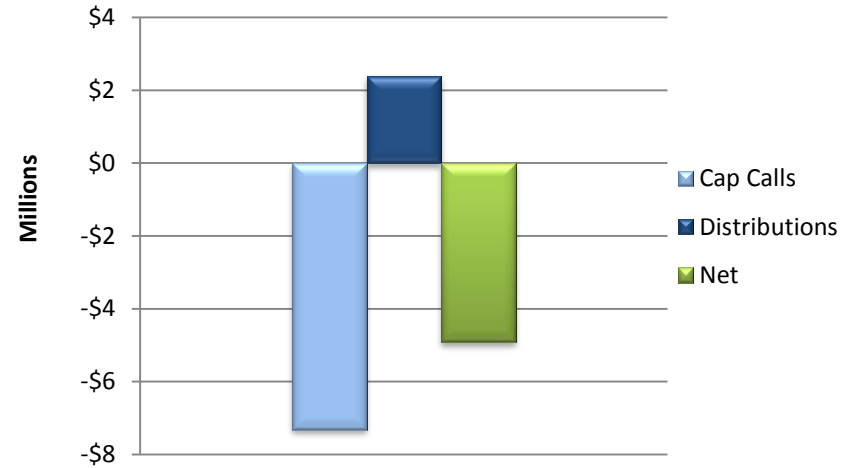
Note: Numbers in bold are actual.

# Private Equity & Real Estate Cash Flow

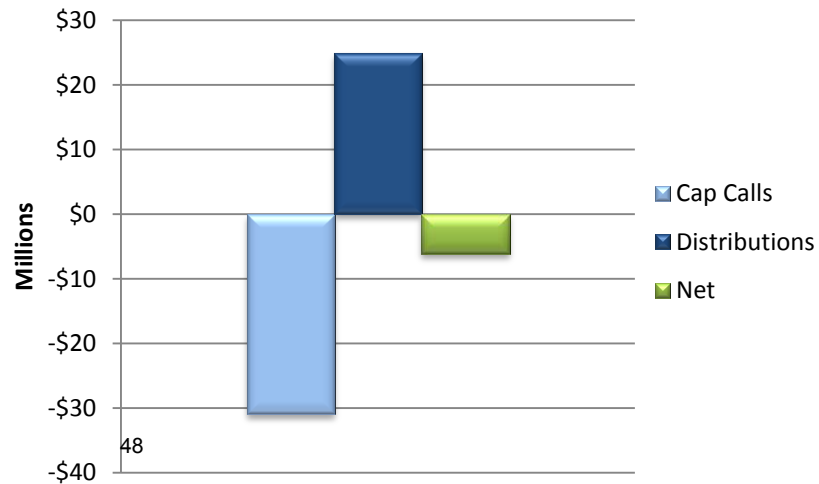
## Private Equity - August 2014



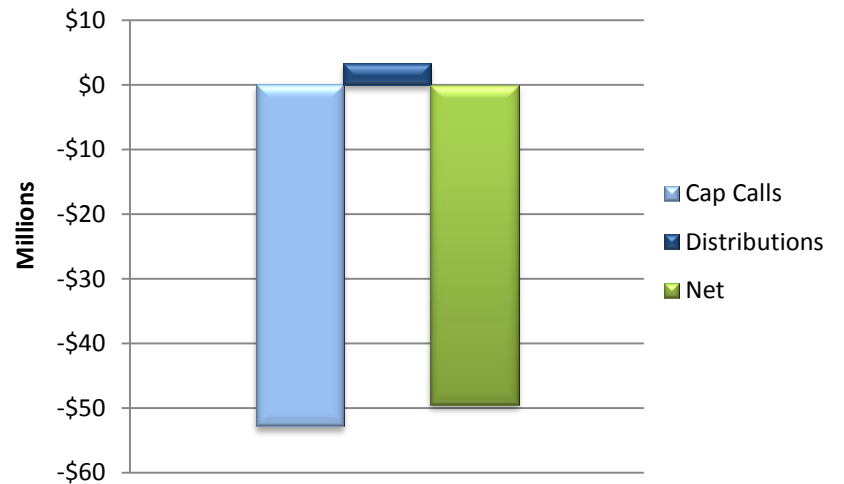
## Real Estate - August 2014



## Private Equity - Fiscal YTD August 2014



## Real Estate - Fiscal YTD August 2014



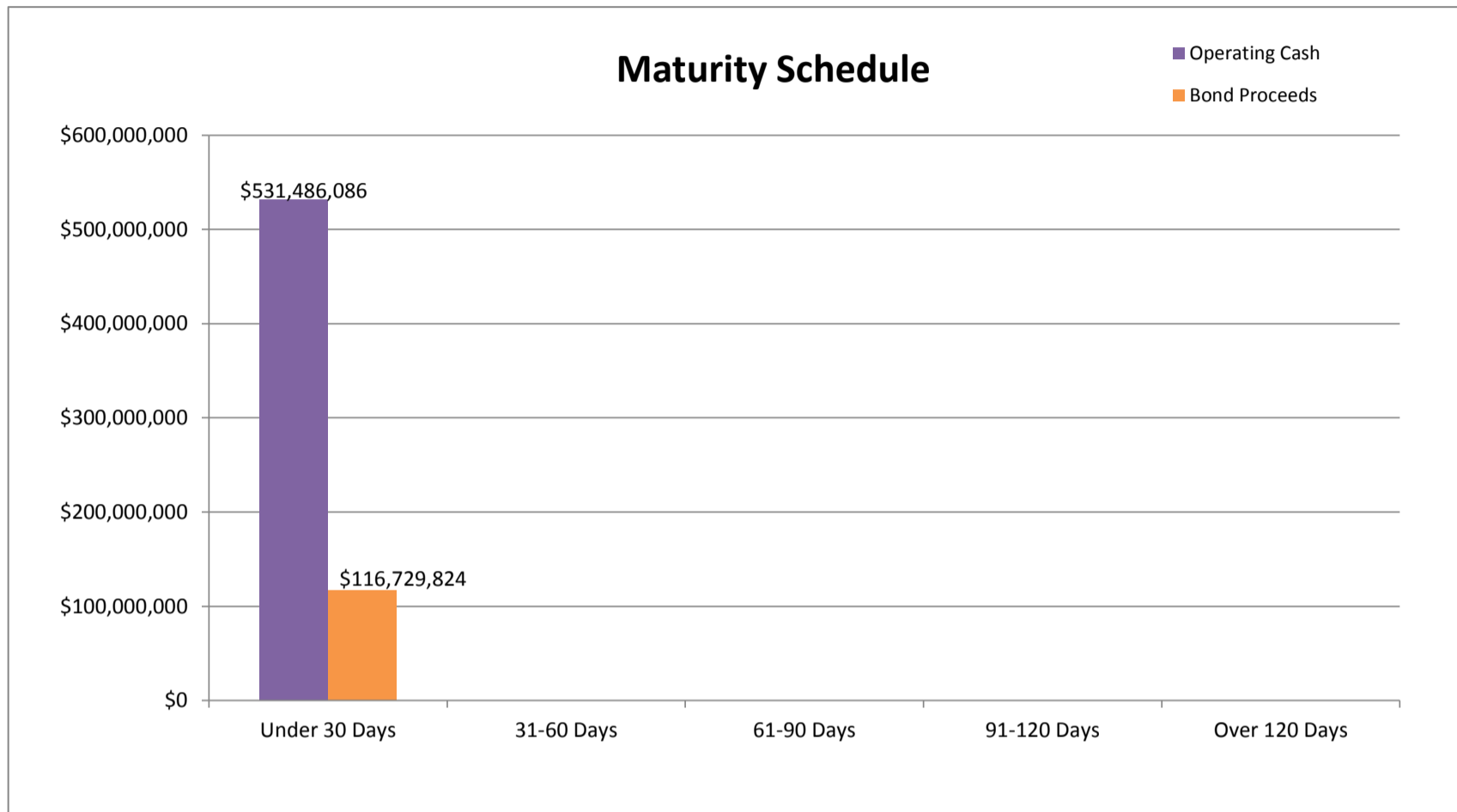


## Section VIII.

---

# Short-Term Investments

**Short-Term Investment Maturity Schedule & SIC Compliance Report at August 31, 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	142,223,223	142,223,223
	0%	0%	0%	0%	0%	0%	0%	27%	26.76%
Bank RI	0	15,134,042	0	0	0	0	0	0	15,134,042
	0%	3%	0%	0%	0%	0%	0%	0%	2.85%
Sovereign Bank	0	0	0	0	185,924,775	0	0	0	185,924,775
	0%	0%	0%	0%	35%	0%	0%	0%	34.98%
Citizens Bank	0	0	0	0	22,429,198	0	0	0	22,429,198
	0%	0%	0%	0%	4%	0%	0%	0%	4.22%
Webster Bank	0	0	0	0	85,350,887	0	0	0	85,350,887
	0%	0%	0%	0%	16%	0%	0%	0%	16.06%
Washington Trust	0	0	0	65,407,609	0	0	0	0	65,407,609
	0%	0%	0%	12%	0%	0%	0%	0%	12.31%
TD Bank	0	0	0	0	15,016,353	0	0	0	15,016,353
	0%	0%	0%	0%	3%	0%	0%	0%	2.83%
<b>TOTALS</b>	-	<b>15,134,042</b>	-	<b>65,407,609</b>	<b>308,721,213</b>	-	-	<b>142,223,223</b>	<b>531,486,086</b>
<b>(%) PORTFOLIO</b>	<b>0.00%</b>	<b>2.85%</b>	<b>0.00%</b>	<b>12.31%</b>	<b>58.09%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>26.76%</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.**

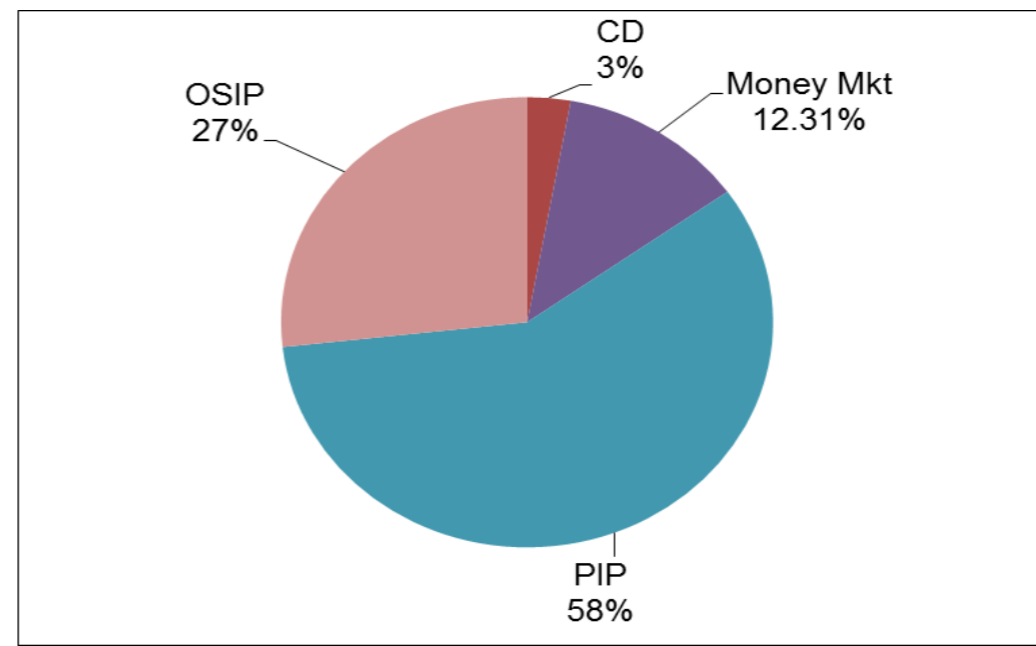
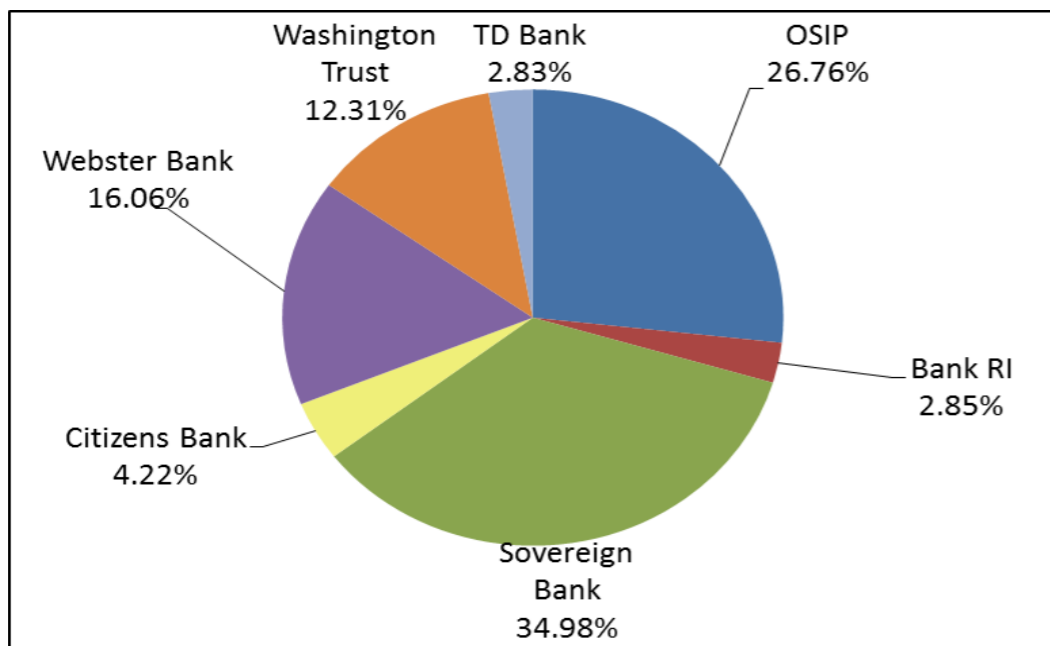
**State of Rhode Island**  
**Short Term Cash Monthly Performance**  
**Performance for**  
**August 01, 2014 to August 31, 2014**

<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	\$ 317,399,483.07	\$ 202,871,712.16	\$ 263,386,579.84	\$ 72,229.09	0.3229%
H.A.V.A	\$ 294.97	\$ 295.03	\$ 294.97	\$ 0.06	0.2395%
GENERAL FUND (HIST PRES)	\$ 537,722.31	\$ 537,757.56	\$ 537,722.31	\$ 35.25	0.0772%
HISTORIC TAX CREDITS	\$ 2,903,104.53	\$ 2,903,368.27	\$ 2,903,104.53	\$ 263.74	0.1070%
HIGHWAY FUND	\$ 27,095,668.51	\$ 14,599,620.04	\$ 19,315,023.35	\$ 3,951.53	0.2409%
T.D.I. RESERVE (DET)	\$ 97,584,044.67	\$ 122,601,414.73	\$ 121,713,076.93	\$ 17,370.06	0.1680%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 76,158,212.10	\$ 71,768,386.34	\$ 74,548,534.68	\$ 10,174.24	0.1607%
BOND CAPITAL FUND	\$ 1,828,978.97	\$ 2,029,962.52	\$ 4,632,204.78	\$ 983.55	0.2500%
R.I. CLEAN WATER ACT	\$ 3,181,042.86	\$ 3,181,379.82	\$ 3,181,042.86	\$ 336.96	0.1247%
STATE LOTTERY FUND	\$ 49,154,409.01	\$ 51,462,623.81	\$ 43,735,054.17	\$ 8,214.80	0.2212%
ASSESSED FRINGE BEN ADM	\$ 1,507,997.52	\$ 1,008,092.68	\$ 1,443,481.39	\$ 95.16	0.0776%
AUTO EQUIPMENT SERVICE	\$ 1,244.08	\$ 1,244.34	\$ 1,244.08	\$ 0.26	0.2461%
HEALTH INSURANCE FUND	\$ 29,085,795.36	\$ 36,387,900.60	\$ 32,027,730.84	\$ 2,105.24	0.0774%
FLEET REVOLVING LOAN FUND	\$ 7,634,103.02	\$ 7,635,723.96	\$ 7,634,103.02	\$ 1,620.94	0.2500%
EMPLOYEES RETIREMENT	\$ 17,977.23	\$ 2,120,546.52	\$ 12,098,622.39	\$ 2,569.29	0.2500%
MUNICIPAL EMPLOYEES RET.	\$ 18,801.75	\$ 19,404.37	\$ 2,838,156.59	\$ 602.62	0.2500%
RETIREE HEALTH FUND	\$ 275,662.65	\$ 2,275,695.57	\$ 469,211.04	\$ 32.92	0.0826%
BOG RETIREE FUND	\$ 62,271.71	\$ 62,275.79	\$ 62,271.71	\$ 4.08	0.0771%
RIPTA HEALTH FUND	\$ 185,681.56	\$ 185,693.73	\$ 185,681.56	\$ 12.17	0.0772%
PERMANENT SCHOOL FUND	\$ 1,935,038.66	\$ 1,935,165.63	\$ 1,935,038.66	\$ 126.97	0.0773%
TEACHER RETIREE HEALTH FUND	\$ 2,036,626.22	\$ 2,036,759.75	\$ 2,036,626.22	\$ 133.53	0.0772%
RI ST POL RETIREE HEALTH	\$ 102,921.77	\$ 102,928.52	\$ 102,921.77	\$ 6.75	0.0772%
RI LEG RETIREE HEALTH	\$ 55,208.41	\$ 55,220.13	\$ 55,208.41	\$ 11.72	0.2500%
RI JUDICIAL RETIREE HEALTH	\$ 30,182.63	\$ 30,189.04	\$ 30,182.63	\$ 6.41	0.2501%
UNIVERSITY COLLEGE	\$ 8,956.31	\$ 2,809,117.88	\$ 2,447,665.99	\$ 161.57	0.0777%
HIGHER EDUCATION	\$ 7,371.40	\$ 7,371.88	\$ 7,371.40	\$ 0.48	0.0767%
INDUS. BLDG. & MTG. INS.	\$ 2,856,048.34	\$ 2,856,235.60	\$ 2,856,048.34	\$ 187.26	0.0772%
<b>Operating Funds Totals</b>	<b>\$ 621,664,849.62</b>	<b>\$ 531,486,086.27</b>	<b>\$ 600,184,204.46</b>	<b>\$ 121,236.65</b>	<b>0.238%</b>
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.77	\$ 7,385.73	\$ 7,385.35	\$ 0.48	0.0765%
BOND CCDL 1994 SERIES A	\$ 15,001.06	\$ 15,000.98	\$ 15,000.21	\$ 0.98	0.0769%
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 41,015.24	\$ 41,015.03	\$ 41,012.90	\$ 2.69	0.0772%
CCDL1998A	\$ 1,695,953.51	\$ 1,695,944.64	\$ 1,695,856.70	\$ 111.18	0.0772%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,391.41	\$ 92,831.65	\$ 94,985.26	\$ 6.22	0.0771%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 201,341.12	\$ 201,340.07	\$ 201,329.63	\$ 13.20	0.0772%
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 2,446,533.04	\$ 2,446,520.25	\$ 2,446,393.38	\$ 160.39	0.0772%
BOND CCDL 2005 SERIES C	\$ 6,996,388.30	\$ 5,600,605.88	\$ 5,915,467.49	\$ 386.33	0.0769%
BOND CCDL 2005 SERIES E	\$ 393,344.85	\$ 335,621.44	\$ 348,637.21	\$ 22.80	0.0770%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 1,416,825.50	\$ 1,407,999.76	\$ 1,409,917.88	\$ 92.43	0.0772%
GO BND-NTAX 2007 SERIES A	\$ 3,804,276.46	\$ 3,946,317.75	\$ 3,914,036.43	\$ 256.77	0.0772%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 349,810.09	\$ 349,808.26	\$ 349,790.12	\$ 22.93	0.0772%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 1,730,122.47	\$ 1,730,113.42	\$ 1,730,023.70	\$ 113.42	0.0772%
CCDL10C	\$ 159,167.18	\$ 159,177.62	\$ 159,167.18	\$ 10.44	0.0772%
CCDL10D	\$ 103,923.30	\$ 103,922.75	\$ 103,917.36	\$ 6.81	0.0772%
CCDL2011A	\$ 16,921,283.88	\$ 14,531,569.57	\$ 15,070,380.89	\$ 985.48	0.0770%
CCDL2012B	\$ 55,255,477.91	\$ 53,830,710.26	\$ 54,149,558.49	\$ 3,548.63	0.0772%
GO CCDL 2013A	\$ 20,368,403.99	\$ 18,952,335.55	\$ -	\$ 1,261.93	0.0771%
GO CCDL 2013B	\$ 9,375,663.67	\$ 9,375,614.65	\$ -	\$ 614.65	0.0772%
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	\$ 187,034.45	\$ 180,054.62	\$ 182,746.59	\$ 11.97	0.0771%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 205,303.88	\$ 206,582.90	\$ 206,076.70	\$ 13.51	0.0772%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,272.11	\$ 283,270.63	\$ 283,255.94	\$ 18.57	0.0772%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ -	\$ -	\$ -	\$ -	-
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,087.50	\$ 1,236,081.04	\$ 1,236,016.94	\$ 81.04	0.0772%
CCDL2011A POLL CTRL CMPNT	\$ -	\$ -	\$ -	\$ -	-
<b>Bond Proceeds Fund Totals</b>	<b>\$ 123,296,006.69</b>	<b>\$ 116,729,824.45</b>	<b>\$ 89,560,956.35</b>	<b>\$ 7,742.85</b>	<b>0.077%</b>
TANS PROCEEDS	\$ -	\$ -	\$ -	\$ -	-
<b>Grand Totals</b>	<b>\$ 744,960,856.31</b>	<b>\$ 648,215,910.72</b>	<b>\$ 689,745,160.81</b>	<b>\$ 128,979.50</b>	<b>0.211%</b>

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

**Issuer Credit Rating  
August 31, 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	2.85%	N/R		N/A	N/A	N/A	N/A	N/A
Sovereign Bank	3,4	34.98%	Baa1		P-2	A-2	Baa1	BBB	Stable
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	4.22%	A3		P-2	A-2	A3	A-	Negative
Webster Bank	3,4	16.06%	A3		P-2	A-2	A3	BBB	Positive
Ocean State Investment Pool	6	26.76%	N/R		N/A	N/A	N/A	N/A	N/A
Washington Trust	3,7	12.31%	N/R		N/A	N/A	N/A	N/A	N/A
TD Bank	3	2.83%	Aa1		P-1	A-1+	Aa1	AA-	Negative



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 6/30/14					Since	Incep.	Sharpe Ratio	Std. Deviation		Tracking Error						
As of 8/31/2014	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 = 1.90							0.16	1.31	1.90																
<b>Money Market</b>																										
Vanguard Prime Money Market Inv	VMMXX	11.00	129,161.85	0.17	0.17	-	-	-	0.01	0.02		0.03		0.05		1.70		5.45	06/04/75	(3.58)		0.01			0.04	
Current 7-day Yield: 0.01																										
Citi 3-Month Treasury Bill																										
								-	0.03	0.05		0.05		0.09		1.59						0.01				
<b>FIXED INCOME</b>																										
<b>Intermediate-Term Bond</b>																										
Vanguard Total Bond Market Index Sig	VBTSX	1.42	117,906.11	0.08	0.08	1	-	1.14	4.85	4.28	66	3.61	66	4.75	79			5.15	09/01/06	1.25	60	2.82	41		0.24	
Barclays U.S. Aggregate Float Adjusted Index																										
Intermediate-Term Bond Median																										
Intermediate-Term Bond Number of Funds																										
				0.93	0.82			1.00	4.86	4.91		4.06		5.97												
				1,095	1,095						1,054		932		798											
<b>Inflation-Linked Bond</b>																										
PIMCO Real Return Instl	PRRIX	6.58	15,308.05	0.48	0.45	19	-	0.53	7.20	5.53	4	3.91	3	6.53	1	5.70	2		01/29/97	0.66	12	6.02	97		1.20	
Barclays US Treasury US TIPS TR USD																										
Inflation-Protected Bond Median																										
Inflation-Protected Bond Number of Funds																										
				0.86	0.75			0.33	5.61	3.79		2.78		5.00		4.68				0.56		5.29			0.70	
				230	230						219		195		151		66				196		196		196	
<b>Equity</b>																										
<b>Large Cap Blend</b>																										
Vanguard 500 Index Signal	VIFSX	22.58	179,717.71	0.05	0.05	1	-	4.00	9.86	24.55	39	16.54	20	18.81	20			7.36	09/29/06	1.31	10	12.25	23		0.74	
S&P 500 TR USD																										
TIAA-CREF Social Choice Eq Instl																										
Russell 3000 TR USD																										
Large Blend Median																										
Large Blend Number of Funds																										
				1.25	1.14			3.86	8.70	23.89		15.20		17.38		7.30				1.17		12.99			2.46	
				1,697	1,697						1,572		1,340		1,194		800				1,348		1,348		1,348	
<b>Mid Cap Blend</b>																										
Vanguard Mid Cap Index Signal	VMISX	16.17	52,686.09	0.09	0.09	3	-	4.73	10.19	26.23	32	15.33	35	21.97	18			7.84	03/30/07	1.04	24	14.76	27		0.82	
Spliced Mid Cap Index *																										
CRSP US Mid Cap TR USD																										
Mid-Cap Blend Median																										
Mid-Cap Blend Number of Funds																										
				1.31	1.24			4.42	7.41	24.95		14.71		20.00						0.95		15.78			3.53	
				409	409						386		330		313						335		335		335	
<b>Small Cap Blend</b>																										
Vanguard Small Cap Index Signal	VSISX	22.58	49,147.24	0.09	0.09	1	-	4.97	6.26	26.51	18	16.19	24	22.32	11			8.82	12/15/06	1.00	18	16.43	39		1.90	
Spliced Small Cap Index **																										
CRSP US Small Cap TR USD																										
Small Blend Median																										
Small Blend Number of Funds																										
				1.39	1.26			4.51	2.20	23.75		14.25		19.94						0.88		16.86			3.77	
				769	769						682		596		545		765				596		596		596	



# 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 6/30/14					Since	Incep.	Sharpe Ratio		Std. Deviation		Tracking Error			
As of 8/31/2014		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	8.92	6,114.04	0.07	0.07	1	-	0.31	2.55	23.59	13	8.21	19	11.87	33	7.03	40	10/01/02	0.56	20	16.35	50	3.30	
MSCI EAFE NR USD									(0.15)	2.56	23.57		8.10		11.77		6.93				0.56		16.34		
Foreign Large Blend Median					1.40	1.25			0.60	1.91	21.04		6.67		11.26		6.64				0.47		16.34		3.73
Foreign Large Blend Number of Funds					823	823						770		677		602					680		680		7
<b>Diversified Emerging Markets</b>																									
Vanguard Emerging Mkts Stock Idx Sic		VERSX	5.92	64,020.59	0.15	0.15	1	-	3.60	12.52	14.00	52	(0.87)	60	8.94	51			4.31	01/19/07	0.05	59	20.00	65	3.23
Spliced Emerging Markets Index ***									2.99	12.86	13.72		(0.58)		9.12										
FTSE Emerging NR USD									2.99	12.83	13.74		(0.38)		9.21										
MSCI EM NR USD									2.25	10.63	14.31		(0.39)		9.24						0.07		19.49		
Diversified Emerging Mkts Median					1.83	1.57			2.72	9.03	14.12		(0.18)		9.00						0.09		19.68		5.18
Diversified Emerging Mkts Number of Funds					822	822						648		454		325					455		455		455
<b>Miscellaneous Sector</b>																									
TIAA Real Estate Account		Variable Annuity	9.58	18,334.21	0.87	0.87		0.24	0.90	7.48	10.98		10.22		7.45		4.95		6.26	10/02/95	6.26		1.55		12.22
Adjusted Total Return													13.51		12.42		9.67				7.72				
NCREIF Fund Index - ODCE													11.37		11.21		8.48				7.52				
Unlevered Property Level Returns													12.18		12.90		10.78				9.64				
NCREIF Property Index - Open End Funds													11.44		11.52		10.21				9.50				
<b>Lifecycle</b>																									
Vanguard Target Retirement Income Trust II					0.11	0.11			1.57	5.47	9.78		6.66		8.62				5.61						
Vanguard Target Retirement Income Compos. Lx									1.52	5.51	9.99		6.73		8.69										
Retirement Income Median					1.05	0.89			1.58	4.96	10.42		6.10		9.04				1.09			5.47			1.88
Retirement Income Number of Funds					297	297						290		278		238						278		278	278
Vanguard Target Retirement 2010 Trust II					0.11	0.11			1.78	5.86	11.85		7.64		10.59				5.86						
Vanguard Target Retirement 2010 Compos. Lx									1.72	5.92	12.04		7.70		10.61										
Target Date 2000-2010 Median					1.11	0.88			1.69	5.18	12.28		6.86		10.37				1.00			6.74			1.54
Target Date 2000-2010 Number of Funds					154	154						131		116		104						117		117	117
Vanguard Target Retirement 2015 Trust II					0.11	0.11			2.16	6.52	14.56		8.87		11.90				6.33						
Vanguard Target Retirement 2015 Compos. Lx									2.07	6.58	14.76		8.96		11.94										
Target Date 2011-2015 Median					1.21	0.91			1.87	5.48	12.76		7.24		10.65				0.97			7.52			1.72
Target Date 2011-2015 Number of Funds					197	197						175		145		121						145		145	145
Vanguard Target Retirement 2020 Trust II					0.11	0.11			2.46	7.04	16.58		9.79		12.91				6.55						
Vanguard Target Retirement 2020 Compos. Lx									2.34	7.10	16.77		10.05		13.14										
Target Date 2016-2020 Median					1.28	0.96			2.09	5.69	14.16		8.02		11.73				0.95			8.29			1.90
Target Date 2016-2020 Number of Funds					242	242						215		183		163						184		184	184
Vanguard Target Retirement 2025 Trust II					0.11	0.11			2.59	7.22	18.05		10.44		13.79				6.68						
Vanguard Target Retirement 2025 Composite Lx									2.49	7.33	18.29		10.74		14.03										
Target Date 2021-2025 Median					1.22	0.95			2.30	6.06	16.61		8.98		13.02				0.91			9.83			1.77
Target Date 2021-2025 Number of Funds					200	200						178		141		108						141		141	141



# 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 6/30/14					Since	Incep.	Sharpe Ratio		Std. Deviation		Tracking Error			
As of 8/31/2014	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			2.76	7.43	19.60		11.13		14.68				6.78						
	<i>Vanguard Target Retirement 2030 Composite Lx</i>							2.63	7.55	19.82		11.41		14.90										
	<i>Target Date 2026-2030 Median</i>			1.32	1.02			2.49	6.21	17.17		9.52		13.53				0.89			10.85			1.75
	<i>Target Date 2026-2030 Number of Funds</i>			243	243						215		183		163						184		184	184
	<b>Vanguard Target Retirement 2035 Trust II</b>			0.11	0.11			2.88	7.59	21.13		11.80		15.51				7.05						
	<i>Vanguard Target Retirement 2035 Composite Lx</i>							2.78	7.77	21.37		12.07		15.73										
	<i>Target Date 2031-2035 Median</i>			1.32	1.01			2.70	6.53	19.50		10.38		14.29				0.88			11.88			1.68
	<i>Target Date 2031-2035 Number of Funds</i>			200	200						178		141		108						141		141	141
	<b>Vanguard Target Retirement 2040 Trust II</b>			0.11	0.11			3.02	7.79	22.22		12.32		15.86				7.35						
	<i>Vanguard Target Retirement 2040 Composite Lx</i>							2.90	7.95	22.45		12.60		16.09										
	<i>Target Date 2036-2040 Median</i>			1.40	1.06			2.79	6.63	19.97		10.53		14.54				0.87			12.47			1.62
	<i>Target Date 2036-2040 Number of Funds</i>			242	242						214		182		162						183		183	183
	<b>Vanguard Target Retirement 2045 Trust II</b>			0.11	0.11			3.02	7.79	22.24		12.33		15.86				7.30						
	<i>Vanguard Target Retirement 2045 Composite Lx</i>							2.90	7.95	22.45		12.60		16.09										
	<i>Target Date 2041-2045 Median</i>			1.37	1.01			2.85	6.72	20.87		11.07		15.11				0.88			12.88			1.53
	<i>Target Date 2041-2045 Number of Funds</i>			200	200						178		133		106						133		133	133
	<b>Vanguard Target Retirement 2050 Trust II</b>			0.11	0.11			3.05	7.79	22.22		12.31		15.84				7.34						
	<i>Vanguard Target Retirement 2050 Composite Lx</i>							2.90	7.95	22.45		12.60		16.08										
	<i>Target Date 2046-2050 Median</i>			1.64	1.06			2.86	6.78	20.86		11.05		15.00				0.87			12.89			1.69
	<i>Target Date 2046-2050 Number of Funds</i>			226	226						199		156		126						158		158	158
	<b>Vanguard Target Retirement 2055 Trust II</b>			0.11	0.11			3.02	7.80	22.24		12.41						16.25						
	<i>Vanguard Target Retirement 2055 Composite Lx</i>							2.90	7.95	22.45		12.60												
	<b>Vanguard Target Retirement 2060 Trust II</b>			0.11	0.11			3.03	7.80	22.20								15.28						
	<i>Vanguard Target Retirement 2060 Composite Lx</i>							2.90	7.95	22.45														
	<i>Target Date 2051+ Median</i>			1.48	1.03			2.87	6.62	21.19		11.14						0.86			13.05			1.63
	<i>Target Date 2051+ Number of Funds</i>			186	186						142		91								91		91	91

Source: Morningstar & TIAA-CREF -Tracking error calculated using "Morningstar Analyst Assigned Benchmark" Data for 1-month and YTD return as of 8/31/2014. All other data as of 6/30/2014

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

8/31/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	Annualized					Inception Date
					1 Year	3 Years	5 Years	10 Years	ITD	
Mackay Shields OPEB	40,585,072.0	34.7	1.10	0.82	5.85				1.43	5/1/2013
Barclays U.S. Aggregate Bond Index			1.10	0.85	5.66				1.33	5/1/2013
SSGA S&P 500 INDX	76,354,755.8	65.3	3.99	2.56	25.13	20.50			16.08	5/1/2011
S&P 500 - Total Return Index			4.00	2.57	25.25	20.61			14.71	5/1/2011
<b>Total OPEB</b>	<b>116,939,827.8</b>	<b>100.0</b>	<b>2.95</b>	<b>1.93</b>	<b>18.16</b>	<b>11.99</b>			<b>10.83</b>	<b>5/1/2011</b>
OPEB Custom Blend <sup>1</sup>			2.99	1.97	18.14	11.61			9.24	5/1/2011

END NOTES

8/31/2014

1 RI7GX0903OPE OPEB Custom Blend

35% Barclays Aggregate and 65% S&P 500



TOTAL NET OF FEES

8/31/2014

Account Name Benchmark Name	Market Value	% of Total	YTD	Month	Cumulative			2013	2012	2011	Inception Date
					7/1/2014 - 7/31/2014	6/1/2014 - 6/30/2014					
Mackay Shields OPEB	40,585,072.0	34.7	4.89	1.10	-0.27	0.08				5/1/2013	
<i>Barclays U.S. Aggregate Bond Index</i>			4.81	1.10	-0.25	0.05				5/1/2013	
SSGA S&P 500 INDX	76,354,755.8	65.3	9.82	3.99	-1.38	2.06	32.09	15.96		5/1/2011	
<i>S&amp;P 500 - Total Return Index</i>			9.89	4.00	-1.38	2.07	32.39	16.00		5/1/2011	
<b>Total OPEB</b>	<b>116,939,827.8</b>	<b>100.0</b>	<b>8.11</b>	<b>2.95</b>	<b>-0.99</b>	<b>1.37</b>	<b>15.77</b>	<b>9.74</b>		<b>5/1/2011</b>	
<i>OPEB Custom Blend</i>			8.15	2.99	-0.98	1.36	15.73	8.30		5/1/2011	

END NOTES

8/31/2014

- |   |              |                   |  |
|---|--------------|-------------------|--|
| 1 | RI7G10000000 | Total OPEB        | YTD - Calendar Year to Date<br>Month - Current Month<br>Cumulative Months - Prior Month and Second Prior Month |
| 2 | RI7GX0903OPE | OPEB Custom Blend | 2013, 2012, 2011 - Calendar Year<br>65% S&P 500 and 35% Barclays Aggregate                                     |