

Public Agenda Item #6

Review and Discussion of the Fiscal Year 2015 Global
Investment Performance Standards Verification Report

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GIPS Standards

What are they?



The Global Investment Performance Standards (GIPS standards) are voluntary, ethical standards for the calculation and presentation of an investment firm's performance results.

The GIPS standards were advanced to encourage investment managers to present their performance history in a fair and comparable way. The GIPS standards help create both a level playing field on which managers can compete and an environment in which investors can reinforce the governance of their manager selection decisions.

GIPS Standards

Verification



Verification assesses whether:

- (1) the firm has complied all the composite construction requirements of the GIPS standards on a firm-wide basis and
- (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards.

Verification does not ensure the accuracy of any specific composite presentation.

GIPS Standards

Fund Composite



Total Fund Composite

September 1, 2009 through August 31, 2015

Fiscal Year	Net of External Costs Only (%)	Net of Fees (%)	Benchmark Return (%)	As of August 31, 2015		3-Year Annualized Standard Deviation	
				Externally Managed Assets (%)	Total Composite Assets (\$ millions)	Total Fund (Net) (%)	Benchmark (%)
2010	6.48	6.40	6.80	19	20,389.8		
2011	12.36	12.28	12.02	22	22,118.6		
2012	8.04	7.95	8.11	28	22,772.1		
2013	9.87	9.78	9.52	33	23,858.8	8.37	8.66
2014	14.58	14.48	15.00	37	26,131.6	7.43	7.67
2015	0.44	0.34	(1.03)	38	25,177.9	5.32	5.51

^[1] Returns net of external costs are net of transaction costs and investment management fees only. These returns are also reported by ERS custodian as “net of fees”.

^[2] Returns net of fees as defined by GIPS are net of transactions costs, investment management fees and internal Investment Division and other agency overhead costs.

Questions?