

**AGREEMENT FOR
INVESTMENT ADVISOR SERVICES**

THIS AGREEMENT, made this 4th day of December 2012, by and between the City of Fort Lauderdale, a Florida municipality, ("City"), whose address is 100 North Andrews Avenue, Fort Lauderdale, FL 33301-1016, and Bogdahn Consulting, LLC, a Florida limited liability company, ("Contractor" or "Company"), whose address and phone number are 4901 Vineland Road, Suite 600, Orlando, FL 32811, Phone: 863-293-8289, Fax: 863-292-8717, Email: mikew@bogdahngroup.com for the term specified herein,

NOW THEREFORE, for and in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the City and the Contractor covenant and agree as follows:

WITNESSETH:

I. DOCUMENTS

The following documents (collectively "Contract Documents") are hereby incorporated into and made part of this Agreement:

- (1) Request for Proposal 725-10971, Investment Advisor, including any and all addenda, prepared by the City of Fort Lauderdale, ("RFP" or "Exhibit A").
- (2) The Contractor's Best and Final – RFP #725-10971 dated July 17, 2012, ("Exhibit B")
- (3) The Contractor's response to the RFP, dated May 23, 2012 ("Exhibit C").

All Contract Documents may also be collectively referred to as the "Documents." In the event of any conflict between or among the Documents or any ambiguity or missing specifications or instruction, the following priority is established:

- A. First, specific direction from the City Manager (or designee)
- B. Second, this Agreement dated Dec. 4th, 2012, and any attachments.
- C. Third, Exhibit A
- D. Fourth, Exhibit B
- E. Fifth, Exhibit C

II. SCOPE

The Contractor shall perform the Work under the general direction of the City as set forth in the Contract Documents.

Unless otherwise specified herein, the Contractor shall perform all Work identified in this Agreement. The parties agree that the scope of services is a description of Contractor's obligations and responsibilities, and is deemed to include preliminary considerations and prerequisites, and all labor, materials, equipment, and tasks which are such an inseparable part of the work described that exclusion would render performance by Contractor impractical, illogical, or unconscionable.

Contractor acknowledges and agrees that the City's Contract Administrator has no authority to make changes that would increase, decrease, or otherwise modify the Scope of Services to be provided under this Agreement.

By signing this Agreement, the Contractor represents that it thoroughly reviewed the documents incorporated into this Agreement by reference and that it accepts the description of the Work and the conditions under which the Work is to be performed.

III. TERM OF AGREEMENT

The initial contract period shall commence on August 21, 2012, and shall end on August 20, 2017. In the event the term of this Agreement extends beyond the end of any fiscal year of City, to wit, September 30, the continuation of this Agreement beyond the end of such fiscal year shall be subject to both the appropriation and the availability of funds.

IV. COMPENSATION

The Contractor agrees to provide the services and/or materials as specified in the Contract Documents at the cost specified in Exhibit B. It is acknowledged and agreed by Contractor that this amount is the maximum payable and constitutes a limitation upon City's obligation to compensate Contractor for Contractor's services related to this Agreement. This maximum amount, however, does not constitute a limitation of any sort upon Contractor's obligation to perform all items of work required by or which can be reasonably inferred from the Scope of Services. Except as otherwise provided in the solicitation, no amount shall be paid to Contractor to reimburse Contractor's expenses.

V. METHOD OF BILLING AND PAYMENT

Contractor may submit invoices for compensation no more often than monthly, but only after the services for which the invoices are submitted have been completed. An original invoice plus one copy are due within fifteen (15) days of the end of the month except the final invoice which must be received no later than sixty (60) days after this Agreement expires. Invoices shall designate the nature of the services performed and/or the goods provided.

City shall pay Contractor within forty-five (45) days of receipt of Contractor's proper invoice, as provided in the Florida Local Government Prompt Payment Act.

To be deemed proper, all invoices must comply with the requirements set forth in this Agreement and must be submitted on the form and pursuant to instructions prescribed by the City's Contract Administrator. Payment may be withheld for failure of Contractor to comply with a term, condition, or requirement of this Agreement.

Notwithstanding any provision of this Agreement to the contrary, City may withhold, in whole or in part, payment to the extent necessary to protect itself from loss on account of inadequate or defective work that has not been remedied or resolved in a manner satisfactory to the City's Contract Administrator or failure to comply with this Agreement. The amount withheld shall not be subject to payment of interest by City.

VI. GENERAL CONDITIONS

A. Indemnification

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City and the City's officers, employees, volunteers, and agents from and against any and all losses, penalties, fines, damages, settlements, judgments, claims, costs, charges, expenses, or liabilities, including any award of attorney fees and any award of costs, in connection with or arising directly or indirectly out of any act or omission by the Contractor or by any officer, employee, agent, invitee, subcontractor, or sublicensee of the Contractor. The provisions and obligations of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the City Manager, any sums due Contractor under this Agreement may be retained by City until all of City's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved, and any amount withheld shall not be subject to payment of interest by City.

B. Intellectual Property

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City from and against any and all losses, penalties, fines, damages, settlements, judgments, claims, costs, charges, royalties, expenses, or liabilities, including any award of attorney fees and any award of costs, in connection with or arising directly or indirectly out of any infringement or allegation of infringement of any patent, copyright, or other intellectual property right in connection with the Contractor's or the City's use of any copyrighted, patented or un-patented invention, process, article, material, or device that is manufactured, provided, or used pursuant to this Agreement. If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.

C. Termination for Cause

The aggrieved party may terminate this Agreement for cause if the party in breach has not corrected the breach within ten (10) days after written notice from the aggrieved party identifying the breach. The City Manager may also terminate this Agreement upon such notice as the City Manager deems appropriate under the circumstances in the event the City Manager determines that termination is necessary to protect the public health or safety. The parties agree that if the City erroneously, improperly or unjustifiably terminates for cause, such termination shall be deemed a termination for convenience, which shall be effective thirty (30) days after such notice of termination for cause is provided.

This Agreement may be terminated for cause for reasons including, but not limited to, Contractor's repeated (whether negligent or intentional) submission for payment of false or incorrect bills or invoices, failure to perform the Work to the City's satisfaction; or failure to continuously perform the work in a manner calculated to meet or accomplish the objectives as set forth in this Agreement.

D. Termination for Convenience

The City reserves the right, in its best interest as determined by the City, to cancel this contract for convenience by giving written notice to the Contractor at least thirty (30) days prior to the effective date of such cancellation. In the event this Agreement is terminated for convenience, Contractor shall be paid for any services performed to the City's satisfaction pursuant to the Agreement through the termination date specified in the written notice of termination. Contractor acknowledges and agrees that he/she/it has received good, valuable and sufficient consideration from City, the receipt and adequacy of which are hereby acknowledged by Contractor, for City's right to terminate this Agreement for convenience.

E. Cancellation for Unappropriated Funds

The City reserves the right, in its best interest as determined by the City, to cancel this contract for unappropriated funds or unavailability of funds by giving written notice to the Contractor at least thirty (30) days prior to the effective date of such cancellation. The obligation of the City for payment to a Contractor is limited to the availability of funds appropriated in a current fiscal period, and continuation of the contract into a subsequent fiscal period is subject to appropriation of funds, unless otherwise provided by law.

F. Insurance

The Contractor shall furnish proof of insurance requirements as indicated below. The coverage is to remain in force at all times during the contract period. The following minimum insurance coverage is required. The commercial general liability insurance policy shall name the City of Fort Lauderdale, a Florida municipality, as an "additional insured." This MUST be written in the description section of the insurance certificate, even if there is a check-off box on the insurance certificate. Any costs for adding the City as "additional insured" shall be at the Contractor's expense.

The City of Fort Lauderdale shall be given notice 10 days prior to cancellation or modification of any required insurance. The insurance provided shall be endorsed or amended to comply with this notice requirement. In the event that the insurer is unable to accommodate, it shall be the responsibility of the Contractor to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested and addressed to the Procurement Services Division.

The Contractor's insurance must be provided by an A.M. Best's "A-" rated or better insurance company authorized to issue insurance policies in the State of Florida, subject to approval by the City's Risk Manager. Any exclusions or provisions in the insurance maintained by the contractor that excludes coverage for work contemplated in this solicitation shall be deemed unacceptable, and shall be considered breach of contract.

Workers' Compensation and Employers' Liability Insurance

Limits: Workers' Compensation – Per Chapter 440, Florida Statutes
Employers' Liability - \$500,000

Any firm performing work for or on behalf of the City of Fort Lauderdale must provide Workers' Compensation insurance. Exceptions and exemptions will be allowed, by the City's Risk Manager, if they are in accordance with Florida Statutes.

Commercial General Liability Insurance

Covering premises-operations, products-completed operations, independent contractors and contractual liability.

Limits: Combined single limit bodily injury/property damage \$1,000,000.

This coverage must include, but not limited to:

- a. Coverage for the liability assumed by the contractor under the indemnity provision of the contract.
- b. Coverage for Premises/Operations
- c. Products/Completed Operations
- d. Broad Form Contractual Liability
- e. Independent Contractors

Automobile Liability Insurance

Covering all owned, hired and non-owned automobile equipment.

Limits: Bodily injury	\$250,000 each person, \$500,000 each occurrence
Property damage	\$100,000 each occurrence

Professional Liability (Errors & Omissions)

Consultants

Limits: \$2,000,000 per occurrence

Certificate holder should be addressed as follows:

City of Fort Lauderdale
Procurement Services Division
100 N. Andrews Avenue, Room 619
Fort Lauderdale, FL 33301

G. Environmental, Health and Safety

Contractor shall place the highest priority on health and safety and shall maintain a safe working environment during performance of the Work. Contractor shall comply, and shall secure compliance by its employees, agents, and subcontractors, with all applicable environmental, health, safety and security laws and regulations, and performance conditions in this Agreement. Compliance with such requirements shall represent the minimum standard required of Contractor. Contractor shall be responsible for examining all requirements and determine whether additional or more stringent environmental, health, safety and security provisions are required for the Work. Contractor agrees to

utilize protective devices as required by applicable laws, regulations, and any industry or Contractor's health and safety plans and regulations, and to pay the costs and expenses thereof, and warrants that all such persons shall be fit and qualified to carry out the Work.

H. Standard of Care

Contractor represents that he/she/it is qualified to perform the Work, that Contractor and his/her/its subcontractors possess current, valid state and/or local licenses to perform the Work, and that their services shall be performed in a manner consistent with that level of care and skill ordinarily exercised by other qualified contractors under similar circumstances.

I. Rights in Documents and Work

Any and all reports, photographs, surveys, and other data and documents provided or created in connection with this Agreement are and shall remain the property of City; and Contractor disclaims any copyright in such materials. In the event of and upon termination of this Agreement, any reports, photographs, surveys, and other data and documents prepared by Contractor, whether finished or unfinished, shall become the property of City and shall be delivered by Contractor to the City's Contract Administrator within seven (7) days of termination of this Agreement by either party. Any compensation due to Contractor shall be withheld until Contractor delivers all documents to the City as provided herein.

J. Audit Right and Retention of Records

City shall have the right to audit the books, records, and accounts of Contractor and Contractor's subcontractors that are related to this Agreement. Contractor shall keep, and Contractor shall cause Contractor's subcontractors to keep, such books, records, and accounts as may be necessary in order to record complete and correct entries related to this Agreement. All books, records, and accounts of Contractor and Contractor's subcontractors shall be kept in written form, or in a form capable of conversion into written form within a reasonable time, and upon request to do so, Contractor or Contractor's subcontractor, as applicable, shall make same available at no cost to City in written form.

Contractor and Contractor's subcontractors shall preserve and make available, at reasonable times for examination and audit by City in Broward County, Florida, all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement for the required retention period of the Florida public records law, Chapter 119, Florida Statutes, as may be amended from time to time, if applicable, or, if the Florida Public Records Act is not applicable, for a minimum period of three (3) years after termination of this Agreement. If any audit has been initiated and audit findings have not been resolved at the end of the retention period or three (3) years, whichever is longer, the books, records, and accounts shall be retained until resolution of the audit findings. If the Florida public records law is determined by City to be applicable to Contractor and Contractor's subcontractors' records, Contractor and Contractor's subcontractors shall comply with all requirements thereof; however, Contractor and Contractor's subcontractors shall violate no confidentiality or non-disclosure requirement of either federal or state law. Any incomplete or incorrect entry in such books, records, and accounts shall be a basis for City's disallowance and recovery of any payment upon such entry.

Contractor shall, by written contract, require Contractor's subcontractors to agree to the requirements and obligations of this Section.

The Contractor shall maintain during the term of the contract all books of account, reports and records in accordance with generally accepted accounting practices and standards for records directly related to this contract.

K. Public Entity Crime Act

Contractor represents that the execution of this Agreement will not violate the Public Entity Crime Act, Section 287.133, Florida Statutes, as may be amended from time to time, which essentially provides that a person or affiliate who is a contractor, consultant, or other provider and who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to City, may not submit a bid on a contract with City for the construction or repair of a public building or public work, may not submit bids on leases of real property to City, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with City, and may not transact any business with City in excess of the threshold amount provided in Section 287.017, Florida Statutes, as may be amended from time to time, for category two purchases for a period of 36 months from the date of being placed on the convicted vendor list. Violation of this section shall result in termination of this Agreement and recovery of all monies paid by City pursuant to this Agreement, and may result in debarment from City's competitive procurement activities.

L. Independent Contractor

Contractor is an independent contractor under this Agreement. Services provided by Contractor pursuant to this Agreement shall be subject to the supervision of the Contractor. In providing such services, neither Contractor nor Contractor's agents shall act as officers, employees, or agents of City. No partnership, joint venture, or other joint relationship is created hereby. City does not extend to Contractor or Contractor's agents any authority of any kind to bind City in any respect whatsoever.

M. Inspection and Non-Waiver

Contractor shall permit the representatives of CITY to inspect and observe the Work at all times.

The failure of the City to insist upon strict performance of any other terms of this Agreement or to exercise any rights conferred by this Agreement shall not be construed by Contractor as a waiver of the City's right to assert or rely on any such terms or rights on any future occasion or as a waiver of any other terms or rights.

N. Assignment and Performance

Neither this Agreement nor any right or interest herein shall be assigned, transferred, or encumbered without the written consent of the other party. In addition, Contractor shall not subcontract any portion of the work required by this Agreement, except as provided in the Schedule of Subcontractor Participation. City may terminate this Agreement, effective immediately, if there is any assignment, or attempted assignment, transfer, or

encumbrance, by Contractor of this Agreement or any right or interest herein without City's written consent.

Contractor represents that each person who will render services pursuant to this Agreement is duly qualified to perform such services by all appropriate governmental authorities, where required, and that each such person is reasonably experienced and skilled in the area(s) for which he or she will render his or her services.

Contractor shall perform Contractor's duties, obligations, and services under this Agreement in a skillful and respectable manner. The quality of Contractor's performance and all interim and final product(s) provided to or on behalf of City shall be comparable to the best local and national standards.

In the event Contractor engages any subcontractor in the performance of this Agreement, Contractor shall ensure that all of Contractor's subcontractors perform in accordance with the terms and conditions of this Agreement. Contractor shall be fully responsible for all of Contractor's subcontractors' performance, and liable for any of Contractor's subcontractors' non-performance and all of Contractor's subcontractors' acts and omissions. Contractor shall defend at Contractor's expense, counsel being subject to City's approval or disapproval, and indemnify and hold City and City's officers, employees, and agents harmless from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, by or in favor of any of Contractor's subcontractors for payment for work performed for City by any of such subcontractors, and from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, occasioned by or arising out of any act or omission by any of Contractor's subcontractors or by any of Contractor's subcontractors' officers, agents, or employees. Contractor's use of subcontractors in connection with this Agreement shall be subject to City's prior written approval, which approval City may revoke at any time.

O. Conflicts

Neither Contractor nor any of Contractor's employees shall have or hold any continuing or frequently recurring employment or contractual relationship that is substantially antagonistic or incompatible with Contractor's loyal and conscientious exercise of judgment and care related to Contractor's performance under this Agreement.

Contractor further agrees that none of Contractor's officers or employees shall, during the term of this Agreement, serve as an expert witness against City in any legal or administrative proceeding in which he, she, or Contractor is not a party, unless compelled by court process. Further, Contractor agrees that such persons shall not give sworn testimony or issue a report or writing, as an expression of his or her expert opinion, which is adverse or prejudicial to the interests of City in connection with any such pending or threatened legal or administrative proceeding unless compelled by court process. The limitations of this section shall not preclude Contractor or any persons in any way from representing themselves, including giving expert testimony in support thereof, in any action or in any administrative or legal proceeding.

In the event Contractor is permitted pursuant to this Agreement to utilize subcontractors to perform any services required by this Agreement, Contractor agrees to require such

subcontractors, by written contract, to comply with the provisions of this section to the same extent as Contractor.

P. Schedule and Delays

Time is of the essence in this Agreement. By signing, Contractor affirms that it believes the schedule to be reasonable; provided, however, the parties acknowledge that the schedule might be modified as the City directs.

Q. Materiality and Waiver of Breach

City and Contractor agree that each requirement, duty, and obligation set forth herein was bargained for at arm's-length and is agreed to by the parties in exchange for *quid pro quo*, that each is substantial and important to the formation of this Agreement and that each is, therefore, a material term hereof.

City's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

R. Compliance With Laws

Contractor shall comply with all applicable federal, state, and local laws, codes, ordinances, rules, and regulations in performing Contractor's duties, responsibilities, and obligations pursuant to this Agreement.

S. Severance

In the event a portion of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the provisions not having been found by a court of competent jurisdiction to be invalid or unenforceable shall continue to be effective.

T. Limitation of Liability

The City desires to enter into this Agreement only if in so doing the City can place a limit on the City's liability for any cause of action for money damages due to an alleged breach by the City of this Agreement, so that its liability for any such breach never exceeds the sum of \$1,000. Contractor hereby expresses its willingness to enter into this Agreement with Contractor's recovery from the City for any damage action for breach of contract or for any action or claim arising from this Agreement to be limited to a maximum amount of \$1,000 less the amount of all funds actually paid by the City to Contractor pursuant to this Agreement.

Accordingly, and notwithstanding any other term or condition of this Agreement, Contractor hereby agrees that the City shall not be liable to Contractor for damages in an amount in excess of \$1,000 which amount shall be reduced by the amount actually paid by the City to Contractor pursuant to this Agreement, for any action for breach of contract or for any action or claim arising out of this Agreement. Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended to be a waiver of the limitation placed upon City's liability as set forth in Article 768.28, Florida Statutes.

U. Jurisdiction, Venue, Waiver, Waiver of Jury Trial

This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for any lawsuit by either party against the other party or otherwise arising out of this Agreement, and for any other legal proceeding, shall be in the Seventeenth Judicial Circuit in and for Broward County, Florida, or in the event of federal jurisdiction, in the Southern District of Florida, Fort Lauderdale Division.

In the event Contractor is a corporation organized under the laws of any province of Canada or is a Canadian federal corporation, the City may enforce in the United States of America or in Canada or in both countries a judgment entered against the Contractor. The Contractor waives any and all defenses to the City's enforcement in Canada of a judgment entered by a court in the United States of America.

V. Amendments

No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by the Mayor-Commissioner and/or City Manager, as determined by City Charter and Ordinances, and Contractor or others delegated authority to or otherwise authorized to execute same on their behalf.

W. Prior Agreements

This document represents the final and complete understanding of the parties and incorporates or supersedes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein. The parties agree that there is no commitment, agreement, or understanding concerning the subject matter of this Agreement that is not contained in this written document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representation or agreement, whether oral or written.

X. Payable Interest

Except as required and provided for by the Florida Local Government Prompt Payment Act, City shall not be liable for interest for any reason, whether as prejudgment interest or for any other purpose, and in furtherance thereof Contractor waives, rejects, disclaims and surrenders any and all entitlement it has or may have to receive interest in connection with a dispute or claim based on or related to this Agreement.

Y. Representation of Authority

Each individual executing this Agreement on behalf of a party hereto hereby represents and warrants that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

AA. Uncontrollable Circumstances ("Force Majeure")

The City and Contractor will be excused from the performance of their respective obligations under this agreement when and to the extent that their performance is delayed or prevented by any circumstances beyond their control including, fire, flood, explosion,

strikes or other labor disputes, act of God or public emergency, war, riot, civil commotion, malicious damage, act or omission of any governmental authority, delay or failure or shortage of any type of transportation, equipment, or service from a public utility needed for their performance, provided that:

A. The non performing party gives the other party prompt written notice describing the particulars of the Force Majeure including, but not limited to, the nature of the occurrence and its expected duration, and continues to furnish timely reports with respect thereto during the period of the Force Majeure;

B. The excuse of performance is of no greater scope and of no longer duration than is required by the Force Majeure;

C. No obligations of either party that arose before the Force Majeure causing the excuse of performance are excused as a result of the Force Majeure; and

D. The non-performing party uses its best efforts to remedy its inability to perform. Notwithstanding the above, performance shall not be excused under this Section for a period in excess of two (2) months, provided that in extenuating circumstances, the City may excuse performance for a longer term. Economic hardship of the Contractor will not constitute Force Majeure. The term of the agreement shall be extended by a period equal to that during which either party's performance is suspended under this Section.

BB. Scrutinized Companies

This Section applies to any contract for goods or services of \$1 million or more:

The Contractor certifies that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List and that it does not have business operations in Cuba or Syria as provided in section 287.135, Florida Statutes (2012), as may be amended or revised. The City may terminate this Contract at the City's option if the Contractor is found to have submitted a false certification as provided under subsection (5) of section 287.135, Florida Statutes (2012), as may be amended or revised, or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List or has been engaged in business operations in Cuba or Syria, as defined in Section 287.135, Florida Statutes (2012) , as may be amended or revised.

IN WITNESS WHEREOF, the City and the Contractor execute this Contract as follows:

CITY OF FORT LAUDERDALE

By: [Signature]
City Manager

Approved as to form:

[Signature]
Senior Assistant City Attorney

ATTEST

By: [Signature]
Print Name: Richard Spurgeon
Title: Chief Compliance Officer

CONTRACTOR

By: [Signature]
Print Name: Joseph Bogdahn
Managing Member

(CORPORATE SEAL)

STATE OF Florida :
COUNTY OF Orange :

The foregoing instrument was acknowledged before me this 26 day of November, 2012, by Joseph Bogdahn as managing member for Bogdahn Consulting, LLC, a Florida limited liability company.

(SEAL)

Donna E Sullivan
Notary Public, State of Florida
(Signature of Notary Public)



DONNA E. SULLIVAN
MY COMMISSION # DD 887965
EXPIRES: May 23, 2013
Bonded Thru Budget Notary Services

Donna E Sullivan
(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known OR Produced Identification _____
Type of Identification Produced _____

Solicitation 725-10971

Investment Advisor



CITY OF FORT LAUDERDALE

City of Fort Lauderdale

Bid 725-10971 Investment Advisor

Bid Number **725-10971**
Bid Title **Investment Advisor**

Bid Start Date **In Held**
Bid End Date **May 24, 2012 2:00:00 PM EDT**
Question &
Answer End **May 15, 2012 2:00:00 PM EDT**
Date

Bid Contact **Richard Ewell**
Procurement Specialist II
Procurement Services
954-828-5138
rewell@fortlauderdale.gov

Description

The City of Fort Lauderdale, Florida is seeking proposals from qualified proposers to provide independent consulting services to oversee Investment Managers and establish benchmarks for those Investment Managers, for the City's Finance Department, in accordance with the terms, conditions, and specifications contained in this Request for Proposals. For a copy of the RFP, go to www.bidsync.com.

RFP #725-10971

TITLE: Investment Advisor

PART I – INTRODUCTION/INFORMATION

01. PURPOSE

The City of Fort Lauderdale, Florida (City) is seeking proposals from qualified proposers, hereinafter referred to as the Contractor, to provide independent consulting services to oversee Investment Managers and establish benchmarks for those Investment Managers, for the City's Finance Department, in accordance with the terms, conditions, and specifications contained in this Request for Proposals (RFP).

02. INFORMATION OR CLARIFICATION

For information concerning technical specifications, please utilize the question / answer feature provided by BidSync at www.bidsync.com. Questions of a material nature must be received prior to the cut-off date specified in the RFP Schedule. Material changes, if any, to the scope of services or bidding procedures will only be transmitted by written addendum. (See addendum section of BidSync Site). Contractor's please note: Proposals shall be submitted as stated in PART VI – Requirements of the Proposal. No part of your proposal can be submitted via FAX. No variation in price or conditions shall be permitted based upon a claim of ignorance. Submission of a proposal will be considered evidence that the Contractor has familiarized themselves with the nature and extent of the work, and the equipment, materials, and labor required. The entire proposal must be submitted in accordance with all specifications contained in this solicitation.

03. TRANSACTION FEES

The City of Fort Lauderdale uses BidSync (www.bidsync.com) to distribute and receive bids and proposals. There is no charge to vendors/contractors to register and participate in the solicitation process, nor will any fees be charged to the awarded vendor.

04. ELIGIBILITY

Only one proposal will be accepted from any organization that has been providing such services for at least five years and is not affiliated with brokerage firms. To be eligible for award of a contract in response to this solicitation, the Contractor must demonstrate that they have successfully completed services, as specified in the Technical Specifications / Scope of Services section of this solicitation are normally and routinely engaged in performing such services, and are properly and legally licensed to perform such work. In addition, the Contractor must have no conflict of interest with regard to any other work performed by the Contractor for the City of Fort Lauderdale. The independent consultant shall not be permitted any affiliation with money managers or brokerage firms and must be registered with the Securities Exchange Commission.

No firm being selected by the City as an Investment Manager shall be eligible for participation in this RFP.

05. PRICING

All pricing should be identified in PART VII - PROPOSAL PAGES – COST PROPOSAL. No additional costs may be accepted, other than the costs stated on the Proposal pages.

06. RFP DOCUMENTS

The Contractor shall examine this RFP carefully. Ignorance of the requirements will not relieve the Contractor from liability and obligation under the Contract.

07. AWARD

The City reserves the right to award to that proposer who will best serve the interests of the City, for that product/service that will best serve the needs of the City of Fort Lauderdale.

The City also reserves the right to waive minor variations in the specifications and in the bidding process. The City further reserves the right to accept or reject any and/or all proposals and to award or not award a contract based on this bid solicitation.

08. PRICE VALIDITY

Prices provided in this Request for Proposal (RFP) are valid for 120 days from time of RFP opening. The City shall award contract within this time period or shall request to the recommended awarded vendor an extension to hold pricing, until products/services have been awarded.

PART II - RFP SCHEDULE

EVENT	DATE/TIME
Release of RFP	May 1, 2012
Deadline for Questions/Request for Clarifications	May 15, 2012
Release Addendum, if required	May 16, 2012
Proposal Due Date/Time (Deadline)	May 24, 2012

PART III - SPECIAL CONDITIONS

01. **GENERAL CONDITIONS**
RFP General Conditions Form G-107 Rev. 04/12 (GC) are included and made a part of this RFP.
02. **NEWS RELEASES/PUBLICITY**
News releases, publicity releases, or advertisements relating to this contract or the tasks or projects associated with the project shall not be made without prior City approval.
03. **RFP DOCUMENTS**
The Contractor shall examine this RFP carefully. Ignorance of the requirements will not relieve the Contractor from liability and obligations under the Contract.
04. **CONTRACTORS' COSTS**
The City shall not be liable for any costs incurred by Contractor in responding to this RFP.
05. **RULES AND PROPOSALS**
The signer of the proposal must declare that the only person(s), company or parties interested in the proposal as principals are named therein; that the proposal is made without collusion with any other person(s), company or parties submitting a proposal; that it is in all respects fair and in good faith, without collusion or fraud; and that the signer of the proposal has full authority to bind the principal Contractor.
06. **CONTRACT PERIOD**
The initial contract term shall commence upon date of award by the City and shall expire five years from that date. The City reserves the right to extend the contract for two additional one year terms, providing all terms conditions and specifications remain the same, both parties agree to the extension, and such extension is approved by the City.

In the event services are scheduled to end because of the expiration of this contract, the Contractor shall continue the service upon the request of the City as authorized by the awarding authority. The extension period shall not extend for more than ninety (90) days beyond the expiration date of the existing contract. The Contractor shall be compensated for the service at the rate in effect when this extension clause is invoked by the City.
07. **COST ADJUSTMENTS**
Prices quoted shall be firm for the initial contract term (5) five years. No cost increases shall be accepted in this initial contract term, and also shall be firm for the two, additional one-year contract extensions, if approved by both parties. Please consider this when providing your pricing for this request for proposal.

No costs shall be accepted for the renewal periods.
08. **CONTRACT COORDINATOR**
The City may designate a Contract Coordinator whose principal duties shall be:
 - Liaison with Contractor.
 - Coordinate and approve all work under the contract.
 - Resolve any disputes.
 - Assure consistency and quality of Contractor's performance.

Schedule and conduct Contractor performance evaluations and document findings.
Review and approve for payment all invoices for work performed or items delivered.

09. **CONTRACTOR PERFORMANCE REVIEWS AND RATINGS**

The City Contract Coordinator may develop a Contractor performance evaluation report. This report shall be used to periodically review and rate the Contractor's performance under the contract with performance rating as follows:

Excellent	Far exceeds requirements.
Good	Exceeds requirements
Fair	Just meets requirements.
Poor	Does not meet all requirements and contractor is subject to penalty provisions under the contact.
Non-compliance	Either continued poor performance after notice or a performance level that does not meet a significant portion of the requirements. This rating makes the Contractor subject to the default or cancellation for cause provisions of the contract.

The report shall also list all discrepancies found during the review period. The Contractor shall be provided with a copy of the report, and may respond in writing if he takes exception to the report or wishes to comment on the report. Contractor performance reviews and subsequent reports will be used in determining the suitability of contract extension.

10. **RELATED EXPENSES/TRAVEL EXPENSES**

All costs including travel are to be included in your proposal. The City will not accept any additional costs.

11. **NO EXCLUSIVE CONTRACT/ADDITIONAL SERVICES**

While this contract is for services provided to the department referenced in this Request for Proposals, the City may require similar work for other City departments. Contractor agrees to take on such work unless such work would not be considered reasonable or become an undue burden to the Contractor.

Contractor agrees and understands that the contract shall not be construed as an exclusive arrangement and further agrees that the City may, at any time, secure similar or identical services from another vendor at the City's sole option.

The City may require additional items or services of a similar nature, but not specifically listed in the contract. The Contractor agrees to provide such items or services, and shall provide the City prices on such additional items or services based upon a formula or method, which is the same or similar to that used in establishing the prices in his proposal. If the price(s) offered are not acceptable to the City, and the situation cannot be resolved to the satisfaction of the City, the City reserves the right to procure those items or services from other vendors, or to cancel the contract upon giving the Contractor thirty (30) days written notice.

12. **DELETION OR MODIFICATION OF SERVICES**

The City reserves the right to delete any portion of the Contract at any time without cause, and if such right is exercised by the City, the total fee shall be reduced in the same ratio as the estimated cost of the work deleted bears to the estimated cost of the work originally planned. If work has already been accomplished on the portion of the Contract to be deleted, the Contractor shall be paid for the deleted portion on the basis of the estimated percentage of

completion of such portion.

If the Contractor and the City agree on modifications or revisions to the task elements, after the City has approved work to begin on a particular task or project, and a budget has been established for that task or project, the Contractor will submit a revised budget to the City for approval prior to proceeding with the work.

13. **SUBSTITUTION OF PERSONNEL**

It is the intention of the City that the Contractor's personnel proposed for the contract will be available for the initial contract term. In the event the Contractor wishes to substitute personnel, he shall propose personnel of equal or higher qualifications and all replacement personnel are subject to City approval. In the event substitute personnel are not satisfactory to the City and the matter cannot be resolved to the satisfaction of the City, the City reserves the right to cancel the Contract for cause. See Section 5.09 General Conditions.

14. **INSURANCE**

The Contractor shall furnish proof of insurance requirements as indicated below. The coverage is to remain in force at all times during the contract period. The following minimum insurance coverage is required. The City is to be added as an "additional insured" with relation to General Liability Insurance. This **MUST** be written in the description section of the insurance certificate, even if you have a check-off box on your insurance certificate. Any costs for adding the City as "additional insured" will be at the contractor's expense.

The City of Fort Lauderdale shall be given notice 10 days prior to cancellation or modification of any stipulated insurance. The insurance provided shall be endorsed or amended to comply with this notice requirement. In the event that the insurer is unable to accommodate, it shall be the responsibility of the Contractor to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested and addressed to the Procurement Services Division.

The Contractor's insurance must be provided by an A.M. Best's "A-" rated or better insurance company authorized to issue insurance policies in the State of Florida, subject to approval by the City's Risk Manager. Any exclusions or provisions in the insurance maintained by the contractor that precludes coverage for work contemplated in this RFP shall be deemed unacceptable, and shall be considered breach of contract.

Workers' Compensation and Employers' Liability Insurance

Limits: Workers' Compensation – Per Florida Statute 440
Employers' Liability - \$500,000

Any firm performing work on behalf of the City of Fort Lauderdale must provide Workers' Compensation insurance. Exceptions and exemptions can only be made if they are in accordance with Florida Statute. For additional information contact the Department of Financial Services, Workers' Compensation Division at (850) 413-1601 or on the web at www.fldfs.com.

Commercial General Liability Insurance

Covering premises-operations, products-completed operations, independent contractors and contractual liability.

Limits: Combined single limit bodily injury/property damage \$1,000,000.

This coverage must include, but not limited to:

- a. Coverage for the liability assumed by the contractor under the indemnity provision of the contract.
- b. Coverage for Premises/Operations
- c. Products/Completed Operations
- d. Broad Form Contractual Liability
- e. Independent Contractors

Automobile Liability Insurance

Covering all owned, hired and non-owned automobile equipment.

Limits: Bodily injury	\$250,000 each person, \$500,000 each occurrence
Property damage	\$100,000 each occurrence

Professional Liability (Errors & Omissions)

Consultants

Limits: \$2,000,000 per occurrence

A copy of **ANY** current Certificate of Insurance should be included with your proposal.

In the event that you are the successful bidder, you will be required to provide a certificate naming the City as an "additional insured" for General Liability.

Certificate holder should be addressed as follows:

City of Fort Lauderdale
Procurement Services Division
100 N. Andrews Avenue, Room 619
Fort Lauderdale, FL 33301

15. **SUBCONTRACTORS**

If the Contractor proposes to use subcontractors in the course of providing these services to the City, this information shall be a part of the bid response. Such information shall be subject to review, acceptance and approval of the City, prior to any contract award. The City reserves the right to approve or disapprove of any subcontractor candidate in its best interest and to require Contractor to replace subcontractor with one that meets City approval.

Contractor shall ensure that all of Contractor's subcontractors perform in accordance with the terms and conditions of this Contract. Contractor shall be fully responsible for all of Contractor's subcontractors' performance, and liable for any of Contractor's subcontractors' non-performance and all of Contractor's subcontractors' acts and omissions. Contractor shall defend, at Contractor's expense, counsel being subject to the City's approval or disapproval, and indemnify and hold harmless the City and the City's officers, employees, and agents from and against any claim, lawsuit, third-party action, or judgment, including any award of attorney

fees and any award of costs, by or in favor of any Contractor's subcontractors for payment for work performed for the City.

16. **INSURANCE – SUBCONTRACTORS**

Contractor shall require all of its subcontractors to provide the aforementioned coverage as well as any other coverage that the contractor may consider necessary, and any deficiency in the coverage or policy limits of said subcontractors will be the sole responsibility of the contractor.

17. **UNCONTROLLABLE CIRCUMSTANCES ("Force Majeure")**

The City and Contractor will be excused from the performance of their respective obligations under this agreement when and to the extent that their performance is delayed or prevented by any circumstances beyond their control including, fire, flood, explosion, strikes or other labor disputes, act of God or public emergency, war, riot, civil commotion, malicious damage, act or omission of any governmental authority, delay or failure or shortage of any type of transportation, equipment, or service from a public utility needed for their performance, provided that:

A. The non performing party gives the other party prompt written notice describing the particulars of the Force Majeure including, but not limited to, the nature of the occurrence and its expected duration, and continues to furnish timely reports with respect thereto during the period of the Force Majeure;

B. The excuse of performance is of no greater scope and of no longer duration than is required by the Force Majeure;

C. No obligations of either party that arose before the Force Majeure causing the excuse of performance are excused as a result of the Force Majeure; and

D. The non performing party uses its best efforts to remedy its inability to perform. Notwithstanding the above, performance shall not be excused under this Section for a period in excess of two (2) months, provided that in extenuating circumstances, the City may excuse performance for a longer term. Economic hardship of the Contractor will not constitute Force Majeure. The term of the agreement shall be extended by a period equal to that during which either party's performance is suspended under this Section.

18. **PUBLIC ENTITY CRIMES**

NOTE: Contractor, by submitting a proposal attests she/he/it has not been placed on the convicted vendor list.

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal on a contract to provide any goods or services to a public entity, may not submit a proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit proposals on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for Category Two for a period of 36 months from the date of being placed on the convicted vendor list.

19. **CANADIAN COMPANIES**

The City may enforce in the United States of America or in Canada or in both countries a judgment entered against the Contractor. The Contractor waives any and all defenses to the City's enforcement in Canada, of a judgment entered by a court in the United States of America. All monetary amounts set forth in this Contract are in United States dollars.

20. LOBBYING ACTIVITIES

ALL CONTRACTORS PLEASE NOTE: Any contractor submitting a response to this solicitation must comply, if applicable, with City of Fort Lauderdale Ordinance No. C-00-27 & Resolution No. 07-101, Lobbying Activities. Copies of Ordinance No. C-00-27 and Resolution No. 07-101 may be obtained from the City Clerk's Office on the 7th Floor of City Hall, 100 N. Andrews Avenue, Fort Lauderdale, Florida. The ordinance may also be viewed on the City's website at:

<http://www.fortlauderdale.gov/clerk/LobbyistDocs/lobbyistord1009.pdf> .

21. BID TABULATIONS/INTENT TO AWARD

(Notice of Intent to Award Contract/Bid, resulting from the City's Formal solicitation process, requiring City Commission action, may be found at http://www.fortlauderdale.gov/purchasing/notices_of_intent.htm. Tabulations of receipt of those parties responding to a formal solicitation may be found at <http://www.fortlauderdale.gov/purchasing/bidresults.htm>, or any interested party may call the Procurement Office at 954-828-5933.

22. SAMPLE CONTRACT AGREEMENT

A sample of the formal agreement template, which may be required to be executed by the awarded Contractor, can be found at our website <http://fortlauderdale.gov/purchasing/general/contractsample021412.pdf>

23. LOCAL BUSINESS PREFERENCE

Section 2-199.2, Code of Ordinances of the City of Fort Lauderdale, (Ordinance No. C-12-04), provides for a local business preference.

In order to be considered for a local business preference, a bidder or proposer must include the Local Business Preference Certification Statement, Exhibit "2" of this RFP, and documentation of the following, as applicable to the local business preference class claimed, **at the time of proposal submittal:**

Upon recommendation for contract award based on the application of a local Business Preference the Proposer shall within ten (10) calendar days submit the following documentation to the Local Business Preference Class claimed:

A) Copy of City of Fort Lauderdale current year business tax receipt, **or** Broward County current year business tax receipt, **and**

B) List of the names of all employees of the bidder or proposer and evidence of employees' residence within the geographic bounds of the City of Fort Lauderdale or Broward County, as the case may be, such as current Florida driver license, residential utility bill (water, electric, telephone, cable television), or other type of similar documentation acceptable to the City.

Failure to comply at time of proposal submittal shall result in the Proposer being found ineligible for the local business preference.

**THE COMPLETE LOCAL BUSINESS PREFERENCE ORDINANCE MAY BE FOUND ON THE CITY'S WEB SITE AT THE FOLLOWING LINK:
<http://www.fortlauderdale.gov/purchasing/index.htm>**

Definitions: The term "Business" shall mean a person, firm, corporation or other business entity which is duly licensed and authorized to engage in a particular work in the State of Florida. Business shall be broken down into four (4) types of classes:

1. Class A Business – shall mean any Business that has established and agrees to maintain a permanent place of business located in a non-residential zone and staffed with full-time employees within the limits of the City **and** shall maintain a staffing level of the prime contractor for the proposed work of at least fifty percent (50%) who are residents of the City.
2. Class B Business - shall mean any Business that has established and agrees to maintain a permanent place of business located in a non-residential zone and staffed with full-time employees within the limits of the City **or** shall maintain a staffing level of the prime contractor for the proposed work of at least fifty percent (50%) who are residents of the City.
3. Class C Business - shall mean any Business that has established and agrees to maintain a permanent place of business located in a non-residential zone **and** staffed with full-time employees within the limits of Broward County.
4. Class D Business – shall mean any Business that does not qualify as either a Class A, Class B, or Class C business.

PART IV - TECHNICAL SPECIFICATIONS/SCOPE OF SERVICES

A. INTRODUCTION/BACKGROUND

The City of Fort Lauderdale is requesting proposals from qualified firms interested in serving as independent consultants and fiduciaries for the Fund. The independent consultant (Investment Advisor) shall not be permitted any affiliation with money managers or brokerage firms and must be registered with the Securities Exchange Commission.

The City has retained the services of four (4) investment managers and has a market value portfolio of approximately \$542,000,000 dollars. The Current Investment Manager Asset Portfolio and Investment Policy Statement Revision (Draft) is attached as Exhibit "1".

B. SCOPE OF SERVICES REQUESTED

Regular services to be provided by the Proposer shall include, but not be limited to, the following:

1. Provide unlimited revisions to asset portfolio and Investment Policy.
2. Reconcile and coordinate the periodic rebalancing of the Funds.
3. Coordinate presentations by fund managers to Investment Committee.
4. Review investment manager ADV Forms (Advisor Forms) annually and notify the Investment Committee, if there are any issues that are of concern.
5. Attend periodic Investment Committee meeting or special meetings as needed.
6. Monitor compliance with the investment policies approved by the City Commission.
7. Monitor performance of investment managers and prepare a quarterly report to include, but not be limited to:
 - a. a general commentary on the markets;
 - b. the asset portfolio compared to the target;
 - c. each manager's and the total Fund's performance with comparisons to the appropriate benchmarks and investment category rankings over various time periods including:
 1. quarter;
 2. fiscal year-to-date;
 3. one, three and five year periods; and
 4. since inception;
 - d. time weighted historical rates of returns;
 - e. changes in fund value due to contributions, withdrawals, earnings, gains/losses and capital appreciation;
 - f. risk/return tables;
 - g. top ten holdings; and
 - h. sector distributions.
 - i. include those managed by City staff

8. Advise the Investment Committee when a manager should be placed on probation and/or terminated.
9. Perform searches for new fund managers, including but not limited to, establishing search criteria, perform in-depth performance analysis, perform due diligence investigation, present results to Investment Committee, coordinate interviews of finalists, notify new and replaced managers, negotiate most favorable fee and coordinate transfer of assets.
10. Apprise Investment Committee on matters related to new developments in the capital markets and asset classes.
11. Respond to Investment Committee and staff inquiries and requests for services in an appropriate and timely manner.
12. Make no changes in the assigned representative without the explicit approval of the Investment Committee.
13. Monitor the Fund's commission recapture programs and trading costs.
14. Recognize that your firm is a fiduciary to the Investment Committee and agree to act as a fiduciary.
15. Perform any other services not specifically listed that would normally be done periodically on a monthly, quarterly or annual basis.

PART V – PROPOSAL EVALUATION CRITERIA

The award of the contract will be based on certain objective and subjective considerations listed below:

Understanding of the overall needs of the City for such services, as presented in the narrative proposal. This will include problem identification and the proposed method to accomplish the work required.	25%
Experience, qualifications and past performance of the proposing firm and assigned consultant, including persons proposed to provide the services, facilities, resources and references.	25%
Technical ability of the proposer and consultant assigned to the case to perform consulting services.	20%
Cost to the City	30%
TOTAL PERCENT AVAILABLE:	100%

An evaluation committee of qualified City Staff or other persons selected by the City will conduct evaluations of proposals. It may be a two-step process. In step one, the committee will evaluate all responsive proposals based upon the information and references contained in the proposals as submitted. The committee shall review each proposal and rank each proposer's evaluation criteria as stated in this RFP (i.e. criteria 1, 2, 3, 4), and determine a minimum of three (3), if more than three (3) proposals are responsive, to be finalists for further consideration. In the event there are less than three (3) responsive proposals, the committee will give further consideration to all responsive proposals received. In step two, the committee may conduct discussions (oral presentations), for clarification purposes only, with the finalists and re-score and re-rank the finalists' proposals. The evaluation committee may then make a recommendation, resulting from this process, to the City Manager for award of a contract.

The City may require visits to customer installations or demonstrations of product by Contractor's, as part of the evaluation process.

The City of Fort Lauderdale reserves the right, before awarding the contract, to require a Proposer to submit any evidence of its qualifications as the City may deem necessary, and to consider any evidence available of financial, technical and other qualifications and capabilities, including performance experience with past and present users.

The City of Fort Lauderdale reserves the right to request additional clarifying information and request an oral presentation from any and all Proposers prior to determination of award.

The City reserves the right to award the contract to that Proposer who will best serve the interest of the City. The City reserves the right based upon its deliberations and in its opinion, to accept or

reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the bidding process.

The City uses a mathematical formula for determining allocation of evaluation criteria including cost points, to each responsive, responsible proposer. Each evaluation criteria stated in the RFP has an identified weighted factor. Each evaluation committee member will rank each criteria, from each proposer, giving their first ranked proposer as number 1, and second proposer as number 2 and so on. The City shall average the ranking for each criteria, for all evaluation committee members, and then multiply that average ranking by the weighted criteria identified in the RFP. The lowest average final ranking score will determine the recommendation by the evaluation committee to the City Manager.

PART VI - REQUIREMENTS OF THE PROPOSAL

All proposals must be submitted as specified on the proposal pages, which follow. Any attachments must be clearly identified. To be considered, the proposal must respond to all parts of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. If publications are supplied by a proposer to respond to a requirement, the response should include reference to the document number and page number. Proposals not providing this reference will be considered to have no reference material included in the additional documents. The City prefers all responses to this RFP to be less than 50 pages and that the Contractor utilize recyclable materials as much as possible. Expensive or fancy binders are not preferred.

All proposals must be submitted in a sealed package with the RFP number, due and open date, and RFP title clearly marked on the outside. If more than one package is submitted they should be marked 1 of 2, etc.

THIS IS A PAPER RFP WITH CD's. All proposals must be received by the City of Fort Lauderdale, in the Procurement Services Division, Room 619, City Hall, 100 North Andrews Avenue, Fort Lauderdale, Florida, 33301 prior to 2:00 pm on the date specified in PART II – RFP SCHEDULE. Submittal of response by fax or e-mail will NOT be acceptable.

PROPOSERS MUST SUBMIT AN IDENTIFIED ORIGINAL HARD COPY, PLUS (4) ADDITIONAL HARD COPIES OF THEIR PROPOSAL PAGES INCLUDING ANY ATTACHMENTS.

THE ABOVE REQUIREMENTS TOTAL (5) HARD COPIES OF YOUR PROPOSAL. CONTRACTORS SHOULD SUBMIT YOUR PROPOSAL ALSO ON A CD. CONTRACTOR SHOULD PROVIDE (2) CD COPIES OF YOUR PROPOSAL. CD COPIES MUST MATCH THE ORIGINAL HARDCOPY. IN CASE OF ANY DISCREPENCY BETWEEN THE ORIGINAL HARD COPIES AND THE CD, THE ORIGINAL HARD COPY PREVAILS. FAILURE TO PROVIDE PROPOSALS AS STATED ABOVE, MAY BE GROUNDS TO FIND CONTRACTOR NON-RESPONSIVE.

The proposer understands that the information contained in these Proposal Pages is to be relied upon by the City in awarding the proposed Agreement, and such information is warranted by the proposer to be true. The proposer agrees to furnish such additional information, prior to acceptance of any proposal, relating to the qualifications of the proposer, as may be required by the City.

A representative who is authorized to contractually bind the Contractor shall sign the Bid/Proposal Signature page. Omission of a signature on that page may result in rejection of your proposal.

PART VII - PROPOSAL PAGES – COST PROPOSAL

Provide an annual fee to encompass all of the items listed under the Scope of Services.

TOTAL ANNUAL FIRM FIXED FEE (INITIAL CONTRACT PERIOD AND FOR RENEWAL PERIODS, IF APPLICABLE). Please provide pricing on this page or you may be deemed non-responsive.

\$ _____/ANNUALLY

PART VIII - PROPOSAL PAGES - TECHNICAL PROPOSAL

The following issues should be fully responded to in your proposal in concise narrative form. Additional sheets should be used, but they should reference each issue and be presented in the same order.

Tab 1: Bid/Proposal Signature page

Tab 2: Non-Collusion Statement

Tab 3: Cost Proposal Page

Tab 4: Organization

1. Describe your firm's strengths, highlighting the aspects of your service that make you unique from your competition. Which investment consulting services are the firm's specialties or areas of greatest expertise?
2. Summarize your organization's long-term strategy for business development.
3. What percentage of your annual budget is allocated toward research and development?
4. Does your organization anticipate any changes in ownership or organizational structure?
5. Provide information that documents your firm's qualifications with respect to its independence, ability, capacity, skill, financial strength and number of years your firm has provided fund consulting services to public sector plans.
6. Is providing investment advisory services your sole line of business? If not, describe what other services your firm provides and show the percentages of your organization's revenues attributable to the investment advisory service as well as the other lines of services.
7. Are you registered with the S.E.C.?
8. Are you a member of the Association for Investment Management and Research (AIMR)?
9. Is your firm registered with the Florida Secretary of State to do business in the state? Please provide your registration number.
10. Is the firm or any of its principals or employees currently engaged in any litigation with the SEC, current or former client or employee or any other person or organization related to your business activities?
11. Has the firm been fined, sanctioned or otherwise disciplined by the SEC or any other regulatory agency?

12. Has the firm or any of its principals or employees been convicted of any crimes in Florida or any other State?

Tab 5: Clients and References

1. Please provide a summary of your firm's total clients and assets under investment consulting advisement. Indicate a breakdown by public funds, corporate funds, Taft Hartley funds, endowments and others. At a minimum, please include:
 - a. Total number of investment consulting clients
 - b. Number of clients and assets by category
 - c. Fund size of average client
 - d. Representative client list
2. Provide a breakdown of clients gained and lost the past three years, including both fund size and type. Indicate reasons for any clients lost.
3. Provide a list of at least five client references (primarily municipal or government institutions of similar size as ours) for which your firm currently provides evaluation services, including institution name and approximate value of investment portfolio. Also provide the address, telephone number, name and title of person who may be contacted for reference. Please obtain prior authorization for us to contact each reference.

Tab 6: Professional Staff

1. Please provide a detailed listing of your firm's professional staff by category including consultants and analysts.
2. Provide the name(s) and locations of the individuals(s) who will be responsible for this account if your firm is awarded this contract. Provide a brief biography of each member of the team, including titles, functions, academic credentials, professional affiliations, relevant work experience, and number of years with your firm and any history of discipline from any regulatory agency.
3. If more than one person will be assigned responsibility for the account, how will the responsibility be allocated among these individuals?
4. How many client accounts are assigned to each of the persons named above? What is the range in asset values of those client accounts? What is the maximum and average number of accounts assigned to each professional?
5. Summarize the average annual turnover in your firm cumulative over the last 3 years measured as departures divided by the total number of employees. Describe the turnover of key professional personnel during the past 3 years and provide a brief explanation of each. Describe the plans in place to ensure that any changes in consulting staff are effected with a minimum of disruption to the services provided.

6. Comment on how your firm attracts and retains motivated qualified professionals. What are your firms' continuing education requirements for its professionals?

Tab 7: Investment Consulting Services

Asset Allocation

1. Describe your firm's philosophy and approach to development of asset allocation strategies including methodology used for asset allocation modeling considering linkage to liabilities and funding, application of major variables (risk tolerance, etc.), and how frequently and under what conditions asset allocation should be changed.
2. What type of software do you use to model liabilities? Is this proprietary or other software?
3. How many asset/liability studies has your organization performed in the last three years?
4. What type of software do you use to view assets and their allocation?

Investment Committee Education

1. What resources (i.e., human resources, internal research, conferences or seminars, industry information, etc.) will your firm draw upon to provide our Investment Committee or City Commission with board education?
2. How often will these resources be available?

Investment Manager Searches and Monitoring

1. Describe your firm's experience and capabilities in conducting searches for investment managers.
2. Describe in detail the process you will use to conduct manager searches for our plan.
3. Describe your manager search database, including the number of managers it contains, the source of information, the process of manager inclusion and under what circumstances a manager would be removed.
4. Please describe the circumstances under which you would recommend terminating an investment manager.
5. Please provide the most recent performance of all the managers your firm has recommended over the last two years. The performance should be measured against the applicable benchmark over periods of 1, 3 and 5 years ending December 31, 2009.

6. During the past 24 months, what number of investment management firms have you recommended for termination?
7. Describe your philosophy and process for conducting prior due diligence when conducting a manager search.
8. Do you conduct on-site visits of investment managers that are in your database? How many? How often?
9. Describe the process of monitoring the activities of the various managers. How often do you perform this assessment? How do you assess that the manager is maintaining consistency with their mandated style?
10. What qualitative factors do you evaluate when researching investment management firms? How does your firm identify qualitative problems at these organizations? How do you verify investment manager information such as performance history?
11. How is historical performance used in your evaluation of investment managers? How do you verify investment manager information and their compliance with AIMR performance reporting standards?
12. What process do you use to classify a manager's style for inclusion in your database?
13. Does your firm charge direct or indirect fees for investment managers to be included in your database or in any manager searches that you conduct on behalf of your clients?
14. Does your firm receive any compensation, directly or indirectly, from investment management firms for any reason? If so, what is the source of the compensation and how do you prevent conflicts of interest as a result of the relationship?
15. Please provide a specific example of a pro-active investment proposal to a Investment Committee and the outcome of this suggestion.

Investment Policy

1. Please describe how your firm develops investment objectives, investment policy, and guidelines, in compliance with Florida Statutes 218.415 .
2. Describe how your firm monitors investment managers' compliance with policy, objectives and guidelines and the process for continually reviewing investment policy, asset allocation and portfolio structure.
3. Describe your development of investment portfolio structure and strategy, including multiple managers and active versus passive management.

4. Describe the process that would be used for review and assessment of existing investment policies, guidelines, asset allocation and investment performance of the Fund.
5. What does your firm consider to be the most critical issue regarding a public investment policy?
6. What is your firm's philosophy regarding the proper role of the consultant in the development of an investment policy and manager guidelines for a public plan?

Performance Measurement and Evaluation

1. Describe in detail your performance measurement system and philosophy behind it. Is your system proprietary or did you obtain it from an outside source?
2. Do you purchase universe data or do you maintain your own? If purchased, from whom?
3. Please specify and describe the universes you have available, how often they are updated, their sources (i.e., manager information, federal filings, calculation from bank statements, etc.), the type of accounts they contain, the number of portfolios, and the size range of the portfolios they contain.
4. Describe the types of analysis included in a typical performance evaluation report. To what extent can performance reports be customized?
5. What risk analysis tools will your firm use to help our plan maintain an overall desirable risk level to remain within the City's Investment policy?
6. How frequently are client reports generated? How soon after the end of the reporting period are these reports distributed? Are these reports available through Internet access? Does your standard report format include an executive summary? Do you have the ability to customize reports for your clients? Will you provide a .pdf version of your report?
7. What asset categories are tracked in your performance measurement system? How many investment managers are included within each asset category? How many years of performance data are on the system? What universe is used for peer group comparisons?
8. Describe how a new client would transition to your services and setup fees, if any.
9. When the performance of an investment manager is not what is expected by your client, what additional steps would you follow in monitoring that managers' performance?

Research Capabilities

1. What internal research capabilities and resources does your organization have to obtain information and assist in decision-making?

2. How does your firm gain knowledge pertaining to the relevant products and technology in the public industry, and maintain an ongoing understanding of global market environments?
3. How many individuals in your firm are dedicated to research, what are their responsibilities, and where are they located?
4. Describe your firms' manager research, evaluation and search capabilities in both the traditional marketable securities markets as well as your capabilities in less traditional, alternative assets areas, e.g. marketable alternative assets, hedge funds, and private, non-marketable equity funds such as real estate, private equity, venture capital, etc.
5. What do you do to stay current with the Florida public sector laws?

Tab 8: Other

1. Please describe any investment consulting services that you can provide that have not been covered in previous sections. Discuss associated fees, if any.
2. Does your firm have insurance coverage for errors or omission of at least \$5 million, or general liability insurance of at least \$1 million? Will you provide certificates if your firm is hired and annually thereafter?
3. What periodic publications do you distribute to your clients? How frequently?

Tab 9: Attachments

1. Attach a sample quarterly report to the Proposal.
2. Attach your standard contract.
3. Attach your most recent ADV Form, Part II.

Tab 10: Business Licenses. Evidence that your firm and/or persons performing the work are licensed to do business in the State of Florida.

Tab 11: Evidence of Insurance. Certificate of Insurance showing coverage, forms, limits. Actual insurance certificates will be required from recommended contractor, prior to award.

EXHIBIT 1

INVESTMENT POLICY
REVISION EFFECTIVE – APRIL 30, 2012



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Investment Policy City of Fort Lauderdale, Florida

I. PURPOSE

The purpose of this policy is to set forth the investment objectives and parameters for the management of public funds of the City of Fort Lauderdale, Florida (hereinafter "City"). These policies are designed to safeguard the City's funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

II. SCOPE

In accordance with Section 218.415, Florida Statutes, this investment policy applies to all cash and investments held or controlled by the City and shall be identified as "general operating funds" of the City with the exception of the City's Pension Funds including those funds in chapters 175 and 185, Other Post Employment Benefit Funds (OPEB), Deferred Compensation & Section 401(a) Plans, and funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds. Additionally, any future revenues, which have statutory investment requirements conflicting with this Investment Policy and funds held by state agencies (e.g., Department of Revenue), are not subject to the provisions of this policy.

III. INVESTMENT OBJECTIVES

A. Safety of Principal

The foremost objective of this investment program is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to avoid capital losses, whether they are from securities defaults or erosion of market value. To attain this objective, the City will maintain a diversified portfolio so that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

From time to time, securities may be traded for other similar securities to improve yield, maturity or credit risk. For these transactions, a loss may be incurred for accounting purposes, provided any of the following occurs with respect to the replacement security:

1. Yield has been increased, or
2. Maturity has been reduced, or
3. Quality of the investment has been improved.

B. Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodic cash flow analyses will be performed in order to ensure that the portfolio is positioned to provide sufficient liquidity.

C. Return on Investment

Investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to

the safety and liquidity objectives as described. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

IV. DELEGATION OF AUTHORITY

In accordance with the City's Administrative Policies, the responsibility for providing oversight and direction in regard to the management of the investment program resides with the City's Director of Finance. The management responsibility for all City funds in the investment program and investment transactions is delegated to the City's Treasurer. The Director of Finance shall establish written procedures for the operation of the investment portfolio and a system of internal accounting and administrative controls to regulate the activities of employees. The City may employ up to four (4) Investment Managers to assist in managing the City's portfolio. Such Investment Manager must be registered under the Investment Advisors Act of 1940. The City may also employ an Investment Advisor to oversee the activities of the City's Investment Managers. In addition, the City establishes an Investment Committee comprised of City Manager/Assistant City Manager, Director of Finance /Deputy Director Finance, Controller and City Auditor, Ex-Officio.

V. STANDARDS OF PRUDENCE

The standard of prudence to be used by investment officials shall be the "Prudent Person" standard and shall be applied in the context of managing the overall investment program. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectation are reported to the Director of Finance in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy. The "Prudent Person" rule states the following:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment." 218.415(4) F.S.

While the standard of prudence to be used by investment officials who are officers or employees is the "Prudent Person" standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

VI. ETHICS AND CONFLICTS OF INTEREST

Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Also, employees involved in the investment process shall

disclose any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the City's investment program.

VII. INTERNAL CONTROLS AND INVESTMENT PROCEDURES

The Director of Finance shall establish a system of internal controls and operational procedures that are in writing and made a part of the City's operational procedures. The internal controls should be designed to prevent losses of funds, which might arise from fraud, employee error, and misrepresentation, by third parties, or imprudent actions by employees. The written procedures should include reference to custodial agreements, repurchase agreements, separation of transaction authority from accounting and recordkeeping, wire transfer agreements, banking service contracts, collateral/depository agreements, and "delivery vs. payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this policy.

Independent auditors as a normal part of the annual financial audit to the City shall conduct a review of the system of internal controls to ensure compliance with policies and procedures.

VIII. CONTINUING EDUCATION

The Director of Finance, Deputy Director of Finance, and appropriate staff shall annually complete 8 hours of continuing education in subjects or courses of study related to investment practices and products, pursuant to Section 218.415(14) F.S.

IX. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

Authorized City staff and Investment Manager(s) shall only purchase securities from the following financial and investment institutions:

- A. **Certificates of Deposit or Savings Accounts**
These investments may only be purchased from public depositories qualified by the Treasurer of the State of Florida, in accordance with Chapter 280, Florida Statutes.
- B. **Overnight Repurchase Agreement**
Collateral for the City's "Sweep Accounts" shall be held at City's depository bank which must be a State Qualified Public Depository (QPD).
- C. **All Other Investments**
For purchases and sales of securities by the City staff, only dealers designated as "Primary Securities Dealers" by the Federal Reserve Bank of New York, brokers/dealers that are wholly owned subsidiaries of financial institutions or from direct issuers of commercial paper and bankers' acceptances will be utilized.

Each Dealer's representative will be required to complete the "City's Investment Firm Certification Form" prior to the City conducting any business with the Broker/Dealer or its representative (not including the City's Investment Manager(s) dealer relationships). The City's Investment Manager(s) will be responsible for operating within the guidelines of the policy and will maintain more than three dealer relationships. The City's Investment Manager(s) may also execute purchases and sales with regional broker/dealers if the transaction is to the benefit of the portfolio. In this event, the Investment Manager(s) will

document the benefit by providing the City's Treasurer with a minimum of three competitive bid/offers.

X. MATURITY AND LIQUIDITY REQUIREMENTS

To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements.

- A. **Maturity Guidelines**
Securities purchased by or on behalf of the City shall have a final maturity of ten (10) years or less from the date of purchase. The overall weighted average duration of principal return for the portfolio shall be less than three (3) years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Master Repurchase Agreement.
- B. **Liquidity Requirements**
Investment maturities will match known cash needs and anticipated cash flow requirements.

XI. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the Treasurer or the Investment Manager(s) has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investments, a minimum of three (3) qualified banks and/or approved broker/dealers must be contacted and asked to provide bids/offers on securities in question. Bids will be held in confidence until the bid deemed to best meet the investment objectives is determined and selected.

However, if obtaining bids/offers are not feasible or appropriate, securities may be purchased utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

- A. **Telerate Information System**
- B. **Bloomberg Information Systems**
- C. **Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing**
- D. **Daily market pricing provided by the City's custodian or their correspondent institutions.**

The Treasurer or the Investment Manager(s) shall utilize the competitive bid process to select the securities to be purchased or sold. Selection by comparison to a current market price, as indicated above, shall only be utilized when, in judgment of the Treasurer or the Investment Manager(s), competitive bidding would inhibit the selection process.

Examples of when this method may be used include:

- A. **Time constraints due to unusual circumstances preclude the use of the competitive bidding process**

- B. No active market exists for the issue being traded due to the age or depth of the issue
- C. A security is unique to a single dealer, for example, a private placement
- D. The transaction involves new issues or issues in the "when issued" market.

Overnight sweep repurchase agreements will not be bid, but may be placed with the City's depository bank relating to the demand account for which the repurchase agreement was purchased.

XII. AUTHORIZED INVESTMENTS AND PORTFOLIO COMPOSITION

Investments should be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the City's needs change. However, when the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Treasurer or Investment Manager(s) may sell the investment at the then-prevailing market price and place the proceeds into the proper account at the City's custodian.

The following are the investment requirements and allocation limits on security types, issuers, and maturities as established by the City. Diversification strategies within the established guidelines shall be reviewed and revised periodically as necessary. The percentage allocations limits for investment types and issuers are calculated based on the original cost of each investment. Investments not listed in this policy are prohibited.

- A. The Florida Prime Fund
 - 1. Investment Authorization
Investment in the Florida Prime Fund.
 - 2. Portfolio Composition
Maximum of 25% of available funds may be invested in the Florida Prime Fund.
 - 3. Rating Requirements
Rating shall be "AAAm" by Standard & Poor's, or the equivalent by another rating agency.
 - 4. Due Diligence Requirements
Ongoing verification of the fund's rating as stated above.
- B. United States Government Securities
 - 1. Purchase Authorization
Investment in negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to the following:
 - Cash Management Bills
 - Treasury Securities – State and Local Government Series ("SLGS")
 - Treasury Bills
 - Treasury Notes
 - Treasury Bonds
 - Treasury Strips

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2. **Portfolio Composition**
A maximum of 100% of available funds may be invested in the United States Government Securities with the exception that Treasury Strips are limited to 10% of available funds.
3. **Maturity Limitations**
The maximum length to maturity of any direct investment in the United States Government Securities is ten (10) years from the date of purchase.

C. **United States Government Agencies**

1. **Purchase Authorization**
Investment in bonds, debentures, notes or callables issued or guaranteed by the United States Government agencies, provided such obligations are backed by the full faith and credit of the United States Government. Such securities will include, but not be limited to the following:

United States Export-Import Bank

-Direct obligations or fully guaranteed certificates of beneficial ownership

Farmer Home Administration

-Certificates of beneficial ownership

Federal Financing Bank

-Discount notes, notes and bonds

Federal Housing Administration Debentures

Government National Mortgage Association (GNMA)

-GNMA guaranteed mortgage-backed bonds

-GNMA guaranteed pass-through obligations

General Services Administration

United States Maritime Administration Guaranteed

-Title XI Financing

New Communities Debentures

-United States Government guaranteed debentures

United States Public Housing Notes and Bonds

-United States Government guaranteed public housing notes and bonds

United States Department of Housing and Urban Development

-Project notes and local authority bonds

2. **Portfolio Composition**
A maximum of 100% of available funds may be invested in United States Government agencies.
3. **Limits on Individual Issuers**
A maximum of 25% of available funds may be invested in individual United States Government agencies.
4. **Maturity Limitations**
The maximum length to maturity for an investment in any United States Government agency security is ten (10) years from the date of purchase.

D. Federal Instrumentalities (United States Government sponsored agencies)

1. Purchase Authorization

Investment in bonds, debentures, notes or callables issued or guaranteed by United States Government sponsored agencies (Federal Instrumentalities) which are non-full faith and credit agencies limited to the following:

Federal Farm Credit Bank (FFCB)
Federal Home Loan Bank or its City banks (FHLB)
Federal National Mortgage Association (FNMA)
Federal Home Loan Mortgage Corporation (Freddie Mac) including Federal Home Loan Mortgage Corporation participation certificates

2. Portfolio Composition

A maximum of 100% of available funds may be invested in Federal Instrumentalities.

3. Limits on Individual Issuers

A maximum of 25% of available funds may be invested in any one issuer.

4. Maturity Limitations

The maximum length to maturity for an investment in any Federal Instrumentality security is ten (10) years from the date of purchase.

E. Interest Bearing Time Deposit or Saving Accounts

1. Purchase Authorization

Investment in non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of this state and/or in national banks organized under the laws of the United States and doing business and situated in the State of Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. Additionally, the bank shall not be listed with any recognized credit watch information service.

2. Portfolio Composition

A maximum of 10% of available funds may be invested in non-negotiable interest bearing time certificates of deposit.

3. Limits on Individual Issuers

A maximum of 10% of available funds may be deposited with any one issuer.

4. Maturity Limitations

The maximum maturity on any certificate shall be no greater than one (1) year from the date of purchase.

F. Repurchase Agreements

1. Purchase Authorization

a. Investment in repurchase agreements composed of only those investments authorized in Section XII. B, C, and D. All firms are required to sign the City's Master Repurchase Agreement prior to the execution of a repurchase agreement transaction.

- b. A third party custodian with whom the City has a current custodial agreement shall hold the collateral for all repurchase agreements with a term longer than one (1) business day. A clearly marked receipt that shows evidence of ownership must be supplied to the Treasurer and retained.
 - c. Securities authorized for collateral must have maturities less than ten (10) years and with market value for the principal and accrued interest of 102 percent of the value and for the term of the repurchase agreement. Immaterial short-term deviations from 102 percent requirement are permissible only upon the approval of the Treasurer.
 - d. The overnight sweep arrangement shall adhere to the agreement between the City and the City's depository bank.
2. Portfolio Composition
A maximum of 20% of available funds may be invested in repurchase agreements excluding one (1) business day agreements and overnight sweep agreements.
 3. Limits on Individual Issuers
A maximum of 10% of available funds may be invested with any one institution excluding one (1) business day agreements and overnight sweep agreements.
 4. Maturity Limitations
The maximum length to maturity of any repurchase agreement is 90 days from the date of purchase.
- G. Commercial Paper
1. Purchase Authorization
Investment in commercial paper of any United States company that is rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper). If the commercial paper is backed by a letter of credit ("LOC"), the long-term debt of the LOC provider must be rated "A" or better by at least two nationally recognized rating agencies.
 2. Portfolio Composition
A maximum of 25% of available funds may be directly invested in prime commercial paper.
 3. Limits on Individual Issuers
A maximum of 5% of available funds may be invested with any one issuer.
 4. Maturity Limitations
The maximum length to maturity for prime commercial paper shall be 180 days from the date of purchase.
- H. Corporate Notes
1. Purchase Authorization
Investment in corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States

that have a long term debt rating, at the time of purchase, at a minimum "A" by Moody's and "A" by Standard & Poor's (S&P) or "A" by Fitch, IBCA, Inc. (Fitch)

2. **Portfolio Composition**
A maximum of 25% of available funds may be directly invested in corporate notes.
3. **Limits on Individual Issuers**
A maximum of 5% of available funds may be invested with any one issuer.
4. **Maturity Limitations**
The maximum length to maturity for corporate notes shall be (10) ten years from the date of purchase.

I. **Bankers' Acceptances**

1. **Purchase Authorization**
Investment in Bankers' acceptances issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, at the time of purchase, the short-term paper is rated, at a minimum, "A-1" by S&P, "Aa2" by Moody's or "F-1" by Fitch
2. **Portfolio Composition**
A maximum of 10% of available funds may be directly invested in Bankers' acceptances
3. **Limits on Individual Issuers**
A maximum of 5% of available funds may be invested with any one issuer.
4. **Maturity Limitations**
The maximum length to maturity for Bankers' acceptances shall be 180 days from the date of purchase.

J. **State and/or Local Government Taxable and/or Tax-Exempt Debt**

1. **Purchase Authorization**
Investment in state and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's or "AA" S&P and Fitch for long-term debt, or rated at least "MIG-2" by Moody's and "SP-1" by S&P and "F-1" by Fitch for short-term debt.
2. **Portfolio Composition**
A maximum of 25% of available funds may be invested in taxable and tax-exempt General Obligation bonds.

A maximum of 10% of available funds may be invested in taxable and tax-exempt Revenue and Excise tax bonds of municipalities, provided no issuer of such securities has been in default.
3. **Maturity Limitations**
A maximum length to maturity for an investment in any state or local government debt security is ten (10) years from the date of purchase.

K. City of Fort Lauderdale Debt Obligations

1. Investment Authorization
City of Fort Lauderdale obligations, general obligations, revenue bonds, excise bonds or internal fund debt obligations.
2. Portfolio Composition and Maturity Limitations
Composition is based on financial debt management requirements and internal fund asset and liabilities matching structuring requirements.

L. Registered Investment Companies (Money Market Mutual Funds)

1. Investment Authorization
Investment in shares in open-end, no-load money market funds provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7, which stipulates that money market funds must have an average weighted maturity of 90 days or less. In addition, the share value of the money market funds must equal to \$1.00.
2. Portfolio Composition
A maximum of 75% of available funds may be invested in money market funds, with no more than 25% of available funds invested in non-government money market funds.
3. Limits of Individual Issuers
A maximum of 25% of available funds may be invested with any one money market fund.
4. Rating Requirements
The mutual funds shall be rated "AAAm" by Standard & Poor's or the equivalent by another rating agency.
5. Due Diligence Requirements
A thorough review of any money market fund is required prior to investing, and on a continual basis.

M. Intergovernmental Investment Pool

1. Investment Authorization
Investment in intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes and provided that said funds contain no derivatives.
2. Portfolio Composition
A maximum of 25% of available funds may be invested in intergovernmental investment pools.
3. Due Diligence Requirements
A thorough review of any investment pool/fund is required prior to investing, and on a continual basis.

N. Mortgage-Backed Securities (MBS)

1. Investment Authorization
Investment in mortgage-backed securities (MBS) which are based on mortgages that are guaranteed by a government agency or GSE for payment of principal and a guarantee of timely payment.
2. Portfolio Composition
A maximum of 20% of available funds may be invested in MBS.
3. Limits of Individual Issuers
A maximum of 15% of available funds may be invested with any one issuer.
4. The maximum percentage invested in securities of any one issuer is inclusive of mortgage backed securities of same issuer.
5. Maturity Limitations
The maturity of mortgage securities shall be considered the date corresponding to its average life. This date reflects the point at which an investor will have received back half of the original principal (face) amount. The average life may be different from the stated legal maturity included in a security's description.

XIII. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

A Derivative is defined as "a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or index or asset values." Those responsible for making investment decisions or chief financial officer shall have developed sufficient understanding of the derivative products and have the expertise to manage them.

Reverse repurchase agreements are allowed, when deemed necessary and subject to limitations in order to finance short-term cash flow needs or to provide liquidity for the portfolio. Institutions that are party to the transaction must have entered into a Master Repurchase Agreement and entered into a Tri-Party Custody Agreement which provides for a third party to take custody of the securities subject to the Master Repurchase Agreement.

XIV. PERFORMANCE MEASUREMENTS

In order to assist in the evaluation of the portfolios' performance, the City will use performance benchmarks for short-term and long-term portfolios. The use of benchmarks will allow the City to measure its returns against other investors in the same markets.

- A. The 90-day Treasury Bill Rate will be used as a benchmark as compared to the portfolio's net book value rate of return for current operating funds (short-term portfolio).
- B. The long-term investment portfolio shall be designed with the annual objective of exceeding the return of the Merrill Lynch 1-3 Year Treasury Index compared to the portfolio's total rate of return. The Merrill Lynch 1-3 Year Treasury Index represents all U.S. Treasury securities maturing over one year, but less than three years. This maturity range is an appropriate benchmark based on the objectives of the City.
- C. Other indices may be used from time to time to measure the portfolio performance.

XV. REPORTING

A. The Investment Advisor shall provide the City Commission and Investment Committee, with quarterly investment reports. Schedules in the quarterly report shall include the following:

1. A listing of individual securities held at the end of the reporting period
2. Percentage of available funds represented by each investment type
3. Coupon, discount or earning rate
4. Average life or duration and final maturity of all investments
5. Par value and market value
6. Rate of Return as compared to benchmarks

B. Annual Investment Report

On an annual basis, the Investment Committee via the Investment Advisor shall prepare and submit to the City Commission a written report on all invested funds. The annual report shall provide all, but not limited to, the following: a complete list of all invested funds, name or type of security in which the funds are invested, the amount invested, the maturity date, earned income, the book value, the market value and the yield on each investment. The annual report will show performance on both a book value and total rate of return basis and will compare the results to the above-stated performance benchmarks. All investments shall be reported at fair value per Governmental Accounting Standards Board (GASB). Investment reports shall be available to the public.

C. Monitoring and Compliance

The City Auditor will monitor and ensure compliance with this policy.

XVI. THIRD-PARTY CUSTODIAL AGREEMENTS

Securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchase by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the Director of Finance and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping, shall be permitted unless by such a duly authorized person.

The custodian shall provide the Treasurer with safekeeping receipts that provide detail information on the securities held by the custodian. In addition, the custodian shall report at least quarterly and the Treasurer shall verify the reports. Security transactions between a broker/dealer and the

custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Only after receiving written authorization from the Director of Finance shall the City Treasurer be authorized to deliver securities "free". Securities held as collateral shall be held free and clear of any liens.

XVII. INVESTMENT POLICY ADOPTION

The investment policy shall be adopted by Resolution. The Investment Advisor shall make recommendations to the Investment Committee and present the policy annually and the City Commission shall approve any necessary modifications.

APPROVED AND ADOPTED BY THE CITY COMMISSION ON _____.

City Mayor

City Manager

City Clerk

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ATTACHMENT A

Accrued Interest. Interest earned but which has not yet been paid or received.

Agency. See "Federal Agency Securities."

Ask Price. Price at which a broker/dealer offers to sell a security to an investor. Also known as "offered price."

Asset Backed Securities (ABS). A fixed-income security backed by notes or receivables against assets other than real estate. Generally issued by special purpose companies that "own" the assets and issue the ABS. Examples include securities backed by auto loans, credit card receivables, home equity loans, manufactured housing loans, farm equipment loans and aircraft leases.

Average Life. The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Bankers' Acceptance (BA's). A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers' acceptances are traded at a discount from face value as a money market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

Basis Point. One hundredth of one percent, or 0.01%. Thus 1% equals 100 basis points.

Bearer Security. A security whose ownership is determined by the holder of the physical security. Typically, there is no registration on the issuer's books. Title to bearer securities is transferred by delivery of the physical security or certificate. Also known as "physical securities."

Benchmark Bills: In November 1999, FNMA introduced its Benchmark Bills program, a short-term debt securities issuance program to supplement its existing discount note program. The program includes a schedule of larger, weekly issues in three- and six-month maturities and biweekly issues in one-year for Benchmark Bills. Each issue is brought to market via a Dutch (single price) auction. FNMA conducts a weekly auction for each Benchmark Bill maturity and accepts both competitive and non-competitive bids through a web based auction system. This program is in addition to the variety of other discount note maturities, with rates posted on a daily basis, which FNMA offers. FNMA's Benchmark Bills are unsecured general obligations that are issued in book-entry form through the Federal Reserve Banks. There are no periodic payments of interest on Benchmark Bills, which are sold at a discount from the principal amount and payable at par at maturity. Issues under the Benchmark program constitute the same credit standing as other FNMA discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Benchmark Notes/Bonds: Benchmark Notes and Bonds are a series of FNMA "bullet" maturities (non-callable) issued according to a pre-announced calendar. Under its Benchmark Notes/Bonds program, 2, 3, 5, 10 and 30-year maturities are issued each quarter. Each Benchmark Notes new issue has a minimum size of \$4 billion, 30-year new issues having a minimum size of \$1 billion, with reopenings based on investor demand to further enhance liquidity. The amount of non-callable issuance has allowed FNMA to build a yield curve in Benchmark Notes and Bonds in maturities ranging from 2 to 30 years. The liquidity emanating from these large size issues has facilitated favorable financing opportunities through the development of a liquid overnight and term repo market. Issues under the Benchmark program constitute the same credit standing as other FNMA issues; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Benchmark. A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance and duration of the actual portfolio's investments.

Bid Price. Price at which a broker/dealer offers to purchase a security from an investor.

Bond Market Association (BMA). The bond market trade association representing the largest securities markets in the world. In addition to publishing a Master Repurchase Agreement, widely accepted as the industry standard document for Repurchase Agreements, the BMA also recommends bond market closures and early closes due to holidays.

Bond. Financial obligation for which the issuer promises to pay the bondholder (the purchaser or owner of the bond) a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Book Entry Securities. Securities that are recorded in a customer's account electronically through one of the financial markets electronic delivery and custody systems, such as the Fed Securities wire, DTC and PTC (as opposed to bearer or physical securities). The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors' concerns about the certificates themselves. The vast majority of securities are now book entry securities.

Book Value. The value at which a debt security is reflected on the holder's records at any point in time. Book value is also called "amortized cost" as it represents the original cost of an investment adjusted for amortization of premium or accretion of discount. Also called "carrying value." Book value can vary over time as an investment approaches maturity and differs from "market value" in that it is not affected by changes in market interest rates.

Broker/Dealer. A person or firm transacting securities business with customers. A "broker" acts as an agent between buyers and sellers, and receives a commission for these services. A "dealer" buys and sells financial assets from its own portfolio. A dealer takes risk by owning inventory of securities, whereas a broker merely matches up buyers and sellers. See also "Primary Dealer."

Bullet Notes/Bonds. Notes or bonds that have a single maturity date and are non-callable.

Call Date. Date at which a call option may be or is exercised.

Call Option. The right, but not the obligation, of an issuer of a security to redeem a security at a specified value and at a specified date or dates prior to its stated maturity date. Most fixed-income calls are a par, but can be at any previously established price. Securities issued with a call provision typically carry a higher yield than similar securities issued without a call feature. There are three primary types of call options (1) European - one-time calls, (2) Bermudan - periodically on a predetermined schedule (quarterly, semi-annual, annual), and (3) American - continuously callable at any time on or after the call date. There is usually a notice period of at least 5 business days prior to a call date.

Callable Bonds/Notes. Securities, which contain an imbedded call option giving the issuer, has the right to redeem the securities prior to maturity at a predetermined price and time.

Certificate of Deposit (CD). Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity). Can be as long as 10 years to maturity, but most CDs purchased by public agencies are one year and under.

Collateral. Investment securities or other property that a borrower pledges to secure repayment of a loan, secure deposits of public monies, or provide security for a repurchase agreement.

Collateralization. Process by which a borrower pledges securities, property, or other deposits for securing the repayment of a loan and/or security.

Collateralized Mortgage Obligation (CMO). A security that pools together mortgages and separates them into short, medium, and long-term positions (called tranches). Tranches are set up to pay different rates of interest depending upon their maturity. Interest payments are usually paid monthly. In "plain vanilla" CMOs, principal is not paid on a tranche until all shorter tranches have been paid off. This system provides interest and principal in a more predictable manner. A single pool of mortgages can be carved up into numerous tranches each with its own payment and risk characteristics.

Commercial Paper. Short term unsecured promissory note issued by a company or financial institution. Issued at a discount and matures for par or face value. Usually a maximum maturity of 270 days, and given a short-term debt rating by one or more Nationally Recognized Statistical Rating Organization (NRSRO).

Convexity. A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Corporate Note. A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

Counterparty. The other party in a two party financial transaction. "Counterparty risk" refers to the risk that the other party to a transaction will fail in its related obligations. For example, the bank or broker/dealer in a repurchase agreement.

Coupon Rate. Annual rate of interest on a debt security, expressed as a percentage of the bond's face value.

Current Yield. Annual rate of return on a bond based on its price. Calculated as (coupon rate / price), but does not accurately reflect a bond's true yield level.

Custody. Safekeeping services offered by a bank, financial institution or trust company, referred to as the "custodian." Service normally includes the holding and reporting of the customer's securities, the collection and disbursement of income, securities settlement and market values.

Dealer. A dealer acts as a principal in all transactions, buying and selling for his own account.

Delivery vs. Payment (DVP). Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and Depository Trust Company (DTC), are done DVP as a protection for both the buyer and seller of securities.

Depository Trust Company (DTC). A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs and BAs clear through DTC.

Derivatives. For hedging purposes, common derivatives are options, futures, swaps and swaptions. All Collateralized Mortgage Obligations ("CMOs") are derivatives. (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

Derivative Security. Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Designated Bond. Farm Credit Designated Bonds are high credit quality, liquid, non-callable and callable securities. New issues of Designated Bonds are \$1 billion or larger for non-callable securities and \$500 million or larger for callable securities. Reopens of existing Designated Bond issues are generally a minimum of \$100 million. Designated Bonds generally have a two to ten year original maturity and are offered through a syndicate of two to six Bond Dealers. Callable Designated Bonds will contain one-time only "European" redemption features.

Discount Notes. Unsecured general obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. There are very large primary (new issue) and secondary markets.

Discount Rate. Rate charged by the system of Federal Reserve Banks on overnight loans to member banks. Changes to this rate are administered by the Federal Reserve and closely mirror changes to the "fed funds rate."

Discount Securities. Non-interest bearing money market instruments that are issued at discount and redeemed at maturity for full face value. Examples include U.S. Treasury Bills, Federal Agency Discount Notes, Bankers' Acceptances and Commercial Paper.

Discount. The amount by which a bond or other financial instrument sells below its face value. See also "Premium."

Diversification. A method of reducing risk by investing in a variety of assets.

Dollar Price. A bond's cost expressed as a percentage of its face value. For example, a bond quoted at a dollar price of 95 ½, would have a principal cost of \$955 per \$1,000 of face value.

Duration. The weighted average maturity of a security's or portfolio's cash flows, where the present values of the cash flows serve as the weights. The greater the duration of a security/portfolio, the greater its percentage price volatility with respect to changes in interest rates. Used as a measure of risk and a key tool for managing a portfolio versus a benchmark and for hedging risk. There are also different kinds of duration used for different purposes (e.g. MacAuley Duration, Modified Duration).

Fannie Mae. See "Federal National Mortgage Association."

Fed Money Wire. A computerized communications system that connects the Federal Reserve System with its member banks, certain U. S. Treasury offices, and the Washington D.C. office of the Commodity Credit Corporation. The Fed Money Wire is the book entry system used to transfer cash balances between banks for themselves and for customer accounts.

Fed Securities Wire. A computerized communications system that facilitates book entry transfer of securities between banks, brokers and customer accounts. Used primary for settlement of U.S. Treasury and Federal Agency securities.

Fed. See "Federal Reserve System."

Federal Agency Security. A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Federal Agency. Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets. The largest Federal Agencies are GNMA, FNMA, FHLMC, FHLB, FFCB, SLMA, and TVA.

Federal Deposit Insurance Corporation (FDIC). The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the same official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the same official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules (Deposit Insurance for Accounts Held by Government Depositors), the term 'savings deposits' includes NOW accounts and money market deposit accounts but does not include interest-bearing demand deposit accounts (which will be permitted after July 21, 2011) The term 'demand deposits' means deposits payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

For the period from December 31, 2010 through December 31, 2012, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) provides separate and unlimited deposit insurance coverage for accounts that meet the definition of a 'non-interest bearing transaction account.' This unlimited coverage for such accounts is separate from the \$250,000 coverage provided for other types of accounts. Also, beginning on July 21, 2011, the Dodd-Frank Act provides that insured depository institutions will be permitted to pay interest on demand deposit accounts.

Federal Farm Credit Bank (FFCB). A Government Sponsored Enterprise (GS) system that is a network of cooperatively-owned lending institutions that provides credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. Consists of the consolidated operations of the Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal Land Banks. Frequent issuer of discount notes, agency notes and callable agency securities. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and agricultural industry. Also issues notes under its "designated note" program.

Federal Funds (Fed Funds). Funds placed in Federal Reserve Banks by depository institutions in excess of current reserve requirements, and frequently loaned or borrowed on an overnight basis between depository institutions.

Federal Funds Rate (Fed Funds Rate). The interest rate charged by a depository institution lending Federal Funds to another depository institution. The Federal Reserve influences this rate by establishing a "target" Fed Funds rate associated with the Fed's management of monetary policy.

Federal Home Loan Bank System (FHLB). A Government Sponsored Enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its "global note" and "TAP" programs.

Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"). A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage-backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial

system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its "reference note" program.

Federal National Mortgage Association (FNMA or "Fannie Mae"). A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its "benchmark note" program.

Federal Reserve Bank. One of the 12 distinct banks of the Federal Reserve System.

Federal Reserve System (The Fed). The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven member Board of Governors known as the "Federal Reserve Board" and headed by its Chairman.

Fiscal Agent/Paying Agent. A bank or trust company that acts, under a trust agreement with a corporation or municipality, in the capacity of general treasurer. The agent performs such duties as making coupon payments, paying rents, redeeming bonds, and handling taxes relating to the issuance of bonds.

Fitch Investors Service, Inc. One of several "Nationally Recognized Statistical Rating Organization" (NRSRO) that provide credit ratings on corporate and municipal debt issues.

Floating Rate Security (FRN or "floater"). A bond with an interest rate that is adjusted according to changes in an interest rate or index. Differs from variable-rate debt in that the changes to the rate take place immediately when the index changes, rather on a predetermined schedule. See also "Variable Rate Security."

Freddie Mac. See "Federal Home Loan Mortgage Corporation".

Ginnie Mae. See "Government National Mortgage Association".

Global Notes: Notes designed to qualify for immediate trading in both the domestic U.S. capital market and in foreign markets around the globe. Usually large issues that are sold to investors worldwide and therefore have excellent liquidity. Despite their global sales, global notes sold in the U.S. top U.S. investors are typically denominated in U.S. dollars.

Government National Mortgage Association (GNMA or "Ginnie Mae"). A government-owned corporation within the Department of Housing and Urban Development (HUD). Today, Ginnie Mae securities are the only mortgage-backed securities that offer the full faith and credit guaranty of the United States government. It acquires, packages, and resells mortgages and mortgage purchase commitments in the form of mortgage-backed securities and is the largest issuer of mortgage pass-through securities.

Government Securities. An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, Bonds, and SLGS."

Government Sponsored Enterprise (GSE). Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S.

Government, but they are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Some consider GSEs to be stealth recipients of corporate welfare. Examples of GSEs include: FHLB, FHLMC, and FNMA.

Government Sponsored Enterprise Security. A security issued by a Government Sponsored Enterprise. Considered Federal Agency Securities.

Index. A compilation of statistical data that tracks changes in the economy or in financial markets.

Interest-Only (IO) STRIP. A security based solely on the interest payments from the bond. After the principal has been repaid, interest payments stop and the value of the security falls to nothing. Therefore, IOs are considered risky investments. Usually associated with mortgage-backed securities.

Internal Controls. An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1. the cost of a control should not exceed the benefits likely to be derived and 2. the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. **Separation of transaction authority from accounting and record keeping** - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverse Floater. A floating rate security structured in such a way that it reacts inversely to the direction of interest rates. Considered risky as their value moves in the opposite direction of normal fixed-income investments and whose interest rate can fall to zero.

Investment Advisor. A company that provides professional advice managing portfolios, investment recommendations and/or research in exchange for a management fee.

Investment Adviser Act of 1940. Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Manager A company that actively manages fixed income portfolios which include operating funds, capital reserves, insurance reserves, proceeds from the sale of bonds and other funds.

Investment Grade. Bonds considered suitable for preservation of invested capital; bonds rated a minimum of Baa3 by Moody's, BBB- by Standard & Poor's, or BBB- by Fitch. Although "BBB" rated bonds are considered investment grade, most public agencies cannot invest in securities rated below "A."

Liquidity. Relative ease of converting an asset into cash without significant loss of value. Also, a relative measure of cash and near-cash items in a portfolio of assets. Also, a term describing the marketability of a money market security correlating to the narrowness of the spread between the bid and ask prices.

Local Government Investment Pool (LGIP). An investment by local governments in which their money is pooled as a method for managing local funds. (i.e., Florida PRIME).

Long-Term Core Investment Program. Funds that are not needed within a one-year period.

Market Value. The fair market value of a security or commodity. The price at which a willing buyer would pay for a security.

Mark-to-market. Adjusting the value of an asset to its market value, reflecting in the process unrealized gains or losses.

Master Repurchase Agreement. A widely accepted standard agreement form published by the Bond Market Association (BMA) that is used to govern and document Repurchase Agreements and protect the interest of parties in a repo transaction.

Maturity Date. Date on which principal payment of a financial obligation is to be paid.

Medium Term Notes (MTNs). Used frequently to refer to corporate notes of medium maturity (5-years and under). Technically, any debt security issued by a corporate or depository institution with maturities from 1 to 10 years and issued under an MTN shelf registration. Usually issued in smaller issues with varying coupons and maturities, and underwritten by a variety of broker/dealers (as opposed to large corporate deals issued and underwritten all at once in large size and with a fixed coupon and maturity).

Money Market. The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund (MMF). A type of mutual fund that invests solely in money market instruments, such as Treasury bills, commercial paper, bankers' acceptances, and repurchase agreements. Money market mutual funds are registered with the SEC under the Investment Company Act of 1940 and are subject "rule 2a-7" which significantly limits average maturity and credit quality of holdings. MMFs are managed to maintain a stable net asset value (NAV) of \$1.00. Many MMFs carry ratings by a NRSRO.

Moody's Investors Service. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Mortgage Backed Securities (MBS). Mortgage-backed securities represent an ownership interest in a pool of mortgage loans made by financial institutions, such as savings and loans, commercial banks, or mortgage companies, to finance the borrower's purchase of a home or other real estate. The majority of MBS are issued and/or guaranteed by GNMA, FNMA and FHLMC. There are a variety of MBS structures, some of which can be very risky and complicated. All MBS have reinvestment risk as actual principal and interest payments are dependent on the payment of the underlying mortgages which can be prepaid by mortgage holders to refinance and lower rates or simply because the underlying property was sold.

Mortgage Pass-Through Securities. A pool of residential mortgage loans with the monthly interest and principal distributed to investors on a pro-rata basis. Largest issuer is GNMA.

Municipal Note/Bond. A debt instrument issued by a state or local government unit or public agency. The vast majority of municipals are exempt from state and federal income tax, although some non-qualified issues are taxable.

Mutual Fund. Portfolio of securities professionally managed by a registered investment company that issues shares to investors. Many different types of mutual funds exist (bond, equity, money fund); all except money market funds operate on a variable net asset value (NAV).

National Association of Securities Dealers (NASD). Organization of brokers and dealers who trade securities in the United States, supervised by the SEC, and which provides regulatory exams for industry participants.

Negotiable Certificate of Deposit (Negotiable CD). Large denomination CDs (\$100,000 and larger) that are issued in bearer form and can be traded in the secondary market.

Net Asset Value. The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$\frac{[(\text{Total assets}) - (\text{Liabilities})]}{(\text{Number of shares outstanding})}$$

NRSRO. A "Nationally Recognized Statistical Rating Organization." A designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating. Includes Moody's, S&P, Fitch and Duff & Phelps.

Offered Price. See also "Ask Price."

Open Market Operations. Federal Reserve monetary policy tactic entailing the purchase or sale of government securities in the open market by the Federal Reserve System from and to primary dealers in order to influence the money supply, credit conditions, and interest rates.

Par Value. Face value, stated value or maturity value of a security.

Physical Delivery. Delivery of readily available underlying assets at contract maturity.

Portfolio. Collection of securities and investments held by an investor.

Premium. The amount by which a bond or other financial instrument sells above its face value. See also "Discount."

Primary Dealer. Any of a group of designated government securities dealers designated by to the Federal Reserve Bank of New York. Primary dealers can buy and sell government securities directly with the Fed. Primary dealers also submit daily reports of market activity and security positions held to the Fed and are subject to its informal oversight. Primary dealers are considered the largest players in the U.S. Treasury securities market.

Prime Paper. Commercial paper of high quality. Highest rated paper is A-1+/A-1 by S&P and P-1 by Moody's.

Principal. Face value of a financial instrument on which interest accrues. May be less than par value if some principal has been repaid or retired. For a transaction, principal is par value times price and includes any premium or discount.

Prudent Investor Standard. Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. More stringent than the "prudent person" standard as it implies a level of knowledge commensurate with the responsibility at hand.

Qualified Public Depository - Per Florida Statute 280, means any bank, saving bank or savings association that:

1. Is organized and exists under the laws of the United States, the laws of this state or any other state or territory of the United States;
2. Has its principal place of business in this state or has a branch office in this state which is authorized under the laws of this state or of the United States to receive deposits in this state.,
3. Has deposit insurance under the provision of the Federal Deposit Insurance Act, as amended, 12 U.S.C. ss.1811 seq.
4. Meets all requirements of F.S. 280
5. Has been designed by the Treasurer as a qualified public depository.

Range Note. A type of structured note that accrues interest daily at a set coupon rate that is tied to an index. Most range notes have two coupon levels; a higher accrual rate for the period the index is within a designated range, the lower accrual rate for the period that the index falls outside the designated range. This lower rate may be zero and may result in zero earnings.

Rate of Return. Amount of income received from an investment, expressed as a percentage of the amount invested.

Realized Gains (Losses). The difference between the sale price of an investment and its book value. Gains/losses are "realized" when the security is actual sold, as compared to "unrealized" gains/losses which are based on current market value. See "Unrealized Gains (Losses)."

Reference Bills: FHLMC's short-term debt program created to supplement its existing discount note program by offering issues from one month through one year, auctioned on a weekly or on an alternating four-week basis (depending upon maturity) offered in sizeable volumes (\$1 billion and up) on a cycle of regular, standardized issuance. Globally sponsored and distributed, Reference Bill issues are intended to encourage active trading and market-making and facilitate the development of a term repo market. The

program was designed to offer predictable supply, pricing transparency and liquidity, thereby providing alternatives to Treasury bills. FHLMC's Reference Bills are unsecured general corporate obligations. This program supplements the corporation's existing discount note program. Issues under the Reference program constitute the same credit standing as other FHLMC discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Reference Notes: FHLMC's intermediate-term debt program with issuances of 2, 3, 5, 10 and 30-year maturities. Initial issuances range from \$2 - \$6 billion with reopenings ranging \$1 - \$4 billion. The notes are high-quality bullet structures securities that pay interest semiannually. Issues under the Reference program constitute the same credit standing as other FHLMC notes; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Repurchase Agreement (Repo). A short-term investment vehicle where an investor agrees to buy securities from a counterparty and simultaneously agrees to resell the securities back to the counterparty at an agreed upon time and for an agreed upon price. The difference between the purchase price and the sale price represents interest earned on the agreement. In effect, it represents a collateralized loan to the investor, where the securities are the collateral. Can be DVP, where securities are delivered to the investor's custodial bank, or "tri-party" where the securities are delivered to a third party intermediary. Any type of security can be used as "collateral," but only some types provide the investor with special bankruptcy protection under the law. Repos should be undertaken only when an appropriate BMA approved master repurchase agreement is in place.

Reverse Repurchase Agreement (Reverse Repo). A repo from the point of view of the original seller of securities. Used by dealers to finance their inventory of securities by essentially borrowing at short-term rates. Can also be used to leverage a portfolio and in this sense, can be considered risky if used improperly.

Safekeeping. Service offered for a fee, usually by financial institutions, for the holding of securities and other valuables. Safekeeping is a component of custody services.

Secondary Market. Markets for the purchase and sale of any previously issued financial instrument.

Securities Lending. An arrangement between an investor and a custody bank that allows the custody bank to "loan" the investor's investment holdings, reinvest the proceeds in permitted investments, and shares any profits with the investor. Should be governed by a securities lending agreement. Can increase the risk of a portfolio in that the investor takes on the default risk on the reinvestment at the discretion of the custodian.

Sinking Fund. A separate accumulation of cash or investments (including earnings on investments) in a fund in accordance with the terms of a trust agreement or indenture, funded by periodic deposits by the issuer (or other entity responsible for debt service), for the purpose of assuring timely availability of moneys for payment of debt service. Usually used in connection with term bonds.

Spread. The difference between the price of a security and similar maturity Treasury investments, expressed in percentage terms or basis points. A spread can also be the absolute difference in yield between two securities. The securities can be in different markets or within the same securities market between different credits, sectors, or other relevant factors.

Standard & Poor's. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

STRIPS (Separate Trading of Registered Interest and Principal of Securities). Acronym applied to Treasury securities that have had their coupons and principal repayments separated into individual zero-coupon Treasury securities. The same technique and "strips" description can be applied to non-Treasury securities (e.g. FNMA strips).

Structured Notes. Notes that have imbedded into their structure options such as step-up coupons or derivative-based returns.

Swap. Trading one asset for another.

TAP Notes: Federal Agency notes issued under the FHLB TAP program. Launched in 6/99 as a refinement to the FHLB bullet bond auction process. In a break from the FHLB's traditional practice of bringing numerous small issues to market with similar maturities, the TAP Issue Program uses the four most common maturities and reopens them up regularly through a competitive auction. These maturities (2, 3, 5 and 10 year) will remain open for the calendar quarter, after which they will be closed and a new series of TAP issues will be opened to replace them. This reduces the number of separate bullet bonds issued, but generates enhanced awareness and liquidity in the marketplace through increased issue size and secondary market volume.

Tennessee Valley Authority (TVA). A wholly owned corporation of the United States government that was established in 1933 to develop the resources of the Tennessee Valley region in order to strengthen the regional and national economy and the national defense. Power operations are separated from non-power operations. TVA securities represent obligations of TVA, payable solely from TVA's net power proceeds, and are neither obligations of nor guaranteed by the United States. TVA is currently authorized to issue debt up to \$30 billion. Under this authorization, TVA may also obtain advances from the Treasury of up to \$150 million. Frequent issuer of discount notes, agency notes and callable agency securities.

Total Return. Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

Treasuries. Collective term used to describe debt instruments backed by the U.S. Government and issued through the U.S. Department of the Treasury. Includes Treasury bills, Treasury notes, Treasury Inflation-Protected Securities (TIPS) and Treasury bonds. Also a benchmark term used as a basis by which the yields of non-Treasury securities are compared (e.g., "trading at 50 basis points over Treasuries").

Treasury Bills (T-Bills). Short-term direct obligations of the United States Government issued with an original term of one year or less. Treasury bills, or T-bills, are sold in terms ranging from a few days to 52 weeks. Bills are typically sold at a discount from the par amount (also called face value). For instance, you might pay \$990 for a \$1,000 bill. When the bill matures, you would be paid \$1,000. The difference between the purchase price and face value is interest. It is possible for a bill auction to result in a price equal to par, which means that Treasury will issue and redeem the securities at par value.

Treasury Bonds. Long-term interest-bearing debt securities backed by the U.S. Government. issued Treasury bonds pay a fixed rate of interest every six months until they mature and are issued in a term of 30 years.

Treasury Inflation-Protected Securities (TIPS) Provide protection against inflation. The principal of a TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index. When a TIPS matures, you are paid the adjusted principal or original principal, whichever is greater. TIPS pay interest twice a year, at a fixed rate. The rate is applied to the adjusted principal; so, like the principal, interest payments rise with inflation and fall with deflation.

Treasury Notes. Intermediate interest-bearing debt securities backed by the U.S. Government and issued with maturities ranging from one to ten years by the U.S. Department of the Treasury. Treasury Notes, earn a fixed rate of interest every six months until maturity. Notes are issued in terms of 2, 3, 5, 7, and 10 years.

Trustee. A bank designated by an issuer of securities as the custodian of funds and official representative of bondholders. Trustees are appointed to insure compliance with the bond documents and to represent bondholders in enforcing their contract with the issuer.

Uniform Net Capital Rule. SEC regulation 15C3-1 that outlines the minimum net capital ratio (ratio of indebtedness to net liquid capital) of member firms and non-member broker/dealers.

Unrealized Gains (Losses). The difference between the market value of an investment and its book value. Gains/losses are "realized" when the security is actual sold, as compared to "unrealized" gains/losses which are based on current market value. See also "Realized Gains (Losses)."

Variable-Rate Security. A bond that bears interest at a rate that varies over time based on a specified schedule of adjustment (e.g., daily, weekly, monthly, semi-annually or annually). See also "Floating Rate Note."

Weighted Average Maturity Average Maturity. The average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. A simple measure of risk of a fixed-income portfolio.

Weighted Average Maturity to Call. The average maturity of all securities and investments of a portfolio, adjusted to substitute the first call date per security for maturity date for those securities with call provisions.

Yield Curve. A graphic depiction of yields on like securities in relation to remaining maturities spread over a time line. The traditional yield curve depicts yields on Treasuries, although yield curves exist for Federal Agencies and various credit quality corporates as well. Yield curves can be positively sloped (normal) where longer-term investments have higher yields, or "inverted" (uncommon) where longer-term investments have lower yields than shorter ones.

Yield to Call (YTC). Same as "Yield to Maturity," except the return is measured to the first call date rather than the maturity date. Yield to call can be significantly higher or lower than a security's yield to maturity.

Yield to Maturity (YTM). Calculated return on an investment, assuming all cash flows from the security are reinvested at the same original yield. Can be higher or lower than the coupon rate depending on market rates and whether the security was purchased at a premium or discount. There are different conventions for calculating YTM for various types of securities.

Yield. There are numerous methods of yield determination. In this glossary, see also "Current Yield," "Yield Curve," "Yield to Call" and "Yield to Maturity."

RFP NO. 725-10971

TITLE: Investment Advisor

EXHIBIT "2"
LOCAL BUSINESS PREFERENCE CERTIFICATION STATEMENT

The Business identified below certifies that it qualifies for the local BUSINESS preference classification as indicated herein, and further certifies and agrees that it will re-affirm it's local preference classification annually no later than thirty (30) calendar days prior to the anniversary of the date of a contract awarded pursuant to this RFP. Violation of the foregoing provision may result in contract termination.

(1) Business Name is a Class A Business as defined in City of Fort Lauderdale Ordinance No. C-12-04, Sec.2-199.2. A copy of the City of Fort Lauderdale current year Business Tax Receipt and a complete list of full-time employees and their addresses are attached for justification.

(2) Business Name is a Class B Business as defined in the City of Fort Lauderdale Ordinance No. C-12-04, Sec.2-199.2. A copy of the Business Tax Receipt or a complete list of full-time employees and their addresses is attached as justification.

(3) Business Name is a Class C Business as defined in the City of Fort Lauderdale Ordinance No. C-12-04, Sec.2-199.2. A copy of the Broward County Business Tax Receipt is attached as justification.

(4) Business Name requests a Conditional Class A classification as defined in the City of Fort Lauderdale Ordinance No. C-12-04, Sec.2-199.2. Written certification of intent is attached.

(5) Business Name requests a Conditional Class B classification as defined in the City of Fort Lauderdale Ordinance No. C-12-04, Sec.2-199.2. Written certification of intent is attached.

(6) Business Name is considered a Class D Business as defined in the City of Fort Lauderdale Ordinance No. C-12-04, Sec.2-199.2. and does not qualify for Local Preference consideration. (Notary not required for Class "D")

PROPOSER'S COMPANY: _____

AUTHORIZED COMPANY PERSON: _____

STATE OF _____
COUNTY OF _____
NAME SIGNATURE DATE

The foregoing instrument was acknowledged before me this ___ day of ___, 20___, by ___ and ___ as ___ and ___ respectively, of ___ They are [] personally known to me or [] have produced ___ as identification.

(SEAL)

Notary Public, State of
(Signature of Notary taking Acknowledgment)

Name of Notary Typed, Printed or Stamped

My Commission Expires: _____

Commission Number _____

**CITY OF FORT LAUDERDALE
GENERAL CONDITIONS**

These instructions are standard for all contracts for commodities or services issued through the City of Fort Lauderdale Procurement Services Division. The City may delete, supersede, or modify any of these standard instructions for a particular contract by indicating such change in the Invitation to Bid (ITB) Special Conditions, Technical Specifications, Instructions, Proposal Pages, Addenda, and Legal Advertisement. In this general conditions document, Invitation to Bid (ITB) and Request for Proposal (RFP) are interchangeable.

PART I BIDDER PROPOSAL PAGE(S) CONDITIONS:

- 1.01 BIDDER ADDRESS:** The City maintains automated vendor address lists that have been generated for each specific Commodity Class item through our bid issuing service, BidSync. Notices of Invitations to Bid (ITB'S) are sent by e-mail to the selection of bidders who have fully registered with BidSync or faxed (if applicable) to every vendor on those lists, who may then view the bid documents online. Bidders who have been informed of a bid's availability in any other manner are responsible for registering with BidSync in order to view the bid documents. There is no fee for doing so. If you wish bid notifications be provided to another e-mail address or fax, please contact BidSync. If you wish purchase orders sent to a different address, please so indicate in your bid response. If you wish payments sent to a different address, please so indicate on your invoice.
- 1.02 DELIVERY:** Time will be of the essence for any orders placed as a result of this ITB. The City reserves the right to cancel any orders, or part thereof, without obligation if delivery is not made in accordance with the schedule specified by the Bidder and accepted by the City.
- 1.03 PACKING SLIPS:** It will be the responsibility of the awarded Contractor, to attach all packing slips to the OUTSIDE of each shipment. Packing slips must provide a detailed description of what is to be received and reference the City of Fort Lauderdale purchase order number that is associated with the shipment. Failure to provide a detailed packing slip attached to the outside of shipment may result in refusal of shipment at Contractor's expense.
- 1.04 PAYMENT TERMS AND CASH DISCOUNTS:** Payment terms, unless otherwise stated in this ITB, will be considered to be net 45 days after the date of satisfactory delivery at the place of acceptance and receipt of correct invoice at the office specified, whichever occurs last. Bidder may offer cash discounts for prompt payment but they will not be considered in determination of award. If a Bidder offers a discount, it is understood that the discount time will be computed from the date of satisfactory delivery, at the place of acceptance, and receipt of correct invoice, at the office specified, whichever occurs last.
- 1.05 TOTAL BID DISCOUNT:** If Bidder offers a discount for award of all items listed in the bid, such discount shall be deducted from the total of the firm net unit prices bid and shall be considered in tabulation and award of bid.
- 1.06 BIDS FIRM FOR ACCEPTANCE:** Bidder warrants, by virtue of bidding, that the bid and the prices quoted in the bid will be firm for acceptance by the City for a period of ninety (90) days from the date of bid opening unless otherwise stated in the ITB.
- 1.07 VARIANCES:** For purposes of bid evaluation, Bidder's must indicate any variances, no matter how slight, from ITB General Conditions, Special Conditions, Specifications or Addenda in the space provided in the ITB. No variations or exceptions by a Bidder will be considered or deemed a part of the bid submitted unless such variances or exceptions are listed in the bid and referenced in the space provided on the bidder proposal pages. If variances are not stated, or referenced as required, it will be assumed that the product or service fully complies with the City's terms, conditions, and specifications.
- By receiving a bid, City does not necessarily accept any variances contained in the bid. All variances submitted are subject to review and approval by the City. If any bid contains material variances that, in the City's sole opinion, make that bid conditional in nature, the City reserves the right to reject the bid or part of the bid that is declared, by the City as conditional.
- 1.08 NO BIDS:** If you do not intend to bid please indicate the reason, such as insufficient time to respond, do not offer product or service, unable to meet specifications, schedule would not permit, or any other reason, in the space provided in this ITB. Failure to bid or return no bid comments prior to the bid due and opening date and time, indicated in this ITB, may result in your firm being deleted from our Bidder's registration list for the Commodity Class Item requested in this ITB.
- 1.09 MINORITY AND WOMEN BUSINESS ENTERPRISE PARTICIPATION AND BUSINESS DEFINITIONS:** The City of Fort Lauderdale wants to increase the participation of Minority Business Enterprises (MBE), Women Business Enterprises (WBE), and Small Business Enterprises (SBE) in its procurement activities. If your firm qualifies in accordance with the below definitions please indicate in the space provided in this ITB.

Minority Business Enterprise (MBE) "A Minority Business" is a business enterprise that is owned or controlled by one or more socially or economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to: Blacks, Hispanics, Asian Americans, and Native Americans.

The term "Minority Business Enterprise" means a business at least 51 percent of which is owned by minority group members or, in the case of a publicly owned business, at least 51 percent of the stock of which is owned by minority group members. For the purpose of the preceding sentence, minority group members are citizens of the United States who include, but are not limited to: Blacks, Hispanics, Asian Americans, and Native Americans.

Women Business Enterprise (WBE) a "Women Owned or Controlled Business" is a business enterprise at least 51 percent of which is owned by females or, in the case of a publicly owned business, at least 51 percent of the stock of which is owned by females.

Small Business Enterprise (SBE) "Small Business" means a corporation, partnership, sole proprietorship, or other legal entity formed for the purpose of making a profit, which is independently owned and operated, has either fewer than 100 employees or less than \$1,000,000 in annual gross receipts.

BLACK, which includes persons having origins in any of the Black racial groups of Africa.

WHITE, which includes persons whose origins are Anglo-Saxon and Europeans and persons of Indo-European decent including Pakistani and East Indian.

HISPANIC, which includes persons of Mexican, Puerto Rican, Cuban, Central and South American, or other Spanish culture or origin, regardless of race.

NATIVE AMERICAN, which includes persons whose origins are American Indians, Eskimos, Aleuts, or Native Hawaiians.

ASIAN AMERICAN, which includes persons having origin in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

1.10 MINORITY-WOMEN BUSINESS ENTERPRISE PARTICIPATION

It is the desire of the City of Fort Lauderdale to increase the participation of minority (MBE) and women-owned (WBE) businesses in its contracting and procurement programs. While the City does not have any preference or set aside programs in place, it is committed to a policy of equitable participation for these firms. Proposers are requested to include in their proposals a narrative describing their past accomplishments and intended actions in this area... If proposers are considering minority or women owned enterprise participation in their proposal, those firms, and their specific duties have to be identified in the proposal. If a proposer is considered for award, he or she will be asked to meet with City staff so that the intended MBE/WBE participation can be formalized and included in the subsequent contract.

1.11 SCRUTINIZED COMPANIES

This Section applies to any contract for goods or services of \$1 million or more:

The Contractor certifies that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List as provided in section 287.135, Florida Statutes (2011), as may be amended or revised. The City may terminate this Contract at the City's option if the Contractor is found to have submitted a false certification as provided under subsection (5) of section 287.135, Florida Statutes (2011), as may be amended or revised, or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List.

1.12 DEBARRED OR SUSPENDED BIDDERS OR PROPOSERS

The bidder or proposer certifies, by submission of a response to this solicitation, that neither it nor its principals are presently debarred or suspended by any Federal department or agency.

Part II DEFINITIONS/ORDER OF PRECEDENCE:

2.01 BIDDING DEFINITIONS

The City will use the following definitions in its general conditions, special conditions, technical specifications, instructions to bidders, addenda and any other document used in the bidding process:

INVITATION TO BID (ITB) when the City is requesting bids from qualified Bidders.

REQUEST FOR PROPOSALS (RFP) when the City is requesting proposals from qualified Proposers.

BID – a price and terms quote received in response to an ITB.

PROPOSAL – a proposal received in response to an RFP.

BIDDER – Person or firm submitting a Bid.

PROPOSER – Person or firm submitting a Proposal.

RESPONSIVE BIDDER – A person whose bid conforms in all material respects to the terms and conditions included in the ITB.

RESPONSIBLE BIDDER – A person who has the capability in all respects to perform in full the contract requirements, as stated in the ITB, and the integrity and reliability that will assure good faith performance.

FIRST RANKED PROPOSER – That Proposer, responding to a City RFP, whose Proposal is deemed by the City, the most advantageous to the City after applying the evaluation criteria contained in the RFP.

SELLER – Successful Bidder or Proposer who is awarded a Purchase Order or Contract to provide goods or services to the City.

CONTRACTOR – Successful Bidder or Proposer who is awarded a Purchase Order, award Contract, Blanket Purchase Order agreement, or Term Contract to provide goods or services to the City.

CONTRACT – A deliberate verbal or written agreement between two or more competent parties to perform or not to perform a certain act or acts, including all types of agreements, regardless of what they may be called, for the procurement or disposal of equipment, materials, supplies, services or construction.

CONSULTANT – Successful Bidder or Proposer who is awarded a contract to provide professional services to the City.

The following terms may be used interchangeably by the City: ITB and/or RFP; Bid or Proposal; Bidder, Proposer, or Seller; Contractor or Consultant; Contract, Award, Agreement or Purchase Order.

2.02 SPECIAL CONDITIONS: Any and all Special Conditions contained in this ITB that may be in variance or conflict with these General Conditions shall have precedence over these General Conditions. If no changes or deletions to General Conditions are made in the Special Conditions, then the General Conditions shall prevail in their entirety,

PART III BIDDING AND AWARD PROCEDURES:

3.01 SUBMISSION AND RECEIPT OF BIDS: To receive consideration, bids must be received prior to the bid opening date and time. Unless otherwise specified, Bidder's should use the proposal forms provided by the City. These forms may be duplicated, but failure to use the forms may cause the bid to be rejected. Any erasures or corrections on the bid must be made in ink and initialed by Bidder in ink. All information submitted by the Bidder shall be printed, typewritten or filled in with pen and ink. Bids shall be signed in ink. Separate bids must be submitted for each ITB issued by the City in separate sealed envelopes properly marked. When a particular ITB or RFP requires multiple copies of bids or proposals they may be included in a single envelope or package properly sealed and identified. Only send bids via facsimile transmission (FAX) if the ITB specifically states that bids sent via FAX will be considered. If such a statement is not included in the ITB, bids sent via FAX will be rejected. Bids will be publicly opened in the Procurement Office, or other designated area, in the presence of Bidders, the public, and City staff. Bidders and the public are invited and encouraged to attend bid openings. Bids will be tabulated and made available for review by Bidder's and the public in accordance with applicable regulations.

3.02 MODEL NUMBER CORRECTIONS: If the model number for the make specified in this ITB is incorrect, or no longer available and replaced with an updated model with new specifications, the Bidder shall enter the correct model number on the bidder proposal page. In the case of an updated model with new specifications, Bidder shall provide adequate information to allow the City to determine if the model bid meets the City's requirements.

- 3.03 PRICES QUOTED:** Deduct trade discounts, and quote firm net prices. Give both unit price and extended total. In the case of a discrepancy in computing the amount of the bid, the unit price quoted will govern. All prices quoted shall be F.O.B. destination, freight prepaid (Bidder pays and bears freight charges, Bidder owns goods in transit and files any claims), unless otherwise stated in Special Conditions. Each item must be bid separately. No attempt shall be made to tie any item or items contained in the ITB with any other business with the City.
- 3.04 TAXES:** The City of Fort Lauderdale is exempt from Federal Excise and Florida Sales taxes on direct purchase of tangible property. Exemption number for EIN is 59-6000319, and State Sales tax exemption number is 85-8013875578C-1.
- 3.05 WARRANTIES OF USAGE:** Any quantities listed in this ITB as estimated or projected are provided for tabulation and information purposes only. No warranty or guarantee of quantities is given or implied. It is understood that the Contractor will furnish the City's needs as they arise.
- 3.06 APPROVED EQUAL:** When the technical specifications call for a brand name, manufacturer, make, model, or vendor catalog number with acceptance of APPROVED EQUAL, it shall be for the purpose of establishing a level of quality and features desired and acceptable to the City. In such cases, the City will be receptive to any unit that would be considered by qualified City personnel as an approved equal. In that the specified make and model represent a level of quality and features desired by the City, the Bidder must state clearly in the bid any variance from those specifications. It is the Bidder's responsibility to provide adequate information, in the bid, to enable the City to ensure that the bid meets the required criteria. If adequate information is not submitted with the bid, it may be rejected. The City will be the sole judge in determining if the item bid qualifies as an approved equal.
- 3.07 MINIMUM AND MANDATORY TECHNICAL SPECIFICATIONS:** The technical specifications may include items that are considered minimum, mandatory, or required. If any Bidder is unable to meet or exceed these items, and feels that the technical specifications are overly restrictive, the bidder must notify the Procurement Services Division immediately. Such notification must be received by the Procurement Services Division prior to the deadline contained in the ITB, for questions of a material nature, or prior to five (5) days before bid due and open date, whichever occurs first. If no such notification is received prior to that deadline, the City will consider the technical specifications to be acceptable to all bidders.
- 3.08 MISTAKES:** Bidders are cautioned to examine all terms, conditions, specifications, drawings, exhibits, addenda, delivery instructions and special conditions pertaining to the ITB. Failure of the Bidder to examine all pertinent documents shall not entitle the bidder to any relief from the conditions imposed in the contract.
- 3.09 SAMPLES AND DEMONSTRATIONS:** Samples or inspection of product may be requested to determine suitability. Unless otherwise specified in Special Conditions, samples shall be requested after the date of bid opening, and if requested should be received by the City within seven (7) working days of request. Samples, when requested, must be furnished free of expense to the City and if not used in testing or destroyed, will upon request of the Bidder, be returned within thirty (30) days of bid award at Bidder's expense. When required, the City may request full demonstrations of units prior to award. When such demonstrations are requested, the Bidder shall respond promptly and arrange a demonstration at a convenient location. Failure to provide samples or demonstrations as specified by the City may result in rejection of a bid.
- 3.10 LIFE CYCLE COSTING:** If so specified in the ITB, the City may elect to evaluate equipment proposed on the basis of total cost of ownership. In using Life Cycle Costing, factors such as the following may be considered: estimated useful life, maintenance costs, cost of supplies, labor intensity, energy usage, environmental impact, and residual value. The City reserves the right to use those or other applicable criteria, in its sole opinion that will most accurately estimate total cost of use and ownership.
- 3.11 BIDDING ITEMS WITH RECYCLED CONTENT:** In addressing environmental concerns, the City of Fort Lauderdale encourages Bidders to submit bids or alternate bids containing items with recycled content. When submitting bids containing items with recycled content, Bidder shall provide documentation adequate for the City to verify the recycled content. The City prefers packaging consisting of materials that are degradable or able to be recycled. When specifically stated in the ITB, the City may give preference to bids containing items manufactured with recycled material or packaging that is able to be recycled.
- 3.12 USE OF OTHER GOVERNMENTAL CONTRACTS:** The City reserves the right to reject any part or all of any bids received and utilize other available governmental contracts, if such action is in its best interest.
- 3.13 QUALIFICATIONS/INSPECTION:** Bids will only be considered from firms normally engaged in providing the types of commodities/services specified herein. The City reserves the right to inspect the Bidder's facilities, equipment, personnel, and organization at any time, or to take any other action necessary to determine Bidder's ability to perform. The Procurement Director reserves the right to reject bids where evidence or evaluation is determined to indicate inability to perform.
- 3.14 BID SURETY:** If Special Conditions require a bid security, it shall be submitted in the amount stated. A bid security can be in the form of a bid bond or cashiers check. Bid security will be returned to the unsuccessful bidders as soon as practicable after opening of bids. Bid security will be returned to the successful bidder after acceptance of the performance bond, if required; acceptance of insurance coverage, if required; and full execution of contract documents, if required; or conditions as stated in Special Conditions.
- 3.15 PUBLIC RECORDS/TRADE SECRETS/COPYRIGHT:** The Proposer's response to the RFP is a public record pursuant to Florida law, which is subject to disclosure by the City under the State of Florida Public Records Law, Florida Statutes Chapter 119.07 ("Public Records Law"). The City shall permit public access to all documents, papers, letters or other material submitted in connection with this RFP and the Contract to be executed for this RFP, subject to the provisions of Chapter 119.07 of the Florida Statutes.

Any language contained in the Proposer's response to the RFP purporting to require confidentiality of any portion of the Proposer's response to the RFP, except to the extent that certain information is in the City's opinion a Trade Secret pursuant to Florida law, shall be void. If a Proposer submits any documents or other information to the City which the Proposer claims is Trade Secret information and exempt from Florida Statutes Chapter 119.07 ("Public Records Laws"), the Proposer shall clearly designate that it is a Trade Secret and that it is asserting that the document or information is exempt. The Proposer must specifically identify the exemption being claimed under Florida Statutes 119.07. The City shall be the final arbiter of whether any information contained in the Proposer's response to the RFP constitutes a Trade Secret. The city's determination of whether an exemption applies shall be final, and the proposer agrees to defend, indemnify, and hold harmless the city and the city's officers, employees, and agent, against any loss or damages incurred by any person or entity as a result of the city's treatment of records as public records. Proposals purporting to be subject to copyright protection in full or in part will be rejected.

EXCEPT FOR CLEARLY MARKED PORTIONS THAT ARE BONA FIDE TRADE SECRETS PURSUANT TO FLORIDA LAW, DO NOT MARK YOUR RESPONSE TO THE RFP AS PROPRIETARY OR CONFIDENTIAL. DO NOT MARK YOUR RESPONSE TO THE RFP OR ANY PART THEREOF AS COPYRIGHTED.

- 3.16 PROHIBITION OF INTEREST:** No contract will be awarded to a bidding firm who has City elected officials, officers or employees affiliated with it, unless the bidding firm has fully complied with current Florida State Statutes and City Ordinances relating to this issue. Bidders must disclose any such affiliation. Failure to disclose any such affiliation will result in disqualification of the Bidder and removal of the Bidder from the City's bidder lists and prohibition from engaging in any business with the City.
- 3.17 RESERVATIONS FOR AWARD AND REJECTION OF BIDS:** The City reserves the right to accept or reject any or all bids, part of bids, and to waive minor irregularities or variations to specifications contained in bids, and minor irregularities in the bidding process. The City also reserves the right to award the contract on a split order basis, lump sum basis, individual item basis, or such combination as shall best serve the interest of the City. The City reserves the right to make an award to the responsive and responsible bidder whose product or service meets the terms, conditions, and specifications of the ITB and whose bid is considered to best serve the City's interest. In determining the responsiveness of the offer and the responsibility of the Bidder, the following shall be considered when applicable: the ability, capacity and skill of the Bidder to perform as required; whether the Bidder can perform promptly, or within the time specified, without delay or interference; the character, integrity, reputation, judgment, experience and efficiency of the Bidder; the quality of past performance by the Bidder; the previous and existing compliance by the Bidder with related laws and ordinances; the sufficiency of the Bidder's financial resources; the availability, quality and adaptability of the Bidder's supplies or services to the required use; the ability of the Bidder to provide future maintenance, service or parts; the number and scope of conditions attached to the bid.

If the ITB provides for a contract trial period, the City reserves the right, in the event the selected bidder does not perform satisfactorily, to award a trial period to the next ranked bidder or to award a contract to the next ranked bidder, if that bidder has successfully provided services to the City in the past. This procedure to continue until a bidder is selected or the contract is re-bid, at the sole option of the City.

- 3.18 LEGAL REQUIREMENTS:** Applicable provisions of all federal, state, county laws, and local ordinances, rules and regulations, shall govern development, submittal and evaluation of all bids received in response hereto and shall govern any and all claims and disputes which may arise between person(s) submitting a bid response hereto and the City by and through its officers, employees and authorized representatives, or any other person, natural or otherwise; and lack of knowledge by any bidder shall not constitute a cognizable defense against the legal effect thereof.
- 3.19 BID PROTEST PROCEDURE:** ANY PROPOSER OR BIDDER WHO IS NOT RECOMMENDED FOR AWARD OF A CONTRACT AND WHO ALLEGES A FAILURE BY THE CITY TO FOLLOW THE CITY'S PROCUREMENT ORDINANCE OR ANY APPLICABLE LAW MAY PROTEST TO THE DIRECTOR OF PROCUREMENT SERVICES DIVISION (DIRECTOR), BY DELIVERING A LETTER OF PROTEST TO THE DIRECTOR WITHIN FIVE (5) DAYS AFTER A NOTICE OF INTENT TO AWARD IS POSTED ON THE CITY'S WEB SITE AT THE FOLLOWING LINK: http://www.fortlauderdale.gov/purchasing/notices_of_intent.htm

THE COMPLETE PROTEST ORDINANCE MAY BE FOUND ON THE CITY'S WEB SITE AT THE FOLLOWING LINK: <http://www.fortlauderdale.gov/purchasing/protestordinance.pdf>

PART IV BONDS AND INSURANCE

- 4.01 PERFORMANCE BOND:** If a performance bond is required in Special Conditions, the Contractor shall within fifteen (15) working days after notification of award, furnish to the City a Performance Bond, payable to the City of Fort Lauderdale, Florida, in the face amount specified in Special Conditions as surety for faithful performance under the terms and conditions of the contract. If the bond is on an annual coverage basis, renewal for each succeeding year shall be submitted to the City thirty (30) days prior to the termination date of the existing Performance Bond. The Performance Bond must be executed by a surety company of recognized standing, authorized to do business in the State of Florida and having a resident agent.

Acknowledgement and agreement is given by both parties that the amount herein set for the Performance Bond is not intended to be nor shall be deemed to be in the nature of liquidated damages nor is it intended to limit the liability of the Contractor to the City in the event of a material breach of this Agreement by the Contractor.

- 4.02 INSURANCE:** If the Contractor is required to go on to City property to perform work or services as a result of ITB award, the Contractor shall assume full responsibility and expense to obtain all necessary insurance as required by City or specified in Special Conditions.

The Contractor shall provide to the Procurement Services Division original certificates of coverage and receive notification of approval of those certificates by the City's Risk Manager prior to engaging in any activities under this contract. The Contractor's insurance is subject to the approval of the City's Risk Manager. The certificates must list the City as an ADDITIONAL INSURED for General Liability Insurance, and shall have no less than thirty (30) days written notice of cancellation or material change. Further modification of the insurance requirements may be made at the sole discretion of the City's Risk Manager if circumstances change or adequate protection of the City is not presented. Bidder, by submitting the bid, agrees to abide by such modifications.

PART V PURCHASE ORDER AND CONTRACT TERMS:

- 5.01 COMPLIANCE TO SPECIFICATIONS, LATE DELIVERIES/PENALTIES:** Items offered may be tested for compliance to bid specifications. Items delivered which do not conform to bid specifications may be rejected and returned at Contractor's expense. Any violation resulting in contract termination for cause or delivery of items not conforming to specifications, or late delivery may also result in:
- Bidders name being removed from the City's bidder's mailing list for a specified period and Bidder will not be recommended for any award during that period.
 - All City Departments being advised to refrain from doing business with the Bidder.
 - All other remedies in law or equity.
- 5.02 ACCEPTANCE, CONDITION, AND PACKAGING:** The material delivered in response to ITB award shall remain the property of the Seller until a physical inspection is made and the material accepted to the satisfaction of the City. The material must comply fully with the terms of

the ITB, be of the required quality, new, and the latest model. All containers shall be suitable for storage and shipment by common carrier, and all prices shall include standard commercial packaging. The City will not accept substitutes of any kind. Any substitutes or material not meeting specifications will be returned at the Bidder's expense. Payment will be made only after City receipt and acceptance of materials or services.

- 5.03 SAFETY STANDARDS:** All manufactured items and fabricated assemblies shall comply with applicable requirements of the Occupation Safety and Health Act of 1970 as amended, and be in compliance with Chapter 442, Florida Statutes. Any toxic substance listed in Section 38F-41.03 of the Florida Administrative Code delivered as a result of this order must be accompanied by a completed Material Safety Data Sheet (MSDS).
- 5.04 ASBESTOS STATEMENT:** All material supplied must be 100% asbestos free. Bidder, by virtue of bidding, certifies that if awarded any portion of the ITB the bidder will supply only material or equipment that is 100% asbestos free.
- 5.05 OTHER GOVERNMENTAL ENTITIES:** If the Bidder is awarded a contract as a result of this ITB, the bidder may, if the bidder has sufficient capacity or quantities available, provide to other governmental agencies, so requesting, the products or services awarded in accordance with the terms and conditions of the ITB and resulting contract. Prices shall be F.O.B. delivered to the requesting agency.
- 5.06 VERBAL INSTRUCTIONS PROCEDURE:** No negotiations, decisions, or actions shall be initiated or executed by the Contractor as a result of any discussions with any City employee. Only those communications which are in writing from an authorized City representative may be considered. Only written communications from Contractors, which are assigned by a person designated as authorized to bind the Contractor, will be recognized by the City as duly authorized expressions on behalf of Contractors.
- 5.07 INDEPENDENT CONTRACTOR:** The Contractor is an independent contractor under this Agreement. Personal services provided by the Proposer shall be by employees of the Contractor and subject to supervision by the Contractor, and not as officers, employees, or agents of the City. Personnel policies, tax responsibilities, social security, health insurance, employee benefits, procurement policies unless otherwise stated in this ITB, and other similar administrative procedures applicable to services rendered under this contract shall be those of the Contractor.
- 5.08 INDEMNITY/HOLD HARMLESS AGREEMENT:** The Contractor agrees to protect, defend, indemnify, and hold harmless the City of Fort Lauderdale and its officers, employees and agents from and against any and all losses, penalties, damages, settlements, claims, costs, charges for other expenses, or liabilities of every and any kind including attorneys fees, in connection with or arising directly or indirectly out of the work agreed to or performed by Contractor under the terms of any agreement that may arise due to the bidding process. Without limiting the foregoing, any and all such claims, suits, or other actions relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged violations of any applicable Statute, ordinance, administrative order, rule or regulation, or decree of any court shall be included in the indemnity hereunder.
- 5.09 TERMINATION FOR CAUSE:** If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contractor shall violate any of the provisions of this Agreement, the City may upon written notice to the Contractor terminate the right of the Contractor to proceed under this Agreement, or with such part or parts of the Agreement as to which there has been default, and may hold the Contractor liable for any damages caused to the City by reason of such default and termination. In the event of such termination, any completed services performed by the Contractor under this Agreement shall, at the option of the City, become the City's property and the Contractor shall be entitled to receive equitable compensation for any work completed to the satisfaction of the City. The Contractor, however, shall not be relieved of liability to the City for damages sustained by the City by reason of any breach of the Agreement by the Contractor, and the City may withhold any payments to the Contractor for the purpose of setoff until such time as the amount of damages due to the City from the Contractor can be determined.
- 5.10 TERMINATION FOR CONVENIENCE:** The City reserves the right, in its best interest as determined by the City, to cancel contract by giving written notice to the Contractor thirty (30) days prior to the effective date of such cancellation.
- 5.11 CANCELLATION FOR UNAPPROPRIATED FUNDS:** The obligation of the City for payment to a Contractor is limited to the availability of funds appropriated in a current fiscal period, and continuation of the contract into a subsequent fiscal period is subject to appropriation of funds, unless otherwise authorized by law.
- 5.12 RECORDS/AUDIT:** The Contractor shall maintain during the term of the contract all books of account, reports and records in accordance with generally accepted accounting practices and standards for records directly related to this contract. The Contractor agrees to make available to the City Auditor or designee, during normal business hours and in Broward, Miami-Dade or Palm Beach Counties, all books of account, reports and records relating to this contract should be retained for the duration of the contract and for three years after the final payment under this Agreement, or until all pending audits, investigations or litigation matters relating to the contract are closed, whichever is later.
- 5.13 PERMITS, TAXES, LICENSES:** The successful Contractor shall, at their own expense, obtain all necessary permits, pay all licenses, fees and taxes, required to comply with all local ordinances, state and federal laws, rules and regulations applicable to business to be carried out under this contract.
- 5.14 LAWS/ORDINANCES:** The Contractor shall observe and comply with all Federal, state, local and municipal laws, ordinances rules and regulations that would apply to this contract.
- 5.15 NON-DISCRIMINATION:** There shall be no discrimination as to race, sex, color, creed, age or national origin in the operations conducted under this contract.
- 5.16 UNUSUAL CIRCUMSTANCES:** If during a contract term where costs to the City are to remain firm or adjustments are restricted by a percentage or CPI cap, unusual circumstances that could not have been foreseen by either party of the contract occur, and those circumstances significantly affect the Contractor's cost in providing the required prior items or services, then the Contractor may request adjustments to the costs to the City to reflect the changed circumstances. The circumstances must be beyond the control of the Contractor, and the requested adjustments must be fully documented. The City may, after examination, refuse to accept the adjusted costs if they are not properly documented, increases are considered to be excessive, or decreases are considered to be insufficient. In the event the City does not wish to accept the adjusted costs and the matter cannot be resolved to the satisfaction of the City, the City will reserve the following options:

1. The contract can be canceled by the City upon giving thirty (30) days written notice to the Contractor with no penalty to the City or Contractor. The Contractor shall fill all City requirements submitted to the Contractor until the termination date contained in the notice.
2. The City requires the Contractor to continue to provide the items and services at the firm fixed (non-adjusted) cost until the termination of the contract term then in effect.
3. If the City, in its interest and in its sole opinion, determines that the Contractor in a capricious manner attempted to use this section of the contract to relieve themselves of a legitimate obligation under the contract, and no unusual circumstances had occurred, the City reserves the right to take any and all action under law or equity. Such action shall include, but not be limited to, declaring the Contractor in default and disqualifying him for receiving any business from the City for a stated period of time.

If the City does agree to adjusted costs, these adjusted costs shall not be invoiced to the City until the Contractor receives notice in writing signed by a person authorized to bind the City in such matters.

- 5.17 ELIGIBILITY:** If applicable, the Contractor must first register with the Department of State of the State of Florida, in accordance with Florida State Statutes, prior to entering into a contract with the City.
- 5.18 PATENTS AND ROYALTIES:** The Contractor, without exception, shall indemnify and save harmless the City and its employees from liability of any nature and kind, including cost and expenses for or on account of any copyrighted, patented or un-patented invention, process, or article manufactured or used in the performance of the contract, including its use by the City. If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.
- 5.19 ASSIGNMENT:** Contractor shall not transfer or assign the performance required by this ITB without the prior written consent of the City. Any award issued pursuant to this ITB, and the monies, which may become due hereunder, are not assignable except with the prior written approval of the City Commission or the City Manager or City Manager's designee, depending on original award approval.
- 5.20 LITIGATION VENUE:** The parties waive the privilege of venue and agree that all litigation between them in the state courts shall take place in Broward County, Florida and that all litigation between them in the federal courts shall take place in the Southern District in and for the State of Florida.

NON-COLLUSION STATEMENT:

By signing this offer, the vendor/contractor certifies that this offer is made independently and *free* from collusion. Vendor shall disclose below any City of Fort Lauderdale, FL officer or employee, or any relative of any such officer or employee who is an officer or director of, or has a material interest in, the vendor's business, who is in a position to influence this procurement.

Any City of Fort Lauderdale, FL officer or employee who has any input into the writing of specifications or requirements, solicitation of offers, decision to award, evaluation of offers, or any other activity pertinent to this procurement is presumed, for purposes hereof, to be in a position to influence this procurement.

For purposes hereof, a person has a material interest if they directly or indirectly own more than 5 percent of the total assets or capital stock of any business entity, or if they otherwise stand to personally gain if the contract is awarded to this vendor.

In accordance with City of Fort Lauderdale, FL Policy and Standards Manual, 6.10.8.3,

3.3. City employees may not contract with the City through any corporation or business entity in which they or their immediate family members hold a controlling financial interest (e.g. ownership of five (5) percent or more).

3.4. Immediate family members (spouse, parents and children) are also prohibited from contracting with the City subject to the same general rules.

Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City Procurement Code.

NAME

RELATIONSHIPS

In the event the vendor does not indicate any names, the City shall interpret this to mean that the vendor has indicated that no such relationships exist.

BID/PROPOSAL SIGNATURE PAGE

How to submit bids/proposals: Proposals must be submitted by hard copy only. It will be the sole responsibility of the Bidder to ensure that the bid reaches the City of Fort Lauderdale, City Hall, Procurement Services Division, Suite 619, 100 N. Andrews Avenue, Fort Lauderdale, FL 33301, prior to the bid opening date and time listed. Bids/proposals submitted by fax or email will NOT be accepted.

The below signed hereby agrees to furnish the following article(s) or services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the bid. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal I will accept a contract if approved by the CITY and such acceptance covers all terms, conditions, and specifications of this bid/proposal.

Please Note: All fields below **must** be completed. If the field does not apply to you, please note N/A in that field.

Submitted by: _____
(signature) (date)

Name (printed) _____ Title: _____

Company: (Legal Registration) _____

CONTRACTOR, IF FOREIGN CORPORATION, MAY BE REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY FROM THE DEPARTMENT OF STATE, IN ACCORDANCE WITH FLORIDA STATUTE §607.1501 (visit <http://www.dos.state.fl.us/>).

Address: _____

City _____ State: _____ Zip _____

Telephone No. _____ FAX No. _____ Email: _____

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions): _____

Payment Terms (section 1.04): _____ Total Bid Discount (section 1.05): _____

Does your firm qualify for MBE or WBE status (section 1.09): MBE _____ WBE _____

ADDENDUM ACKNOWLEDGEMENT - Proposer acknowledges that the following addenda have been received and are included in the proposal:

Addendum No.

Date Issued

P-CARDS: Will your firm accept the City's Credit Card as payment for goods/services?

YES _____ NO _____

VARIANCES: State any variations to specifications, terms and conditions in the space provided below or reference in the space provided below all variances contained on other pages of bid, attachments or bid pages. No variations or exceptions by the Proposer will be deemed to be part of the bid submitted unless such variation or exception is listed and contained within the bid documents and referenced in the space provided below. If no statement is contained in the below space, it is hereby implied that your bid/proposal complies with the full scope of this solicitation. **HAVE YOU STATED ANY VARIANCES OR EXCEPTIONS BELOW? BIDDER MUST CLICK THE EXCEPTION LINK IF ANY VARIATION OR EXCEPTION IS TAKEN TO THE SPECIFICATIONS, TERMS AND CONDITIONS.** If this section does not apply to your bid, simply mark N/A in the section below.

Variances:

Question and Answers for Bid #725-10971 - Investment Advisor

OVERALL BID QUESTIONS

There are no questions associated with this bid. If you would like to submit a question, please click on the "Create New Question" button below.





City of Fort Lauderdale • Procurement Services Division
100 N. Andrews Avenue, 619 • Fort Lauderdale, Florida 33301
954-828-5933 Fax 954-828-5576
www.fortlauderdale.gov/purchasing

**BEST AND FINAL – RFP #725-10971
CITY OF FORT LAUDERDALE
INVESTMENT ADVISOR**

COST PROPOSAL

Provide an annual fee to encompass all of the items listed under the Scope of Services in Request for Proposals #725-10971.

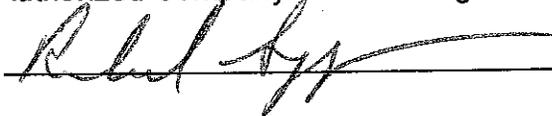
TOTAL ANNUAL FIRM FIXED FEE FOR FIVE YEAR CONTRACT TERM

\$ 90,000.00/ANNUALLY

Contractor/Proposer/ Bidder Company Name:

The Bogdahn Group

Authorized Company Person's Signature:



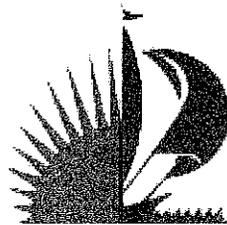
Authorized Company Person's Title:

Richard Spurgeon, Chief Compliance Officer

Date: July 17, 2012



RESPONSES TO THE REQUEST FOR PROPOSAL



CITY OF FORT LAUDERDALE

CITY OF FORT LAUDERDALE

JON BRETH, CFP
SENIOR CONSULTANT

MIKE WELKER, CFA
PRESIDENT

JOSEPH BOGDAHN
PRINCIPAL

4901 Vineland Road
Suite 600
Orlando, Florida 32811
Telephone (866) 240-7932
Facsimile (863) 292-8717
www.bogdahngroup.com

May 24, 2012

RESPONSES TO THE REQUEST FOR PROPOSAL FOR THE CITY OF FORT LAUDERDALE

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Certificate of InsuranceExhibit 3
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Sample Manager Search.....Exhibit 5
Sample ContractExhibit 6
Business LicenseExhibit 7

BID/PROPOSAL SIGNATURE PAGE

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The below signed hereby agrees to furnish the following article(s) or services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the bid. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal I will accept a contract if approved by the CITY and such acceptance covers all terms, conditions, and specifications of this bid/proposal.

Please Note: All fields below must be completed. If the field does not apply to you, please note N/A in that field.

Submitted by: [Signature] (signature) 5/23/12 (date)

Name (printed) Mike Welker, CFA Title: President

Company: (Legal Registration) The Bogdahn Group, LLC

CONTRACTOR, IF FOREIGN CORPORATION, MAY BE REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY FROM THE DEPARTMENT OF STATE, IN ACCORDANCE WITH FLORIDA STATUTE §607.1501 (visit http://www.dos.state.fl.us/).

Address: 4901 Vineland Rd, Suite 600

City Orlando State: FL Zip 32811

Telephone No. (863) 293-8289 FAX No. (863) 292-8717 Email: mikew@bogdahngrp.com

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions): N/A

Payment Terms (section 1.04): N/A Total Bid Discount (section 1.05): N/A

Does your firm qualify for MBE or WBE status (section 1.09): MBE N/A WBE N/A

ADDENDUM ACKNOWLEDGEMENT - Proposer acknowledges that the following addenda have been received and are included in the proposal:

Addendum No. Date Issued

P-CARDS: Will your firm accept the City's Credit Card as payment for goods/services?

YES NO [checked]

VARIANCES: State any variations to specifications, terms and conditions in the space provided below or reference in the space provided below all variances contained on other pages of bid, attachments or bid pages. No variations or exceptions by the Proposer will be deemed to be part of the bid submitted unless such variation or exception is listed and contained within the bid documents and referenced in the space provided below. If no statement is contained in the below space, it is hereby implied that your bid/proposal complies with the full scope of this solicitation. HAVE YOU STATED ANY VARIANCES OR EXCEPTIONS BELOW? BIDDER MUST CLICK THE EXCEPTION LINK IF ANY VARIATION OR EXCEPTION IS TAKEN TO THE SPECIFICATIONS, TERMS AND CONDITIONS. If this section does not apply to your bid, simply mark N/A in the section below.

Variations:

NON-COLLUSION STATEMENT:

By signing this offer, the vendor/contractor certifies that this offer is made independently and *free* from collusion. Vendor shall disclose below any City of Fort Lauderdale, FL officer or employee, or any relative of any such officer or employee who is an officer or director of, or has a material interest in, the vendor's business, who is in a position to influence this procurement.

Any City of Fort Lauderdale, FL officer or employee who has any input into the writing of specifications or requirements, solicitation of offers, decision to award, evaluation of offers, or any other activity pertinent to this procurement is presumed, for purposes hereof, to be in a position to influence this procurement.

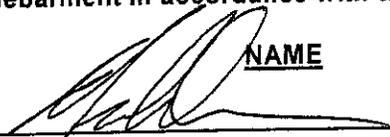
For purposes hereof, a person has a material interest if they directly or indirectly own more than 5 percent of the total assets or capital stock of any business entity, or if they otherwise stand to personally gain if the contract is awarded to this vendor.

In accordance with City of Fort Lauderdale, FL Policy and Standards Manual, 6.10.8.3,

3.3. City employees may not contract with the City through any corporation or business entity in which they or their immediate family members hold a controlling financial interest (e.g. ownership of five (5) percent or more).

3.4. Immediate family members (spouse, parents and children) are also prohibited from contracting with the City subject to the same general rules.

Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City Procurement Code.

<u>NAME</u>	<u>RELATIONSHIPS</u>
	<u>None</u>
<u>Michael Welke</u>	

In the event the vendor does not indicate any names, the City shall interpret this to mean that the vendor has indicated that no such relationships exist.

Tab 3: Cost Proposal Page

Investment Consulting Services	
Year of Service	Proposed Fee
First Year	\$125,000
Second Year	\$125,000
Third Year	\$125,000

Our all-inclusive fee includes all services offered by our firm. We have highlighted some of these services below:

All-Inclusive Services
Investment Policy Development
Investment Policy Statement development / review / maintenance
Asset allocation consulting
Efficient frontier modeling and optimization
Manager Research
Comprehensive manager searches
Alternative investment searches
Style analysis
Fee negotiation with investment managers and custodians
On-going Monitoring and Trustee Education
Comprehensive quarterly performance reports
Monthly flash reports
Meeting attendance as requested
Trustee educational sessions
Fee audits
Travel / out-of-pocket expenses

There will be no additional fees. Our proposed fee is for a full service relationship. We do not provide unbundled or *a la carte* pricing options because such arrangements can lead to counterproductive investment decisions. These arrangements often cause Trustees to withhold decision making (e.g. manager searches, asset allocation studies, etc.) because of the cost. We attempt to avoid such conflicts by using all inclusive fees. Our proposed fee also includes travel expenses.

Important Note: Should the Board be displeased with our service for any reason during the first year of our engagement, The Bogdahn Group would refund in full all fees collected.

Tab 4: Organization

1. Describe your firm's strengths, highlighting the aspects of your service that make you unique from your competition. Which investment consulting services are the firm's specialties or areas of greatest expertise?

The Bogdahn Group provides comprehensive independent investment consulting services, which include all the services required by the City of Fort Lauderdale. Our services for all of our clients include those listed in the chart below.

All-Inclusive Services
Investment Policy Development
Investment Policy Statement development / review / maintenance
Asset allocation consulting
Efficient frontier modeling and optimization
Manager Research
Comprehensive manager searches
Alternative investment searches
Style analysis
Fee negotiation with investment managers and custodians
On-going Monitoring and Trustee Education
Comprehensive quarterly performance reports
Monthly flash reports
Meeting attendance as requested
Trustee educational sessions
Fee audits
Travel / out-of-pocket expenses

The Bogdahn Group brings the experience of consulting over 300 institutional clients, including more than 180 public funds, across the country. We solely focus on independent investment consulting and have been providing these services since our founding in 2000. Our primary advantages, apart from its ethical business model, are its ability combine attentive client service and robust resources. We are the ideal combination of client service and robust resources. Many middle-sized Plans are confronted with deciding between smaller firms and larger firms. The smaller firms offer attentive client service but lack resources and staff. The larger firms have strong resources but do not provide middle-sized clients the attention they deserve. The Bogdahn Group combines the robust resources of a larger firm with the attentive client service of a smaller one. We are dedicated to our clients, and our best interests correspond with their own. For example, we met with a \$500 million Florida fund thirteen times in person in one year to establish a foundation for meeting its long-term investment objectives. We are, furthermore, committed to serving the middle-market. Our clients never have to fear our client service deteriorating in light of large-market opportunities.

Our investment consulting resources illustrate that hiring a firm committed to client service does not mean sacrificing institutional resources or expertise. Our dedicated Research Group of five analysts includes three CFA Charterholders, three advanced degree holders, and one CPA. Additionally, we

have two supporting researchers who have advanced degrees and over 47 years of real estate and private equity experience, respectively. Our databases, PARis, Morningstar Direct, eVestment Alliance, and Zephyr, give our team access to the research, attribution analysis, and fundamental insight into making prudent investment recommendations.

Additionally, The Bogdahn Group starkly contrasts many investment consulting firms that claim to be independent. We protect our clients through complete independence and a business structure that prudently avoids conflicts of interest. Our clients never doubt that we always act in their best interests since we never participate in the following:

- No soft-dollar compensation
- No broker/dealer affiliations
- No pay-to-play
- No selling investment products
- No bank affiliation
- No parent companies
- No actuarial service affiliations
- No selling investment research
- No selling database information

Our institutional resources and experienced consulting, research, and performance analytics teams make The Bogdahn Group amply prepared to meet all the services required in the City of Fort Lauderdale's RFP's scope of services.

2. Summarize your organization's long-term strategy for business development.

The Bogdahn Group's primary focus is to continue to hire experienced, industry respected consultants and analysts to provide outstanding service to our clients. We are, furthermore, committed to serving the middle-market. Our clients never have to fear our client service deteriorating in light of large-market opportunities.

3. What percentage of your annual budget is allocated toward research and development?

The majority of our budget is, and always will be, allocated towards hiring the best professionals in the business. Our next largest expense is dedicated toward technology and resources for our consultants and analysts. We are dedicated to investing in the company and are not in the business of gathering assets. We want to be the best in our niche, and proactive in our growth.

4. Does your organization anticipate any changes in ownership or organizational structure?

The Bogdahn Group is a 100% employee-owned limited liability company. We have no parent or affiliated companies. Additionally, we have no economically beneficial relationships with any bank, broker/dealer, investment manager, insurance company, actuary, or other vendor. We expect no change in ownership or organizational structure.

5. Provide information that documents your firm's qualifications with respect to its independence, ability, capacity, skill, financial strength and number of years your firm has provided fund consulting services to public sector plans.

The Bogdahn Group brings the experience of consulting over 300 institutional clients, including more than 180 public funds, across the country. We solely focus on independent investment consulting and have been providing these services since our founding in 2000. Throughout our firm's growth, we have recognized the value of experienced and highly educated professionals and have built a team of talented consultants, researchers, and analysts. Our seasoned team of 37 professionals includes 17 consultants who average 17 years of experience, eight CFA® Charterholders, and 17 advanced degree holders.

We have been profitable for the past six years and have experienced sustained revenue growth. Since we are a privately held firm, we do not publically release our financial records. We would, however, be more than happy to provide our financial records to your auditor, subject to a confidentiality agreement.

6. Is providing investment advisory services your sole line of business? If not, describe what other services your firm provides and show the percentages of your organization's revenues attributable to the investment advisory service as well as the other lines of services.

Yes. The Bogdahn Group has one line of business: investment consulting. We derive 100% of our revenue through hard-dollar fees for investment consulting services.

We encourage our potential clients to verify this information in our Form ADV, and we have included a copy of our Form ADV as **Exhibit 2**.

7. Are you registered with the S.E.C.?

The Bogdahn Group is registered as an investment advisor with the Securities and Exchange Commission under the Investment Advisors Act of 1940.

8. Are you a member of the Association for Investment Management and Research (AIMR)?

This question is not applicable to the firm itself, however we have eight CFA Charterholders that are members of the CFA Institute (old AIMR).

9. Is your firm registered with the Florida Secretary of State to do business in the state? Please provide your registration number.

Yes. Our registration number is L00000011719.

10. Is the firm or any of its principals or employees currently engaged in any litigation with the SEC, current or former client or employee or any other person or organization related to your business activities?

No.

11. Has the firm been fired, sanctioned or otherwise disciplined by the SEC or any other regulatory agency?

No. The firm has never been fired, sanctioned or otherwise disciplined by the SEC or any regulatory agency.

RESPONSES TO THE REQUEST FOR PROPOSAL FOR THE CITY OF FORT LAUDERDALE

For full disclosure, Troy Brown received an NASD Wells Notice for not completing required on-line training at Merrill Lynch in 2003 and 2004. He has since completed all necessary on-line training

12. Has the firm or any of its principals or employees been convicted of any crimes in Florida or any other State?

No.

Tab 5: Clients and References

1. Please provide a summary of your firm's total clients and assets under investment consulting advisement. Indicate a breakdown by public funds, corporate funds, Taft Hartley funds, endowments and others. At a minimum, please include:
 - a. Total number of investment consulting clients
 - b. Number of clients and assets by category
 - c. Fund size of average client
 - d. Representative client list

As of 12/31/2011:

	Number of Clients
Defined Benefit/Pension Plans	237
Corporate Plans	11
Public Plans	186
Taft-Hartley	40
Defined Contribution Plans	35
401(k) Plans	*
403(b) Plans	*
Foundations/Endowments	26
High Net Worth	3
Other	19
Total	

We are proud to be a leader in this field, and we have grown to consult over 300 institutional Funds and \$32 billion of assets. We consult approximately \$7 billion for local governments, primarily located in Florida. With over 180 public plan clients, the services required by the City of Fort Lauderdale are wholly familiar to The Bogdahn Group. Our average retainer client size is \$55 million.

Below is a representative client list pertaining to our Florida Public Plans:

Florida Public Fund Clients

- Alachua County Library District Employees' Pension Trust Fund
- Altamonte Springs General Employees' Retirement Plan
- Altamonte Springs Long Term Reserves
- Altamonte Springs Operating Reserves
- Altamonte Springs Police Officers' Pension Plan
- Arcadia Firefighters' & Police Officers' Pension Plan
- Auburndale Firefighters' Pension Fund
- Auburndale General Employees' Pension Plan
- Auburndale Police Officers' Pension Fund
- Avon Park Firefighters' Pension Plan
- Avon Park Police Officers' Pension Fund

Bartow Fire Retirement Trust Fund
Bartow General Employees' Pension Plan
Bartow Police Officers' Retirement Plan
Belle Glade General Employees' Retirement Plan
Belle Glade Public Safety Officers
Belleair Bluffs Firefighters' Retirement Trust Fund
Belleair Police Officers' Pension Plan
Bonita Springs Fire Control & Rescue District
Bonita Springs Fire Control & Rescue Dst General Employees'
Boynton Beach Firefighters' Retirement System
Bradenton Municipal Firefighters' Pension Fund
Brooksville Firefighters' Retirement Plan
Bunnell Firefighters' Retirement Plan
Casselberry Police Officers' & Firefighters' Retirement System
City of Jacksonville Beach
Cocoa Beach Firefighters' Retirement System
Cocoa Beach Police Officers' Retirement System
Cocoa General Employees' Defined Benefit Pension Plan
Coral Gables Police Health Trust Benefit Plan
Coral Gables Retirement System
Coral Springs Firefighters' Pension Fund
Coral Springs Police Officers' Pension Fund
Crescent City Firefighters' Retirement Trust Fund
Crescent City Police Officers' Retirement Plan
Crestview General Employees' Retirement Plan
Crestview Police Officers' and Firefighters' Retirement Plan
Deerfield Beach Police Officers' Pension Fund
Delray Beach Police Officers' & Firefighters' Retirement System
Deltona Firefighters' Pension Plan
Destin Fire Control District Firefighters' Retirement Trust Fund
East Lake Tarpon Special Fire Control District
Edgewater Firefighters' Retirement Plan
Edgewater General Employees' Retirement Plan
Edgewater Police Officers'
Englewood Fire District Firefighters' Pension Fund
Eustis Firefighters' Retirement Plan
Fernandina Beach General Employees' Retirement System
Fernandina Beach Police Officers' & Firefighters' Pension Fund
Flagler Beach Firefighters' Retirement Trust Fund
Flagler Beach Police Officers' Pension Plan

RESPONSES TO THE REQUEST FOR PROPOSAL FOR THE CITY OF FORT LAUDERDALE

Fort Myers Firefighters'
Fort Myers General Employees'
Fort Walton Beach Firefighters' Pension Trust Fund
Fort Walton Beach General Employees' Pension Trust Fund
Fort Walton Beach Police Officers' Pension Trust Fund
Gulfport Firefighters' Retirement Plan
Gulfport Police Officers' Retirement Plan
Haines City General Employees' Pension
Haines City Municipal Firefighters' Retirement Trust Fund
Hiawahit Gardens Police Officers' Pension Trust Fund
Hollywood Firefighters' Retirement System
Holmes Beach Municipal Police Officers' Pension Trust
Homestead Firefighters' Pension Fund
Homestead New Elected Officials & Senior Management Retirement System
Homestead Police Officers' Retirement Plan
Indian River Police Officers' & Firefighters' Retirement System
Jacksonville Beach Retirement Systems
Key West General Employees Pension Fund
Key West Police & Firefighters' Retirement Fund
Kissimmee General Employees' Retirement System
Kissimmee Police Officers' Retirement System
Kissimmee Utility Authority Employees' Retirement Plan
Lady Lake Police Officers' Pension Plan
Lake Alfred General Employees' Retirement System
Lake Alfred Police Officers' Retirement System
Lake City Firefighters' Pension Fund
Lake City Police Officers' Pension Fund
Lake Worth Firefighters' Relief & Pension Fund Division 1
Lake Worth Firefighters' Relief & Pension Fund Division 2
Lake Worth General Employees' Retirement System
Lake Worth Police Officers' Retirement System
Lake Worth Police Relief & Pension Fund Division 2
Lakeland Employees' Retirement System
Lakeland Firefighters
Lakeland Police Officers' Retirement System
Lantana Firefighters' Pension Fund
Lantana Police Officers' Retirement System
Leesburg Municipal Police Officers'
Lynn Haven Firefighters' Retirement System
Maitland Police Officers & Firefighters Pension Fund

RESPONSES TO THE REQUEST FOR PROPOSAL FOR THE CITY OF FORT LAUDERDALE

Marianna Firefighters' Pension Plan
Marianna Police Officers' Pension Plan
Melbourne Beach Police Officers' Retirement Trust Fund
Melbourne Firefighters' Retirement System
Melbourne General Employees' Retirement System
Melbourne Police Officers' Retirement System
Miami Shores Village General Employees' Pension Fund
Miami Shores Village Police Officers' Pension Fund
Milton Firefighters'
Monticello Firefighters' Pension Plan
Monticello Police Officers' Pension Plan
Mount Dora Firefighters' Pension Plan
Mount Dora General Employees' Pension Plan
Mount Dora Police Officers' Pension Plan
Neptune Beach Police Officers' Pension Plan
North Bay Firefighters' Pension Fund
North Naples Firefighters
North Port Firefighters' Pension Plan
North Port Police Officers'
North River Fire District Firefighters' Retirement Trust Fund
Ocala Firefighters' Retirement Plan
Ocala Treasury Investment Fund
Ocean City Wright Fire Control District
Ocoee General Employees' Pension Plan
Ocoee Police Officers' & Firefighters' Retirement Trust Fund
Okaloosa Island Fire Control District Firefighters' Retirement Trust Fund
Okeechobee Municipal Firefighters' Pension Fund
Okeechobee Municipal Police Officers' Pension Trust Fund
Orange County 457(b) Deferred Compensation Plan
Orange Park Firefighters' Pension Trust Fund
Orange Park Police Officers' Pension Trust Fund
Orlando Utilities Commission
Oviedo Firefighters' Retirement System
Oviedo Police Officers' Retirement System
Palm Beach County Firefighters
Palm Beach Gardens Firefighters'
Palm Harbor Special Fire Control & Rescue District Pension Plan
Palm Springs General Employees' Pension Plan
Palm Springs Police Officers' Pension Plan
Palmetto Police Officers' Retirement Fund

RESPONSES TO THE REQUEST FOR PROPOSAL FOR THE CITY OF FORT LAUDERDALE

Pensacola Municipal Police Officers' Retirement Trust Fund
Perry Firefighters' Retirement System
Perry Police Officers' Retirement System
Pinellas Park Firefighters' Pension Fund
Pinellas Park General Employee's Pension Fund
Pinellas' Park Police Officers' Pension Fund
Port St. Lucie Police Officers' Retirement Fund
Punta Gorda Firefighters
Punta Gorda General Employees' Pension Fund
Punta Gorda Police Officers' Retirement System
Quincy Firefighters' & Police Officers' Pension Fund
Riviera Beach Police Pension Fund
Sebring Firefighters' Retirement Plan
Sebring Police Officers' Retirement Trust Fund
South Miami Police Officers' Retirement Trust Fund
South Pasadena Firefighters' Retirement Plan
South Walton Fire Control District Firefighters' Retirement Trust Fund
St. Augustine Firefighters' Pension Fund
St. Cloud General Employees' Retirement System
St. Cloud Police Officers' and Firefighters' Retirement System
St. Johns River Water Management District
St. Pete Beach Firefighters'
St. Pete Beach General Employees'
St. Pete Beach Police Officers'
Starke Firefighters' Retirement System
Starke General Employees' Retirement System
Sweetwater Police Officers' Pension Plan
Tamarac Police
Temple Terrace Firefighters' Retirement Plan
Temple Terrace Police Officers' Retirement Plan
Tequesta General Employees' Retirement Plan
Tequesta Public Safety Officers' Pension Fund
Titusville General Employees' Pension Fund
Titusville Police Officers' & Firefighters' Pension Plan
Town of Longboat Key General Employees' Retirement System
Utility Board of Key West
Venice Municipal Firefighters' Pension Trust Fund
Venice Municipal Police Officers' Pension Trust Fund
Vero Beach Firefighters' Pension Plan
Vero Beach Police Officers' Pension Fund

West Manatee Firefighters' Retirement Plan
West Melbourne Police Officers' Pension Plan
West Palm Beach
West Palm Beach Firefighters' Pension Fund
West Palm Beach General Employees' Restated Defined Benefit Retirement System
Winter Garden General Employees'
Winter Garden Police & Firefighters'
Winter Haven Firefighters' Pension Plan
Winter Haven General Employees' Pension Plan
Winter Haven Police Officers'
Winter Springs General Employees General Plan and Trust

2. Provide a breakdown of clients gained and lost the past three years, including both fund size and type. Indicate reasons for any clients lost.

Over the past three years The Bogdahn Group has retained over 96% of our clients. Each of the accounts listed below sought other consulting relationships. Of the clients listed below, none have left due to service related issues.

Clients Lost

Saddle Creek Corporation
Florida East Coast Railway & Industries
Office Depot
Ironworkers Locals 549/550
Indian Shores Police
IBEW Local 903
IBEW Local 505
San Antonio Police & Fire Healthcare Fund
Commercial Metals Company
Frostproof Police
Dania Beach Police and Fire

Included in the list below are clients that were brought to The Bogdahn Group from existing relationships with new consultants hired by The Bogdahn Group. We have been very cautious to ensure our client servicing will never be hindered by the amount of assets that we advise.

Clients Won

Plumbers & Steamfitters Local #166 Profit Sharring Annuity Plan
Edyth Bush Charitable Foundation Group
Central Florida Presbytery
Milton Firefighters' Pension Board
Ocala Firefighters' Retirement Plan
United Methodist Children's Home

RESPONSES TO THE REQUEST FOR PROPOSAL FOR THE CITY OF FORT LAUDERDALE

Winter Springs Retirement System
Indialantic Police Officers' and Firefighters' Retirement System
University of Central Florida
Alachula County Library District
Medical Center Barbour 401 (a) and 457 (b) (SARHCA)
Dyer, Riddle, Mills & Precourt
Longboat Key General Employees' Retirement System
St. Procopius Abbey
West Palm 457
Osceola County 457
Dallas/Fort Worth Airport Authority
Jacksonville Beach Treasury
Catholic Foundation of Central Florida
Stetson University Business School Foundation
Coral Springs Police Officers' Pension Fund
Heat & Frost Insulators Local 127 Pension Fund
Gas Equipment Company Retirement Plan
Key West Police Officers' and Firefighters' Pension Fund
Saint Alcuin Montessori School Endowment Fund
LPGA
Brazos River Authority
Asbestos Workers Union Local No. 8 Pension Fund
Bricklayers Local Union No. 8 Pension Fund
Bridge, Structural, Ornamental and Reinforcing Ironworkers Local #207
Cement Masons Local 179 Pension Fund
Cement Masons Local 886/404 Pension Fund
Cleveland Glass & Glazing Industry Pension Fund
Cleveland Longshoremen's Pension Fund
Commission House Drivers and Employess Union Local 400 Welfare and Pension Funds
IBEW Local 306 Annuity Fund
IBEW Local 688 Annuity Fund
IBEW Local 688 H&W Fund
IBEW Local 688 Pension Plan
Ironworkers Local 6 Pension Fund
Ironworkers Local 6 Supplemental Med & Subpay
Mahoning & Trumbull County Insurance Fund
Newspaper and Magazine Drivers, Chauffeurs and Handlers Union Local 473 Retirement Benefit Plan
Ohio Local No. 1 OPCM Pension Plan
Ohio State Plumbers & Pipefitters Health & Welfare Fund
Ohio Valley Plumbers Security Plan
Operative Plasterers and Cement Masons Local 109 Pension Fund
Operative Plasterers and Cement Masons Profit Sharing Annuity Plan

Painting Industry Annuity Fund
Painting Industry Insurance Fund
Pipe Fitters Local Union No 120 Annuity Fund
Pipe Fitters Local Union No 120 Insurance Fund
Pipe Fitters Local Union No 120 Pension Fund
Plumbers & Pipefitters Local No. 94 Retirement Fund
(Canton)
Plumbers and Pipefitters Local 219 Annuity Fund
Plumbers and Pipefitters Local 219 Pension Fund
Roofers Local 71 Pension Plan
Sheetmetal Workers Local No. 33 Youngstown District
Annuity Fund
Sheetmetal Workers Youngstown District Pension Fund
Teamsters Joint Council No. 41 Severance Fund
Teamsters Local 1164 Health and Welfare
Teamsters Local 1164 Pension Fund (Cleveland Brewery
Workers, Beer Bottlers and Soft Drink Workers)
Teamsters Local 422 Health and Welfare
Teamsters Local 422 Pension Fund
Teamsters Local 436 Pension Fund
Teamsters Local Union No. 73 Pension Fund
Teamsters Local Union No. 73 H&W Fund
Toledo Painters & Allied Trades Pension Plan
Union Construction Workers Health Plan
District of Columbia Bar
Leon County Sheriff's Office
Plumbers & Pipefitters Local No 776 Profit Sharing Annuity
Plan
Texas County and District Retirement System
Benet Academy
Fox Valley Sheet Metal Health Fund
Pedernales Electric Cooperative, Inc. Employees Defined
Benefit Retirement Plan
Joplin Policemen's and Firemen's Pension Fund Board
Beaumont Firemen's Relief & Retirement Fund
Palm Beach County Fire EB Fund
Texas Association of Counties
Garza, Rudy & Theresa
Maitland Police & Fire
Casselberry Operating Funds
IBEW Local 129 Pension
Big Spring Firemen's Relief & Retirement Fund
Root Company
Sheet Metal Local 18 404 Plan
Blue Ridge School
Casselberry Operating Fund
Lakeland 457 & 401(a) Plans
Toho Water District

Florida A&M University Foundation

3. Provide a list of at least five client references (primarily municipal or government institutions of similar size as ours) for which your firm currently provides evaluation services, including institution name and approximate value of investment portfolio. Also provide the address, telephone number, name and title of person who may be contacted for reference. Please obtain prior authorization for us to contact each reference.

The Bogdahn Group advises over 180 local government Plans, many of which have investment policies similar to those of the City of Fort Lauderdale. Five references have been listed below:

City of Lakeland

Full-service investment consulting client
\$445 million
Dana Blydenburgh
500 North Lake Parker Avenue
Lakeland, Florida 33801
Phone: (863) 834-8794

University of Central Florida

\$218 million
Vanessa Fortier, VP Finance
Millican Hall, Suite 384
Orlando, Florida 32816
Phone: (407) 823-2351

Kissimmee General and Police Pension

Full-service investment consulting client
\$102 million
Linda Gomez
101 N. Church St
Kissimmee, FL 34741
Phone: (407) 518-2374

West Palm Beach Firefighters'

Full-service investment consulting client
\$133 million
Dorrit Miller
Pension Resource Center
c/o WPB Fire Pension
Palm Beach Gardens, FL 33410
Phone: (561) 659-8024

City of Altamonte Springs

Full-service investment consulting client
\$130,000,000
Mike DeBord
225 Newburyport Avenue
Altamonte Springs, FL 32701
Phone: (407) 571-8090

Tab 6: Professional Staff

1. Please provide a detailed listing of your firm's professional staff by category including consultants and analysts.

	Number of Professionals
Investment Consultants	17
Senior Consultants	13
Consultants	4
Investment Research Analysts	5

We have included our organizational chart and firm biographies for all of our professionals as **Exhibit 1**.

2. Provide the name(s) and locations of the individuals(s) who will be responsible for this account if your firm is awarded this contract. Provide a brief biography of each member of the team, including titles, functions, academic credentials, professional affiliations, relevant work experience, and number of years with your firm and any history of discipline from any regulatory agency.

Client servicing for the City of Fort Lauderdale would be handled out of our Orlando, Florida headquarters.

Jon Breth, CFP (Primary Consultant):

- Leads the City of Fort Lauderdale servicing team
- Attends all client meetings
- Provides recommendations from The Bogdahn Group
- Presents quarterly reports to the Board
- First line of contact

Mike Welker, CFA (Supporting Consultant):

- Serves as a sounding board for the Primary Consultant's ideas
- Attends client meetings with the Primary Consultant
- Fills in for the Primary Consultant if necessary
- Understands the client's Plan as well as the Primary Consultant does
- Second in line of contact

Joe Bogdahn (Supporting Consultant):

- Serves as a sounding board for the Primary Consultant's ideas
- Attends client meetings with the Primary Consultant
- Fills in for the Primary Consultant if necessary
- Understands the client's Plan as well as the Primary Consultant does
- Second in line of contact

Jill Lukas, CPA (Performance Analyst):

- Assigned to a City of Fort Lauderdale account
- Completely well-versed in the needs of the client

- Answers client inquiries on performance
- Completes custom performance reports with the consultants
- Monitors Plan for compliance

Jonathan Breth, CFP®

Jon is a Senior Consultant at The Bogdahn Group and works out of our Orlando office. His responsibilities include optimizing investment portfolios, conducting investment manager due diligence reviews, selecting investment managers, developing investment policy guidelines, and preparing performance-monitoring reports. Jon brings over 11 years of financial industry experience to the firm. Jon began his career at Consulting Services Group where he served as a Senior Consultant and Research Analyst. For six years, he has consulted public and private retirement Plans, as well as endowments, foundations, and family offices. He also developed a substantial background in investment research working in various analytical research roles. Jon received a BBA *cum laude* from Rhodes College and has earned the right to use the CFP® designation. Jon lives in Central Florida.

Mike Welker, CFA

Mike is the CEO of The Bogdahn Group and a Managing Partner at the firm. Mike has over 12 years of experience in the investment management and investment consulting industries. Prior to joining The Bogdahn Group, he managed and serviced institutional accounts for Trusco Capital Management. Previously, Mike worked for a trading firm on the floor of the New York Stock Exchange. Mike received a BA in Economics from Rollins College and an MBA in Finance and Management from the Rollins College Crummer Graduate School of Business. He earned the right to use the Chartered Financial Analyst designation and is a member of the CFA Institute. Mike serves on the board of directors of the Downtown Orlando YMCA, the Fellowship of Christian Athletes, and the Rollins College Alumni Athletic Board. Mike lives in Orlando.

Joe Bogdahn

Joe is the Firm Principal and a Managing Partner at The Bogdahn Group. Joe has extensive investment consulting experience and has long advocated greater transparency in the investment consulting industry. Prior to founding The Bogdahn Group, he was an Executive Vice President at the Florida Data Bank Group. Joe has been a strong advocate of fixed fee institutional investment consulting services, and he published a white paper outlining problems in the investment consulting industry long before an SEC investigation brought such issues national attention. Joe's expertise, moreover, has been sought by the New York Times, the Miami Herald, FundFire, and Forbes. Joe and Mike are proud to have accepted the Small Business Industry Award from the Winter Haven Area Chamber of Commerce. Joe received a BBA in Business and Economics from the University of Mississippi, where he served as Student Body President. He also received his Certified Investment Management Analyst designation from the IMCA program at the Wharton School of the University of Pennsylvania. Joe has served his local community as an Elder of First Presbyterian Church, President of the Rotary Club, and Board President of the Boys & Girls Club. He lives in Winter Haven, Florida.

Jill Lukas, CPA

Jill is a member of our Performance Analytics Team. She has worked as a professional performance analyst for seven years, and she has extensive experience compiling, verifying, and designing customized reports for some of The Bogdahn Group's largest defined contribution Plans. Jill is a Certified Public Accountant and received a BBA from Lakeland College.

3. If more than one person will be assigned responsibility for the account, how will the responsibility be allocated among these individuals?

Please refer to Question 2 above.

4. How many client accounts are assigned to each of the persons named above? What is the range in asset values of those client accounts? What is the maximum and average number of accounts assigned to each professional?

Our consultants have on average 17 clients. Jon Breth, the lead consultant on this account, currently has eight clients ranging from \$15 million to \$250 million. Prior to working at The Bogdahn Group, Jon was responsible for clients north of \$600 million. Due to the servicing requirements of different accounts, there is no set limit on the number of clients a consultant can assist. We make sure that our client service is never compromised, and have shown a history of hiring professionals in anticipation of growth.

5. Summarize the average annual turnover in your firm cumulative over the last 3 years measured as departures divided by the total number of employees. Describe the turnover of key professional personnel during the past 3 years and provide a brief explanation of each. Describe the plans in place to ensure that any changes in consulting staff are effected with a minimum of disruption to the services provided.

The average annual turnover as described above is below five percent. As we have grown, not only have we been able to retain talented professionals, but we've also been able to attract talent from some of our 'larger' competitors; we have hired experts away from Hewitt, Mercer, SEI, DiMeo Schneider, Watson Wyatt, Townsend, Courtland Partners and STI Capital.

Over the past three years the following individuals have left to pursue other options:

Professional's Name	Year
Herb Whitehouse	2010
Darlene Malaney	2010
Dennis Lott	2010
Brooke Wilson	2011
Alexander Kallebo	2011

6. Comment on how your firm attracts and retains motivated qualified professionals. What are your firms' continuing education requirements for its professionals?

Our compensation arrangement attracts and retains talented industry professionals. We pay investment consultants a competitive base salary plus an incentive bonus corresponding to client retention and firm growth. With our strong client retention, our lead consultants earn well above the industry average. Our researchers and analysts are paid a competitive base salary and have to opportunity to receive a bonus based on performance.

The Bogdahn Group holds semi-annual, firm-wide meetings to educate consultants and analysts of industry updates and business changes. We also sponsor consultants and analysts attendance at industry conferences and offer a program that encourages and reimburses professionals for pursuing professional designations such as CFA, CIPM, and CAIA.

Tab 7: Investment Consulting Services
Asset Allocation

1. Describe your firm's philosophy and approach to development of asset allocation strategies including methodology used for asset allocation modeling considering linkage to liabilities and funding, application of major variables (risk tolerance, etc.), and how frequently and under what conditions asset allocation should be changed.

The Bogdahn Group conducts comprehensive asset allocation studies, and we work closely with the Trustees to develop a study tailored to a Fund's unique investment objectives and spending policies.

1. *Determine Assumptions:* We first define reasonable assumptions that focus the asset allocation study on asset classes that are suitable for a Fund's portfolio. We select these asset classes using our own investment philosophy, input from the Trustees, and current portfolio allocations. Our asset class return and risk (standard deviation) assumptions come from two sources: historical data and forward-looking asset class assumptions provided by J.P. Morgan. Our databases provide a data set that reflects real-world observations rather than an assumed normal distribution of returns. Our forward-looking asset class assumptions are vetted predictions provided by economists and sector analysts at a major bank. Since all asset class assumptions are subject to error, The Bogdahn Group does not rely solely on their predictive abilities but uses them as a tool as part of our more complete framework. We, additionally, incorporate a Plan's benefit disbursement projections and contribution levels.
2. *Computer Modeling:* We run a variety of range-based mean-variance optimization scenarios. These tests allow us to determine an appropriate asset class mix along an efficient frontier that matches the Board's desired risk/return profile. We also run Monte Carlo simulations that test thousands of instances to determine the likelihood of a given asset allocation meeting the Fund's investment objectives. These Monte Carlo simulations can incorporate a variety of spending policies, portfolio expenses, and contribution expectations.
3. *Qualitative Overlay:* As a firm, we believe that computer models help us understand financial markets but often do not show the whole picture. After finding an appropriate asset allocation using a computer model, we take into account qualitative factors such as limited liquidity, investment manager costs, investment policy compliance, and transparency.
4. *Research Report Formulation:* Our final step is presenting our asset allocation study findings to the Board. Your consultant will work with our Research Group to compile a clear, understandable client deliverable that not only fully explains our recommendations but also helps simplify the Board's decision-making process.

Consultants recommend changing a client's asset allocation on a case by case basis. We review the asset allocation every quarter during our quarterly presentation with the Board. These reviews may also occur in conjunction with a study on Plan objectives or spending policies. If asset values remain relatively constant, we normally recommend performing an asset allocation study once every two years. If the asset value grows or diminishes significantly, we recommend reviewing the asset allocation immediately following this event.

Asset allocation policies should be appropriate for the long-term, and short-term changes to the market environment must not induce asset allocation policy changes. We design asset allocation policies with baseline benchmarks and ranges. This allows managers and the Board to take advantage

of different asset classes without making wholesale changes to an asset allocation policy. This approach takes advantage of a prudently flexible asset allocation policy while also preserving Fund discipline.

2. What type of software do you use to model liabilities? Is this proprietary or other software?

Using projected cash flows developed by the Plan's actuary, we conduct Monte Carlo Simulations that estimate the likelihood of different asset allocation fulfilling the Plan's long-term investment objectives. If appropriate, we can also conduct a search for an investment manager specializing in liability driven investing who can produce a comprehensive asset liability study.

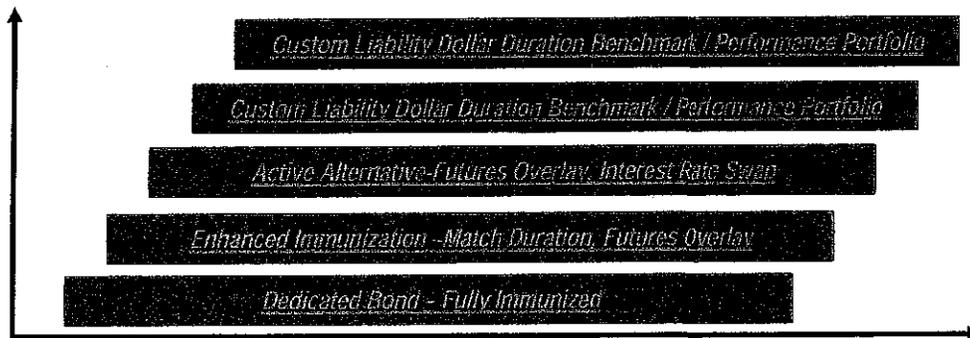
3. How many asset/liability studies has your organization performed in the last three years?

The review process begins agreeing on three primary objectives:

1. Level of acceptable funding volatility.
2. Degree of minimization or elimination of the funding deficit desired.
3. Determination of the desired level of contributions from investments.

This analysis requires input from the Plan's actuary that clearly defines the term structure of each liability. Expressed in terms of interest rate risk, dollar duration of the liability term structure identifies key interest rate sensitivities. These characteristics are a primary consideration in determining the degree of liability hedging and manner in which an LDI overlay strategy might be deployed. With the initial objectives established, The Bogdahn Group leads the client to the most suitable strategies that deliver the appropriate level of LDI for the Plan.

Conceptual LDI strategies utilized in order of degree are as follows:



The Bogdahn Group does not produce an asset/liability study itself but works with investment managers who specialize in liability driven investing. These firms will produce the asset/liability study.

4. Does your Firm maintain one or more universe(s) databases of investment managers?

The Bogdahn Group uses Zephyr StyleADVISOR, Morningstar Direct, eVestment Alliance, and an internal database. Investment Metrics PARis, our performance analytics database, is also used for investment manager research.

5. What type of software do you use to view assets and their allocation?

We currently use AllocationADVISOR, a software that is included in our subscription to Zephyr StyleADVISOR. AllocationADVISOR is Zephyr's comprehensive asset allocation, optimization, and portfolio simulation software. This sophisticated application allows us to use historical data, our own capital market assumptions, or use the advanced Black-Litterman module to incorporate our own absolute or relative market views for each asset class. It gives us the power to construct portfolios that give our clients the maximum amount of return for the lowest level of risk while taking into account your specific allocation constraints. The program will then produce an interactive efficient frontier curve based on our parameters, allowing us to easily compare portfolios or identify shifts in the curve as we add assets or introduce various constraints.

Tab 7: Investment Consulting Services
Investment Committee Education

1. What resources (i.e., human resources, internal research, conferences or seminars, industry information, etc.) will your firm draw upon to provide our Investment Committee or City Commission with board education?

Your consultants are available to speak or teach at special meetings, workshops, and educational seminars. Our officers and key employees are also regular speakers at local, state, and national conferences. As a result of our commitment to Trustee education, we can tailor educational programs to a client's specific needs. Our educational programs can cover fiduciary governance, portfolio diversification, and risk/reward characteristics, among many other topics. These and other tailored programs come at no additional cost, and we can conduct these seminars for large groups or individual Trustees.

In addition to providing education through formal seminars or special meetings, The Bogdahn Group provides a quarterly market commentary in all our performance presentation reports which covers the performance of the broad domestic and international markets, and explains the factors impacting market returns. We also provide special release research reports and formal reviews describing new asset classes and unique investment opportunities.

2. How often will these resources be available?

We conduct educational sessions as part of our regular meetings and special meetings at the request of the board.

Tab 7: Investment Consulting Services
Investment Manager Searches and Monitoring

1. Describe your firm's experience and capabilities in conducting searches for investment managers.

Research Group

Our Research Group begins our manager research and vetting process. They are researching and analyzing new investment opportunities for our clients. Upon discovering a potentially suitable asset manager, they begin a comprehensive due diligence process that examines a manager's quantitative and qualitative characteristics. Once a manager passes the due diligence process, the Research Group presents the manager to the Investment Committee.

Investment Committee

The Investment Committee provides an additional layer of due diligence to all our manager recommendations and establishes a firm-wide recommendations. It includes our President, Director of Consulting, and three other voting members with diverse backgrounds. The Investment Committee must approve all manager recommendations. This gives our clients confidence that our recommendations represent the shared recommendations of the firm.

Consultant

Your Primary Consultant and Supporting Consultant are responsible for identifying potential manager recommendations for your Plan and presenting them to the Board. They work closely with the Research Group and the Investment Committee to identify those managers who best fit your unique need. Additionally, they integrate Trustee education into their meeting and ensure that all Trustee completely understand all their investment decisions.

Timeframe

The amount of time to conduct a manager search or research a new investment varies. For traditional asset classes, such as large cap growth, a search could be completed rapidly. For alternative asset classes and searches including emerging managers, they may take a longer time.

2. Describe in detail the process you will use to conduct manager searches for our plan.

Our manager search process is thorough, repeatable, and transparent.

1. *Initial Screens:* We first filter managers through preliminary screens that check for baseline statistical qualities and appropriate style. Our research analysts distill the soundest strategies according to our databases' extensive qualitative and quantitative data. We rely on data from proprietary and purchased manager databases, including eInvestment Alliance, Morningstar Direct, and Zephyr Style Advisor.
2. *Due Diligence Process:* Once a manager has passed the initial screening process, we then begin our comprehensive due diligence process. We customize our due diligence questionnaire to each asset class. This process fills in a quantitative framework with qualitative traits. We have always met with a manager before we recommend that manager to a client.
3. *Investment Committee Approval:* Our Investment Committee must approve all managers before they are recommended to a client. This additional level of vetting allows us to leverage our deep well of experience and to maintain the quality of all our recommendations.

4. *Research Report Formulation:* Once the Research Group has a selection of approved managers, they prepare a comprehensive research presentation along with the lead consultant. The lead consultant then presents a recommendation of four or five managers to the Board. The consultant will fully explain the advantages and disadvantages of each while allowing the Trustees to voice their input. The Trustees often select a handful of managers to interview in person and then make their selection.

Our process ensures that our clients only review appropriate managers for their objectives. Our clients can be confident that we recommend managers only after a comprehensive process that incorporates our deep research capabilities, our broad experience, and the Board's own sentiment.

We have provided a sample manager search as **Exhibit 5**.

3. Describe your manager search database, including the number of managers it contains, the source of information, the process of manager inclusion and under what circumstances a manager would be removed.

The Bogdahn Group employs some of the most robust and deep databases available to investment consultants. Our distinct advantage is that our clients always receive transparent, comprehensive, and repeatable manager searches. This protects our clients from conflicts of interest and finds them prudent managers suited for their investment objectives. Most importantly, we neither sell our internal database nor do managers pay to be included in our databases.

InvestmentMetrics PARis

PARis provides a comprehensive link between our performance analytics and research systems. In addition to having access to all our applicable benchmarks, peer groups, and manager performance feeds, PARis allows our researchers to compile custom database that can incorporate this quantitative data and the qualitative data we gather from managers, such as strategy commentary and analyst expectations. Additionally, PARis allows our researchers to design and automatically produce tailored research reports for our consultants.

eVestment Alliance

eVestment Alliance is one of the largest institutional investment manager databases. We can access 2,500 quantitative and qualitative data fields on 18,125 investment managers. It provides an excellent first look at the entire institutional investment manager spectrum. It details strategy performance, quantitative characteristics, assets under management, fee structures, strategy narratives, and portfolio holdings. eVestment Alliance also provides customized manager reports and side-by-side manager comparisons.

Zephyr StyleADVISOR

StyleADVISOR is the industry standard in performance and style analysis software. It includes the most advanced mathematical models and uses a proprietary Dynamic Exponential Weighting that is designed to provide more sensitivity in detecting manager style changes. For the creation of a unique style benchmark, StyleADVISOR includes three advanced style analysis models in addition to Bill Sharpe's classic returns-based style analysis model. StyleADVISOR includes data on mutual funds, ETFs, separately managed accounts, hedge funds and over 50,000 indices. StyleADVISOR also seamlessly integrates the data from our other database subscriptions such as Morningstar and eVestment Alliance. This collection of data allows us to construct detailed analysis of a variety of investment strategies for the benefit of our clients.

Morningstar Direct

Morningstar Direct is a comprehensive online manager research platform that complements the capabilities of our other databases. The Morningstar database contains over 350,000 investment offerings, including 131,000 open-end funds, 14,000 closed-end funds, 9,300 separate accounts, 8,200 hedge funds, and 3,500 ETFs. Through Morningstar, we gain access to the Morningstar database that includes comprehensive qualitative and quantitative data. We use these data to supplement our performance reports and research process as well as vet our own findings against those of other experts.

Proprietary Internal Database

We maintain a proprietary internal database with information compiled from our meetings with managers that the eVestment, Morningstar, or Zephyr databases may not hold. Our internal database contains numerous traditional and alternative strategies. We rely on this database to increase the breadth of our manager searches to include emerging traditional and alternative strategies. We verify the information we receive for our internal databases through our purchased manager databases and investment manager interviews. Most importantly, we neither sell our internal database to third parties nor do managers pay to be included in our internal database.

4. Please describe the circumstances under which you would recommend terminating an investment manager.

We monitor all funds in a portfolio for adherence to the following 14 compliance points.

Manager Monitoring Criteria

Quantitative Measurements

Four (4) consecutive quarters of relative under-performance versus the benchmark.

Three (3) year trailing return below the top 40th percentile within the appropriate peer group.

Three (3) year trailing return less than the benchmark.

Three (3) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.

Five (5) year trailing return below top 40th percentile within the appropriate peer group.

Five (5) year trailing return less than the benchmark.

Five (5) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.

Qualitative Measurements

Style drift from mandate.

Manager turnover or Senior Portfolio Managers leaving the company.

Investment process change. Willingness to change index or bogey frequently.

Compliance issues with policy statement.

SEC Investigation.

Significant asset flows into or out of the company.

Outflows of 50% of AUM or inflows of 100% of AUM.

Merger or sale of firm.

Fee increase.

Key personnel stop servicing the account without proper notification.
Loss of Board confidence.

When we recommend a terminating a manager, it comes after closely monitoring the manager using a clear, understandable, and repeatable process. In each of our comprehensive quarterly reports, we provide checklists monitor adherence to 14 points of compliance detailed above.

Three violations put the manager on "watch" status and present the Board three options.

1. Monitor closely but no change. Review every quarter until issues are resolved or manager is terminated.
2. Introduce alternative managers in specific style to show the Board comparative risk/return profiles. Reduces transition timeline if termination is necessary.
3. Termination and manager search.

If the manager violates any five of these individual guidelines, we may recommend manager termination to the Board.

5. Please provide the most recent performance of all the managers your firm has recommended over the last two years. The performance should be measured against the applicable benchmark over periods of 1, 3 and 5 years ending December 31, 2009.

We have recommended several managers over the past two years tailored to specific client needs and market conditions. While historical relative performance is important in our analysis, it is our job to recommend managers we anticipate outperforming going forward.

If selected for a finals presentation, we will be able to disclose the names of the managers and strategies listed above.

6. During the past 24 months, what number of investment management firms have you recommended for termination?

The Research Group has recommended the termination of ten managers over the past 24 months on a Firmwide basis. Several more managers have been terminated on a client by client basis.

7. Describe your philosophy and process for conducting prior due diligence when conducting a manger search.

Our Research Group identifies potential investment managers using our robust database resources and investment industry network. Below we describe our process for reviewing new investment managers.

1. *Preliminary Questions:* The first step in our due diligence process is ensuring that potential managers meet certain preliminary criteria, which include a few of the minimum requirements established by most Plan attorneys. All managers must satisfactorily answer seven questions:

- Will you acknowledge, in writing, your role as a delegated fiduciary to the Plan?
- Will you accept legal venue in the client's state and county?
- Do you have errors and omissions insurance?

- Has your firm, or have any of your employees, been involved in an SEC investment related litigation or sanction?
 - Does the strategy have a three-year track record with the same key managers?
 - What structures do you offer for the strategy, and what are the minimum investment requirements (i.e. separate account, commingled, mutual fund, limited partnership)?
 - Do you affirm trades?
2. *Due Diligence Questionnaire:* After the Research Group finds the preliminary answers satisfactory, we will send our due diligence questionnaire. The due diligence questionnaire focuses on the investment management team, the research process, the manager's ownership structure and legal standing, and the investment strategy. The Research Group reviews the manager and initiates a detailed analysis. Our questionnaire underlies our manager evaluation process and enables us to prepare adeptly for a manager meeting or a conference call.
3. *Manager Interview:* After receiving the completed due diligence questionnaire, the Research Group or a consultant interviews the strategy's key decision makers. This allows the interviewer to crosscheck the information provided in the due diligence questionnaire and understand the firm's qualitative underpinnings. Once the interview is completed, the Research Group compiles an internal research report for our Investment Committee.
4. *Investment Committee Review:* The Investment Committee reviews the Research Group's analysis and recommendation. In short, they determine whether the strategy is suitable for our clients. The Research Group then notifies the investment manager of the Investment Committee's decision.
8. Do you conduct on-site visits of investment managers that are in your database? How many? How often?

The Bogdahn Group conducts on-site manager visits as part of new manager and ongoing due diligence. In 2011, we conducted over 12 on-site meetings, particularly for those managers facing termination or seeking approval. We believe that on-site due diligence visits are appropriate under a number of circumstances. Before recommending a manager to our clients, a due diligence visit must occur. We also conduct due diligence visits when a manager has not met multiple performance criteria.

9. Describe the process of monitoring the activities of the various managers. How often do you perform this assessment? How do you assess that the manager is maintaining consistency with their mandated style?

Using the Morningstar Direct database and Thomson Analytics, we can identify the specific holdings and sector weightings of a given manager. This allows us to identify a manager's style, monitor managers for style drift, and choose appropriate benchmarks. Morningstar Direct and Thomson Analytics give our Research Group powerful style identification and tracking capabilities.

We also compare a manager's fundamental characteristics to an index representing a certain style. We can examine the historical portfolio sector allocations, the historical average market capitalization, and the manager's fundamental characteristics. These findings are in addition to the manager's detailed report on the percentage of the portfolio invested in the certain market capitalization bands. For an equity portfolio, we examine average market cap, average price-to-earnings ratio, average price-to-book ratio, and dividend yield. For example, if a manager employs a large cap growth

strategy, then the portfolio's characteristics should be similar to a large cap growth index (e.g. Russell 1000 Growth Index). The additional portfolio information obtained from a manager enables us to develop a complete picture of the strategy's style over time.

Our consultants and Research Group closely monitor manager style consistency. We do not believe that monitoring style consistency at regular intervals is prudent. We rather constantly look for the telltale signs of style drift and then conduct more in-depth studies before more difficult issues develop.

10. What qualitative factors do you evaluate when researching investment management firms? How does your firm identify qualitative problems at these organizations? How do you verify investment manager information such as performance history?

Please refer to the Qualitative Measurements in the chart from Question 4 above.

These metrics are reviewed on a quarterly basis through calls with investment managers and on an annual basis when reviewing their Due Diligence Questionnaire. We verify the information we receive for our internal databases through our purchased manager databases and investment manager interviews.

11. How is historical performance used in your evaluation of investment managers? How do you verify investment manager information and their compliance with AIMR performance reporting standards?

Although historical performance is reviewed and verified, it is only one of several factors that we use to determine our stance on an investment manager and whether we feel that will be able to outperform the benchmark and their peers *going forward*. The following lists are by no means exhaustive but should provide a general overview of the topics that our comprehensive due diligence process covers.

Qualitative Evaluation Topics

- Style Consistency
- Manager Experience and Qualifications
- Strategy Durability over Multiple Market Cycles
- Institutional Operation and Compliance Best Practices
- Client Servicing Quality
- Legal Issues
- Key Personnel Additions/Departures

Quantitative Evaluation Topics

- Historical Returns
- Standard deviation
- Strategy AUM
- Firm AUM
- Fee Structure
- Active Share
- Skewness
- Kurtosis

- Downside deviation
- Drawdowns (depth, width, time-to-recovery, max drawdown)
- Downmarket Capture
- Sharpe Ratio
- Treynor Ratio
- Information Ratio
- Omega
- Capital Inflows
- Capital Outflows
- GICS Sector Attribution
- GICS Market Capitalization Attribution
- Leverage (if applicable)

The Research Group confirms GIPS compliance as one of the initial criteria for a manager to meet before we will consider further due diligence.

12. What process do you use to classify a manager's style for inclusion in your database?

We also maintain a proprietary internal database with information compiled from our meetings with managers that the eVestment, Morningstar, or Zephyr databases may not hold. Presently, it contains over 500 strategies in various asset classes. Our internal database contains numerous traditional and alternative strategies. We rely on this database to increase the breadth of our manager searches to include emerging traditional and alternative strategies. We verify the information we receive for our internal databases through our purchased manager databases and investment manager interviews. Morningstar Direct and Thomson Analytics give our Research Group powerful style identification and tracking capabilities. Using these systems, we can identify the specific holdings and sector weightings of a given manager. This allows us to identify a manager's style, monitor managers for style drift, and choose appropriate benchmarks.

13. Does your firm charge direct or indirect fees for investment managers to be included in your database or in any manager searches that you conduct on behalf of your clients?

We neither sell our internal database to third parties nor do managers pay to be included in our purchased databases.

14. Does your firm receive any compensation, directly or indirectly, from investment management firms for any reason? If so, what is the source of the compensation and how do you prevent conflicts of interest as a result of the relationship?

No.

15. Please provide a specific example of a pro-active investment proposal to an Investment Committee and the outcome of this suggestion.

In addition to a strategic asset allocation, we also recommend opportunistic mandates that take advantage of market conditions. Our team's approach to the Term Asset Backed Securities Loan Facility ("TALF") demonstrates our resources to discover, research, and implement a novel institutional investment opportunity. TALF was a unique fixed income opportunity that the US Federal Reserve designed to help alleviate the credit shortage during the liquidity crisis of 2008. Our

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first mover advantage allowed our clients to participate in the spread tightening of Asset-Backed Securities ("ABS") and to experience strong positive returns. Our clients who implemented this investment have seen returns exceeding 40% for 9 months within the fixed income allocations.

Tab 7: Investment Consulting Services
Investment Policy

1. Please describe how your firm develops investment objectives, investment policy, and guidelines, in compliance with Florida Statutes 218.415 .

Our first step in any relationship is reviewing existing policy to develop a customized and prudent investment policy statement. We follow a three-step process that addresses portfolio needs, educational requirements, and implements a solid investment policy statement.

1. We begin the process by reviewing all relevant Plan documentation including the current investment policy statement. This step allows the consultant to become an expert on the portfolio prior to making recommendations. Our key concerns at this step include:

- Statutory and legal requirements
- Portfolio liquidity requirements
- Portfolio time horizon
- Investment return objectives
- Risk tolerance

2. We then take steps to understand the sentiment of the Board, educate the Board of relevant investment policy topics, and discuss potential changes to their current policies. We take our time to make sure that the Board completely understands all our proposed changes and recommendations. In our discussions, we focus on the following topics:

- Fiduciary responsibilities
- Portfolio construction
- Asset class selection and appropriateness
- Rebalancing
- Prohibited investments
- Governance and monitoring
- Board and consultant sentiment

3. Our final step is drafting the revised (or new) investment policy statement along with designing a customized strategic asset allocation and rebalancing policy. We also write addenda that describe the Board's specific expectations and monitoring criteria for each investment manager. Once the investment policy statement is drafted, we submit it to the Board for approval.

2. Describe how your firm monitors investment managers' compliance with policy, objectives and guidelines and the process for continually reviewing investment policy, asset allocation and portfolio structure.

We stringently monitor investment managers for compliance with the investment policy statement. The following chart illustrates our 14 points of compliance, which can be clearly communicated on a checklist in our quarterly performance reports.

Manager Monitoring Criteria

Quantitative Measurements

Four (4) consecutive quarters of relative under-performance versus the benchmark.

Three (3) year trailing return below the top 40th percentile within the appropriate peer group.

Three (3) year trailing return less than the benchmark.

Three (3) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.

Five (5) year trailing return below top 40th percentile within the appropriate peer group.

Five (5) year trailing return less than the benchmark.

Five (5) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.

Qualitative Measurements

Style drift from mandate.

Manager turnover or Senior Portfolio Managers leaving the company.

Investment process change. Willingness to change index or bogey frequently.

Compliance issues with policy statement.

SEC Investigation.

Significant asset flows into or out of the company.

Outflows of 50% of AUM or inflows of 100% of AUM.

Merger or sale of firm.

Fee increase.

Key personnel stop servicing the account without proper notification.

Loss of Board confidence.

3. Describe your development of investment portfolio structure and strategy, including multiple managers and active versus passive management.

Our method for analyzing an investment portfolio's structure and its managers falls along both quantitative and qualitative lines. As described above, we use a rigorous, objective, and repeatable asset allocation process that relies upon time-tested mathematical models. We do not, however, blindly follow the model's recommendations. Our consultants work with the Board, the Plan attorney, and Plan actuary to understand the risk/return profile of a Plan as well as its investment constraints. They then overlay this information over an asset allocation model to pick appropriate investable asset classes and develop these choices into a diversified portfolio. Further conversations with the Board and the Plan attorney help our consultants identify and incorporate investment managers with prudent strategies, appropriate investment vehicles, and complementary strategies.

The Bogdahn Group believes that over the long-term active management can add value. There are significant opportunities for active management to succeed in more inefficient spaces, such as small cap domestic equity or emerging market equity. In accordance with the scope of work in the RQU, we are fully capable of researching and incorporating index funds in a portfolio that also includes active managers.

4. Describe the process that would be used for review and assessment of existing investment policies, guidelines, asset allocation and investment performance of the Fund.

Our first step in any new relationship is reviewing existing policy. A thorough policy analysis examines Fund objectives in light of performance expectations and measurement standards. We will

begin by reviewing this policy with the Board at our first meeting. If we determine that the existing policies are not ideal, we will discuss alternative solutions. We will then present the amendments to the Board at a special meeting.

In our initial meetings, we will discuss the Board's willingness and ability to assume risk. We will devise strategies to balance the Fund's risks and objectives, and then fully explain our strategy's qualitative and quantitative foundations. These meetings capture the Board's perspective and allow us to more effectively implement the Board's objectives into the Investment Policy Statement.

Clearly, institutional policies must be structured to meet a Fund's objectives and liquidity needs. The primary determinant of performance is the percentage allocation to various asset classes, and our objective is to educate the Board regarding three critical areas:

1. Fund Objectives: How to aptly balance multiple investment objectives.
2. Asset Classes: How to understand asset class composition and interaction, and how to select an appropriate asset class mix.
3. Portfolio Allocation: How to design portfolio allocations according to Fund objectives, increase portfolio return, and reduce portfolio risk and volatility.

In this process, our 'simplifying your investment & fiduciary decisions' mantra is critical. The Board must fully understand the ramifications of implementing any investment strategy. The eventual outcome must be a policy which best balances the Fund's objectives and liabilities. Our process provides the tools for the Trustees to become more involved, to make informed decisions, and to feel confident in their decisions.

5. What does your firm consider to be the most critical issue regarding a public investment policy?

Every investment policy statement should cover the following topics at a minimum:

- Fiduciary duties
- General Plan objectives
- Investment manager responsibilities
- Plan risk/return profile
- Plan timeframe
- Asset allocation with targets and ranges
- Target indices and universes for each asset class
- Target indices and universes for each investment manager
- Rebalancing policies
- Mutual fund, commingled fund and separate account policies
- Performance evaluation policies
- Fourteen compliance points for investment managers and other vendors
- Investment policy statement review and amendment procedures
- Manager addendums as necessary

6. What is your firm's philosophy regarding the proper role of the consultant in the development of an investment policy and manager guidelines for a public plan?

The Bogdahn Group's investment philosophy focuses on where an investment consultant can make the greatest impact. Understandably, we focus our human capital and technological resources to these ends.

1. *Strategic asset allocation:* Over the long-run, asset allocation will have a substantial impact on the returns that any institutional portfolio achieves. For each of our clients, we develop prudent asset allocations that create a diversified portfolio poised to weather multiple market environments and provide a reasonable expectation of meeting long-term investment objectives.
2. *Opportunistic tactical asset allocation:* Although our focus is on strategic asset allocation, we believe that significant market inefficiencies develop periodically, and we help our clients take advantage of these opportunities. Our researchers and consultants are regularly interviewing investment managers and speaking with industry professionals to identify and implement tactical allocation opportunities for our clients.
3. *Active management:* Our belief that markets are inefficient extends to our sentiment on active management. Over the long-term skilled investment managers should be able to outperform the market on a risk-adjusted basis. Our Research Group is dedicated to finding investment managers and investment strategies that are prudent, institutionally appropriate, and have the potential to add alpha to a portfolio. The Bogdahn Group is capable of finding active management strategies that complement one another both in an asset class's allocation and in the portfolio as a whole.

Tab 7: Investment Consulting Services
Performance Measurement and Evaluation

1. Describe in detail your performance measurement system and philosophy behind it. Is your system proprietary or did you obtain it from an outside source?

Our performance measurement database systems is provided by Investment Metrics PARis, a fully-integrated, turn-key investment analytics platform that delivers performance measurement, risk attribution and streamlined, customized, and presentation-quality reports. Through PARis we can compare Plan portfolio results through multiple methods including benchmarks, attribution analysis, peer groups, and Plan Sponsor peer group comparisons. A sampling of the available statistics include Return, Standard Deviation, Sharpe Ratio, Information Ratio, and Up/Down Capture Ratios to name a few. In addition, we can provide holdings based attribution and can compare your Plan's portfolio to similar institutional investors. Additionally, we customize our monthly and quarterly performance reports to suit our clients' needs.

The differentiating factor of our performance measurement systems are their comprehensive capabilities. These capabilities give us the ability to analyze and report results in much greater detail. Our systems provide significant customization allowing us to tailor our analysis to the client's needs. Through our systems, we have access to over three thousand benchmarks, two thousand peer groups, and fifteen hundred investment plans for comparative purposes. The expansive size makes the rankings more meaningful and accurate.

2. Do you purchase universe data or do you maintain your own? If purchased, from whom?

The Bogdahn Group uses Zephyr StyleADVISOR, Morningstar Direct, eVestment Alliance, and an internal database. Investment Metrics PARis, our performance analytics database, is also used for investment manager research.

3. Please specify and describe the universes you have available, how often they are updated, their sources (i.e., manager information, federal filings, calculation from bank statements, etc.), the type of accounts they contain, the number of portfolios, and the size range of the portfolios they contain.

eVestment Alliance, MorningStar Direct, and PARis are robust software subscriptions that allow us to compare your Plan and managers to the most appropriate benchmarks. These three firms are leaders in the industry and each provide peer groups and peer evaluation tools. Their manager universe comparisons are national and provide the most comprehensive source of investment management products. We also use investment style benchmarks from InvestWorks, Standard & Poor's, Russell, MSCI and Barclays.

In addition to investment product peer group universes, PARis provides access to customized benchmarks and Plan Sponsor peer group universes, which are actual Plan returns from across the country. We have the ability to customize these Plan Sponsor peer groups by Plan type and asset size to provide the most meaningful comparisons.

Please refer to Tab 7, Question 3 for a detailed description of our databases.

4. Describe the types of analysis included in a typical performance evaluation report. To what extent can performance reports be customized?

Our comprehensive reports are completely customizable to the Board's needs. The following is a sample of our performance reporting capabilities:

- Economic analysis
- Total Fund composition
- Asset class composition
- Total Fund calendar year and trailing performance
- Asset class calendar year and trailing performance
- Manager calendar year and trailing performance
- Fund universe calendar year and trailing percentile rankings
- Manager sector and market capitalization attribution
- Custom benchmark rankings
- Cumulative Fund, asset class, and manager performance
- Historical asset class analysis
- Risk/return scatterplots

Comprehensive quarterly reports are produced approximately three weeks after a quarter's end. Monthly "flash" reports are produced approximately one week after a month's end.

We have included a monthly "flash" report a comprehensive quarterly report as **Exhibit 4**.

5. What risk analysis tools will your firm use to help our plan maintain an overall desirable risk level to remain within the City's Investment policy?

Risk control is central to consulting, manager evaluation, and performance measurement processes. We believe that standard deviation represents only one area of investment risk and that quantitative factors often play a too dominant role in assessing a manager's risk. In addition to assessing quantitative risk measurements, we consider operational procedures, regulatory history, compliance procedures, style consistency, manager experience, and many other qualitative factors.

Philosophy on Risk

- Risk extends beyond systemic market risk (standard deviation of index returns).
- Other types of risk such as manager risk, litigation risk, liquidity risk, interest rate risk, and default risk must be recognized and mitigated.
- Risk mitigation is essential to each of our services: investment policy development, asset allocation development, manager research, and performance analysis.
- The client must understand both qualitative and quantitative risk factors.

6. How frequently are client reports generated? How soon after the end of the reporting period are these reports distributed? Are these reports available through Internet access? Does your standard report format include an executive summary? Do you have the ability to customize reports for your clients? Will you provide a .pdf version of your report?

Comprehensive quarterly reports are produced approximately three weeks after a quarter's end. Monthly "flash" reports are produced approximately one week after a month's end. We also offer online access to our reports. Our clients can receive reports through encrypted messages or through

an online portal PARIS PRISM, which links to our performance analytics database. PRISM can readily and securely deliver all performance-related documents to our clients.

Our comprehensive reports are completely customizable to the Board's needs and can be provided in a .pdf version.

7. What asset categories are tracked in your performance measurement system? How many investment managers are included within each asset category? How many years of performance data are on the system? What universe is used for peer group comparisons?

Our databases include nearly all investable asset classes and those we consider appropriate for institutional investors. Our Research Group has researched and helped implement investment strategies in a wide range of asset classes including:

- All Cap Value
- Large Cap Growth & Value
- Mid Cap Growth & Value
- Small Cap Growth & Value
- Domestic Fixed Income
- Domestic High Yield
- International Developed
- International Emerging
- Real Estate (Core and Value Added Private, as well as REITS)
- Hedge Fund of Funds
- Timber
- Commodities
- TIPS/CIPS
- Private Equity
- Diversified Fixed Income (Global Bonds, High Yield, and EMD)
- Managed Futures

As stated previously, our investment manager databases hold tens of thousands of investment managers that comprise the majority of investable institutional investment products.

8. Describe how a new client would transition to your services and setup fees, if any.

We believe that a Fund needs to get on the right track as soon as possible, and we begin with a detailed transition to The Bogdahn Group's consulting services. The following timeline details the steps we take to help a Fund lay the groundwork for meeting its long-term investment objectives. Once the groundwork is established, your consulting team will continue to help the Board monitor, evaluate, and improve the Fund.

Time Frame for Step 1-3: Immediate – Behind the scenes work preparing for first meeting with Board

Step 1:

We thank you for selecting our firm.

Step 2:

Notification and requests

- Send Board's administrative staff sample notification letters for the custodian, investment managers, and the actuary to coordinate information flow to us as the new consultant.
- Send Board sample termination letter for former consultant.
- Provide Board's administrative staff with a list of items needed to proceed with account.

Step 3:

Initial Review

- Review actuarial valuation to understand cash flow requirements and current earnings assumptions.
- Review current Investment Policy Statement and prepare discussion document, ensuring investment program aligns with assumptions.
- Prepare asset allocation study to review with board.
- Prepare preliminary comparative overview on current investment managers.
- Establish institutional commission recapture programs/best execution for the Board.

Step 4:

First meeting with the Board

- Detailed Investment Policy Statement review
- Determine objectives of the portfolio
- Outline portfolio constraints
- Determine capital market expectations
- Match portfolio objectives with the capital market expectations
- Review asset allocation
- Review current investment manager lineup

Time Frame for **Step 4:** As early as one week after notification of hire. The time frame is determined by the Board.

Step 5:

- File new Investment Policy Statement with appropriate service providers.
- Prepare list of investment manager candidates to implement asset allocation adjustments, if necessary, and list of current manager issues.

Time Frame for **Step 5:** Five weeks following the first Board meeting.

Throughout this entire transition process, there is minimal work necessary from the staff and Board. The staff helps us gather information from the previous consultant and current service professionals, and helps us inform your service providers that The Bogdahn Group is your new consultant. We are confident the transition will be seamless.

9. When the performance of an investment manager is not what is expected by your client, what additional steps would you follow in monitoring that managers' performance?

Our performance analysts begin compiling client reports as soon as performance data is released by managers and custodians, and they check each figure by hand to ensure that our reports deliver the

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utmost accuracy. If they discover a discrepancy, the manager and custodian are contacted to reconcile the data. This allows us to produce accurate reports and helps your managers and provider keep more accurate performance data. The data are then entered into PARis, our comprehensive, turn-key performance analytics software that produces customized performance reports uniquely suited to a client's needs.

Tab 7: Investment Consulting Services
Research Capabilities

1. What internal research capabilities and resources does your organization have to obtain information and assist in decision-making?

Our Research Group is a collection of professionals with diverse backgrounds and perspectives. Rob Little, CFA, CPA, leads our Research Group. Four dedicated research analysts and two asset class specialists support Rob on due diligence and research efforts. The Research Group's responsibilities include conducting investment manager searches, conferring with investment managers, performing investment analysis, conducting asset allocation studies, and researching new investment strategies.

Our Research Group is 100% dedicated to research and is organized according to specialties.

- Rob Little, CFA, CPA – core equity, growth equity, alternative investments.
- Julie Baker, CFA – growth equity, international equity, and alternative investments.
- John Thinnis, CFA, CFAI – value equity, international equity, and alternative investments.
- Jim Mooney – fixed income.
- Chip Wooten – core equity and growth equity.

Two asset class specialists also assist the Research Group in vetting real estate and private equity strategies.

Peter Brown is a real estate specialist with over 17 years of experience in real estate investment firms, such as Investors Diversified Realty, Courtland Partners, Townsend, and Developers Diversified Realty. He has provided real estate consulting services to pension Funds holding over \$10 billion in real estate investments. Peter received a BA in Economics from the University of Michigan and an MBA from the University of Chicago.

Richard Holbein is also a private equity specialist who brings over 30 years of private equity consulting experience. Richard received a BS in Physics from Vanderbilt University and an MBA in Finance cum laude from the American University.

2. How does your firm gain knowledge pertaining to the relevant products and technology in the public industry, and maintain an ongoing understanding of global market environments?

The Research Group is 100% dedicated to the study of the global market environment and identifying emerging investment opportunities. They stay abreast through constant conversations with managers, industry conferences, and subscriptions to several financial publications. We are also very involved with FPPTA and have vast resources to keep us informed on up-to-date changes within the public fund space.

3. How many individuals in your firm are dedicated to research, what are their responsibilities, and where are they located?

We have five full time dedicated Research Analysts assisted by two asset class specialists. Our dedicated Research Group is located in our Orlando, FL headquarters.

Rob Little, CFA, CPA – Director of Research & Partner

Rob is the Director of Research and a Partner at The Bogdahn Group. His responsibilities include leading and developing the Research Group, contributing to firm-wide investment policy decisions, and sustaining manager relationship. He also researches fixed income, US growth equity, and US core equity. Prior to joining The Bogdahn Group, Rob was a consultant with a regional investment consulting firm. His responsibilities included asset allocation studies, investment manager searches, investment manager performance reports, and client servicing. Previously, he worked for Deloitte & Touche, LLP, as a systems consultant and for the North Carolina Banking Commission as a bank examiner. Rob received a BA in Economics from the University of North Carolina at Chapel Hill and an MSA from the University of Florida. He is a licensed Certified Public Accountant in the State of Florida and has earned the right to use the Chartered Financial Analyst designation. He is also a member of the CFA Society of Orlando. Rob lives in the Greater Orlando area.

Julie Baker, CFA – Research Analyst

Julie is a Research Analyst at The Bogdahn Group. Her responsibilities include evaluating alternative assets, US growth equity, and non-US equity. Prior to joining The Bogdahn Group, Julie was the Director of Public Securities at the University of Florida Investment Corporation (UFICO), and she oversaw long-only global equity and fixed income portfolios. She also assisted the Director of Hedged Strategies with long/short equity portfolios. Prior to UFICO, she was as an investment consultant for Hewitt, consulting twelve institutional clients ranging from \$75 million to \$2 billion in assets. Julie received a BS in Wildlife Ecology from the University of Florida and an MBA in Finance from Kennesaw State University. Julie has also earned the right to use the Chartered Financial Analyst designation. She lives in the Greater Orlando area.

Tala Chin – Research Associate

Tala is a Research Associate at The Bogdahn Group. She works with the Research Group to compile, verify, and design customized research reports and educational materials. Prior to joining the Research Group, Tala worked for two years as a Performance Analyst. She earned a BBA from Stetson with a concentration in Finance and a minor in Business Law. She is currently studying for her MBA at the University of Central Florida.

Jim Mooney – Research Analyst

Jim Mooney is a Research Analyst at The Bogdahn Group. He is responsible for performing comprehensive due diligence on fixed income investments. Prior to joining The Bogdahn Group, Jim was the Research Director – Traditional Investments at Consulting Services Group. He brings over 20 years of investments and finance experience and received a BBA from the University of Memphis. Jim lives in the Greater Orlando Area.

John Thinnis, CFA, CAIA – Research Analyst

John Thinnis is a Research Analyst at The Bogdahn Group. He is responsible for performing comprehensive due diligence on US value equity, non-US equity, and alternative investments. John received a BS in Economics from Rollins College and an MBA with a concentration in Finance and Entrepreneurship from the Rollins College Crummer Graduate School of Business. John has earned the right to use the CFA designation. He is also a CAIA (“Chartered Alternative Investment Analyst”) Charterholder. John lives in the Orlando Area.

Peter Brown – Real Estate Specialist

Peter Brown is a real estate specialist with over 17 years of experience in real estate investment firms, such as Investors Diversified Realty, Courtland Partners, Townsend, and Developers Diversified Realty. He has provided real estate consulting services to pension Funds holding over \$10 billion in

real estate investments. Peter received a BA in Economics from the University of Michigan and an MBA from the University of Chicago.

Richard Holbein – Private Investments Specialist

Richard Holbein is also a private equity specialist who brings over 30 years of private investments consulting experience that includes private equity, private debt, and master limited partnerships. Richard received a BS in Physics from Vanderbilt University and an MBA in Finance *cum laude* from the American University.

4. Describe your firms' manager research, evaluation and search capabilities in both the traditional marketable securities markets as well as your capabilities in less traditional, alternative assets areas, e.g. marketable alternative assets, hedge funds, and private, non-marketable equity funds such as real estate, private equity, venture capital, etc.

Our manager search process is thorough, repeatable, and transparent. For each asset class, we have customized screening and review processes, but all managers must be found appropriate for institutional investors.

1. *Initial Screens:* We first filter managers through preliminary screens that check for baseline statistical qualities and appropriate style. Our research analysts distill the soundest strategies according to our databases' extensive qualitative and quantitative data. We rely on data from proprietary and purchased manager databases, including eVestment Alliance, Morningstar Direct, and Zephyr Style Advisor.
2. *Due Diligence Process:* Once a manager has passed the initial screening process, we then begin our comprehensive due diligence process. We customize our due diligence questionnaire to each asset class. This process fills in a quantitative framework with qualitative traits. We have always met with a manager before we recommend that manager to a client.
3. *Investment Committee Approval:* Our Investment Committee must approve all managers before they are recommended to a client. This additional level of vetting allows us to leverage our deep well of experience and to maintain the quality of all our recommendations.
4. *Research Report Formulation:* Once the Research Group has a selection of approved managers, they prepare a comprehensive research presentation along with the lead consultant. The lead consultant then presents a recommendation of four or five managers to the Board. The consultant will fully explain the advantages and disadvantages of each while allowing the Trustees to voice their input. The Trustees often select a handful of managers to interview in person and then make their selection.

Our process ensures that our clients only review appropriate managers for their objectives. Our clients can be confident that we recommend managers only after a comprehensive process that incorporates our deep research capabilities, our broad experience, and the Board's own sentiment.

The Bogdahn Group offers a unique perspective on alternative investments, and our competitive advantage comes from our collective experience with alternative asset classes. Julie Baker, CFA, brings hedged strategies due diligence experience to The Bogdahn Group. While at the University of Florida Investment Corporation, which oversees the University of Florida's multi-billion dollar endowment, she vetted hedged strategies, in particular long/short equity. Our Research group also includes John Thinnies who has earned the Certified Alternative Investment Analyst designation. Peter Brown is a consultant and real estate specialist with over 17 years of experience in real estate

investment firms, such as Investors Diversified Realty, Courtland Partners, Townsend, and Developers Diversified Realty. Peter has provided real estate consulting services to pension Funds holding over \$10 billion in real estate investments. Richard Holbein is also a private equity specialist who brings over 30 years of private equity consulting experience.

5. What do you do to stay current with the Florida public sector laws?

The Bogdahn Group consults institutional investors across the country and has a particular expertise in advising Florida municipalities. As regular consultants, speakers, and educators in this arena for over ten years, we are amply qualified to inform the City on current laws and regulations governing the Fund and any possible changes.

Tab 8: Other

1. Please describe any investment consulting services that you can provide that have not been covered in previous sections. Discuss associated fees, if any.

Our all-inclusive fee includes all services offered by our firm. We have highlighted some of these services below:

All-Inclusive Services

Investment Policy Development

Investment Policy Statement development / review / maintenance

Asset allocation consulting

Efficient frontier modeling and optimization

Manager Research

Comprehensive manager searches

Alternative investment searches

Style analysis

Fee negotiation with investment managers and custodians

On-going Monitoring and Trustee Education

Comprehensive quarterly performance reports

Monthly flash reports

Meeting attendance as requested

Trustee educational sessions

Fee audits

Travel / out-of-pocket expenses

There will be no additional fees. Our proposed fee is for a full service relationship. We do not provide unbundled or *a la carte* pricing options because such arrangements can lead to counterproductive investment decisions. These arrangements often cause Trustees to withhold decision making (e.g. manager searches, asset allocation studies, etc.) because of the cost. We attempt to avoid such conflicts by using all inclusive fees. Our proposed fee also includes travel expenses.

Important Note: Should the Board be displeased with our service for any reason during the first year of our engagement, The Bogdahn Group would refund in full all fees collected.

2. Does your firm have insurance coverage for errors or omission of at least \$5 million, or general liability insurance of at least \$1 million? Will you provide certificates if your firm is hired and annually thereafter?

Yes. We have included our Certificate of Insurance as **Exhibit 3**.

3. What periodic publications do you distribute to your clients? How frequently?

In addition to providing education through formal seminars or special meetings, The Bogdahn Group provides a quarterly market commentary in all our performance presentation reports which covers the performance of the broad domestic and international markets, and explains the factors impacting

RESPONSES TO THE REQUEST FOR PROPOSAL FOR THE CITY OF FORT LAUDERDALE

market returns. We also provide special release research reports and formal reviews describing new asset classes and unique investment opportunities.

Tab 9: Attachments

1. Attach a sample quarterly report to the Proposal.

We have included a monthly "flash" report and a comprehensive quarterly report as **Exhibit 4**.

2. Attach your standard contract.

A sample contract is included as **Exhibit 6**.

3. Attach your most recent ADV Form, Part II.

The firm's Form ADV is included as **Exhibit 2**.

Tab 10: Business Licenses

Evidence that your firm and/or persons performing the work are licensed to do business in the State of Florida.

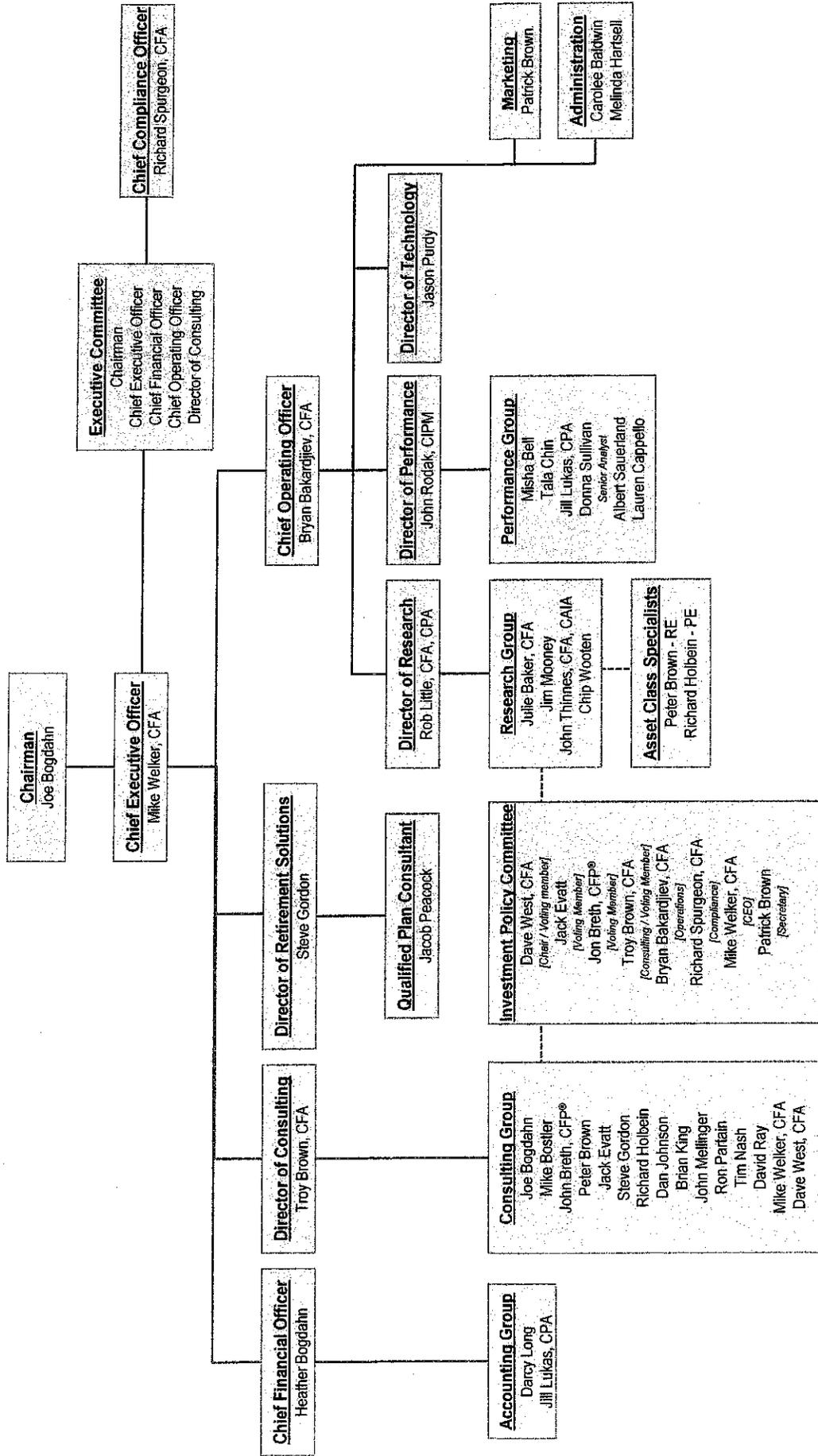
Our business license is attached as **Exhibit 7**.

Tab 11: Evidence of Insurance

Certificate of Insurance showing coverage, forms, limits. Actual insurance certificates will be required from recommended contractor, prior to award.

We have included our Certificate of Insurance as **Exhibit 3**

Organizational chart



JONATHAN D. BRETH, CFP®

SENIOR CONSULTANT

PROFESSIONAL EXPERIENCE

The Bogdahn Group – 2011 to Present

Senior Consultant

- Consults high-profile municipal, endowment, and foundation clients
- Advises clients on optimizing investment portfolios, conducting investment manager due diligence review, selecting investment managers, developing investment policies, and understanding performance monitoring reports

Consulting Services Group, LLC – 2000 to 2011

Senior Consultant

- Consulted client bases consisting of public pension Plans, healthcare pension Plans, foundations, endowments, and family offices
- Client portfolios ranged from \$10 million to \$600 million in investable assets
- Serviced a book of 10 to 20 clients

Client Service

- Provided performance reports and portfolio recommendations on manager hires and terminations, asset allocation, portfolio rebalancing, and new asset class implementation
- Carried out custodial searches for pension Plans, foundations, and individuals
- Designed investment policy statements
- Performed manager searches across the investment universe including private placement hedge funds, hedge fund of funds, private equity, and commodities.

Research

- Conducted on-site manager visits throughout the United States and Far East
- Served on CSG's Research Advisory Board since 2007

EDUCATION

Rhodes College, BA – 2000

- Bachelor of Arts in Business Administration, *cum laude*
- Rhodes Scholarship Award

Licenses and Certifications

- Certified Financial Planner™

MICHAEL WELKER, CFA

MANAGING PARTNER & PRESIDENT

PROFESSIONAL EXPERIENCE

The Bogdahn Group – 2003 to Present

Managing Partner and Senior Investment Consultant

Trusco Capital Management – 2001 to 2003

Portfolio Manager – Managed & serviced institutional accounts

The Griswold Company – Graduate School Work Program

Junior Equity Analyst

Merrill Lynch & Co. – 2000

Associate – Designed asset allocation models for individual clients

Central Florida Innovation Corporation/MILCOM – 1999

Business Analyst – Developed business plans and market studies

EDUCATION

Rollins College, BA – 1999

- Degree in Economics
- 4-Year Scholarship for Men's Basketball

Rollins College Crummer Graduate School of Business, MBA – 2001

- Concentration in Finance
- Vice-President, EAMBA Class of 2001
- Dean's List Spring & Fall 2000
- Earned Chartered Financial Analyst Designation Fall of 2004

BUSINESS AFFILIATIONS

- Partner, Welker Resources, LLC
(Real estate partnership)
- Partner, Park Partners, LLC
(Real estate partnership)

CIVIC AFFILIATIONS

- Rollins College Alumni Athletic Board Member – 2003 to Present
- Central Florida Society of Financial Analysts Member – 2004 to Present
- Downtown Orlando YMCA Board of Directors – 2004 to Present
- Alpha Tau Omega Advisory Board Member – 2003 to Present
- Member, First Presbyterian Church of Orlando – 2006 to Present

PERSONAL

- Married to Kristen McCabe; Daughter – Kindell, Sons – Benton & Bobby

JOSEPH BOGDAHN

PRINCIPAL

PROFESSIONAL EXPERIENCE

IMS & The Bogdahn Group – 1996 to Present

Principal

Florida Data Bank Group – 1986 to 1996

Executive Vice-President

Sun First National Bank of Polk County (now SunTrust) – 1984 to 1986

Management Training Program to Assistant Branch Manager

EDUCATION

University of Mississippi, BBA – 1984

- President, Associated Student Body
- Vice-President, Inter Fraternity Council
- President, Alpha Tau Omega Fraternity, Delta Psi Chapter

BUSINESS AFFILIATIONS

- Director, Vice-President and Partner, The 6/10 Corporation
(Real estate partnership – development and property management)
- Partner, FDB Storage Partners, Ltd.
(Real estate partnership)
- Partner, Park Partners, LLC.
(Real estate partnership)
- Director and Partner, Doculex, Inc.
(Software firm serving the electronic discovery and imaging industry)
- Director and Partner, Florida Data Bank of Tallahassee, Inc.
(Tallahassee's largest commercial records storage business)

CIVIC AFFILIATIONS

- Member, Rotary Club of Winter Haven – 1985 to Present
Past president, Paul Harris Fellow
- Board of Directors, Citrus Center Boys & Girls Club 1992 to Present
Past Board president, 1997-1999
- Boy Scouts of America regional council volunteer
- Member, Board of Directors, Main Street Winter Haven – 2000 to Present
- Member, First Presbyterian Church
Past service as Deacon and Elder, Personnel & Administration Chair and Vice President of Board of Trustees

PERSONAL

- Eagle Scout / Order of the Arrow, Boy Scouts of America Troop 501
- Married to Heather Schemmer; Daughter – Isabella, Sons – Garrison & Miles

CONSULTING AND MANAGEMENT TEAM

Joseph Bogdahn

Firm Principal & Managing Partner

- Member of the Executive Committee
- Oversees strategic growth of the firm
- BBA Business/Economics – University of Mississippi
- 15 years in the investment community

Mike Welker

Firm President & Managing Partner

- Member of the Executive Committee
- Member of the Investment Committee
- Oversees firm's consulting process
- BA Economics – Rollins College
- MBA Finance – Rollins College
- 13 years in the investment community

Steve Gordon

Director of Retirement Solutions

- Oversees Firm's Defined Contribution and Qualified Plan Business
- Former Market Leader at Mercer for Southeast and Mid Atlantic Regions
- BS Finance – University of South Florida
- ABA Employee Benefits Graduate Trust – Northwestern University
- MBA – Rollins College
- 22 years in the retirement and investment community

Rob Little, CFA, CPA

Director of Research & Partner

- Facilitates Manager Searches and Due Diligence Process
- Asset Allocation Modeling and Investment Policy Reviews
- BA Economics – University of North Carolina
- MA Accounting – University of Florida
- 13 years in the investment community

Dave West, CFA

Senior Consultant & Partner

- Chairman of the Investment Committee
- Asset Allocation Specialist
- Earned Chartered Financial Analyst designation in 1994
- BBA Finance – Stetson University
- 24 years in the investment community

Richard Spurgeon, CFA

Chief Compliance Officer

- BA in Political Science – Oklahoma State University
- Masters in International Management – Thunderbird School of Global Management
- Member of CFA Institute
- 31 years in investment community

Bryan Bakardjiev, CFA

Chief Operating Officer

- BS Finance – University of Central Florida
- MBA – University of Central Florida
- 10 years in the investment community

Troy Brown, CFA

Director of Consulting & Senior Consultant

- BBA, *magna cum laude* – University of Wisconsin
- Member, Jacksonville Financial Analyst Society
- Associate Member, Florida Public Pension Trustees Association
- 23 years in the investment community

Dick Boggs

Senior Consultant

- BS & MS Chemical Engineering – Purdue University
- MBA in Finance – University of Chicago
- Completed all coursework/exams for PhD Finance – University of Chicago
- 32 years in the investment community

Mike Bostler
Midwest Region President & Senior Consultant

- Member Investment Committee
- Former Trader of Financial Futures for Tactical Asset Allocation Firm
- MS – Elmhurst College
- 23 years in the investment community

John Mellinger
Senior Consultant

- Firm's Defined Contribution Specialist
- BS – Marquette University
- 22 years in the investment community

Richard Holbein
Senior Consultant

- BS Physics – Vanderbilt University
- MBA Finance, *cum laude* – American University
- Completed Investment Management Program of the Stanford University School of Business
- Former investment consultant for Continental Airlines and Martin Marietta Corporation
- 30 plus years in the investment community

Peter Brown
Consultant & Real Estate Specialist

- Manager Searches and Performance Due Diligence
- BA Economics – University of Michigan
- MBA Finance – University of Chicago
- 18 years in the investment community

Dan Johnson
Consultant

- BS Business Marketing – University of Florida
- MBA – University of North Florida
- 8 Years in the investment community

Tim Nash

Senior Consultant

- BS Finance – Stetson University
- MBA Finance – Rollins College Crummer Graduate School of Business
- Former Director of Public Fund Clients at national investment firm
- 17 years in the investment community

Brian King

Senior Consultant

- BS Business Management and Finance – Youngstown State University
- Former Partner of D.A. Hudson & Associates
- 21 years in the investment community

Jack Evatt, II

Consultant

- BS Harmon College of Business – University of Central Missouri
- Master of Science in Finance – University of Houston
- Former portfolio manager in Private Wealth Management for SunTrust
- 11 years in the investment community

Ron Partain

Senior Consultant

- BA Business Administration – University of Memphis
- Former Senior Consultant at Consulting Services Group
- 19 years in the investment community

Jonathan Breth

Senior Consultant

- BA Business Administration, *cum laude* – Rhodes College
- Former Senior Consultant at Consulting Services Group
- 12 years in the investment community

Jacob Peacock

Qualified Plan Consultant

- BBA – University of North Carolina, Chapel Hill
- MBA – University of North Carolina, Chapel Hill
- 9 years in the retirement and investment community

David Ray
Internal Consultant

- BBA – Delta State University
- Former Manager of Institutional Operations at Consulting Services Group
- 11 years in the investment community
- 15 years in the financial community

PERFORMANCE & RESEARCH TEAMS

John Rodak, CIPM

Director of Performance Analytics

- BA – Cleveland State University

Donna Sullivan

Senior Performance Analyst

- Transactional Auditing
- AA – Polk State College

Albert Sauerland

Performance Analyst

- MBA – Cleveland State University
- BSBA – Robert Morris College

Tala Chin

Performance Analyst

- BBA – Stetson University

Misha Bell

Performance Analyst

- BBA – University of Central Florida
- MBA – University of Central Florida

Lauren Cappello

Performance Analyst

- BA – Rollins College
- MPH – University of Illinois at Chicago

Julie Baker, CFA

Research Analyst

- BS – University of Florida
- MBA – Kennesaw State University

Jim Mooney

Research Analyst

- BBA – University of Memphis

John Thinnes, CFA, CAIA
Research Analyst

- BA – Rollins College
- MBA – Rollins College

Chip Wooten
Research Analyst

- BS – University of Central Florida

ADMINISTRATION & REPORTING TEAM

Heather Bogdahn

Payroll & Budgeting

- Oversees firm accounting
- BS – University of Miami

Jill Lukas, CPA

Controller & Performance Analyst

- Oversees daily accounting functions
- Performance Reconciliation
- BBA – Lakeland College

Patrick Brown

Business Development Associate

- Designs and constructs marketing products
- BA – University of Notre Dame

Carolee Baldwin

Administration

Melinda Hartsell

Administration

FORM ADV

OMB: 3235-0049

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

Primary Business Name: THE BOGDAHN GROUP

IARD/CRD Number: 111964

Rev. 11/2011

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):
BOGDAHN CONSULTING, LLC.

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.:
THE BOGDAHN GROUP

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of
 your legal name or your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-58253**

(2) If you report to the SEC as an *exempt reporting adviser*, your SEC file number:

E. If you have a number ("CRD Number") assigned by the *FINRA's CRD* system or by the IARD system, your *CRD* number: **111964**

If your firm does not have a *CRD* number, skip this Item 1.E. Do not provide the *CRD* number of one of your officers, *employees*, or affiliates.

F. *Principal Office and Place of Business*

(1) Address (do not use a P.O. Box):

Number and Street 1:

4901 VINELAND ROAD

City:

ORLANDO

State:

Florida

Number and Street 2:

SUITE 600

Country:

UNITED STATES

ZIP+4/Postal Code:

32811

If this address is a private residence, check this box:

List on Section 1.F. of Schedule D any office, other than your *principal office and place of business*, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom

Number and Street 1: _____ Number and Street 2: _____
 City: _____ State: _____ Country: _____ ZIP+4/Postal Code: _____

Electronic mail (e-mail) address, if contact person has one: _____

- L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*? Yes No

If "yes," complete Section 1.L. of Schedule D.

- M. Are you registered with a *foreign financial regulatory authority*? Yes No

Answer "no" if you are not registered with a *foreign financial regulatory authority*, even if you have an affiliate that is registered with a *foreign financial regulatory authority*. If "yes," complete Section 1.M. of Schedule D.

- N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934? Yes No

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company): _____

- O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year? Yes No

- P. Provide your *Legal Entity Identifier* if you have one: _____

A *legal entity identifier* is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the *legal entity identifier* standard was still in development. You may not have a *legal entity identifier*.

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

- A. To register (or remain registered) with the SEC, you must check **at least one** of the Items 2.A. (1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these items.

You (the adviser):

- (1) are a **large advisory firm** that either:

- (a) has regulatory assets under management of \$100 million (in U.S. dollars) or more, or
 (b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;

- (2) are a **mid-sized advisory firm** that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:
- (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or
- (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;
- Click **HERE** for a list of states in which an investment adviser, if registered, would not be subject to examination by the *state securities authority*.
- (3) have your *principal office and place of business* in **Wyoming** (which does not regulate advisers);
- (4) have your *principal office and place of business* **outside the United States**;
- (5) are an **investment adviser (or sub-adviser) to an investment company** registered under the Investment Company Act of 1940;
- (6) are an **investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- (8) are a **related adviser** under rule 203A-2(b) that *controls, is controlled by, or is under common control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;
- If you check this box, complete Section 2.A.(8) of Schedule D.
- (9) are a **newly formed adviser** relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;
- If you check this box, complete Section 2.A.(9) of Schedule D.
- (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);
- If you check this box, complete Section 2.A.(10) of Schedule D.
- (11) are an **Internet adviser** relying on rule 203A-2(e);
- (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;
- If you check this box, complete Section 2.A.(12) of Schedule D.
- (13) are **no longer eligible** to remain registered with the SEC.

State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers

- C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this

is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

Jurisdictions

<input checked="" type="checkbox"/> AL	<input type="checkbox"/> ID	<input type="checkbox"/> MO	<input type="checkbox"/> PA
<input type="checkbox"/> AK	<input checked="" type="checkbox"/> IL	<input type="checkbox"/> MT	<input type="checkbox"/> PR
<input type="checkbox"/> AZ	<input checked="" type="checkbox"/> IN	<input type="checkbox"/> NE	<input type="checkbox"/> RI
<input type="checkbox"/> AR	<input type="checkbox"/> IA	<input type="checkbox"/> NV	<input type="checkbox"/> SC
<input type="checkbox"/> CA	<input type="checkbox"/> KS	<input type="checkbox"/> NH	<input type="checkbox"/> SD
<input type="checkbox"/> CO	<input type="checkbox"/> KY	<input type="checkbox"/> NJ	<input type="checkbox"/> TN
<input type="checkbox"/> CT	<input checked="" type="checkbox"/> LA	<input type="checkbox"/> NM	<input checked="" type="checkbox"/> TX
<input type="checkbox"/> DE	<input type="checkbox"/> ME	<input type="checkbox"/> NY	<input type="checkbox"/> UT
<input checked="" type="checkbox"/> DC	<input type="checkbox"/> MD	<input type="checkbox"/> NC	<input type="checkbox"/> VT
<input checked="" type="checkbox"/> FL	<input type="checkbox"/> MA	<input type="checkbox"/> ND	<input type="checkbox"/> VI
<input type="checkbox"/> GA	<input type="checkbox"/> MI	<input checked="" type="checkbox"/> OH	<input type="checkbox"/> VA
<input type="checkbox"/> GU	<input type="checkbox"/> MN	<input type="checkbox"/> OK	<input type="checkbox"/> WA
<input type="checkbox"/> HI	<input type="checkbox"/> MS	<input type="checkbox"/> OR	<input type="checkbox"/> WV
			<input checked="" type="checkbox"/> WI

If you are amending your registration to stop your *notice filings* or reports from going to a state that currently receives them and you do not want to pay that state's *notice filing* or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

Item 3 Form of Organization

A. How are you organized?

Corporation

- Sole Proprietorship
 Limited Liability Partnership (LLP)
 Partnership
 Limited Liability Company (LLC)
 Limited Partnership (LP)
 Other (specify):

If you are changing your response to this Item, see Part 1A Instruction 4.

B. In what month does your fiscal year end each year?

DECEMBER

C. Under the laws of what state or country are you organized?

State Country

Florida UNITED STATES

If you are a partnership, provide the name of the state or country under whose laws your partnership was formed. If you are a sole proprietor, provide the name of the state or country where you reside.

If you are changing your response to this Item, see Part 1A Instruction 4.

Item 4 Successions

	Yes No
A. Are you, at the time of this filing, succeeding to the business of a registered investment adviser?	<input type="radio"/> <input checked="" type="radio"/>

If "yes", complete Item 4.B. and Section 4 of Schedule D.

B. Date of Succession: (MM/DD/YYYY)

If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.

Item 5 Information About Your Advisory Business - Employees, Clients, and Compensation

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly formed advisers for completing this Item 5.

Employees

If you are organized as a sole proprietorship, include yourself as an *employee* in your responses to Item 5.A. and Items 5.B.(1), (2), (3), (4), and (5). If an *employee* performs more than one function, you should count that *employee* in each of your responses to Items 5.B.(1), (2), (3), (4), and (5).

(1) What types of *clients* do you have? Indicate the approximate percentage that each type of *client* comprises of your total number of *clients*. If a *client* fits into more than one category, check all that apply.

	None	Up to 10%	11-25%	26-50%	51-75%	76-99%	100%
(a) Individuals (other than <i>high net worth individuals</i>)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(b) <i>High net worth individuals</i>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(c) Banking or thrift institutions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(d) Investment companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(e) Business development companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(f) Pooled investment vehicles (other than investment companies)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(g) Pension and profit sharing plans (but not the plan participants)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(h) Charitable organizations	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(i) Corporations or other businesses not listed above	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(j) State or municipal <i>government entities</i>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(k) Other investment advisers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(l) Insurance companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(m) Other:	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(2) Indicate the approximate amount of your regulatory assets under management (reported in Item 5.F. below) attributable to each of the following type of *client*. If a *client* fits into more than one category, check all that apply.

	None	Up to 25%	Up to 50%	Up to 75%	>75%
(a) Individuals (other than <i>high net worth individuals</i>)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(b) <i>High net worth individuals</i>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(c) Banking or thrift institutions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(d) Investment companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(e) Business development companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(f) Pooled investment vehicles (other than investment companies)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(g) Pension and profit sharing plans (but not the plan participants)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(h) Charitable organizations	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(i) Corporations or other businesses not listed above	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(j) State or municipal <i>government entities</i>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(k) Other investment advisers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(l) Insurance companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(m) Other:

**Compensation Arrangements**

E. You are compensated for your investment advisory services by (check all that apply):

- (1) A percentage of assets under your management
- (2) Hourly charges
- (3) Subscription fees (for a newsletter or periodical)
- (4) Fixed fees (other than subscription fees)
- (5) Commissions
- (6) *Performance-based fees*
- (7) Other (specify):

Item 5 Information About Your Advisory Business - Regulatory Assets Under Management**Regulatory Assets Under Management**

Yes No

- F. (1) Do you provide continuous and regular supervisory or management services to securities portfolios? Yes No
- (2) If yes, what is the amount of your regulatory assets under management and total number of accounts?

	U.S. Dollar Amount	Total Number of Accounts
Discretionary:	(a) \$	(d)
Non-Discretionary:	(b) \$	(e)
Total:	(c) \$	(f)

Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management. You must follow these instructions carefully when completing this Item.

Item 5 Information About Your Advisory Business - Advisory Activities**Advisory Activities**

G. What type(s) of advisory services do you provide? Check all that apply.

- (1) Financial planning services
- (2) Portfolio management for individuals and/or small businesses
- (3) Portfolio management for investment companies (as well as "business development companies" that have made an election pursuant to section 54 of the Investment Company Act of 1940)
- (4) Portfolio management for pooled investment vehicles (other than investment companies)
- (5) Portfolio management for businesses (other than small businesses) or institutional *clients* (other than registered investment companies and other pooled investment vehicles)
- (6) Pension consulting services
- (7) Selection of other advisers (including *private fund* managers)
- (8) Publication of periodicals or newsletters

- (9) Security ratings or pricing services
- (10) Market timing services
- (11) Educational seminars/workshops
- (12) Other(specify): INVESTMENT AND FIDUCIARY GOVERNANCE CONSULTING

Do not check Item 5.G.(3) unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, including as a subadviser. If you check Item 5.G.(3), report the 811 or 814 number of the investment company or investment companies to which you provide advice in Section 5.G.(3) of Schedule D.

H. If you provide financial planning services, to how many *clients* did you provide these services during your last fiscal year?

- 0
- 1 - 10
- 11 - 25
- 26 - 50
- 51 - 100
- 101 - 250
- 251 - 500
- More than 500

If more than 500, how many?
(round to the nearest 500)

In your responses to this Item 5.H., do not include as "*clients*" the investors in a *private fund* you advise, unless you have a separate advisory relationship with those investors.

I. If you participate in a *wrap fee program*, do you (check all that apply):

- (1) *sponsor* the *wrap fee program*?
- (2) act as a portfolio manager for the *wrap fee program*?

If you are a portfolio manager for a *wrap fee program*, list the names of the programs and their *sponsors* in Section 5.I.(2) of Schedule D.

If your involvement in a *wrap fee program* is limited to recommending *wrap fee programs* to your *clients*, or you advise a mutual fund that is offered through a *wrap fee program*, do not check either Item 5.I.(1) or 5.I.(2).

J. In response to Item 4.B. of Part 2A of Form ADV, do you indicate that you provide investment advice only with respect to limited types of investments?

Yes No



Item 6 Other Business Activities

In this Item, we request information about your firm's other business activities.

A. You are actively engaged in business as a (check all that apply):

- (1) broker-dealer (registered or unregistered)

-
- (2) registered representative of a broker-dealer
- (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- (4) futures commission merchant
- (5) real estate broker, dealer, or agent
- (6) insurance broker or agent
- (7) bank (including a separately identifiable department or division of a bank)
- (8) trust company
- (9) registered municipal advisor
- (10) registered security-based swap dealer
- (11) major security-based swap participant
- (12) accountant or accounting firm
- (13) lawyer or law firm
- (14) other financial product salesperson (specify):

If you engage in other business using a name that is different from the names reported in Items 1.A. or 1.B, complete Section 6.A. of Schedule D.

- | | Yes | No |
|--|-----------------------|----------------------------------|
| B. (1) Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) If yes, is this other business your primary business? | <input type="radio"/> | <input checked="" type="radio"/> |

If "yes," describe this other business on Section 6.B.(2) of Schedule D, and if you engage in this business under a different name, provide that name.

- | | Yes | No |
|---|-----------------------|----------------------------------|
| (3) Do you sell products or provide services other than investment advice to your advisory clients? | <input type="radio"/> | <input checked="" type="radio"/> |

If "yes," describe this other business on Section 6.B.(3) of Schedule D, and if you engage in this business under a different name, provide that name.

Item 7 Financial Industry Affiliations and *Private Fund Reporting*

In this Item, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interest may occur between you and your *clients*.

- A. This part of Item 7 requires you to provide information about you and your *related persons*, including foreign affiliates. Your *related persons* are all of your *advisory affiliates* and any person that is under common *control* with you.

You have a *related person* that is a (check all that apply):

- (1) broker-dealer, municipal securities dealer, or government securities broker or dealer (registered or unregistered)
- (2) other investment adviser (including financial planners)
- (3) registered municipal advisor
- (4) registered security-based swap dealer
- (5) major security-based swap participant

- (6) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- (7) futures commission merchant
- (8) banking or thrift institution
- (9) trust company
- (10) accountant or accounting firm
- (11) lawyer or law firm
- (12) insurance company or agency
- (13) pension consultant
- (14) real estate broker or dealer
- (15) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
- (16) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

For each *related person*, including foreign affiliates that may not be registered or required to be registered in the United States, complete Section 7.A. of Schedule D.

You do not need to complete Section 7.A. of Schedule D for any *related person* if: (1) you have no business dealings with the *related person* in connection with advisory services you provide to your *clients*; (2) you do not conduct shared operations with the *related person*; (3) you do not refer *clients* or business to the *related person*, and the *related person* does not refer prospective *clients* or business to you; (4) you do not share supervised persons or premises with the *related person*; and (5) you have no reason to believe that your relationship with the *related person* otherwise creates a conflict of interest with your *clients*.

You must complete Section 7.A. of Schedule D for each *related person* acting as qualified custodian in connection with advisory services you provide to your *clients* (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)), regardless of whether you have determined the *related person* to be operationally independent under rule 206(4)-2 of the Advisers Act.

Yes No

B. Are you an adviser to any *private fund*?

If "yes," then for each *private fund* that you advise, you must complete a Section 7.B.(1) of Schedule D, except in certain circumstances described in the next sentence and in Instruction 6 of the Instructions to Part 1A. If another adviser reports this information with respect to any such *private fund* in Section 7.B.(1) of Schedule D of its Form ADV (e.g., if you are a subadviser), do not complete Section 7.B.(1) of Schedule D with respect to that *private fund*. You must, instead, complete Section 7.B.(2) of Schedule D.

In either case, if you seek to preserve the anonymity of a *private fund* client by maintaining its identity in your books and records in numerical or alphabetical code, or similar designation, pursuant to rule 204-2(d), you may identify the *private fund* in Section 7.B.(1) or 7.B.(2) of Schedule D using the same code or designation in place of the fund's name.

SECTION 7.B.(1) Private Fund Reporting

No Information Filed

SECTION 7.B.(2) Private Fund Reporting

Item 8 Participation or Interest in *Client* Transactions

In this Item, we request information about your participation and interest in your *clients'* transactions. This information identifies additional areas in which conflicts of interest may occur between you and your *clients*.

Like Item 7, Item 8 requires you to provide information about you and your *related persons*, including foreign affiliates.

Proprietary Interest in *Client* Transactions

A. Do you or any *related person*:

Yes No

- (1) buy securities for yourself from advisory *clients*, or sell securities you own to advisory *clients* (principal transactions)?
- (2) buy or sell for yourself securities (other than shares of mutual funds) that you also recommend to advisory *clients*?
- (3) recommend securities (or other investment products) to advisory *clients* in which you or any *related person* has some other proprietary (ownership) interest (other than those mentioned in Items 8.A.(1) or (2))?

Sales Interest in *Client* Transactions

B. Do you or any *related person*:

Yes No

- (1) as a broker-dealer or registered representative of a broker-dealer, execute securities trades for brokerage customers in which advisory *client* securities are sold to or bought from the brokerage customer (agency cross transactions)?
- (2) recommend purchase of securities to advisory *clients* for which you or any *related person* serves as underwriter, general or managing partner, or purchaser representative?
- (3) recommend purchase or sale of securities to advisory *clients* for which you or any *related person* has any other sales interest (other than the receipt of sales commissions as a broker or registered representative of a broker-dealer)?

Investment or Brokerage Discretion

C. Do you or any *related person* have *discretionary authority* to determine the:

Yes No

- (1) securities to be bought or sold for a *client's* account?
- (2) amount of securities to be bought or sold for a *client's* account?
- (3) broker or dealer to be used for a purchase or sale of securities for a *client's* account?
- (4) commission rates to be paid to a broker or dealer for a *client's* securities transactions?

D. If you answer "yes" to C.(3) above, are any of the brokers or dealers *related persons*?

E. Do you or any *related person* recommend brokers or dealers to *clients*?

F. If you answer "yes" to E above, are any of the brokers or dealers *related persons*?

G. (1) Do you or any *related person* receive research or other products or services other than execution from a broker-dealer or a third party ("soft dollar benefits") in connection with *client* securities transactions?

(2) If "yes" to G.(1) above, are all the "soft dollar benefits" you or any *related persons* receive eligible "research or brokerage services" under section 28(e) of the Securities Exchange Act of 1934?

H. Do you or any *related person*, directly or indirectly, compensate any *person* for *client* referrals?

I. Do you or any *related person*, directly or indirectly, receive compensation from any *person* for *client* referrals?

In responding to Items 8.H and 8.I., consider all cash and non-cash compensation that you or a *related person* gave to (in answering Item 8.H) or received from (in answering Item 8.I) any *person* in exchange for *client* referrals, including any bonus that is based, at least in part, on the number or amount of *client* referrals.

Item 9 Custody

In this Item, we ask you whether you or a *related person* has *custody* of *client* (other than *clients* that are investment companies registered under the Investment Company Act of 1940) assets and about your custodial practices.

A. (1) Do you have *custody* of any advisory *clients*':

Yes No

(a) cash or bank accounts?

(b) securities?

If you are registering or registered with the SEC, answer "No" to Item 9.A.(1)(a) and (b) if you have *custody* solely because (i) you deduct your advisory fees directly from your *clients*' accounts, or (ii) a *related person* has *custody* of *client* assets in connection with advisory services you provide to *clients*, but you have overcome the presumption that you are not operationally independent (pursuant to Advisers Act rule 206(4)-(2)(d)(5)) from the *related person*.

(2) If you checked "yes" to Item 9.A(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which you have *custody*:

U.S. Dollar Amount Total Number of *Clients*

(a) \$ (b)

If you are registering or registered with the SEC and you have *custody* solely because you deduct your advisory fees directly from your *clients*' accounts, do not include the amount of those assets and the number of those *clients* in your response to Item 9.A.(2). If your *related person* has *custody* of *client* assets in connection with advisory services you provide to *clients*, do not include the amount of those assets and number of those *clients* in your response to 9.A.(2). Instead, include that information in your response to Item 9.B.(2).

B. (1) In connection with advisory services you provide to *clients*, do any of your *related persons* have *custody* of any of your advisory *clients*':

Yes No

(a) cash or bank accounts?

(b) securities?

You are required to answer this item regardless of how you answered Item 9.A.(1)(a) or (b).

(2) If you checked "yes" to Item 9.B.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which your *related persons* have custody:

U.S. Dollar Amount	Total Number of <i>Clients</i>
(a) \$	(b)

C. If you or your *related persons* have custody of *client* funds or securities in connection with advisory services you provide to *clients*, check all the following that apply:

- (1) A qualified custodian(s) sends account statements at least quarterly to the investors in the pooled investment vehicle(s) you manage.
- (2) An *independent public accountant* audits annually the pooled investment vehicle(s) that you manage and the audited financial statements are distributed to the investors in the pools.
- (3) An *independent public accountant* conducts an annual surprise examination of *client* funds and securities.
- (4) An *independent public accountant* prepares an internal control report with respect to custodial services when you or your *related persons* are qualified custodians for *client* funds and securities.

If you checked Item 9.C.(2), C.(3) or C.(4), list in Section 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or prepare an internal control report. (If you checked Item 9.C.(2), you do not have to list auditor information in Section 9.C. of Schedule D if you already provided this information with respect to the *private funds* you advise in Section 7.B.(1) of Schedule D).

D. Do you or your *related person(s)* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*? **Yes No**

(1) you act as a qualified custodian

(2) your *related person(s)* act as qualified custodian(s)

If you checked "yes" to Item 9.D.(2), all related persons that act as qualified custodians (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)) must be identified in Section 7.A. of Schedule D, regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.

E. If you are filing your *annual updating amendment* and you were subject to a surprise examination by an *independent public accountant* during your last fiscal year, provide the date (MM/YYYY) the examination commenced:

F. If you or your *related persons* have custody of *client* funds or securities, how many persons, including, but not limited to, you and your *related persons*, act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*?

Item 10 Control Persons

In this Item, we ask you to identify every *person* that, directly or indirectly, *controls* you.

If you are submitting an initial application or report, you must complete Schedule A and Schedule B.

Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application or report, you must complete Schedule C.

Yes No

- A. Does any *person* not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, *control* your management or policies?

If yes, complete Section 10.A. of Schedule D.

- B. If any *person* named in Schedules A, B, or C or in Section 10.A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please complete Section 10.B. of Schedule D.

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final *order*, judgment, or decree was entered, or the date any rights of appeal from preliminary *orders*, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

Yes No

- Do any of the events below involve you or any of your *supervised persons*?

For "yes" answers to the following questions, complete a Criminal Action DRP:

Yes No

- A. In the past ten years, have you or any *advisory affiliate*:
- (1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any *felony*?
- (2) been *charged* with any *felony*?

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to *charges* that are currently pending.

- B. In the past ten years, have you or any *advisory affiliate*:

- (1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a *misdemeanor* involving: investments or an *investment-related* business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?
- (2) been *charged* with a *misdemeanor* listed in Item 11.B.(1)?

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to *charges* that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

- | | Yes | No |
|---|----------------------------------|----------------------------------|
| C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever: | <input type="radio"/> | <input checked="" type="radio"/> |
| (1) <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) <i>found</i> you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of SEC or CFTC regulations or statutes? | <input type="radio"/> | <input checked="" type="radio"/> |
| (3) <i>found</i> you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted? | <input type="radio"/> | <input checked="" type="radio"/> |
| (4) entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with <i>investment-related</i> activity? | <input type="radio"/> | <input checked="" type="radio"/> |
| (5) imposed a civil money penalty on you or any <i>advisory affiliate</i> , or <i>ordered</i> you or any <i>advisory affiliate</i> to cease and desist from any activity? | <input type="radio"/> | <input checked="" type="radio"/> |
| D. Has any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i>: | <input type="radio"/> | <input checked="" type="radio"/> |
| (1) ever <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission, or been dishonest, unfair, or unethical? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) ever <i>found</i> you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of <i>investment-related</i> regulations or statutes? | <input type="radio"/> | <input checked="" type="radio"/> |
| (3) ever <i>found</i> you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted? | <input type="radio"/> | <input checked="" type="radio"/> |
| (4) in the past ten years, entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with an <i>investment-related</i> activity? | <input type="radio"/> | <input checked="" type="radio"/> |
| (5) ever denied, suspended, or revoked your or any <i>advisory affiliate's</i> registration or license, or otherwise prevented you or any <i>advisory affiliate</i> , by <i>order</i> , from associating with an <i>investment-related</i> business or restricted your or any <i>advisory affiliate's</i> activity? | <input type="radio"/> | <input checked="" type="radio"/> |
| E. Has any <i>self-regulatory organization</i> or commodities exchange ever: | <input type="radio"/> | <input checked="" type="radio"/> |
| (1) <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) <i>found</i> you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of its rules (other than a violation designated as a " <i>minor rule violation</i> " under a plan approved by the SEC)? | <input checked="" type="radio"/> | <input type="radio"/> |
| (3) <i>found</i> you or any <i>advisory affiliate</i> to have been the cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted? | <input type="radio"/> | <input checked="" type="radio"/> |
| (4) disciplined you or any <i>advisory affiliate</i> by expelling or suspending you or the <i>advisory affiliate</i> from membership, barring or suspending you or the <i>advisory affiliate</i> from association with other members, or otherwise restricting your or the <i>advisory</i> | <input checked="" type="radio"/> | <input type="radio"/> |

affiliate's activities?

- F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any *advisory affiliate* ever been revoked or suspended?
- G. Are you or any *advisory affiliate* now the subject of any regulatory proceeding that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?

[View Disclosure Reporting Page](#)

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

- | | Yes | No |
|--|-----------------------|----------------------------------|
| H. (1) Has any domestic or foreign court: | | |
| (a) in the past ten years, enjoined you or any <i>advisory affiliate</i> in connection with any <i>investment-related</i> activity? | <input type="radio"/> | <input checked="" type="radio"/> |
| (b) ever <i>found</i> that you or any <i>advisory affiliate</i> were <i>involved</i> in a violation of <i>investment-related</i> statutes or regulations? | <input type="radio"/> | <input checked="" type="radio"/> |
| (c) ever dismissed, pursuant to a settlement agreement, an <i>investment-related</i> civil action brought against you or any <i>advisory affiliate</i> by a state or <i>foreign financial regulatory authority</i> ? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) Are you or any <i>advisory affiliate</i> now the subject of any civil proceeding that could result in a "yes" answer to any part of Item 11.H.(1)? | <input type="radio"/> | <input checked="" type="radio"/> |

Item 12 Small Businesses

The SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine whether you meet the definition of "small business" or "small organization" under rule 0-7.

Answer this Item 12 only if you are registered or registering with the SEC **and** you indicated in response to Item 5.F.(2)(c) that you have regulatory assets under management of less than \$25 million. You are not required to answer this Item 12 if you are filing for initial registration as a state adviser, amending a current state registration, or switching from SEC to state registration.

For purposes of this Item 12 only:

- Total Assets refers to the total assets of a firm, rather than the assets managed on behalf of *clients*. In determining your or another *person's* total assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger).
- *Control* means the power to direct or cause the direction of the management or policies of a *person*, whether through ownership of securities, by contract, or otherwise. Any *person* that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 25 percent or more of the profits, of another *person* is presumed to *control* the other *person*.

- | | Yes | No |
|--|-----------------------|-----------------------|
| A. Did you have total assets of \$5 million or more on the last day of your most recent fiscal year? | <input type="radio"/> | <input type="radio"/> |
| If "yes," you do not need to answer Items 12.B. and 12.C. | | |
| B. Do you: | | |
| (1) <i>control</i> another investment adviser that had regulatory assets under management | <input type="radio"/> | <input type="radio"/> |

(calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?

- (2) *control* another *person* (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?

C. Are you:

- (1) *controlled* by or under common *control* with another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?
- (2) *controlled* by or under common *control* with another *person* (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?

Part 2 Brochures

Exemption from brochure delivery requirements for SEC-registered advisers

SEC rules exempt SEC-registered advisers from delivering a firm brochure to some kinds of clients. If these exemptions excuse you from delivering a brochure to *all* of your advisory clients, you do not have to prepare a brochure.

Yes No

Are you exempt from delivering a brochure to all of your clients under these rules?

If no, complete the ADV Part 2 filing below.

Brochures

Note: These documents are available as Portable Document Format (PDF) files. If you do not have the Adobe Acrobat Reader to view PDF files, please click [here](#) to download.

Brochure Name	Date Submitted	Date Last Confirmed
DISCLOSURE BROCHURE (MARCH 2012)	03/30/2012	

Schedule A

Direct Owners and Executive Officers

- Complete Schedule A only if you are submitting an initial application or report. Schedule A asks for information about your direct owners and executive officers. Use Schedule C to amend this information.
- Direct Owners and Executive Officers. List below the names of:
 - each Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer (Chief Compliance Officer is required if you are registered or applying for registration and cannot be more than one individual), director, and any other individuals with similar status or functions;
 - if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act);
Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or

right to purchase the security.

- (c) if you are organized as a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 5% or more of your capital;
- (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of your capital, the trust and each trustee; and
- (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.

3. Do you have any indirect owners to be reported on Schedule B? Yes No

4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner or executive officer is an individual.

5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).

6. Ownership codes are:

NA - less than 5%	B - 10% but less than 25%	D - 50% but less than 75%
A - 5% but less than 10%	C - 25% but less than 50%	E - 75% or more

7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.

(b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.

(c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Status	Date Status Acquired MM/YYYY	Ownership Code	Control Person	PR	CRD No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.
BOGDahn, JOSEPH, RICHARD	I	MANAGING MEMBER - PRINCIPAL	09/2000	D	Y	N	2987270
WELKER, MICHAEL, FRANCIS	I	MANAGING MEMBER - CEO	09/2008	B	Y	N	4738425
LITTLE, ROBERT, WINFIELD	I	MEMBER - DIRECTOR OF RESEARCH	01/2006	NA	N	N	4726747
WEST, DAVID, ELLIOTT	I	MEMBER - SENIOR CONSULTANT	01/2006	NA	N	N	4708845
SPURGEON, RICHARD, DEAN	I	CHIEF COMPLIANCE OFFICER	01/2011	NA	Y	N	2820500
BAKARDJIEV, BRYAN, EMERSON	I	CHIEF OPERATING OFFICER	01/2011	NA	Y	N	4926641

Schedule B

Indirect Owners

1. Complete Schedule B only if you are submitting an initial application. Schedule B asks for information about your indirect owners; you must first complete Schedule A, which asks for information about your direct owners. Use Schedule C to amend this information.
2. Indirect Owners. With respect to each owner listed on Schedule A (except individual owners), list below:
 - (a) in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25% or more of a class of a voting security of that corporation;

For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.

 - (b) in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25% or more of the partnership's capital;
 - (c) in the case of an owner that is a trust, the trust and each trustee; and
 - (d) in the case of an owner that is a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 25% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.
3. Continue up the chain of ownership listing all 25% owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Exchange Act) is reached, no further ownership information need be given.
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.
5. Complete the Status column by entering the owner's status as partner, trustee, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes are:

C - 25% but less than 50%	E - 75% or more
D - 50% but less than 75%	F - Other (general partner, trustee, or elected manager)
7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
 - (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
 - (c) Complete each column.

No Information Filed

Form ADV, Schedule D

SECTION 1.F. Other Offices

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1: 4320 WINFIELD ROAD		Number and Street 2: SUITE 200		
City: WARRENVILLE	State: Illinois	Country: UNITED STATES	ZIP+4/Postal Code: 60555	

If this address is a private residence, check this box:

Telephone Number: 630-836-8498	Facsimile Number: 863-292-8717
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Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of employees).

Number and Street 1: 250 E. WISCONSIN AVENUE		Number and Street 2: SUITE 1800		
City: MILWAUKEE	State: Wisconsin	Country: UNITED STATES	ZIP+4/Postal Code: 53202	

If this address is a private residence, check this box:

Telephone Number: 414-223-5742	Facsimile Number: 863-292-8717
--	--

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of employees).

Number and Street 1: 340 W. CENTRAL AVENUE		Number and Street 2: SUITE 300		
City: WINTER HAVEN	State: Florida	Country: UNITED STATES	ZIP+4/Postal Code: 33880	

If this address is a private residence, check this box:

Telephone Number: 863-293-8289	Facsimile Number: 863-292-8717
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Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1: 6133 ROCKSIDE ROAD	Number and Street 2: SUITE 303		
City: INDEPENDENCE	State: Ohio	Country: UNITED STATES	ZIP+4/Postal Code: 44131

If this address is a private residence, check this box:

Telephone Number: 863-293-8289	Facsimile Number: 863-292-8717
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Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1: 15770 DALLAS PARKWAY	Number and Street 2: SUITE 250		
City: DALLAS	State: Texas	Country: UNITED STATES	ZIP+4/Postal Code: 75248

If this address is a private residence, check this box:

Telephone Number: 863-293-8289	Facsimile Number: 863-292-8717
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SECTION 1.I. Website Addresses

List your website addresses. You must complete a separate Schedule D Section 1.I. for each website address.

Website Address: WWW.BOGDAHNGROUP.COM

Website Address: WWW.STOPPAYINGHIDDENFEES.COM

SECTION 1.L. Location of Books and Records

Complete the following information for each location at which you keep your books and records, other than your *principal office and place of business*. You must complete a separate Schedule D Section 1.L. for each location.

Name of entity where books and records are kept:

BOGDAHN CONSULTING, LLC

Number and Street 1:

Number and Street 2:

City:

State:

Country:

ZIP+4/Postal Code:

If this address is a private residence, check this box:

Telephone Number:

863-293-6170

Facsimile number:

This is (check one):

one of your branch offices or affiliates.

a third-party unaffiliated recordkeeper.

other.

Briefly describe the books and records kept at this location:

ACCOUNTS PAYABLE/RECEIVABLE AND PAYROLL DOCUMENTS.

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

SECTION 2.A. (8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled by*, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser

801 -

SECTION 2.A. (9) Newly Formed Adviser

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive Order

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:

803-

Date of *order*:

SECTION 4 Successions

No Information Filed

SECTION 5.G.(3) Advisers to Registered Investment Companies and Business Development Companies

No Information Filed

SECTION 5.I.(2) Wrap Fee Programs

No Information Filed

SECTION 6.A. Names of Your Other Businesses

No Information Filed

SECTION 6.B.(2) Description of Primary Business

Describe your primary business (not your investment advisory business):

If you engage in that business under a different name, provide that name:

SECTION 6.B.(3) Description of Other Products and Services

Describe other products or services you sell to your *client*, You may omit products and services that you listed in Section 6.B.(2) above.

If you engage in that business under a different name, provide that name.

SECTION 7.B.(2) Private Fund Reporting

No Information Filed

SECTION 9.C. Independent Public Accountant

No Information Filed

SECTION 10.A. Control Persons

No Information Filed

SECTION 10.B. Control Person Public Reporting Companies

No Information Filed

Schedule D - Miscellaneous

You may use the space below to explain a response to an Item or to provide any other information.

ADV, DRP Pages

CRIMINAL DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an INITIAL **OR** AMENDED response used to report details for affirmative responses to Items 11.C., 11.D., 11.E., 11.F. or 11.G. of Form ADV.

Regulatory Action

Check item(s) being responded to:

- | | | | | |
|----------------------------------|---|----------------------------------|---|----------------------------------|
| <input type="checkbox"/> 11.C(1) | <input type="checkbox"/> 11.C(2) | <input type="checkbox"/> 11.C(3) | <input type="checkbox"/> 11.C(4) | <input type="checkbox"/> 11.C(5) |
| <input type="checkbox"/> 11.D(1) | <input type="checkbox"/> 11.D(2) | <input type="checkbox"/> 11.D(3) | <input type="checkbox"/> 11.D(4) | <input type="checkbox"/> 11.D(5) |
| <input type="checkbox"/> 11.E(1) | <input checked="" type="checkbox"/> 11.E(2) | <input type="checkbox"/> 11.E(3) | <input checked="" type="checkbox"/> 11.E(4) | |
| <input type="checkbox"/> 11.F. | <input type="checkbox"/> 11.G. | | | |

Use a separate DRP for each event or *proceeding*. The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

One event may result in more than one affirmative answer to Items 11.C., 11.D., 11.E., 11.F. or 11.G. Use only one DRP to report details related to the same event. If an event gives rise to actions by more than one regulator, provide details to each action on a separate DRP.

PART I

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

- You (the advisory firm)
- You and one or more of your *advisory affiliates*
- One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).

If the *advisory affiliate* has a CRD number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

ADV DRP - ADVISORY AFFILIATE

CRD Number: 2145769 This *advisory affiliate* is a Firm an Individual

Registered: Yes

No

Name: BROWN, TROY,
ERIC
(For individuals,
Last, First,
Middle)

- This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.
- This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

If you are registered or registering with a *state securities authority*, you may remove a DRP for an event you reported only in response to Item 11.D(4), and only if that event occurred more than ten years ago. If you are registered or registering with the SEC, you may remove a DRP for any event listed in Item 11 that occurred more than ten years ago.

- This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

- B. If the *advisory affiliate* is registered through the IARD system or CRD system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or CRD for the event? If the answer is "Yes," no other information on this DRP must be provided.

Yes No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or CRD records.

PART II

1. Regulatory Action initiated by:

SEC Other Federal State SRO Foreign

(Full name of regulator, *foreign financial regulatory authority*, federal, state, or SRO)

2. Principal Sanction:

Other Sanctions:

3. Date Initiated (MM/DD/YYYY):

Exact Explanation

If not exact, provide explanation:

4. Docket/Case Number:

5. *Advisory Affiliate* Employing Firm when activity occurred which led to the regulatory action (if applicable):

6. Principal Product Type:

Other Product Types:

7. Describe the allegations related to this regulatory action (your response must fit within the space provided):

8. Current Status? Pending On Appeal Final

9. If on appeal, regulatory action appealed to (SEC, SRO, Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved:

11. Resolution Date (MM/DD/YYYY):

Exact Explanation

If not exact, provide explanation:

12. Resolution Detail:

A. Were any of the following Sanctions *Ordered* (check all appropriate items)?

- | | |
|--|--|
| <input type="checkbox"/> Monetary/Fine Amount: \$ | <input type="checkbox"/> Disgorgement/Restitution |
| <input type="checkbox"/> Revocation/Expulsion/Denial | <input type="checkbox"/> Cease and Desist/Injunction |
| <input type="checkbox"/> Censure | <input type="checkbox"/> Suspension |
| <input type="checkbox"/> Bar | |

B. Other Sanctions *Ordered*:

Sanction detail: if suspended, *enjoined* or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against you or an *advisory affiliate* date paid and if any portion of penalty was waived:

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates (your response must fit within the space provided).

Form ADV, Signature Section

DOMESTIC INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such *persons* may accept service on your behalf, of any notice, subpoena, summons, *order instituting proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding*, or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:

RICHARD SPURGEON

Date: MM/DD/YYYY

03/30/2012

Printed Name:

RICHARD SPURGEON

Title:

CHIEF COMPLIANCE OFFICER

Adviser CRD Number:

111964

NON-RESIDENT INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

1. Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint each of the Secretary of the SEC, and the Secretary of State or other legally designated officer, of any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such persons may accept service on your behalf, of any notice, subpoena, summons, *order instituting proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of any state in which you are submitting a *notice filing*.

2. Appointment and Consent: Effect on Partnerships

If you are organized as a partnership, this irrevocable power of attorney and consent to service of process will continue in effect if any partner withdraws from or is admitted to the partnership, provided that the admission or withdrawal does not create a new partnership. If the partnership dissolves, this irrevocable power of attorney and consent shall be in effect for any action brought against you or any of your former partners.

3. *Non-Resident* Investment Adviser Undertaking Regarding Books and Records

By signing this Form ADV, you also agree to provide, at your own expense, to the U.S. Securities and

Exchange Commission at its principal office in Washington D.C., at any Regional or District Office of the Commission, or at any one of its offices in the United States, as specified by the Commission, correct, current, and complete copies of any or all records that you are required to maintain under Rule 204-2 under the Investment Advisers Act of 1940. This undertaking shall be binding upon you, your heirs, successors and assigns, and any *person* subject to your written irrevocable consents or powers of attorney or any of your general partners and *managing agents*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the *non-resident* investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:

Date: MM/DD/YYYY

Printed Name:

Title:

Adviser *CRD* Number:

111964

Item 1 - Cover Page



4901 Vineland Road, Suite 600
Orlando, FL 32811

Phone: (863) 293-8289
World Wide Web Address: www.bogdahngroup.com

Date of Brochure
March 30, 2012

This brochure provides information about the qualifications and business practices of The Bogdahn Group. If you have any questions about the contents of this brochure, please contact us at (863) 293-8289, or by email at compliance@bogdahngroup.com. The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Item 2 - Material Changes

Following are the material changes in this brochure from our last brochure, which was dated January 1, 2011.

- ❖ In **Item 4 – Advisory Business**, the last paragraph of the *Client Service Philosophy* section was removed in its entirety. That paragraph read as follows:

“Our services under ERISA are to serve as a **Limited-Scope 3(21) Fiduciary**. Under this arrangement we have a fiduciary obligation to the plan but do not have discretionary authority to make investment selections or replace investment options within the plan. We provide extensive investment tools to the trustees and/or administrators of the plan to guide them in their duty to implement, maintain, administer and provide fiduciary oversight of their investment programs.”
- ❖ The discussion of fiduciary capacity in which we serve has been move from **Item – 4 Advisory Business** to **Item 16 – Investment Discretion**, where the full range of capacities in which we will serve is discussed.

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Item 4 - Advisory Business

Who We Are

The Bogdahn Group, is a full-service registered investment advisor¹ offering a broad range of investment consulting services to all types of institutional clients including public and corporate defined benefit and defined contribution retirement plans, Taft Hartley plans, endowments and foundations.

Our History

The Bogdahn Group was organized in September, 2000 as a Florida Limited Liability Company offering investment consulting services to institutional clients under the leadership of Joseph R. Bogdahn. Today, we have a team of talented professionals with diverse business backgrounds and offices in strategic locations throughout the United States.

Owners

The Company is controlled by the following persons:

Name	Title	CRD#
Joseph R. Bogdahn	Managing Member & Chairman	2987270
Michael F. Welker	Managing Member & CEO	4738425

Mission and Objective

Our mission is to be an indispensable and fully independent investment advisory resource providing our clients with the most objective and unbiased information with which to prudently evaluate their portfolio allocations and performance. We will serve as our clients' advocate and guide in the implementation, maintenance, administration and fiduciary oversight of their investment programs.

¹The term "registered investment advisor" is not intended to imply that The Bogdahn Group has attained a certain level of skill or training. It is used strictly to reference the fact that we are "Registered" as an "Investment Advisor" with the United States Securities & Exchange Commission – and "Notice Filed" with such other State Regulatory Agencies that may have limited regulatory jurisdiction over our business practices.

What We Do

Simplified Investment Decisions

We strive to deliver our services in a customized and user-friendly format based on each client's unique needs. Using a dynamic combination of data, presentation, education and communication tools, we attempt to provide our clients with the resources and actionable recommendations that will allow them to make the most informed decisions possible.

At the Bogdahn Group, we believe in simplifying investment decisions. We have found that the most effective way to accomplish this objective is to build client "partnerships" based on understanding and trust. By taking time to meet and understand our clients on a personal level, we are able to provide them with meaningful and actionable investment guidance that produces sustainable, solid results.

While our recommendations are based on a wealth of experience and in-depth analysis, we strive to present client information in a format that is understandable and intuitive. As a result, we do not structure our presentations or communications to impress the client with our technical knowledge and expertise, but rather to allow clients to easily recall the reasoning behind each of the decisions implemented in their portfolio.

Providing Definitive Recommendations

One of the greatest criticisms of the consulting industry as a whole is that firms are "long" on ideas and "short" on implementation. We continuously work to redefine this criticism by providing our clients with definitive recommendations and efficient implementation of structures and strategies.

Although portfolio decisions are ultimately implemented at the direction of the client, our process is focused on identifying and quantifying investment themes that allow for the realistic assessment of risk and the establishment of return expectations. The presentation and communication of this information is always structured toward allowing clients to make informed investment decisions they can trust.

Straight Forward Solutions

In today's investment environment, client needs and portfolio strategies are increasingly complex. Despite these challenges, we continuously work to tailor our information and recommendations using a "straight-forward" approach that results in actionable, cost-efficient client solutions.

We encourage any prospect to communicate with our clients and other industry professionals to evaluate their opinion of our services and professionalism. You will quickly discern that there is a significant difference between consulting firms and that The Bogdahn Group has a unique and enviable position in the industry.

Client Service Philosophy

To maximize the effectiveness of our recommendations, The Bogdahn Group utilizes a team-based approach to client service. However, each client will also be assigned a primary consultant that is responsible for coordinating the relationship and understanding that client's specific needs. This client service philosophy is based on the belief that the formulation of an investment plan, coupled with prudent implementation and performance evaluation, is essential to the oversight of investment assets. Our primary objective is to serve as the client's advocate and guide in implementing this process.

At The Bogdahn Group, we focus on creating partnerships, not customers. Our investment consulting services are specifically tailored to meet each client's unique needs. From return requirements, risk tolerance, cash flow and liquidity needs, we work with each client to implement dynamic strategies based on their portfolio through time. Through careful research and collaboration, our focused consultants and dedicated service teams provide the key ingredients necessary for fostering and maintaining strong client-centered relationships.

In short, we work to meet all of the needs and demands of our clients by establishing a framework that simplifies their investment and fiduciary decisions.

Item 5 - Fees & Compensation

We are not affiliated with any investment manager, insurance company, brokerage firm, custodian, administrator, or other 3rd party service provider. We simply do not engage in any soft-dollar fee arrangements or other revenue generating programs. 100% of our fee is generated from the hard-dollar annual retainer fee the client pays directly to us for our services.

This singular "fee for services" model has allowed us to eliminate potential conflicts of interest regarding our recommendations. As a result, this model gives clients the confidence and trust that our sole focus is on providing the highest level of independent and objective investment consulting and advisory service possible.

Our hard dollar fees vary depending on the complexity of the engagement. While we do not have a minimum plan size that we will accept, we do have a minimum annual fee of \$15,500, which typically means that our services often do not make good economic sense for clients with

plans smaller than \$15,000,000. All fees are fully disclosed and negotiated with the client in advance. Fees are billed in arrears, generally quarterly. Under no circumstances are our fees based on a share of capital gains or appreciation of funds. Clients can terminate our advisor services at any time upon written notice.

Item 6 - Performance-Based Fees & Side-By-Side Management

We do not charge fees based on a share of capital gains or the capital appreciation of the assets held in your accounts.

Item 7 - Types of Clients

The types of clients we offer advisory services to are described above under “**What We Do**” in the “**Item 4 - Advisory Business**” section. We do not have minimum plan size requirements for investment consulting services.

Item 8 - Methods of Analysis, Investment Strategies & Risk of Loss

Focus of our strategic asset allocation is the development of “collective manager intelligence” by our research team leading to manager recommendations that are consistent and repeatable. Our dedicated research team’s sole responsibility is to conduct due-diligence on current and prospective management strategies that can be utilized by clients in accordance with their Investment Policy Statement.

The open and ongoing manager due diligence process, which includes both qualitative and quantitative aspects, is focused on identifying managers and strategies that maintain a sustainable competitive advantage relative to their peers.

Item 9 - Disciplinary Information

We are required to disclose disciplinary events that are material for our clients’ evaluation of our advisory practices; therefore, pursuant to Item 9C of the Form ADV Part 2A: Firm Brochure, question 9.C.2 asks that we disclose:

“A self-regulatory organization (SRO) proceeding in which your firm or a management person was found to have been involved in a violation of the SRO’s rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.”

In December of 2008 while licensed with Merrill Lynch, Pierce, Fenner & Smith, Inc., Troy E. Brown, our Director of Consulting, entered into an Acceptance, Waiver & Consent Agreement with FINRA for actions that occurred in the Merrill Lynch branch office where he worked in 2003 and 2004. FINRA found that a subordinate associate in the Merrill Lynch branch was taking Firm Element continuing education training modules and proficiency tests for several registered representatives of that office. This was occurring unbeknownst to Mr. Brown. When he became aware of the activities by the subordinate, he immediately stopped the practice and completed all continuing education training both required and elective.

Even though FINRA noted that Mr. Brown took action on his own to correct the violation of FINRA Member Rules, which had a positive impact on the limited citation received by FINRA, the damage was already done. All of the registered representatives in that Merrill Lynch branch were cited with failure to complete the required training by FINRA. Mr. Brown was suspended from association with any FINRA Member firm for ten (10) days and required to pay a civil penalty of \$5,000. The suspension was completed in January 2009.

Item 10 - Other Financial Industry Activities & Affiliations

We are a fee for service registered investment advisor; none of our supervised persons are licensed, or are related to, another financial industry participant and therefore no disclosure is necessary for this item.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

Code of Ethics

As a fiduciary, the Company has an affirmative duty to render continuous, unbiased investment advice, and at all times act in your best interest. To maintain this ethical responsibility, we have adopted a Code of Ethics that establishes the fundamental principles of conduct and

professionalism expected by all personnel in discharging their duties. This Code is a value-laden guide committing such persons to uphold the highest ethical standards, rooted in the most elementary maxim. Our Code of Ethics is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just and good by promoting:

- ❖ Honest and ethical conduct.
- ❖ Full, fair and accurate disclosure.
- ❖ Compliance with applicable rules and regulations.
- ❖ Reporting of any violation of the Code.
- ❖ Accountability.

To help you understand our ethical culture and standards, how we control sensitive information and what steps have been taken to prevent personnel from abusing their inside position, a copy of our Code of Ethics is available for review upon request.

Insider Trading

The Company is in compliance with the Insider Trading and Securities Fraud Enforcement Act of 1988. We do not share any non-public information with anyone who does not need to know and has set-up internal controls to guard non-public information.

Item 12 - Brokerage Practices

We do not manage the assets of any pension/retirement plans therefore we do not maintain a custodial relationship with any licensed broker-dealer. Focus of our services is to evaluate the investment performance of the investment managers we recommend to clients and the overall performance of client pension/retirement plans.

Item 13 - Review of Accounts

Performance Reports

On a periodic basis, we will provide clients with a performance evaluation of the investment(s) (herein called the Performance Report). The Performance Report reviews the performance of the pension/retirement plan expressed by various modern portfolio statistics that compare the performance of the investment managers to the guidelines called for by the Investment Policy

Statement. The Performance Report provides historical and comparative information, and is not be relied upon as forecast or predictor of future performance returns.

Investment Manager Reports

We will review fund data for all the investment managers on at least an annual basis, with respect to their overall performance in achieving the desired objectives of the Investment Policy Statement.

The review is directed to whether the investment manager's performance and discipline is consistent with the intent and objectives of the Investment Policy Statement. We will provide information to facilitate comparisons of the investment manager's overall performance benchmarks described in the plan's Investment Policy Statement.

The client is responsible for reviewing and understanding the information and analysis we provide and assessing the adequacy of any particular investment manager's overall performance. We will assist the client in fulfilling this responsibility.

Item 14 - Client Referrals & Other Compensation

We do not receive any economic benefit from an independent party for our investment consulting services. In addition, we do not compensate persons/firms for client referrals.

Item 15 - Custody

We do not take possession of or maintain custody of any funds or securities, but will simply monitor the holdings within in the retirement plan. Possession and custody of the funds and/or securities shall be maintained by an independent custodian selected by the client.

Item 16 - Investment Discretion

Most of our services under ERISA are provided as a 3(21) fiduciary. Under this arrangement we are a fiduciary to the plan but do not have discretionary authority to make investment selections or replace investment options within the plan. We provide extensive investment tools to the

trustees and/or administrators of the plan to guide them in their duty to implement, maintain, administer and provide fiduciary oversight of their investment programs.

We do, however, take on the role of a 3(38) fiduciary, with discretionary authority, for some participant-directed defined contribution plan clients. In these cases, our discretion is exercised only to the extent of adding and removing investment vehicle options available on the clients' plan investment platform. We do not make any decisions or exercise any discretionary authority over participant monies going into, or coming out of, the investment options available on the platform. There are no circumstances currently, nor do we expect there to be any circumstances in the future, where we will accept discretionary authority over direct investment of client or participant assets.

Item 17 - Voting Client Securities

We are hereby expressly precluded from voting proxies. The client agrees that they will retain the right to vote all proxies or delegate that right to the investment managers hired to manage their assets.

Item 18 - Financial Information

We are not required to include financial information in our Disclosure Brochure since we will not take custody of client funds or securities or bill client accounts six (6) months or more in advance for more than \$1,200.

END OF DISCLOSURE BROCHURE

The Bogdahn Group
 4901 Vineland Road, Suite 600
 Orlando, FL 32811
 Tel: 863.293.8289 Fax: 863.292.8717
 www.bogdahngroup.com

This brochure supplement provides information about Jonathan D. Breth that supplements The Bogdahn Group's brochure. You should have received a copy of that brochure. Please contact Richard Spurgeon, CCO at 863-904-0869, or richards@bogdahngroup.com, if you did not receive the brochure or if you have questions about the contents of this supplement. Additional information about Jonathan D. Breth is available on the SEC's website at www.advisorinfo.sec.gov.

Jonathan D. Breth, CFP®
 CRD#: 5072324 Year of Birth: 1977

Item 2 Educational Background and Business Experience

Education

2000 – Rhodes College, BA in Business Administration (Cum Laude)

Professional Designations/Licenses

Certified Financial Planner® (CFP®) Certification - The CFP® is issued by the Certified Financial Planner Board of Standards, Inc. The CFP® certificate holders to have a bachelor's degree, three (3) years professional working experience in the area of financial planning, and successfully passed the examination process. In addition, CFP® certificate holders are required to adhere to the CFP® Board's Code of Ethics and Professional Responsibility, Rules of Conduct, and Financial Planning Practice Standards.

FINRA Exams: Series 66 – Uniform Combined State Law Examination

Business Background (Past five years)

07/2011 – Present	The Bogdahn Group Senior Consultant
07/2000 – 07/2011	Consulting Services Group Consultant

Item 3 Disciplinary Information

There are no legal or disciplinary events to report.

Item 4 Other Business Activities

Mr. Breth is not involved in any other business activities.

Item 5 Additional Compensation

Mr. Breth does not receive any economic benefit from anyone who is not a client for providing advisory services.

Item 6 Supervision

In the conduct of his advisory activities, Mr. Breth reports directly to Troy R. Brown, Director of Consulting and must also adhere to the policy directives of the firm's Investment Policy Committee. Richard D. Spurgeon, Chief Compliance Officer of The Bogdahn Group, is responsible for the oversight of our firm's investment advisory activities to ensure that we operate in compliance with all federal and state laws and regulations. He is further responsible for establishing and maintaining the firm's compliance policies, procedures and standards of ethical conduct. Mr. Spurgeon can be contacted at the phone number and email address in the first paragraph of this supplement.

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This brochure supplement provides information about Michael F. Welker that supplements The Bogdahn Group's brochure. You should have received a copy of that brochure. Please contact Richard Spurgeon, CCO at 863-904-0869, or richards@bogdahngroup.com, if you did not receive the brochure or if you have questions about the contents of this supplement. Additional information about Michael F. Welker is available on the SEC's website at www.advisorinfo.sec.gov.

Michael F. Welker, CFA

CRD#: 4738425 Year of Birth: 1976

Item 2 Educational Background and Business Experience

Education

2001 – Rollins College, MBA
 1999 – Rollins College, BA in Economics

Professional Designations/Licenses

Chartered Financial Analyst (CFA) Charterholder – The CFA designation is issued by the CFA Institute. The CFA designation requires the candidate to have a bachelor's degree, four (4) years of professional working experience in the investment field, and successfully passed the examination process. In addition, Charterholders are required to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct.

FINRA Exam: Series 65 – Uniform Investment Advisor Law Examination

Business Background (Past five years)

12/2003 – Present The Bogdahn Group
 President & CEO

Item 3 Disciplinary Information

There are no legal or disciplinary events to report.

Item 4 Other Business Activities

Mr. Welker is not involved in any other business activities.

Item 5 Additional Compensation

Mr. Welker does not receive any economic benefit from anyone who is not a client for providing advisory services.

Item 6 Supervision

In the conduct of his advisory activities, Mr. Welker reports directly to Troy R. Brown, Director of Consulting and must also adhere to the policy directives of the firm's Investment Policy Committee. Richard D. Spurgeon, Chief Compliance Officer of The Bogdahn Group, is responsible for the oversight of our firm's investment advisory activities to ensure that we operate in compliance with all federal and state laws and regulations. He is further responsible for establishing and maintaining the firm's compliance policies, procedures and standards of ethical conduct. Mr. Spurgeon can be contacted at the phone number and email address in the first paragraph of this supplement.

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This brochure supplement provides information about Joseph R. Bogdahn that supplements The Bogdahn Group's brochure. You should have received a copy of that brochure. Please contact Richard Spurgeon, CCO at 863-904-0869, or richards@bogdahngroup.com, if you did not receive the brochure or if you have questions about the contents of this supplement. Additional information about Joseph R. Bogdahn is available on the SEC's website at www.advisorinfo.sec.gov.

Joseph R. Bogdahn

CRD#: 2987270 Year of Birth: 1962

Item 2 Educational Background and Business Experience

Education

1984 – University of Mississippi, BBA in Business/Economics, Student Body President

Professional Designations/Licenses

FINRA Exams: Series 66 – Uniform Combined State Law Examination

Business Background (Past five years)

09/2000 – Present The Bogdahn Group
Founder/Principal

Item 3 Disciplinary Information

There are no legal or disciplinary events to report.

Item 4 Other Business Activities

Mr. Bogdahn is not involved in any other business activities.

Item 5 Additional Compensation

Mr. Bogdahn does not receive any economic benefit from anyone who is not a client for providing advisory services.

Item 6 Supervision

In the conduct of his advisory activities, Mr. Bogdahn reports directly to Troy R. Brown, Director of Consulting and must also adhere to the policy directives of the firm's Investment Policy Committee. Richard D. Spurgeon, Chief Compliance Officer of The Bogdahn Group, is responsible for the oversight of our firm's investment advisory activities to ensure that we operate in compliance with all federal and state laws and regulations. He is further responsible for establishing and maintaining the firm's compliance policies, procedures and standards of ethical conduct. Mr. Spurgeon can be contacted at the phone number and email address in the first paragraph of this supplement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/13/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Kuykendall Gardner 1560 Orange Ave Ste 750 Winter Park FL 32789	CONTACT NAME: Cindy Gotham	
	PHONE (A/C No. Ext): (407) 894-5431	FAX (A/C No.): (407) 629-6378
INSURED Bogdahn Consulting, LLC 4901 Vineland Road, Suite 600 Orlando FL 32811	E-MAIL ADDRESS: cgotham@kgbroker.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Maryland Casualty Co	NAIC #: 19356
	INSURER B: Steadfast Insurance Co	26387
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

COVERAGES **CERTIFICATE NUMBER: 12-13 Master** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			PAS05108990	3/12/2012	3/12/2013	EACH OCCURRENCE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY \$ Excluded
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						GENERAL AGGREGATE \$ 4,000,000
							PRODUCTS - COMP/OP AGG \$ 4,000,000
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$
							\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB	<input checked="" type="checkbox"/> OCCUR		PAS05108990	3/12/2012	3/12/2013	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 1,000,000
	<input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 5,000						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATUTORY LIMITS
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	N/A				OTHER
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. EACH ACCIDENT \$
							E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$
B	Errors & Omissions Directors & Officers Liab			EOC 5490954-00	3/12/2012	3/12/2013	Limit of Liability \$ 5,000,000

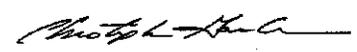
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

C Gardner, CIC, CRM/K 

Sample Client

Second Quarter 2011



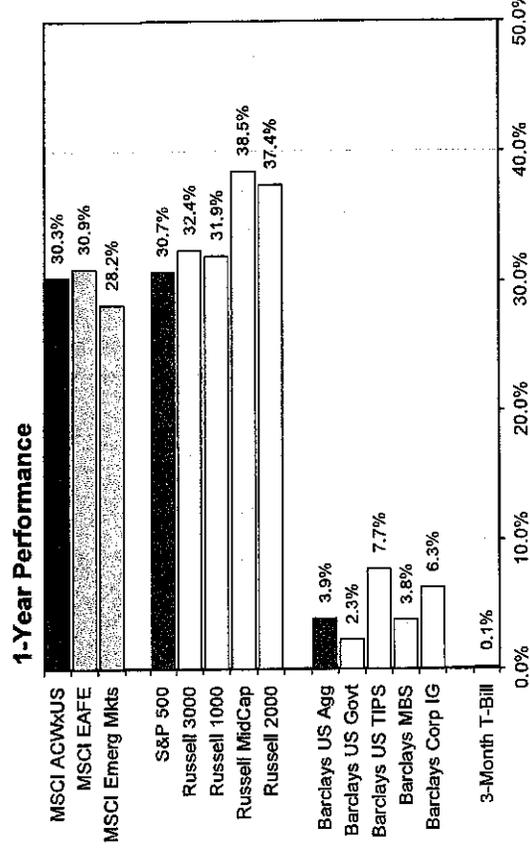
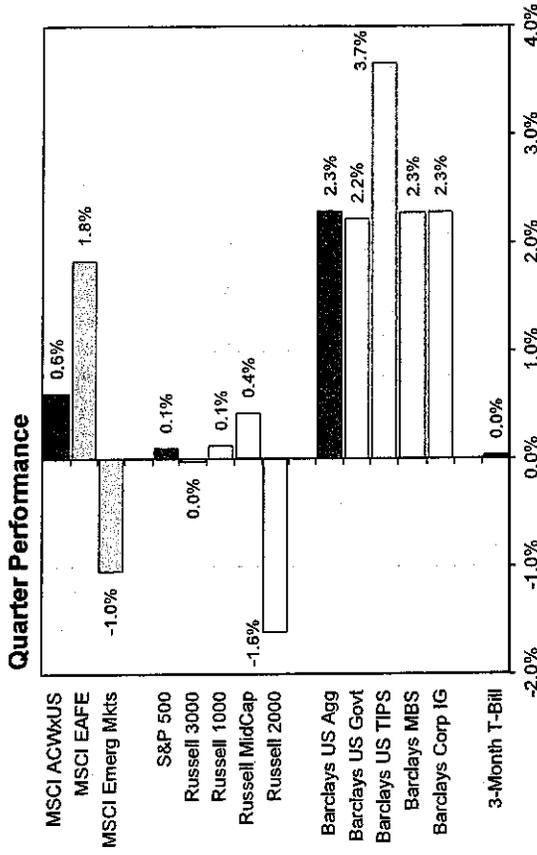
THE
BOGDAHN
GROUP.

simplifying your investment and fiduciary decisions

The Market Environment

Major Market Index Performance

Period Ended: June 30, 2011



The second quarter was once again fraught with a long list of macro issues for investors to digest. Although none of these issues were necessarily new, there were certainly new elements to drive market volatility. Domestically, investors anticipated the ramifications of the end of the Fed's \$600 billion Treasury purchase program (QEII) on June 30, 2011. In addition, the politicization of the looming deadline to raise the U.S. debt ceiling increased investor uncertainty regarding the "financial bedrock" of the world's risk-free asset and the possibility of a U.S. default. Outside of the U.S., many Euro-based countries continued to wrestle with the potential of punitive capital market rates versus the adoption of tough austerity measures tied to any potential aid package.

Domestically, large cap stocks, as measured by the S&P 500, managed to generate a return of 0.1% for the quarter despite a pullback of roughly 7% intra-quarter. While the Russell MidCap index posted a slightly higher return of 0.4% over the period, the Russell 2000 index (small cap) returned a disappointing -1.6%. This quarter's performance represents the first time that the results of small cap issues have trailed their large cap counterparts since the 4th quarter of 2009.

Broad market international equity results were also positive for the quarter with the MSCI-ACWxUS index returning 0.6% in U.S. Dollars (USD). The emerging market component of the broad international index was a drag on the quarter's results with the MSCI-EM index posting a return of -1.0% for the quarter. The USD's continued weakness boosted un-hedged U.S. investor international equity returns by roughly 200 basis points (bps) for the quarter.

Despite concerns over inflation and the timing of the removal of accommodative Fed policies, each of the fixed income indices experienced positive performance for the quarter with the broad market Barclays US Aggregate index returning 2.3%.

Source: Paris / Investment Metrics

The Market Environment

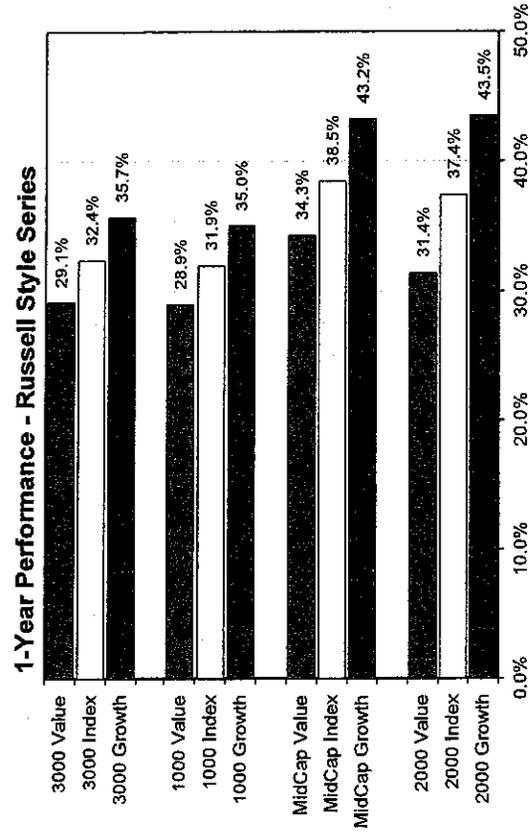
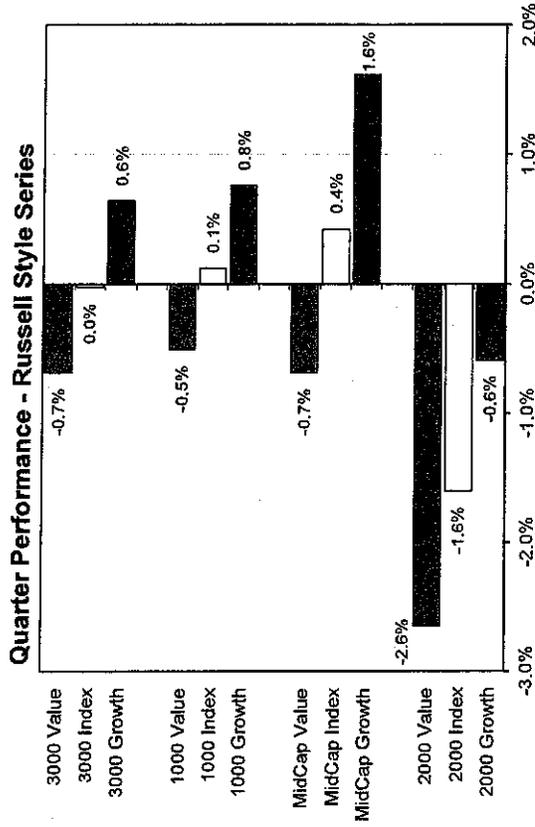
Domestic Equity Style Index Performance

Period Ended: June 30, 2011

■ Growth outperformed value in each of the capitalization segments of the market during the second quarter. While the absolute return differentials between the style-based benchmarks were less than 300 bps across the capitalization spectrum, the relative variance appears more pronounced due to the quarter's muted equity index performance. With the exception of small cap style indices, which were both negative for the quarter, the growth-based benchmarks were positive versus the negative results posted by value-based benchmarks.

■ The largest determinant of growth's outperformance relative to value for the quarter was the result of large sector weight differentials. While, the core benchmarks' two largest sectors are information technology and financials, information technology represents roughly 2,000 bps more of the growth benchmark sector weights while financials represent roughly 2,000 bps more of the value benchmark sector weights. Although both sectors were negative for the quarter, the performance of financials represented a much larger drag on index results and thus value-based benchmarks.

■ Growth continued to show a strong level of outperformance relative to value for all capitalization ranges in the one-year period. This outperformance is particularly pronounced in the small cap segment where growth has outperformed value by more than 1,000 bps for the year. The small cap growth benchmark's strength over the trailing one-year period is largely the result of its substantial weight to the information technology sector (27.8% for growth versus 9.5% for value), which posted a return of 49.1%.



Source: Paris / Investment Metrics



The Market Environment

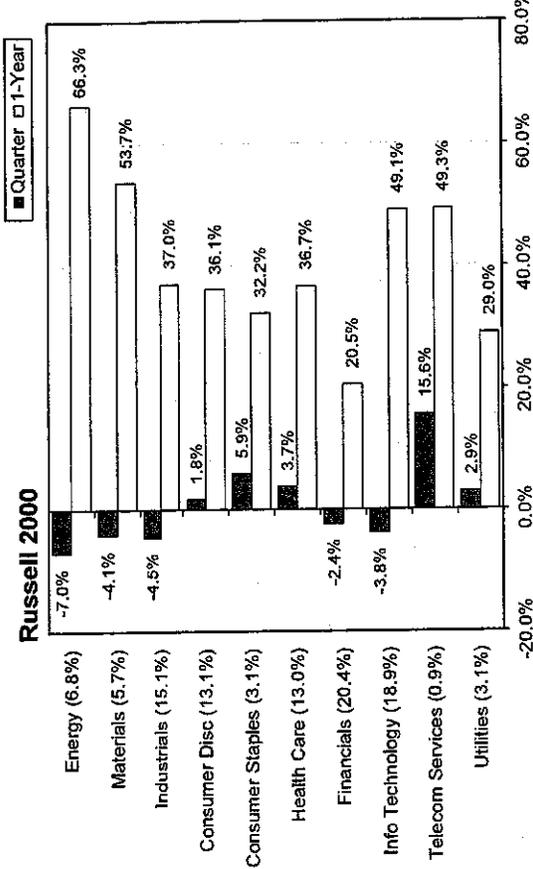
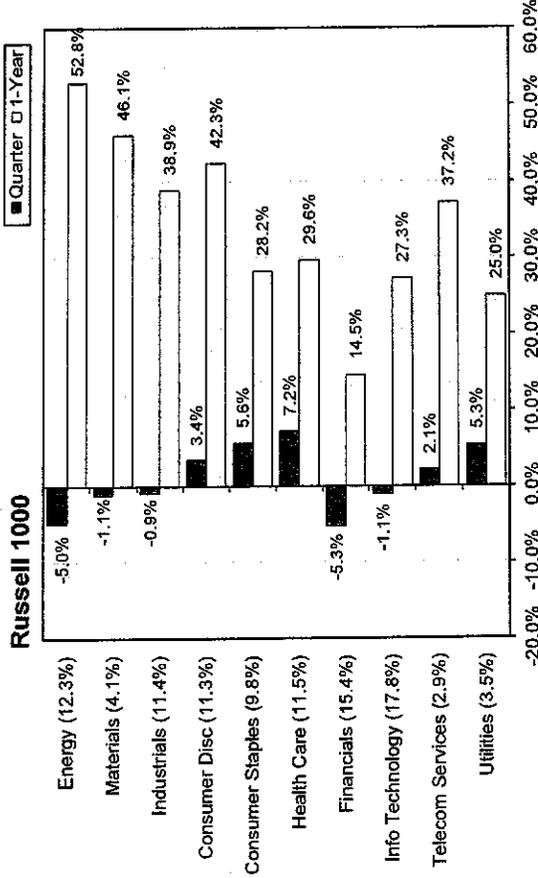
GICS Sector Performance & (Sector Weight)

Period Ended: June 30, 2011

Reviewing the Global Industry Classification Standard (GICS) sectors of the Russell 1000 large cap stock index, performance varied by 1,200 bps from best to worst. Within the ten economic sectors, five were positive and five were negative. In stark contrast to last quarter, led by a selloff in oil, the energy sector posted one of the weakest results during the 2nd quarter with a return of -5.0%. Only the financial sector posted a weaker result with a return of -5.3%. While the health care sector's return of 7.2% was the strongest sector result for the quarter, the consumer staples' sector return of 5.6% represented a strong turnaround after posting the weakest large cap sector performance during the 1st quarter.

GICS sector results in the Russell 2000 small cap index were also mixed during the quarter with the same five sectors posting negative and positive results, respectively. However, small cap sector performance was spread over a wider 2,260 bps. Much like the large cap benchmark, the energy sector posted weak sector performance for the quarter with a return of -7.0%. The more mild positive performance posted by the small cap GICS sectors for the quarter resulted in overall negative performance for the growth, value and core benchmarks.

All ten sectors of both the Russell 1000 and Russell 2000 benchmarks posted strong positive results over the one-year period. Energy, materials and consumer discretionary issues dominated large cap results with sector performance in excess of 40% for the year. The one-year sector results for small cap issues favored energy, materials, information technology and telecommunication services with each sector returning in excess of 49%.



Source: Thompson Financial



The Market Environment

Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
 Period Ended: June 30, 2011

Top 10 Weighted Stocks				
Russell 1000	Symbol	Weight	Return	Sector
	Exxon Mobil Corp	3.08%	-2.7%	Energy
	Apple Inc	2.26%	-3.7%	Information Technology
	IBM	1.54%	5.7%	Information Technology
	Chevron Corp	1.53%	-3.5%	Energy
	General Electric Company	1.53%	-5.2%	Industrials
	Microsoft Corp	1.40%	3.2%	Information Technology
	Procter & Gamble Co	1.36%	4.0%	Consumer Staples
	AT&T Inc	1.34%	4.1%	Telecomm Service
	Johnson & Johnson	1.31%	13.2%	Health Care
	JPMorgan Chase & Co	1.27%	-10.7%	Financials

Top 10 Performing Stocks				
Russell 1000	Symbol	Weight	Return	Sector
	National Semiconductor Corp	0.04%	71.6%	Information Technology
	Level 3 Communications Inc	0.02%	66.0%	Telecomm Service
	Biogen Idec Inc	0.16%	45.7%	Health Care
	Herbalife Ltd	0.04%	42.2%	Consumer Staples
	Southern Union Co	0.03%	40.9%	Energy
	Green Mountain Coffee Roasters	0.06%	38.2%	Consumer Staples
	Carpenter Technology Corp	0.02%	35.5%	Materials
	Hansen Natural Corp	0.03%	34.4%	Consumer Staples
	Tempur Pedic International Inc	0.03%	33.9%	Consumer Discretionary
	Sirius XM Radio Inc	0.06%	31.9%	Consumer Discretionary

Bottom 10 Performing Stocks				
Russell 1000	Symbol	Weight	Return	Sector
	Frontline Ltd	0.01%	-39.5%	Energy
	Community Health Systems Inc	0.02%	-35.4%	Health Care
	Lender Processing Services Inc	0.02%	-34.8%	Information Technology
	Micron Technology Inc	0.06%	-34.7%	Information Technology
	Memc Electronic Materials Inc	0.02%	-34.2%	Information Technology
	Clearwire Corp	0.01%	-32.4%	Telecomm Service
	Aeropostale Inc	0.01%	-29.5%	Consumer Discretionary
	Forest Oil Corp	0.03%	-29.4%	Energy
	Ciena Corp	0.02%	-29.2%	Information Technology
	Skyworks Solutions Inc	0.04%	-29.1%	Information Technology

Top 10 Weighted Stocks				
Russell 2000	Symbol	Weight	Return	Sector
	Riverbed Technology Inc	0.35%	-7.4%	Information Technology
	Tibco Software Inc	0.35%	-3.4%	Information Technology
	Verifone Systems Inc	0.31%	-24.9%	Information Technology
	Rackspace Hosting Inc	0.31%	-5.5%	Information Technology
	American Capital Agency Corp	0.28%	3.4%	Financials
	Nordson Corp	0.27%	-10.6%	Industrials
	Brigham Exploration Co	0.27%	-27.7%	Energy
	Acme Packet Inc	0.26%	-8.2%	Information Technology
	Amerigroup Corp	0.26%	0.1%	Health Care
	Deckers Outdoor Corp	0.26%	-3.6%	Consumer Discretionary

Top 10 Performing Stocks				
Russell 2000	Symbol	Weight	Return	Sector
	Global Crossing Ltd	0.07%	175.7%	Telecomm Service
	Nature's Sunshine Products Inc	0.01%	117.4%	Consumer Staples
	Conn's Inc	0.01%	93.1%	Consumer Discretionary
	Orthovia Inc	0.02%	82.6%	Health Care
	Barnes And Noble Inc	0.04%	80.4%	Consumer Discretionary
	Doral Financial Corp	0.00%	78.2%	Financials
	Pharmacyclis Inc	0.03%	77.2%	Health Care
	Empire Resorts Inc	0.00%	71.0%	Utilities
	Complete Genomics Inc	0.01%	69.2%	Health Care
	Emis Technologies Inc	0.03%	67.7%	Information Technology

Bottom 10 Performing Stocks				
Russell 2000	Symbol	Weight	Return	Sector
	Lee Enterprises Inc	0.01%	-69.7%	Consumer Discretionary
	Evergreen Solar Inc	0.00%	-63.7%	Information Technology
	American Superconductor Corp	0.05%	-63.7%	Industrials
	Ener1 Inc	0.01%	-62.8%	Industrials
	Biomimetic Therapeutics Inc	0.01%	-60.9%	Health Care
	Compucredit Holdings Corp	0.00%	-60.4%	Financials
	Pmi Group Inc	0.02%	-60.4%	Financials
	Pain Therapeutics Inc	0.03%	-59.5%	Health Care
	Lecg Corporation	0.00%	-57.3%	Industrials
	Smith Micro Software Inc	0.02%	-55.0%	Information Technology



Source: Thompson Financial

The Market Environment

International and Regional Market Index Performance (# Countries)

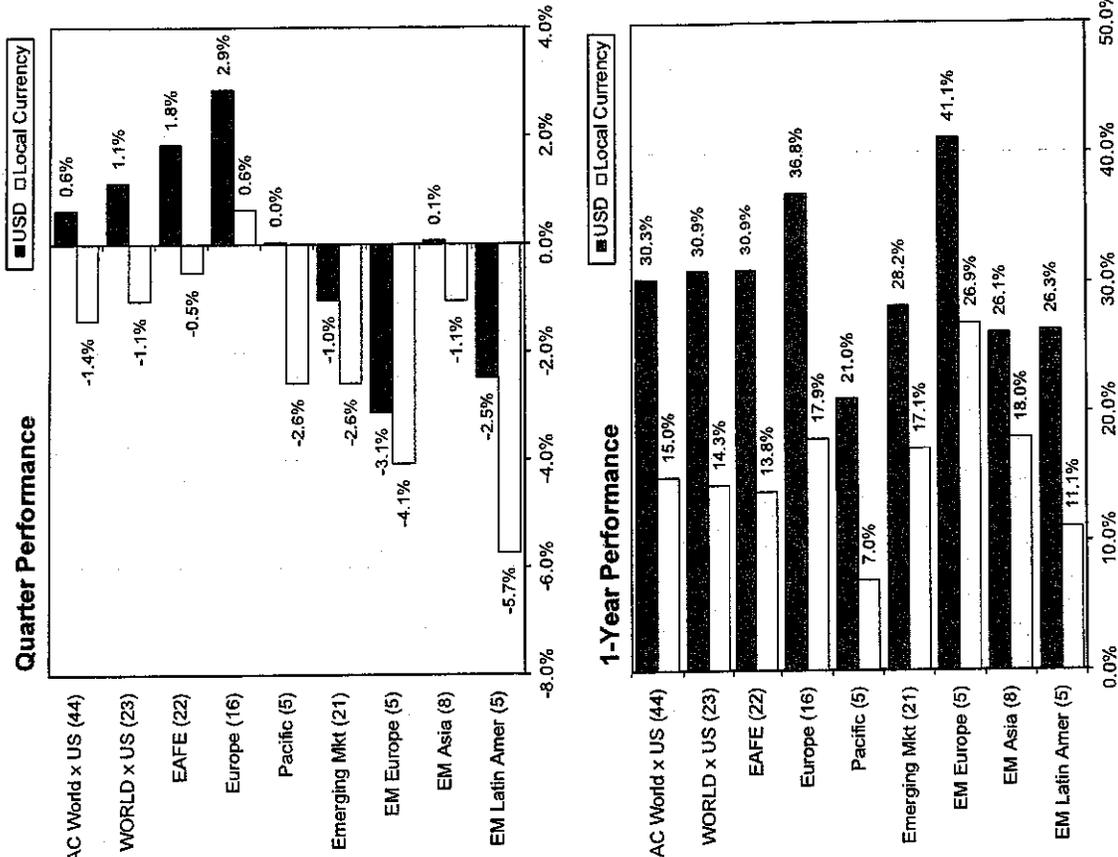
Period Ended: June 30, 2011

Although the broad market international index posted positive performance for the quarter in U.S. Dollars (USD), emerging markets were negative during the period. The MSCI-ACWxUS index returned a mild 0.6% for the quarter while the Emerging Markets index posted a weaker -1.0%. The MSCI-EAFE index, which excludes the emerging market countries, returned a stronger 1.8% for the quarter. Japan, which was a large drag on international market results during the 1st quarter, managed to post a positive USD return of 0.2% for the 2nd quarter.

Much like domestic equity markets, the performance of the MSCI-ACWxUS index was held back by weak results in the energy (-5.3%) and financial (-0.9%) sectors.

The impact of currency movements on returns for the quarter was significant. While the USD returns for many of the international equity indices were positive, the local currency returns were unilaterally lower, which reflected further depreciation of the USD relative to other currencies.

Over the one-year period, the performance of developed and emerging markets were similar with the MSCI-EAFE index returning 30.9% and the MSCI-EM index returning 28.2%. Europe represented the dominant regional performance for both developed (36.8%) and emerging (41.1%) markets over the one-year period. Each of the broad and regional benchmark indices clearly illustrate the substantial depreciation of the USD relative to other currencies over the trailing one-year period.



Source: MSCI

The Market Environment

U.S. Dollar International Index Attribution & Country Detail

Period Ended: June 30, 2011

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Energy	8.1%	-2.9%	45.6%
Materials	11.3%	1.1%	45.0%
Industrials	12.9%	-0.2%	34.9%
Consumer Discretionary	10.5%	6.8%	37.5%
Consumer Staples	10.2%	7.6%	28.5%
Health Care	8.7%	8.9%	27.0%
Financials	23.5%	-0.5%	24.5%
Information Technology	4.7%	-0.9%	18.0%
Telecommunication Services	5.5%	0.6%	34.5%
Utilities	4.7%	-0.4%	13.6%
Total	100.0%	1.8%	30.9%

MSCI - ACWIxUS	Sector Weight	Quarter Return	1-Year Return
Energy	11.2%	-5.3%	37.5%
Materials	12.9%	-1.3%	40.1%
Industrials	11.0%	0.1%	34.8%
Consumer Discretionary	9.3%	6.9%	38.8%
Consumer Staples	8.8%	7.4%	29.6%
Health Care	6.3%	8.6%	27.6%
Financials	24.5%	-0.9%	24.9%
Information Technology	6.2%	-3.0%	19.2%
Telecommunication Services	5.7%	1.5%	30.4%
Utilities	4.1%	0.3%	14.6%
Total	100.0%	0.6%	30.3%

Country	MSCI-EAFE Weight	MSCI-ACWIxUS Weight	Quarter Return	1-Year Return
United Kingdom	21.3%	14.5%	1.7%	34.1%
Japan	20.0%	13.7%	0.2%	13.2%
France	10.5%	7.1%	5.3%	43.4%
Germany	9.0%	6.2%	7.0%	47.0%
Australia	8.6%	5.9%	-0.6%	41.1%
Switzerland	8.4%	5.7%	7.3%	33.2%
Spain	3.6%	2.5%	2.1%	35.8%
Sweden	3.1%	2.1%	0.8%	42.5%
Italy	2.8%	1.9%	-1.8%	31.0%
Hong Kong	2.7%	1.9%	-1.0%	26.0%
Netherlands	2.5%	1.7%	-4.2%	25.9%
Singapore	1.7%	1.2%	2.0%	25.4%
Denmark	1.1%	0.7%	-6.4%	29.3%
Finland	1.0%	0.7%	-6.8%	27.5%
Belgium	1.0%	0.7%	3.1%	25.5%
Norway	0.9%	0.6%	-1.1%	53.0%
Israel	0.7%	0.5%	-2.4%	-6.9%
Austria	0.3%	0.2%	2.1%	55.3%
Portugal	0.3%	0.2%	32.2%	20.9%
Ireland	0.3%	0.2%	7.6%	20.9%
Greece	0.2%	0.2%	-16.3%	3.0%
New Zealand	0.1%	0.1%	11.4%	47.4%
Total EAFE Countries	100.0%	68.3%	1.8%	30.9%
Canada		8.0%	-4.6%	31.0%
Total Developed Countries	76.3%	76.3%	1.1%	30.9%
China		4.1%	-1.8%	12.7%
Brazil		3.7%	-4.0%	24.2%
Korea		3.5%	0.9%	43.5%
Taiwan		2.6%	1.7%	37.0%
India		1.7%	-3.6%	8.0%
South Africa		1.7%	-2.0%	36.5%
Russia		1.6%	-5.4%	45.4%
Mexico		1.0%	-0.6%	30.1%
Malaysia		0.8%	3.6%	35.3%
Indonesia		0.6%	8.0%	32.4%
Chile		0.4%	8.8%	40.8%
Poland		0.4%	4.2%	57.8%
Thailand		0.4%	-1.9%	43.4%
Turkey		0.3%	-3.9%	10.7%
Colombia		0.2%	5.9%	33.2%
Philippines		0.1%	3.3%	25.5%
Peru		0.1%	-15.2%	7.3%
Hungary		0.1%	1.7%	40.8%
Czech Republic		0.1%	6.3%	40.2%
Egypt		0.1%	-1.2%	-12.0%
Morocco		0.0%	-1.2%	17.5%
Total Emerging Countries	23.7%	100.0%	-1.0%	28.2%
Total ACWIxUS Countries	100.0%	100.0%	0.6%	30.3%

Source: MSCI

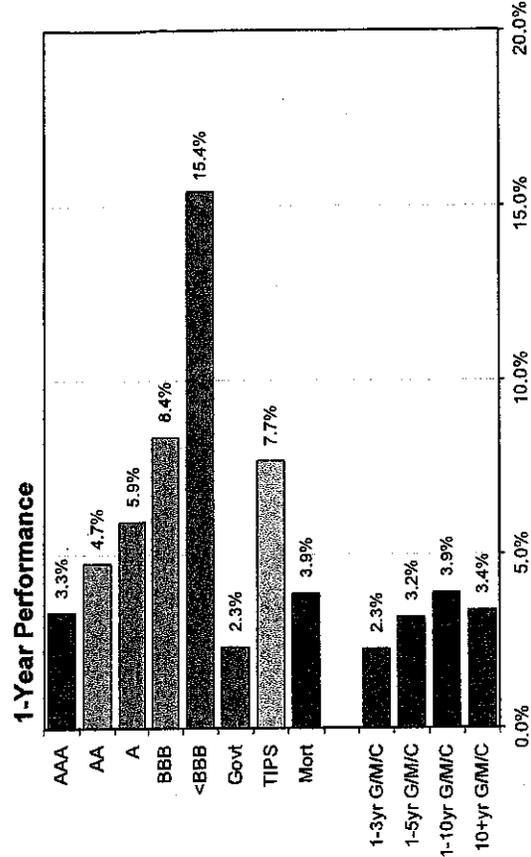
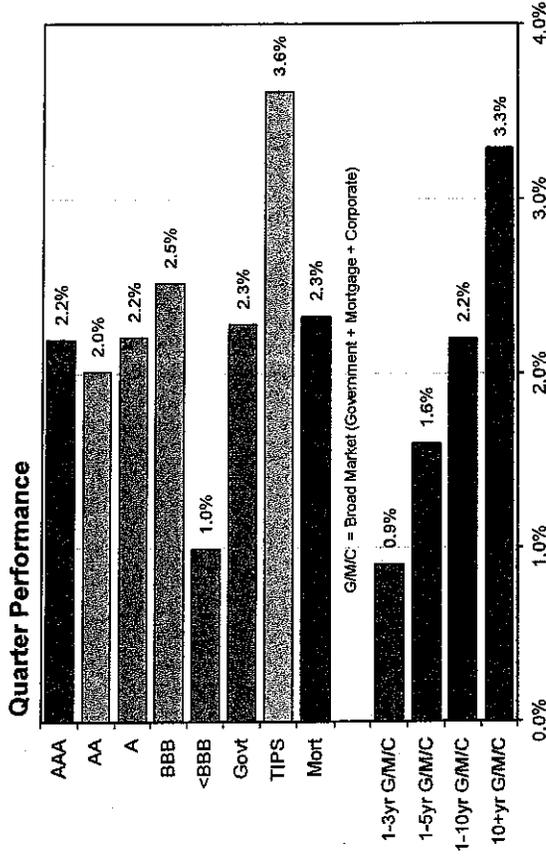


The Market Environment

Domestic Credit Sector & Broad Market Maturity Performance

Period Ended: June 30, 2011

Domestic broad fixed income results were positive during the quarter. Within the broad benchmark's segments, the government, mortgage and corporate portions of the index all produced similarly positive results. The falling yields during the quarter were a benefit to all fixed income indices. However, Treasury inflation protected securities (TIPS) posted the strongest result with a return of 3.6%. In contrast to the strength in TIPS, lower quality corporate issues, as represented by the high yield benchmark (<BBB), posted a weaker, but still positive, return of 1.0% as lower quality credit spreads widened to reflect investor concerns over the strength of continued economic recovery.



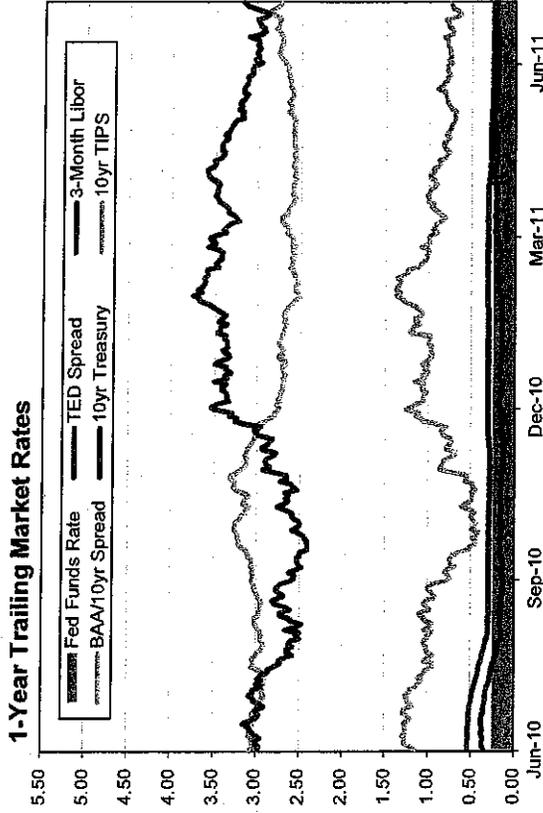
The trailing one-year returns were solid for the various broad and sector-based fixed income indices. Unlike the most recent quarter, the one-year results also illustrate that investors were compensated for holding lower quality issues. This outperformance is attributable to a relatively narrow Treasury yield curve as well as credit compression driven by mild economic recovery and investors searching for yield.

Source: Bank of America/Merrill Lynch Index System

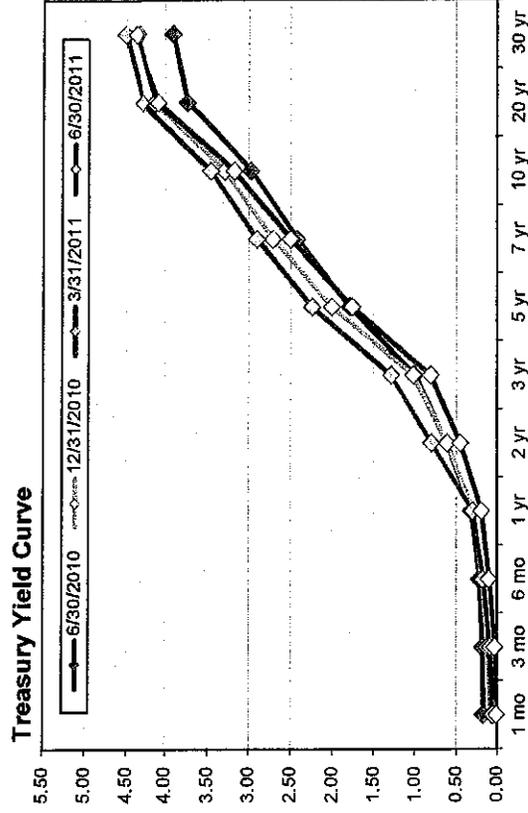
The Market Environment

Market Rate & Yield Curve Comparison

Period Ended: June 30, 2011



There was no action by the Fed on short-term rates during the quarter so the fed funds rate remained unchanged (targeted at 0.0% to 0.25%). The real story of the quarter was the market's anticipation on the impact of the end of the Fed's \$600 billion Treasury purchase program (QEII). Since this program represented a significant buyer of Treasury issuance, the general feeling was that rates would rise in anticipation of such a large buyer leaving the market. However, continued weak economic and employment data drove Treasury rates lower for most of the quarter before reversing their course in June. The 10-year Treasury finished the quarter 29 basis points lower at a yield of 3.18%. Most of these Treasury rate decreases flowed through to the performance of investment grade corporate issues as the BAA/10yr spread only widened by 14 basis points during the quarter.



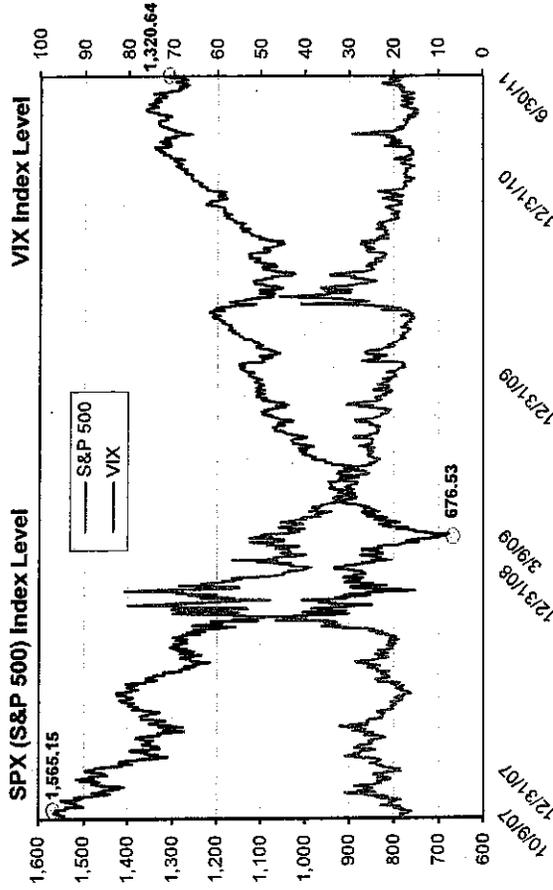
Rates along the yield curve decreased for all maturities during the quarter. However, due to the steepness of the yield curve, the absolute differentials were greater for longer maturities. The average yield decrease for maturities of up to one-year was 7 bps while the average yield decrease for maturities beyond one-year was 33 bps.

Source: Mortgage-X.com, US Department of Treasury & St. Louis Fed

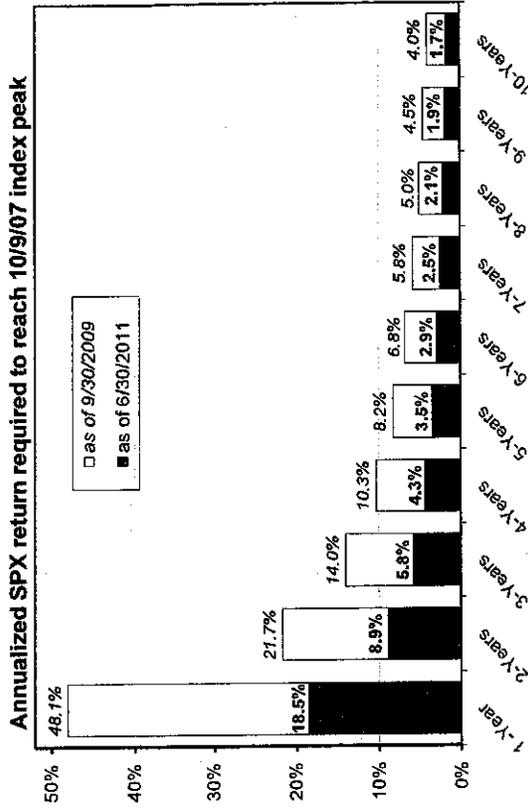


The Market Environment

The Equity Market (S&P 500) Recovery: An Update on Where We Stand
 Period Ended: June 30, 2011



- The SPX Index measures the daily price change in the S&P 500 (excluding dividends). The CBOE Volatility Index (VIX) is a measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices. It acts as a barometer of investor sentiment and market volatility.
- After reaching a peak of 1,565.15 on 10/9/2007, the SPX fell to a low of 676.53 on 3/9/09. This drop of 888 points on the index represented a loss of 56.8% from its peak. As the chart illustrates, the market decline was coupled with a significant increase in market volatility as measured by the VIX.
- From the 676.53 low on 3/9/2009, the SPX index has rose to 1,320.64 as of 6/30/2011. This 644.11 point gain from the low has represented a price return of 95.2%. As would be expected, this equity market gain was coupled with a reduction in investor pessimism as the VIX decreased to a more historical level.



- Despite a more than 95% gain since its low, the index remains 244.51 points or 18.5% below its price peak level. We call this phenomenon the "cruelty of math" in that a drop of more than 50% in value will require a gain in excess of 100% to reach the original level.
- The last time we presented this annualized return chart (9/30/2009), the recovery data was much more grim. This chart illustrates the annualized return that the SPX will be required to post from its current level to reach its previous peak of 1,565.15. In order to put these numbers in a little more perspective, we have also included the original required annualized return data from the 9/30/2009 chart.

Source: Yahoo Finance



The Market Environment

"We Have a Plan"

An Outline of the Fed's Exit Strategy Principles

At its meeting on June 21 & 22, the Fed concluded an ongoing market debate by defining a set of "exit strategy principles" that outline how the Committee will eventually exit from its long-running, accommodative monetary policy. The following statement of principles was taken directly from the minutes of the June meeting (with emphasis added).

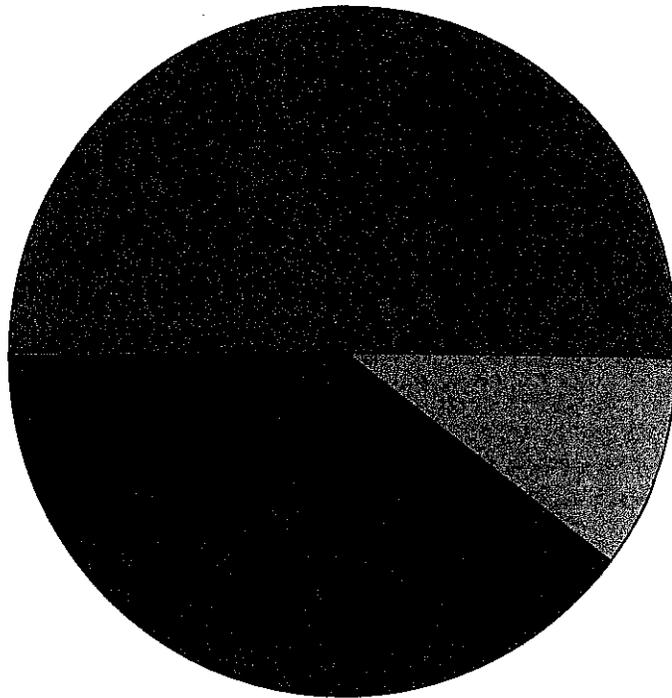
- The Committee will determine the timing and pace of policy normalization to promote its statutory mandate of maximum employment and price stability.
- To begin the process of policy normalization, the Committee will likely first cease reinvesting some or all payments of principal on the securities holdings in the System Open Market Account (SOMA).
- At the same time or sometime thereafter, the Committee will modify its forward guidance on the path of the federal funds rate and will initiate temporary reserve-draining operations aimed at supporting the implementation of increases in the federal funds rate when appropriate.
- When economic conditions warrant, the Committee's next step in the process of policy normalization will be to begin raising its target for the federal funds rate, and from that point on, changing the level or range of the federal funds rate target will be the primary means of adjusting the stance of monetary policy. During the normalization process, adjustments to the interest rate on excess reserves and to the level of reserves in the banking system will be used to bring the funds rate toward its target.
- Sales of agency securities from the SOMA will likely commence sometime after the first increase in the target for the federal funds rate. The timing and pace of sales will be communicated to the public in advance; that pace is anticipated to be relatively gradual and steady, but it could be adjusted up or down in response to material changes in the economic outlook or financial conditions.
- Once sales begin, the pace of sales is expected to be aimed at eliminating the SOMA's holdings of agency securities over a period of three to five years, thereby minimizing the extent to which the SOMA portfolio might affect the allocation of credit across sectors of the economy. Sales at this pace would be expected to normalize the size of the SOMA securities portfolio over a period of two to three years. In particular, the size of the securities portfolio and the associated quantity of bank reserves are expected to be reduced to the smallest levels that would be consistent with the efficient implementation of monetary policy.
- The Committee is prepared to make adjustments to its exit strategy if necessary in light of economic and financial developments.*

**There's always a catch*

June 30, 2011

Asset Allocation By Style as of Mar - 2011

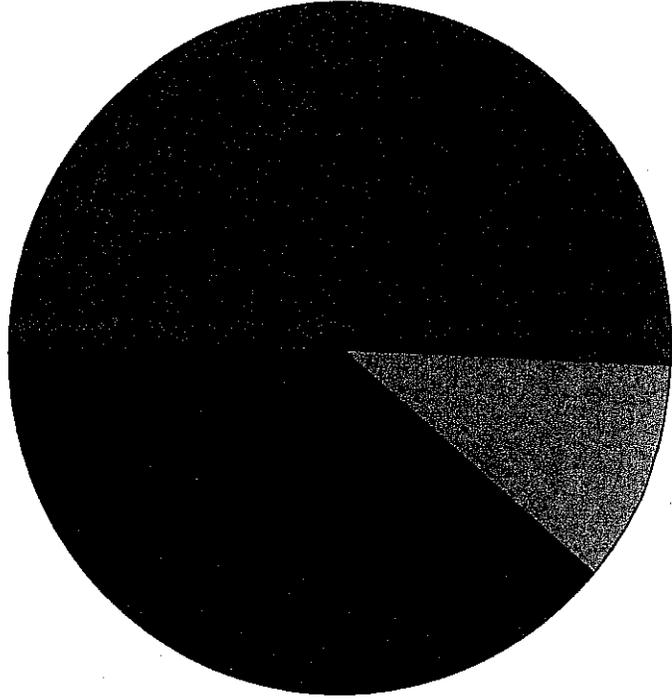
March 31, 2011 : \$63,333,685



Segments	Market Value (\$)	Allocation (%)
Domestic Equity	31,938,133	50.4
International Equity	6,443,955	10.2
Domestic Fixed Income	20,638,228	32.6
Cash Equivalent	4,313,369	6.8

Asset Allocation By Style - Current Quarter

June 30, 2011 : \$62,087,514



Segments	Market Value (\$)	Allocation (%)
Domestic Equity	31,629,198	50.9
International Equity	6,536,210	10.5
Domestic Fixed Income	20,979,091	33.8
Cash Equivalent	2,943,015	4.7



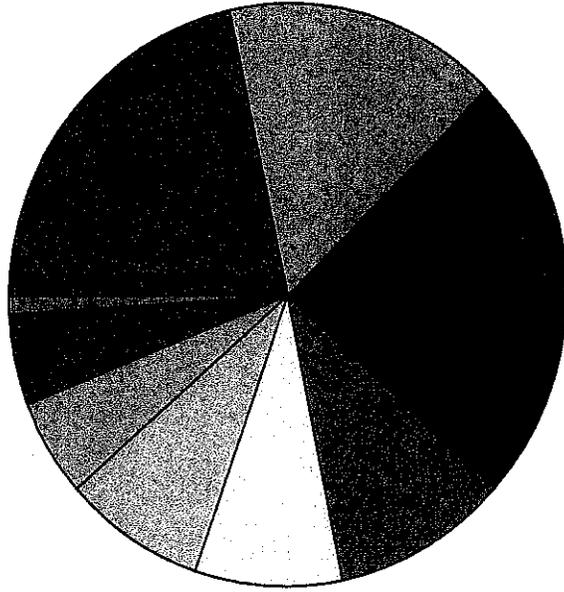
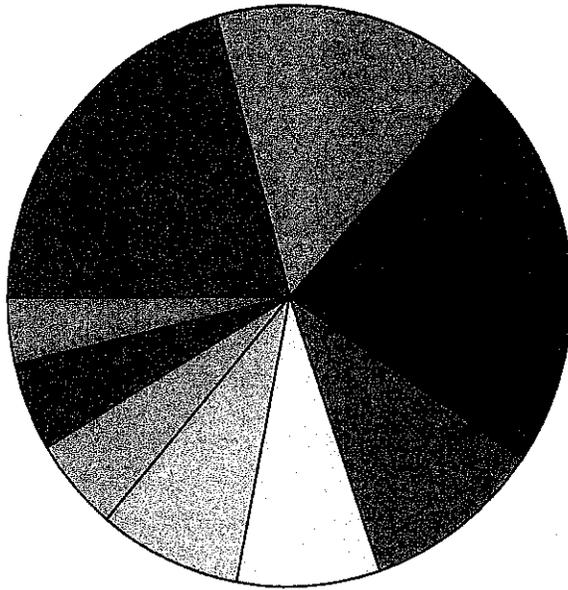
June 30, 2011

Asset Allocation By Manager as of Mar - 2011

March 31, 2011 : \$63,333,685

Asset Allocation By Manager - Current Quarter

June 30, 2011 : \$62,087,514

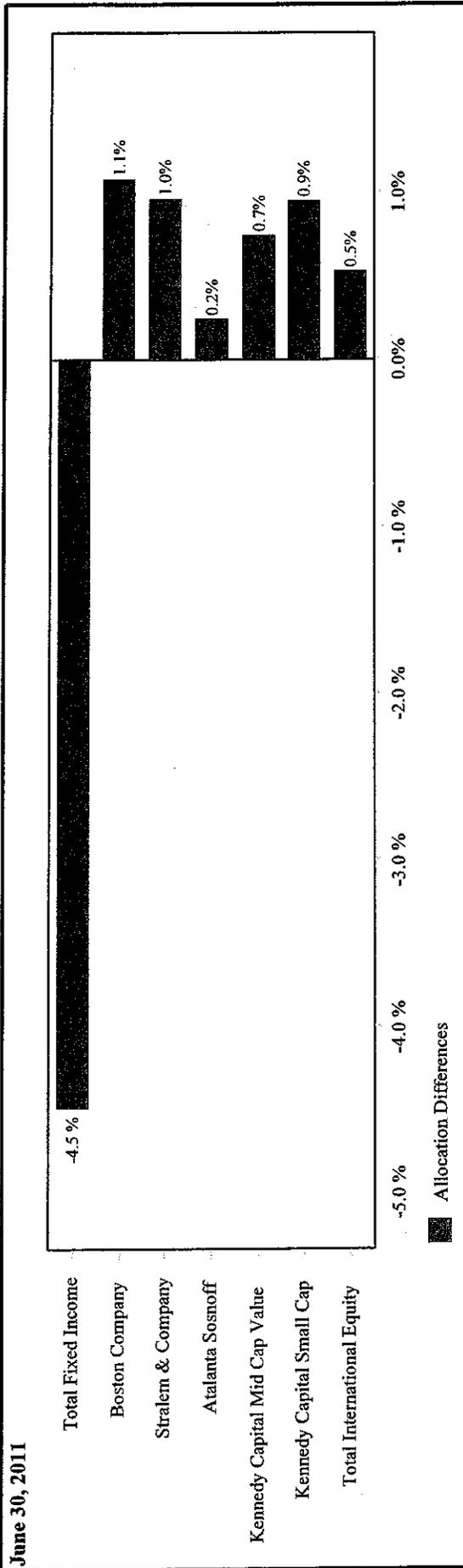


Manager	Market Value (\$)	Allocation (%)
Ancora Advisors	13,113,053	20.7
Boston Company Asset Management	10,023,504	15.8
PIMCO Total Return (PTTRX)	7,923,163	12.5
Stralem & Company	6,633,902	10.5
Atlanta Sosnoff	6,516,358	10.3
Kennedy Capital Small Cap	5,154,833	8.1
Kennedy Capital Mid Cap Value	5,182,106	8.2
Vanguard Developed Markets (VDMIX)	3,312,170	5.2
Vanguard International Value (VTRIX)	3,131,785	4.9
Cash Account	2,342,810	3.7

Manager	Market Value (\$)	Allocation (%)
Ancora Advisors	13,354,429	21.5
Boston Company Asset Management	9,982,267	16.1
PIMCO Total Return (PTTRX)	8,071,628	13.0
Stralem & Company	6,805,787	11.0
Atlanta Sosnoff	6,358,987	10.2
Kennedy Capital Small Cap	5,244,390	8.4
Kennedy Capital Mid Cap Value	5,118,008	8.2
Vanguard Developed Markets (VDMIX)	3,382,438	5.4
Vanguard International Value (VTRIX)	3,153,772	5.1
Cash Account	615,807	1.0



**Total Fund vs. Total Fund Attribution
As of June 30, 2011**



June 30, 2011

	Market Value (\$)	Allocation (%)	Target (%)
Total Fixed Income	22,041,865	35.5	40.0
Boston Company	9,982,267	16.1	15.0
Stralem & Company	6,805,787	11.0	10.0
Atalanta Sosnoff	6,358,987	10.2	10.0
Kennedy Capital Mid Cap Value	5,118,008	8.2	7.5
Kennedy Capital Small Cap	5,244,390	8.4	7.5
Total International Equity	6,536,210	10.5	10.0
Total Fund	62,087,514	100.0	100.0

Historical Asset Allocation
As of June 30, 2011

	Jun-2011	Mar-2011	Dec-2010	Sep-2010	Jun-2010
	(\$)	(\$)	(\$)	(\$)	(\$)
	%	%	%	%	%
Total Fund	62,087,514	63,333,685	62,512,958	60,317,634	57,498,361
	100.0	100.0	100.0	100.0	100.0
Total Equity Portfolio	40,045,649	39,954,659	41,109,197	38,055,446	32,218,791
	64.5	63.1	65.8	63.1	56.0
Boston Company Asset Management	9,982,267	10,023,504	10,295,972	9,099,071	8,247,468
	16.1	15.8	16.5	15.1	14.3
Stratlem & Company	6,805,787	6,633,902	6,816,073	6,401,892	5,788,424
	11.0	10.5	10.9	10.6	10.1
Atalanta Sosnoff	6,358,987	6,516,358	6,731,609	6,099,747	3,666,418
	10.2	10.3	10.8	10.1	6.4
Kennedy Capital Mid Cap Value	5,118,008	5,182,106	5,375,158	5,217,329	4,678,046
	8.2	8.2	8.6	8.6	8.1
Kennedy Capital Small Cap	5,244,390	5,154,833	5,065,173	4,839,240	4,844,387
	8.4	8.1	8.1	8.0	8.4
Vanguard International Value (VTRIX)	3,153,772	3,131,785	3,612,055	3,388,027	2,653,025
	5.1	4.9	5.8	5.6	4.6
Vanguard Developed Markets (VDMIX)	3,382,438	3,312,170	3,213,157	3,010,140	2,341,022
	5.4	5.2	5.1	5.0	4.1
Total Fixed Income Portfolio	22,041,865	23,379,026	21,403,761	22,262,188	25,279,570
	35.5	36.9	34.2	36.9	44.0
Ancora Advisors	13,354,429	13,113,053	12,964,491	12,985,315	15,129,497
	21.5	20.7	20.7	21.5	26.3
PIMCO Total Return (PTRX)	8,071,628	7,923,163	7,833,716	7,911,859	9,583,744
	13.0	12.5	12.5	13.1	16.7
Cash Account	615,807	2,342,810	605,554	1,365,014	566,329
	1.0	3.7	1.0	2.3	1.0



Financial Reconciliation QTR
1 Quarter Ending June 30, 2011

	Market Value As of 04/01/2011	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprac.	Market Value As of 06/30/2011
Total Fund	63,333,685	56,610	-1,729,845	-74,085	-9,525	366,312	144,361	62,087,514
Total Equity Portfolio	39,954,659	41,894	-	-65,940	-4,143	135,628	-16,449	40,045,649
Boston Company Asset Management	10,023,504	17,855	-	-17,855	-1,239	52,203	-92,201	9,982,267
Atlanta Sosnoff	6,516,358	11,214	-	-11,214	-806	19,559	-176,124	6,358,987
Stralem & Company	6,633,902	12,825	-	-12,825	-813	40,991	131,706	6,805,787
Kennedy Capital Mid Cap Value	5,182,106	-	-	-11,442	-645	15,806	-67,818	5,118,008
Kennedy Capital Small Cap	5,154,833	-	-	-12,604	-640	7,069	95,732	5,244,390
Vanguard Developed Markets (VDMIX)	3,312,170	-	-	-	-	-	70,268	3,382,438
Vanguard International Value (VTRIX)	3,131,785	-	-	-	-	-	21,988	3,153,772
Total Fixed Income Portfolio	23,379,026	14,716	-1,729,845	-8,145	-5,382	230,684	160,810	22,041,865
Ancora Advisors	13,113,053	8,145	-	-8,145	-1,622	162,293	80,705	13,354,429
PIMCO Total Return (PTRX)	7,923,163	-	-	-	-	68,361	80,105	8,071,628
Cash Account	2,342,810	6,572	-1,729,845	-	-3,760	30	-	615,807



**Financial Reconciliation Fiscal YTD
Year To Date Ending June 30, 2011**

	Market Value As of 01/01/2011	Contributions	Distributions	Fees	Expenses	Income	Capital Apprec./ Deprac.	Market Value As of 06/30/2011
Total Fund	62,512,958	3,670,468	-7,015,469	-149,647	-15,324	811,048	2,273,479	62,087,514
Total Equity Portfolio	41,109,197	184,866	-3,560,000	-133,450	-8,324	284,864	2,168,495	40,045,649
Boston Company Asset Management	10,295,972	37,049	-900,000	-37,049	-2,452	101,894	486,853	9,982,267
Atlanta Sosnoff	6,731,609	22,778	-480,000	-22,778	-1,621	43,936	65,063	6,358,987
Stralem & Company	6,816,073	25,039	-550,000	-25,039	-1,653	83,185	458,182	6,805,787
Kennedy Capital Mid Cap Value	5,375,158	100,000	-700,000	-23,362	-1,317	36,563	330,965	5,118,008
Kennedy Capital Small Cap	5,065,173	-	-380,000	-25,222	-1,281	19,286	566,434	5,244,390
Vanguard Developed Markets (VDMIX)	3,213,157	-	-	-	-	-	169,282	3,382,438
Vanguard International Value (VIRIX)	3,612,055	-	-550,000	-	-	-	91,717	3,153,772
Total Fixed Income Portfolio	21,403,761	3,485,602	-3,455,469	-16,197	-7,000	526,184	104,984	22,041,865
Ancora Advisors	12,964,491	16,197	-	-16,197	-3,240	390,087	3,091	13,354,429
PIMCO Total Return (PTTRX)	7,833,716	-	-	-	-	136,020	101,892	8,071,628
Cash Account	605,554	3,469,405	-3,455,469	-	-3,760	77	-	615,807



Trailing Returns
As of June 30, 2011

	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Total Fund (Gross)	0.79 (68)	5.00 (38)	21.04 (38)	5.69 (18)	5.92 (10)	5.50 (21)	01/01/1999
Total Fund Policy	0.98 (48)	4.72 (51)	19.57 (50)	4.97 (36)	4.85 (40)	4.22 (75)	
Difference	-0.19	0.28	1.47	0.72	1.07	1.28	
All Taft Hartley Plans-Total Fund Median	0.96	4.75	19.47	4.42	4.45	4.77	
Total Equity Portfolio	0.30 (39)	6.30 (49)	31.30 (59)	3.75 (56)	5.00 (34)	4.92 (55)	01/01/1999
S&P 500	0.10 (43)	6.02 (53)	30.69 (63)	3.34 (61)	2.94 (62)	2.38 (80)	
Difference	0.20	0.28	0.61	0.41	2.06	2.54	
IM U.S. Equity (SA+CF+MF)	-0.14	6.20	32.58	4.29	3.69	5.37	
Boston Company Asset Management	-0.40 (58)	6.00 (54)	32.36 (25)	4.76 (36)	5.26 (15)	7.05 (26)	01/01/2000
Russell 1000 Value Index	-0.50 (61)	5.92 (55)	28.94 (64)	2.28 (73)	1.15 (84)	3.95 (82)	
Difference	0.10	0.08	3.42	2.48	4.11	3.10	
IM U.S. Large Cap Value Equity (SA+CF)	-0.22	6.18	30.12	3.83	2.98	5.73	
Atalanta Sosnoff	-2.40 (96)	1.64 (96)	21.31 (98)	N/A	N/A	8.47 (98)	01/01/2010
Russell 1000 Growth Index	0.76 (46)	6.83 (43)	35.01 (40)	5.01 (40)	5.33 (42)	15.85 (42)	
Difference	-3.16	-5.19	-13.70	N/A	N/A	-7.38	
IM U.S. Large Cap Growth Equity (SA+CF)	0.59	6.42	33.49	4.29	4.93	15.20	
Stralem & Company	2.60 (10)	8.52 (26)	27.82 (82)	4.15 (46)	6.30 (11)	5.60 (22)	09/01/2005
S&P 500	0.10 (62)	6.02 (63)	30.69 (59)	3.34 (64)	2.94 (76)	3.50 (78)	
Difference	2.50	2.50	-2.87	0.81	3.36	2.10	
IM U.S. Large Cap Core Equity (SA+CF)	0.51	6.92	31.36	3.89	3.82	4.47	
Kennedy Capital Mid Cap Value	-1.01 (78)	7.34 (58)	36.33 (52)	10.84 (21)	8.66 (15)	8.12 (19)	01/01/2006
Russell Midcap Value Index	-0.69 (72)	6.69 (70)	34.28 (64)	6.35 (54)	4.01 (80)	4.93 (71)	
Difference	-0.32	0.65	2.05	4.49	4.65	3.19	
IM U.S. Mid Cap Value Equity (SA+CF)	-0.09	7.67	36.48	7.06	5.23	6.07	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



Trailing Returns
As of June 30, 2011

	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Kennedy Capital Small Cap	1.99 (9)	12.19 (6)	42.70 (36)	12.75 (13)	12.31 (1)	11.51 (3)	01/01/2006
Russell 2000 Index	-1.61 (79)	6.21 (82)	37.41 (80)	7.77 (62)	4.08 (63)	5.20 (64)	
Difference	3.60	5.98	5.29	4.98	8.23	6.31	
IM U.S. Small Cap Core Equity (SA+CF)	-0.16	8.31	41.27	8.69	5.02	6.18	
Vanguard Developed Markets (VDMIX)	2.12 (25)	5.27 (30)	32.14 (44)	-1.44 (57)	N/A	-3.13 (58)	05/01/2007
MSCI EAFE Index	1.83 (36)	5.35 (28)	30.93 (55)	-1.30 (55)	1.96 (52)	-2.98 (56)	
Difference	0.29	-0.08	1.21	-0.14	N/A	-0.15	
IM International Multi-Cap Equity (MF)	1.30	4.43	31.49	-0.93	2.09	-2.58	
Vanguard International Value (VTRIX)	0.70 (64)	2.60 (84)	29.03 (65)	-1.71 (31)	N/A	0.85 (14)	10/01/2006
MSCI EAFE Value Index	1.34 (46)	6.04 (25)	30.10 (60)	-1.15 (22)	0.95 (28)	-0.15 (42)	
Difference	-0.64	-3.44	-1.07	-0.56	N/A	1.00	
IM International Large Cap Value Equity (MF)	1.13	5.28	31.08	-2.91	0.40	-0.44	
Total Fixed Income Portfolio	1.72 (49)	2.79 (50)	5.35 (27)	7.40 (21)	6.58 (23)	6.11 (22)	01/01/2000
Barclays Capital Aggregate	2.29 (32)	2.72 (51)	3.90 (39)	6.46 (29)	6.52 (24)	6.31 (19)	
Difference	-0.57	0.07	1.45	0.94	0.06	-0.20	
IM U.S. Fixed Income (SA+CF+MF)	1.65	2.77	3.06	4.59	4.23	4.65	
Ancora Advisors	1.85 (95)	3.03 (39)	5.55 (23)	N/A	N/A	6.74 (46)	09/01/2009
Barclays Capital Aggregate	2.29 (38)	2.72 (74)	3.90 (79)	6.46 (83)	6.52 (72)	5.76 (85)	
Difference	-0.44	0.31	1.65	N/A	N/A	0.98	
IM U.S. Broad Market Core Fixed Income (SA+CF)	2.24	2.87	4.64	7.29	6.93	6.57	
PIMCO Total Return (PTTRX)	1.87 (54)	3.04 (36)	5.95 (28)	9.53 (7)	N/A	8.30 (3)	11/01/2006
Barclays Capital Aggregate	2.29 (13)	2.72 (57)	3.90 (80)	6.46 (64)	6.52 (41)	6.00 (43)	
Difference	-0.42	0.32	2.05	3.07	N/A	2.30	
IM U.S. Broad Market Core Fixed Income (MF)	1.92	2.84	5.09	6.94	6.31	5.83	
Cash Account	0.00	0.01	0.09	0.48	2.06	2.27	01/01/2006
90 Day U.S. Treasury Bill	0.03	0.07	0.15	0.41	1.97	2.19	
Difference	-0.03	-0.06	-0.06	0.07	0.09	0.08	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



**Fiscal Year Returns
As of June 30, 2011**

	Year To	2010	2009	2008	2007	2006
	Date					
Total Fund (Gross)	5.00 (38)	14.14 (18)	19.83 (31)	-22.31 (43)	8.85 (16)	12.25 (40)
Total Fund Policy	4.72 (51)	12.13 (55)	18.11 (44)	-20.96 (36)	6.59 (60)	9.83 (71)
Difference	0.28	2.01	1.72	-1.35	2.26	2.42
All Taft Hartley Plans-Total Fund Median	4.75	12.32	17.17	-23.53	6.95	11.70
Total Equity Portfolio	6.30 (49)	17.39 (51)	25.39 (71)	-34.59 (26)	10.29 (33)	17.39 (26)
S&P 500	6.02 (53)	15.06 (63)	26.46 (66)	-37.00 (42)	5.49 (54)	15.79 (35)
Difference	0.28	2.33	-1.07	2.41	4.80	1.60
IM U.S. Equity (SA+CF+MF)	6.20	17.63	30.40	-38.06	6.05	13.87
Boston Company Asset Management	6.00 (54)	20.79 (6)	26.74 (42)	-35.34 (46)	7.41 (25)	21.27 (24)
Russell 1000 Value Index	5.92 (55)	15.51 (40)	19.69 (80)	-36.85 (62)	-0.17 (76)	22.25 (16)
Difference	0.08	5.28	7.05	1.51	7.58	-0.98
IM U.S. Large Cap Value Equity (SA+CF)	6.18	14.44	25.66	-35.61	4.01	18.90
Atalanta Sosnoff	1.64 (96)	11.15 (90)	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	6.83 (43)	16.71 (45)	37.21 (34)	-38.44 (49)	11.81 (60)	9.07 (52)
Difference	-5.19	-5.56	N/A	N/A	N/A	N/A
IM U.S. Large Cap Growth Equity (SA+CF)	6.42	16.03	34.21	-38.54	13.36	9.25
Stralem & Company	8.52 (26)	11.03 (88)	21.52 (81)	-27.14 (9)	14.12 (10)	10.38 (89)
S&P 500	6.02 (63)	15.06 (46)	26.46 (50)	-37.00 (62)	5.49 (71)	15.79 (46)
Difference	2.50	-4.03	-4.94	9.86	8.63	-5.41
IM U.S. Large Cap Core Equity (SA+CF)	6.92	14.87	26.35	-36.11	7.24	15.51
Kennedy Capital Mid Cap Value	7.34 (58)	27.70 (7)	35.64 (43)	-31.79 (20)	7.19 (20)	13.00 (89)
Russell Midcap Value Index	6.69 (70)	24.75 (30)	34.21 (54)	-38.44 (59)	-1.42 (85)	20.22 (17)
Difference	0.65	2.95	1.43	6.65	8.61	-7.22
IM U.S. Mid Cap Value Equity (SA+CF)	7.67	22.12	34.72	-36.70	2.94	16.75

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



**Fiscal Year Returns
As of June 30, 2011**

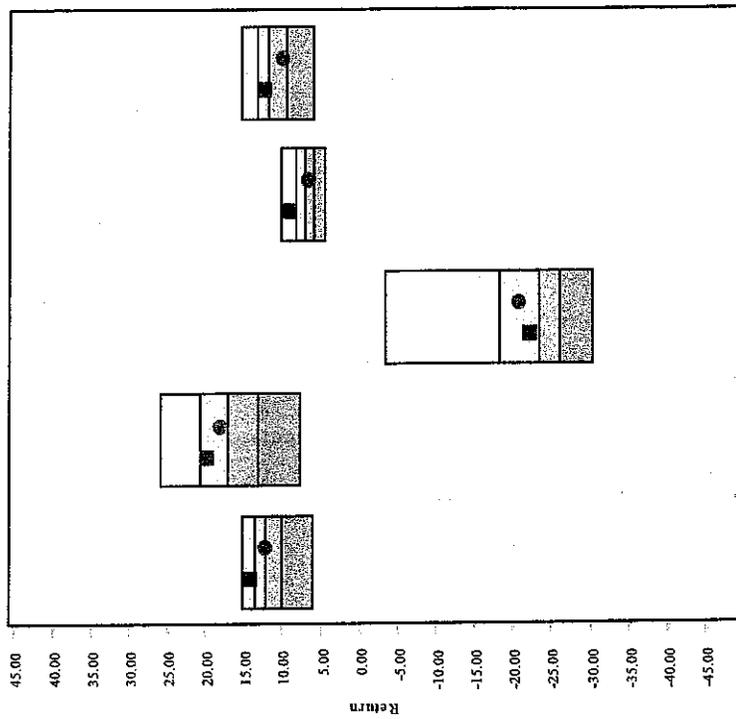
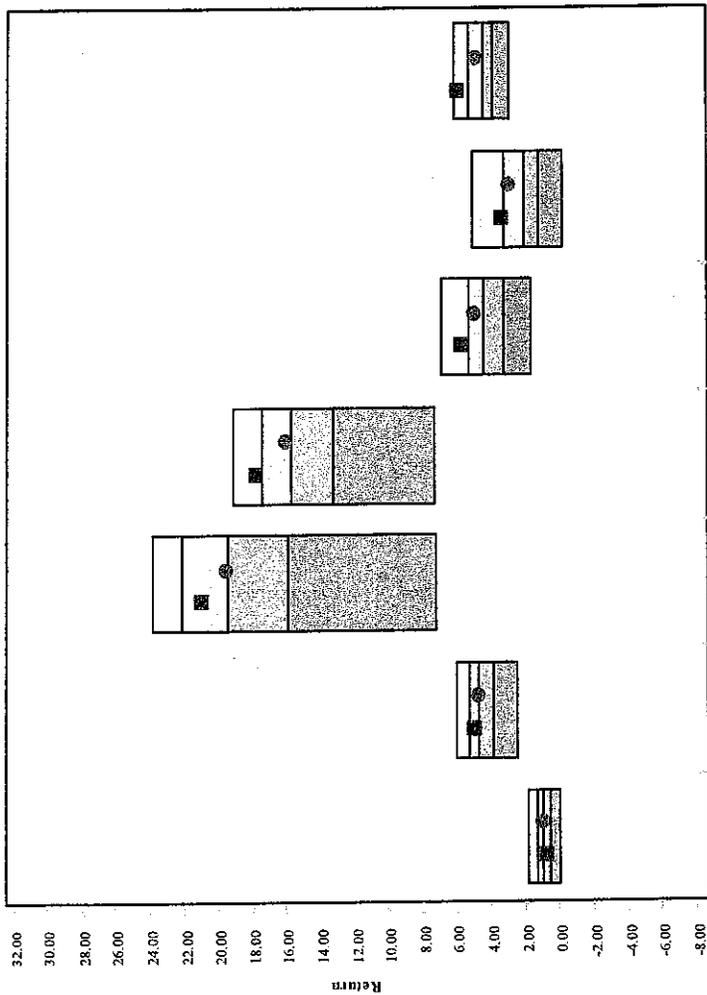
	Year To Date		2009	2008	2007	2006
Kennedy Capital Small Cap	12.19 (6)	26.80 (64)	26.93 (67)	-20.91 (1)	12.69 (4)	13.13 (77)
Russell 2000 Index	6.21 (82)	26.85 (63)	27.17 (65)	-33.79 (35)	-1.57 (62)	18.37 (24)
Difference	5.98	-0.05	-0.24	12.88	14.26	-5.24
IM U.S. Small Cap Core Equity (SA+CF)	8.31	28.19	29.82	-35.73	-0.19	16.19
Vanguard Developed Markets (VDMIX)	5.27 (30)	8.54 (82)	28.16 (73)	-41.62 (25)	N/A	N/A
MSCI EAFE Index	5.35 (28)	8.21 (84)	32.46 (53)	-43.06 (36)	11.63 (50)	26.86 (32)
Difference	-0.08	0.33	-4.30	1.44	N/A	N/A
IM International Multi-Cap Equity (MF)	4.43	12.29	33.23	-44.79	11.52	24.93
Vanguard International Value (VTRIX)	2.60 (84)	7.27 (24)	33.76 (28)	-41.73 (27)	12.65 (9)	N/A
MSCI EAFE Value Index	6.04 (25)	3.81 (68)	35.06 (21)	-43.68 (38)	6.49 (82)	31.05 (22)
Difference	-3.44	3.46	-1.30	1.95	6.16	N/A
IM International Large Cap Value Equity (MF)	5.28	4.97	28.60	-45.93	8.79	26.88
Total Fixed Income Portfolio	2.79 (50)	7.52 (27)	11.97 (42)	-0.81 (51)	7.08 (10)	4.76 (31)
Barclays Capital Aggregate	2.72 (51)	6.54 (33)	5.93 (64)	5.24 (10)	6.97 (11)	4.34 (49)
Difference	0.07	0.98	6.04	-6.05	0.11	0.42
IM U.S. Fixed Income (SA+CF+MF)	2.77	3.49	9.81	-0.56	4.20	4.29
Ancora Advisors	3.03 (39)	7.28 (50)	N/A	N/A	N/A	N/A
Barclays Capital Aggregate	2.72 (74)	6.54 (84)	5.93 (88)	5.24 (31)	6.97 (44)	4.34 (69)
Difference	0.31	0.74	N/A	N/A	N/A	N/A
IM U.S. Broad Market Core Fixed Income (SA+CF)	2.87	7.27	9.82	2.88	6.86	4.49
PIMCO Total Return (PTTRX)	3.04 (36)	8.87 (26)	14.02 (44)	4.73 (14)	9.10 (1)	N/A
Barclays Capital Aggregate	2.72 (57)	6.54 (77)	5.93 (93)	5.24 (9)	6.97 (11)	4.34 (30)
Difference	0.32	2.33	8.09	-0.51	2.13	N/A
IM U.S. Broad Market Core Fixed Income (MF)	2.84	7.53	13.10	-3.44	5.31	3.93
Cash Account	0.01	0.09	0.55	2.18	4.96	4.81
90 Day U.S. Treasury Bill	0.07	0.13	0.17	2.10	4.91	4.76
Difference	-0.06	-0.04	0.38	0.08	0.05	0.05

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



Total Fund June 30, 2011

Plan Sponsor Peer Group Analysis - All Taft Hartley Plans - Total Fund



	1 Quarter Ending Mar-2011	1 Quarter Ending Dec-2010	1 Quarter Ending Sep-2010	5 Years
Total Fund	4.18 (31)	6.64 (23)	8.10 (45)	5.92 (10)
Total Policy	3.70 (53)	5.85 (45)	7.86 (52)	4.85 (40)
Median	3.75	5.65	7.91	4.45

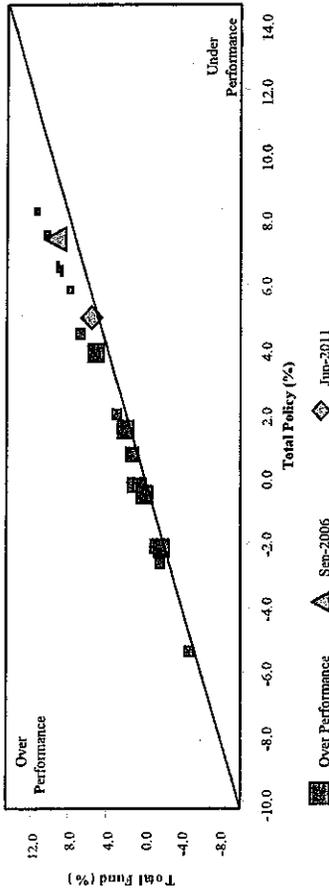
Comparative Performance

	1 Quarter Ending Mar-2010	1 Quarter Ending Mar-2010	1 Quarter Ending Dec-2009
Total Fund	-5.53 (65)	4.81 (4)	3.40 (30)
Total Policy	-5.59 (67)	4.02 (26)	3.75 (17)
Median	-4.94	3.59	2.97

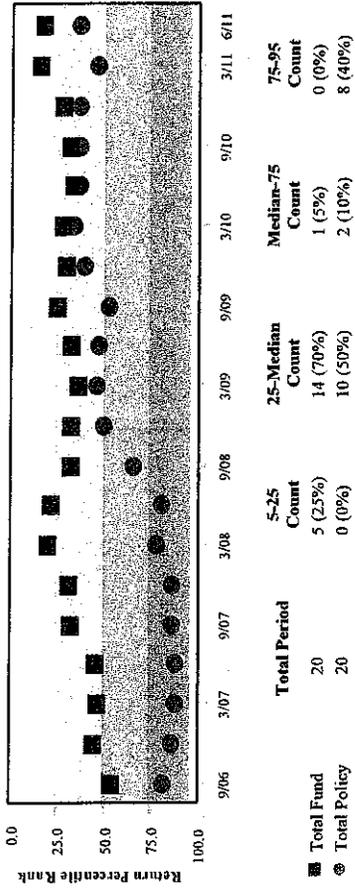


**Total Fund
June 30, 2011**

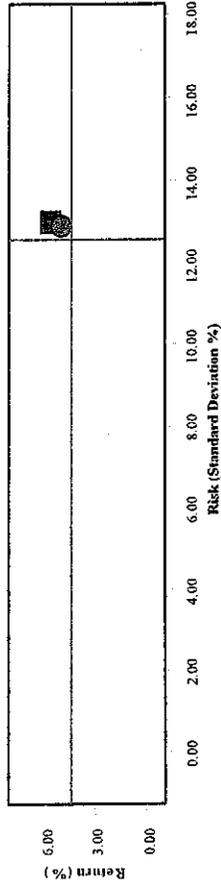
3 Yr Rolling Under/Over Performance - 5 Years



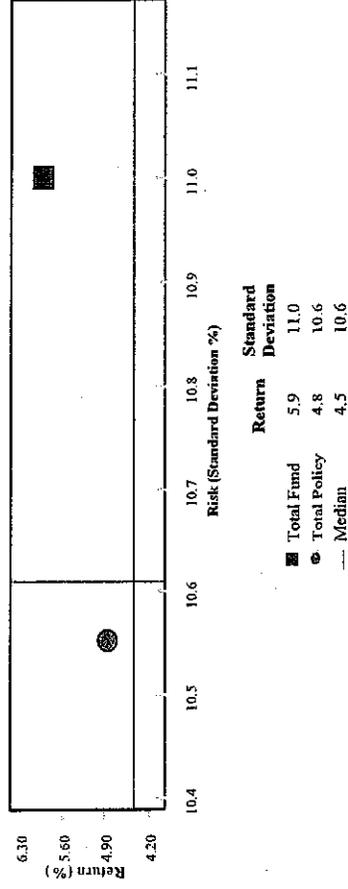
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
Total Fund	2.01	104.24	101.21
Total Policy	0.00	100.00	100.00

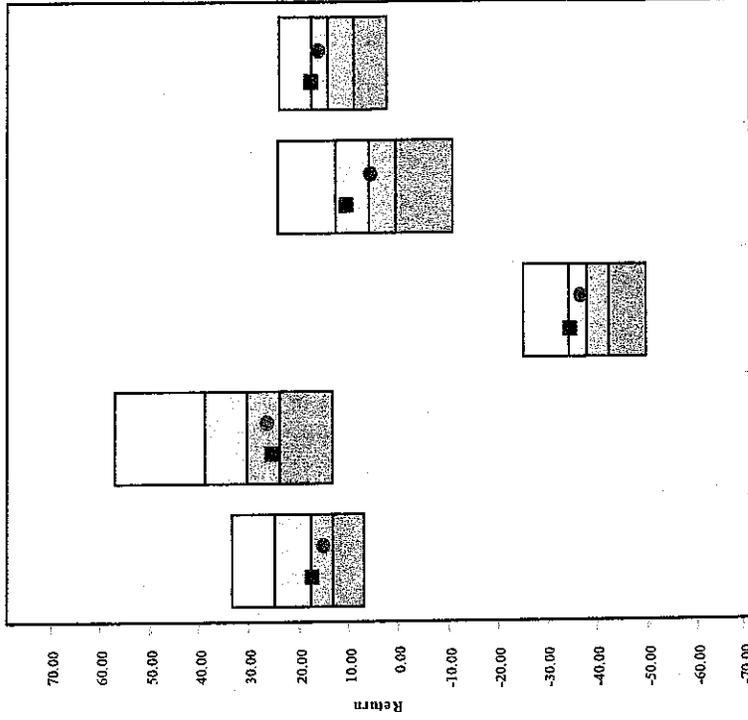
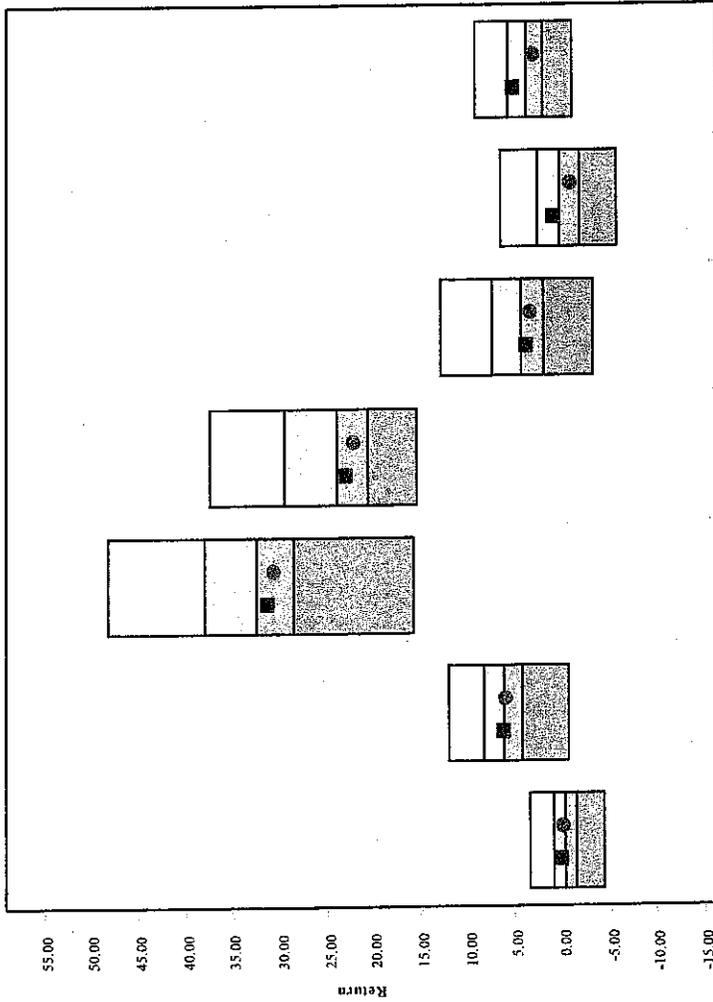
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture
Total Fund	2.14	110.91	106.54
Total Policy	0.00	100.00	100.00



Total Equity June 30, 2011

Peer Group Analysis - IM U.S. Equity (SA+CF+MF)



	1st Quarter	1st Year	2 Years	3 Years	4 Years	5 Years	1st Quarter Ending Jun-2011	1st Quarter Ending Mar-2011	1st Quarter Ending Dec-2010	1st Quarter Ending Sep-2010	1st Quarter Ending Jun-2010	1st Quarter Ending Mar-2010	1st Quarter Ending Dec-2009
Total Equity	0.30 (39)	31.30 (59)	23.01 (57)	3.75 (56)	0.71 (44)	5.00 (34)	6.30 (49)	31.30 (59)	10.72 (65)	11.55 (48)	17.39 (51)	-34.59 (26)	17.39 (26)
S&P 500	0.10 (43)	30.69 (63)	22.29 (62)	3.34 (61)	-1.05 (66)	2.94 (62)	6.02 (53)	30.69 (63)	10.76 (64)	11.29 (53)	15.06 (63)	-37.00 (42)	15.79 (35)
Median	-0.14	32.58	24.04	4.29	0.13	3.69	6.20	32.58	11.79	11.43	17.62	-38.06	6.05

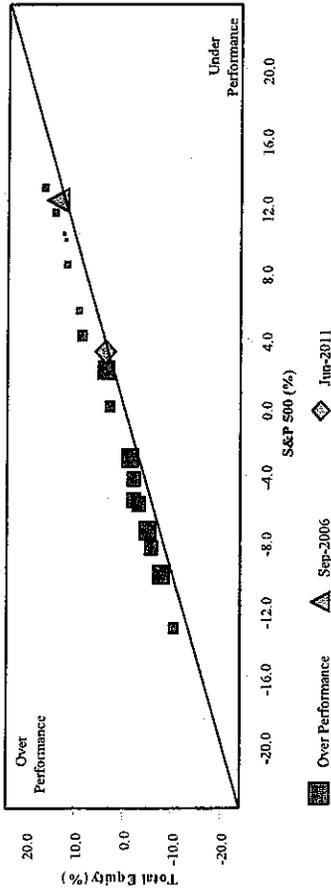
Comparative Performance

Total Equity	5.99 (58)	10.72 (65)	11.55 (48)	11.29 (53)	11.43	11.55 (48)	-10.90 (50)	6.67 (38)	4.62 (69)
S&P 500	5.92 (60)	10.76 (64)	11.29 (53)	11.43	11.43	11.43	-11.43 (59)	5.39 (58)	6.04 (38)
IM U.S. Equity (SA+CF+MF)	6.35	11.79	11.43	11.43	11.43	11.43	-10.95	5.79	5.53

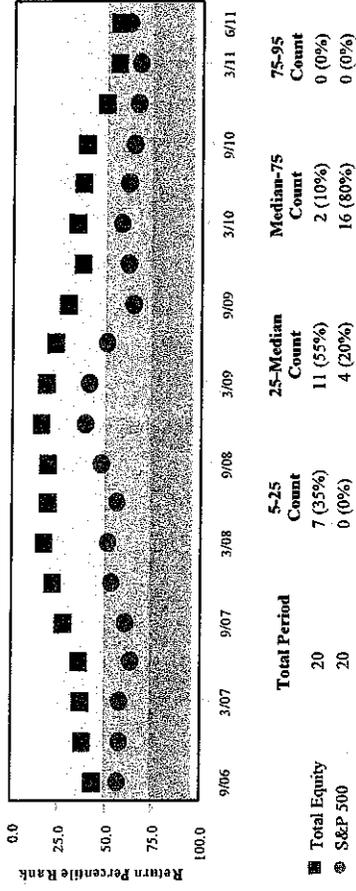


**Total Equity
June 30, 2011**

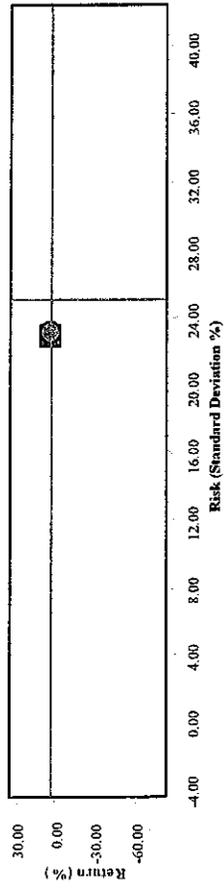
3 Yr Rolling Under/Over Performance - 5 Years



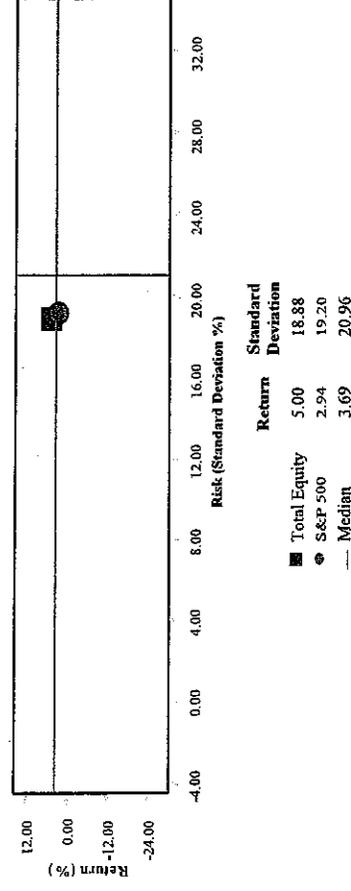
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
Total Equity	2.24	100.26	99.03
S&P 500	0.00	100.00	100.00

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture
Total Equity	2.44	103.66	95.41
S&P 500	0.00	100.00	100.00

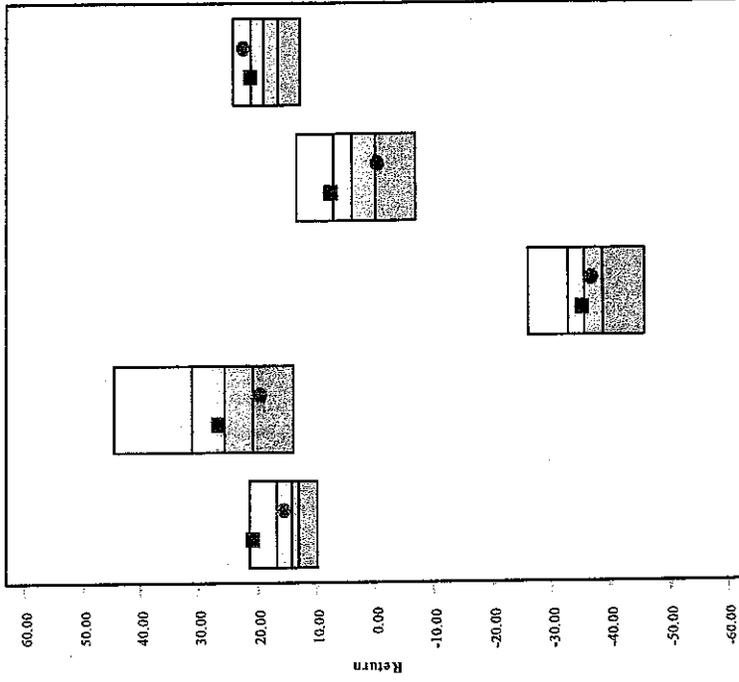
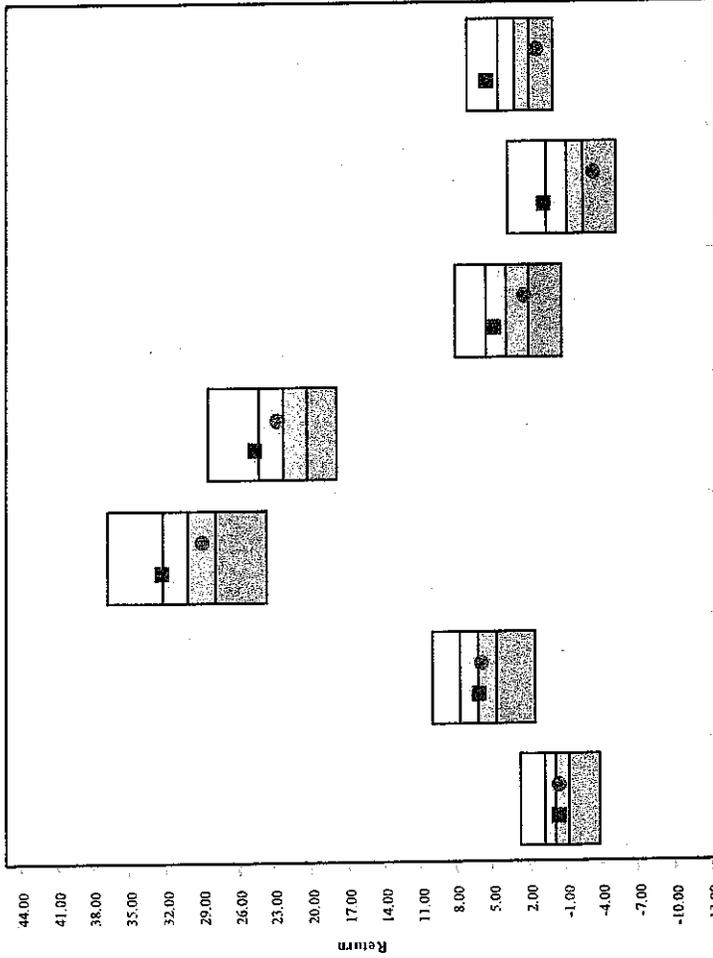
Information Ratios

	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Equity	0.15	0.26	0.98	15.34
S&P 500	N/A	0.24	1.00	15.60



**Boston Company
June 30, 2011**

Peer Group Analysis - IM U.S. Large Cap Value Equity (SA+CF)



	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years
Boston Company	-0.40 (58)	32.36 (25)	24.61 (23)	4.76 (36)	0.69 (23)	5.26 (15)
Russell 1000 Value	-0.50 (61)	28.94 (64)	22.78 (43)	2.28 (73)	-3.45 (85)	1.15 (84)
Median	-0.22	30.12	22.37	3.83	-1.25	2.98

	2006	2007	2008	2009	2010
Boston Company	21.27 (24)	7.41 (25)	-35.34 (46)	26.74 (42)	20.79 (6)
Russell 1000 Value	22.25 (16)	-0.17 (76)	-36.85 (62)	19.69 (80)	15.51 (40)
Median	18.90	4.01	-35.61	25.66	14.44

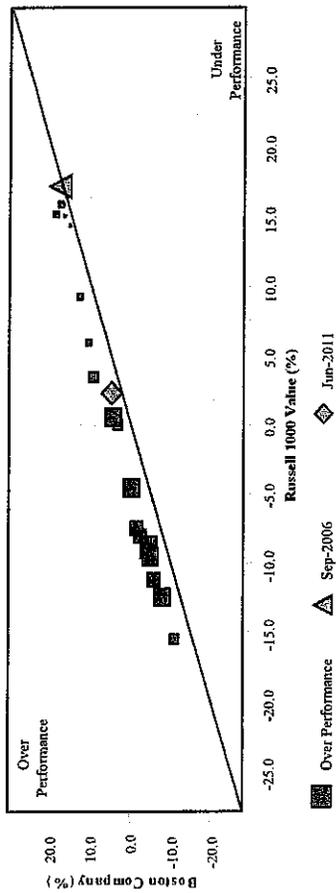
Comparative Performance

	1 Quarter Ending Mar-2011	1 Year Ending Dec-2010	2 Years Ending Sep-2010	3 Years Ending Mar-2010	4 Years Ending Jun-2010	5 Years Ending Dec-2009
Boston Company	6.43 (49)	13.17 (10)	10.34 (61)	10.54 (50)	10.74 (2)	4.11 (74)
Russell 1000 Value	6.46 (49)	10.54 (50)	10.13 (65)	6.78 (29)	6.78 (29)	4.22 (73)
IM U.S. Large Cap Value Equity (SA+CF)	6.38	10.49	10.77	-11.15(39)	5.93	5.23

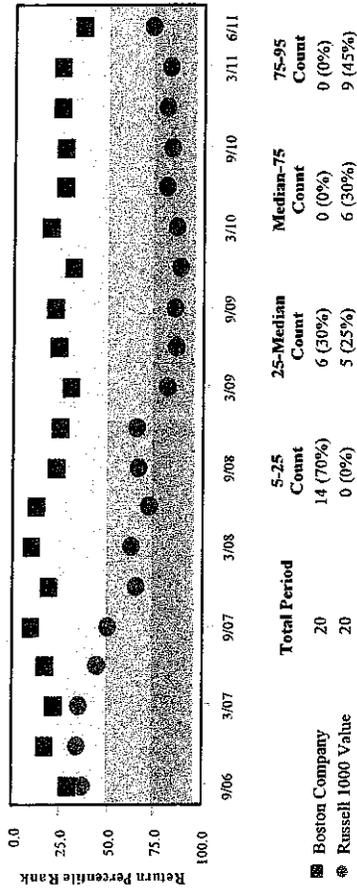


**Boston Company
June 30, 2011**

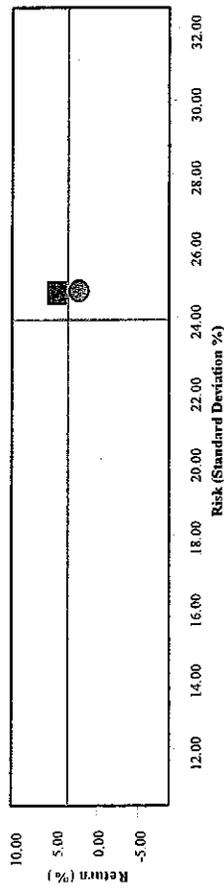
3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years

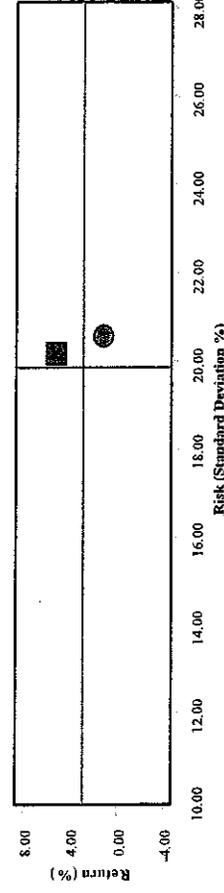


Peer Group Scattergram - 3 Years



	Return	Standard Deviation
■ Boston Company	4.76	24.72
● Russell 1000 Value	2.28	24.79
— Median	3.83	23.97

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
■ Boston Company	5.26	20.21
● Russell 1000 Value	1.15	20.58
— Median	2.98	19.87

Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Boston Company	4.02	102.60	94.85	2.49	0.58	0.31	0.97	16.22
Russell 1000 Value	0.00	100.00	100.00	0.00	N/A	0.20	1.00	16.90

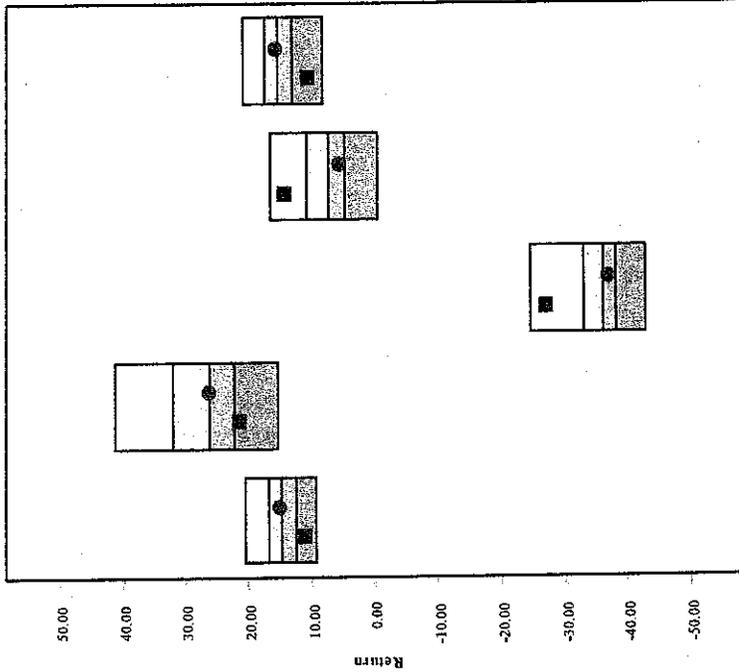
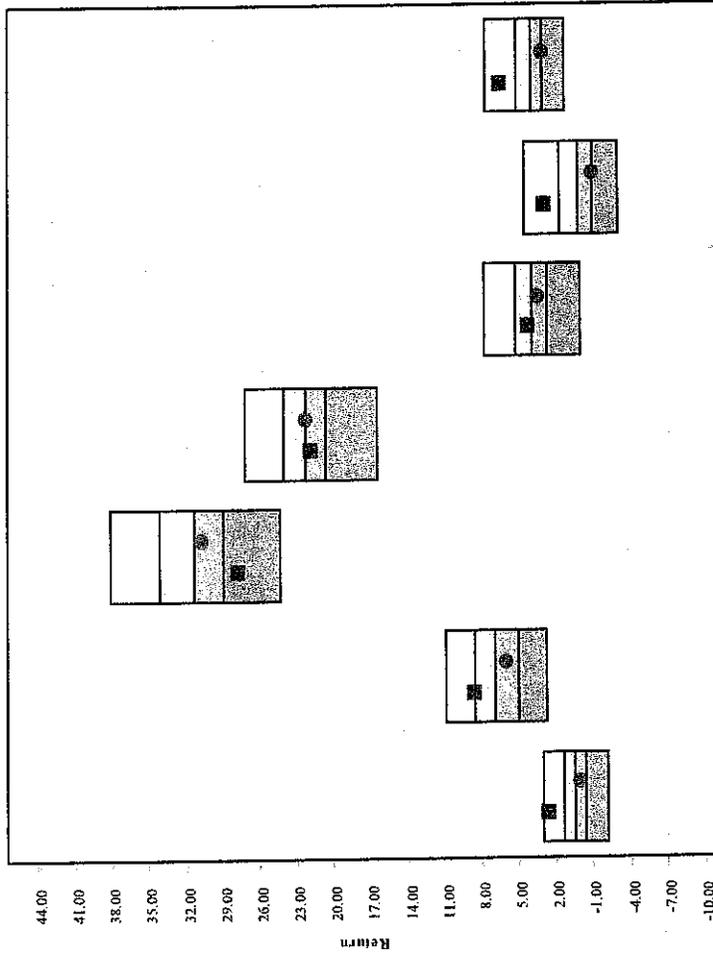
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Boston Company	3.97	106.25	90.41	4.11	0.99	0.27	0.97	13.66
Russell 1000 Value	0.00	100.00	100.00	0.00	N/A	0.05	1.00	14.40



Stralem & Company June 30, 2011

Peer Group Analysis - IM U.S. Large Cap Core Equity (SA+CF)



Period	Stralem & Company	S&P 500	Median
1 Quarter	2.60 (10)	0.10 (62)	0.51
1 Year	27.82 (82)	30.69 (59)	31.36
2 Years	21.86 (57)	22.29 (50)	22.29
3 Years	4.15 (46)	3.34 (64)	3.89
4 Years	2.85 (11)	-1.05 (74)	0.07
5 Years	6.30 (11)	2.94 (76)	3.82

Period	Stralem & Company	S&P 500	Median
2010	11.03 (88)	15.06 (46)	14.87
2009	21.52 (81)	26.46 (50)	26.35
2008	-27.14 (9)	-37.00 (62)	-36.11
2007	14.12 (10)	5.49 (71)	7.24
2006	10.38 (89)	15.79 (46)	15.51

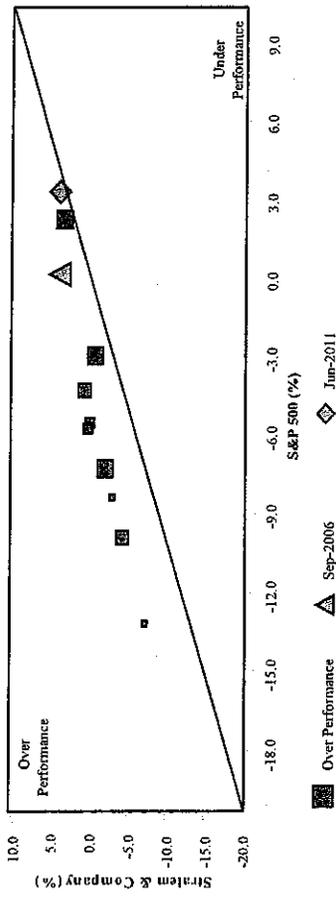
Comparative Performance

Period	Stralem & Company	S&P 500	IM U.S. Large Cap Core Equity (SA+CF)
1 Quarter Ending Mar-2011	5.76 (64)	5.92 (60)	6.30
1 Quarter Ending Dec-2010	6.49 (97)	10.76 (56)	10.89
1 Quarter Ending Sep-2010	10.61 (62)	11.29 (41)	11.03
1 Quarter Ending Jun-2010	-8.73 (10)	-11.43 (50)	-11.45
1 Quarter Ending Mar-2010	3.28 (92)	5.39 (46)	5.25
1 Quarter Ending Dec-2009	7.52 (11)	6.04 (45)	5.87

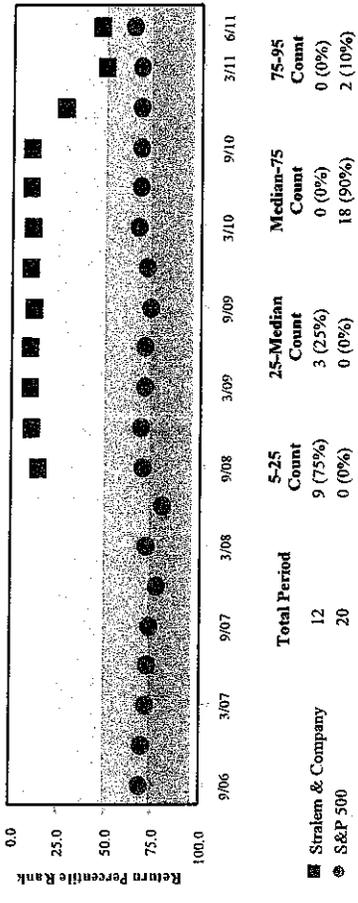


Stralem & Company June 30, 2011

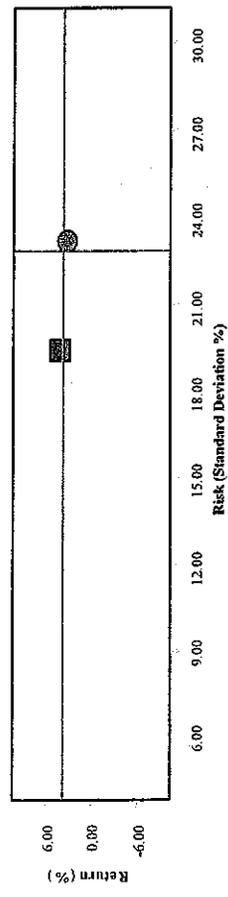
3 Yr Rolling Under/Over Performance - 5 Years



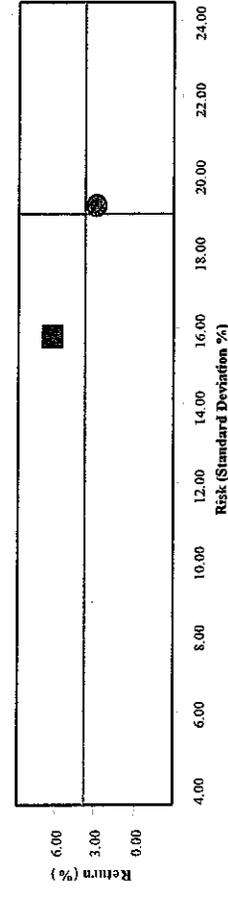
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
Stralem & Company	5.48	85.39	81.57
S&P 500	0.00	100.00	100.00
Median	0.00	100.00	100.00

Historical Statistics - 5 Years

	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Stralem & Company	1.13	0.04	0.30	0.83	13.72
S&P 500	0.00	N/A	0.24	1.00	15.60
Median	0.00	N/A	0.24	1.00	15.60

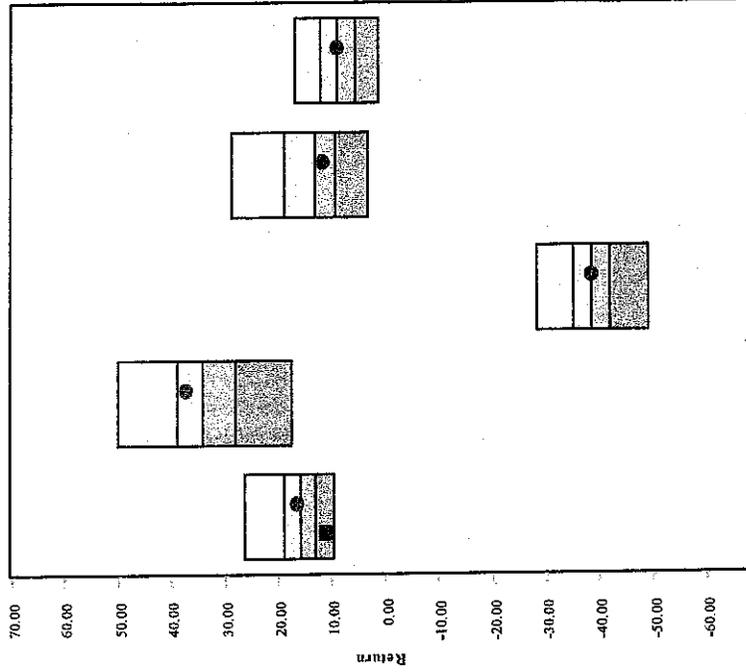
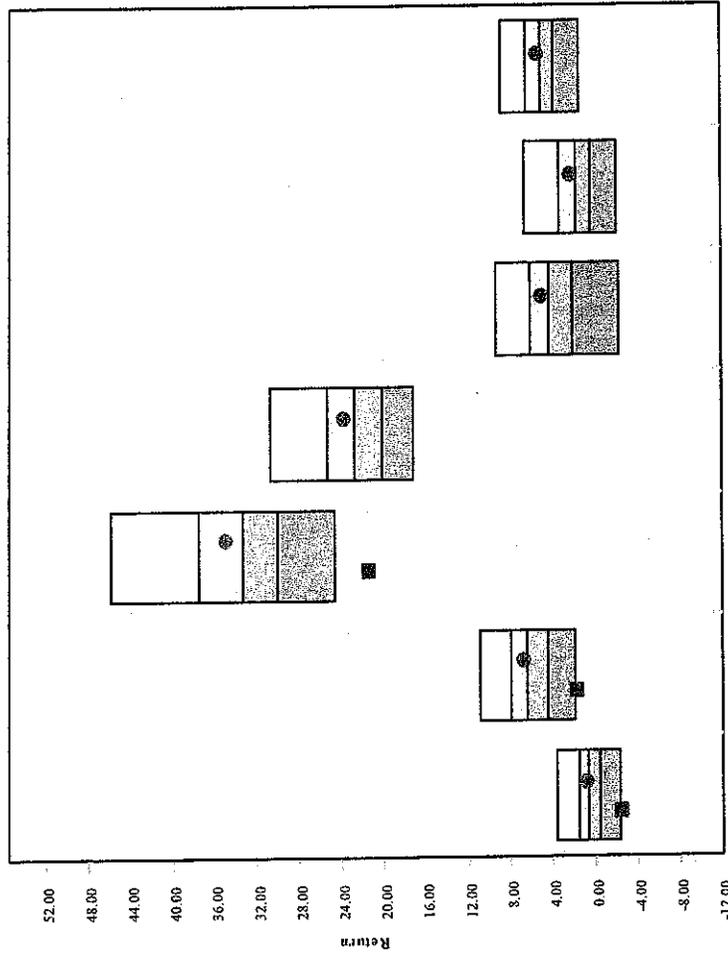
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Stralem & Company	5.01	90.20	75.31	3.64	0.56	0.35	0.83	11.42
S&P 500	0.00	100.00	100.00	0.00	N/A	0.14	1.00	13.28
Median	0.00	100.00	100.00	0.00	N/A	0.14	1.00	13.28



Atalanta Sosnoff
June 30, 2011

Peer Group Analysis - IM U.S. Large Cap Growth Equity (SA+CF)



	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	1 Quarter	1 Quarter	1 Quarter	1 Quarter
	Ending Mar-2011	To Jun-2011	Ending Dec-2010	Ending Sep-2010	Ending Mar-2010	Ending Jun-2010	Ending Mar-2010	Ending Mar-2010	Ending Mar-2010	Ending Dec-2009
Atalanta Sosnoff	4.14 (83)	6.42	10.37 (74)	8.14 (97)	13.00 (38)	-13.77 (89)	7.99 (3)	4.65 (52)	7.94 (29)	N/A
Russell 1000 Growth	6.03 (46)	6.83 (43)	11.83 (49)	13.00 (38)	11.75 (53)	-11.75 (53)	4.65 (52)	4.71	7.94 (29)	N/A
IM U.S. Large Cap Growth Equity (SA+CF)	5.84	6.42	11.78	12.28	12.28	-11.63	4.71	4.71	6.99	6.99

Comparative Performance

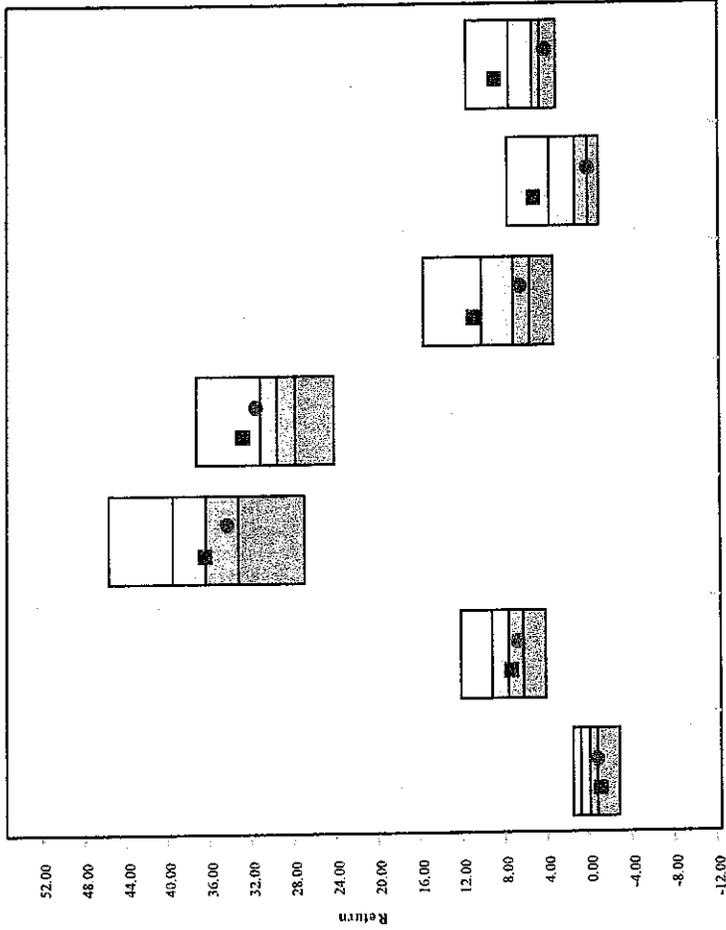
Atalanta Sosnoff
Russell 1000 Growth
IM U.S. Large Cap Growth Equity (SA+CF)



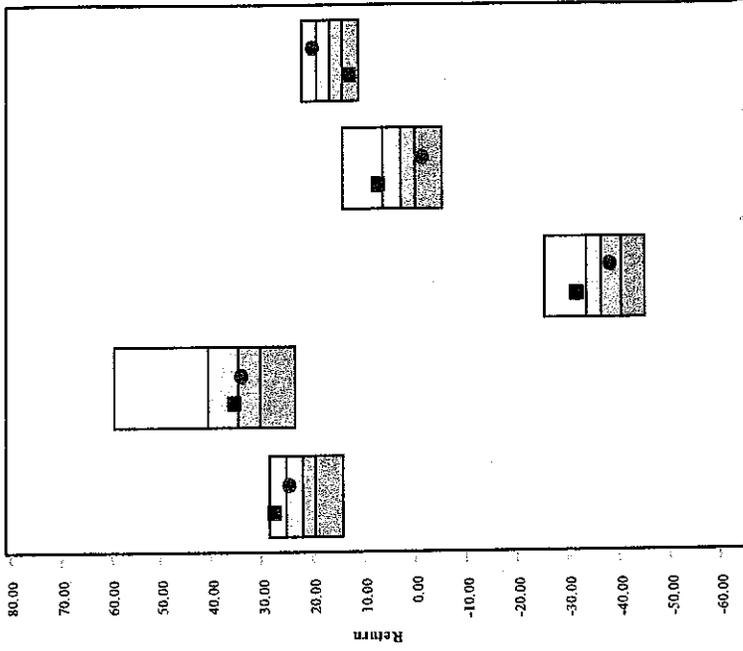
Page 32

Kennedy Mid Cap Value June 30, 2011

Peer Group Analysis - IM U.S. Mid Cap Value Equity (SA+CF)



	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years
Kennedy Mid Cap Value	-1.01 (78)	36.33 (52)	32.67 (11)	10.84 (21)	5.01 (15)	8.66 (15)
Russell Midcap Value	-0.69 (72)	34.28 (64)	31.57 (22)	6.35 (54)	-0.07 (77)	4.01 (80)
Median	-0.09	36.48	29.54	7.06	1.16	5.23



	2009	2010	2006	2007	2008
Kennedy Mid Cap Value	35.64 (43)	27.70 (7)	-31.79 (20)	7.19 (20)	-31.79 (20)
Russell Midcap Value	34.21 (54)	24.75 (30)	-38.44 (59)	-1.42 (85)	-38.44 (59)
Median	34.72	22.12	-36.70	2.94	-36.70

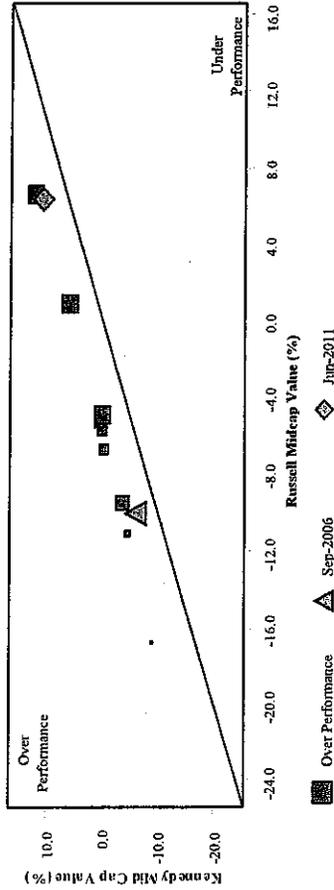
Comparative Performance

	1 Quarter Ending Mar-2011	1 Quarter Ending Dec-2010	1 Quarter Ending Sep-2010	1 Quarter Ending Jun-2010	1 Quarter Ending Mar-2010	1 Quarter Ending Dec-2009
Kennedy Mid Cap Value	8.43 (32)	13.62(31)	11.79(56)	-8.30(24)	9.63 (16)	6.29 (33)
Russell Midcap Value	7.42 (54)	12.24(62)	12.13(46)	-9.57(45)	9.61 (16)	5.21 (63)
IM U.S. Mid Cap Value Equity (SA+CF)	7.48	12.59	11.98	-9.75	7.78	5.62

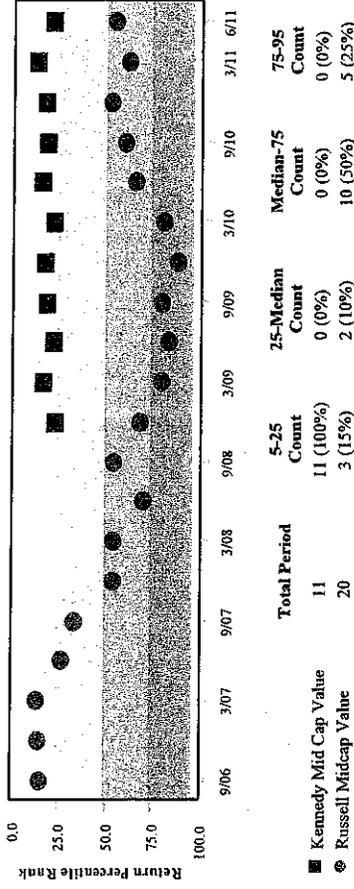


Kennedy Mid Cap Value June 30, 2011

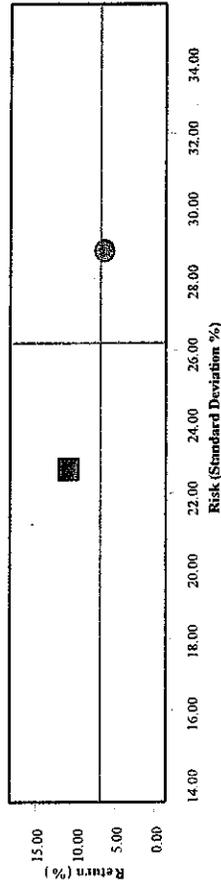
3 Yr Rolling Under/Over Performance - 5 Years



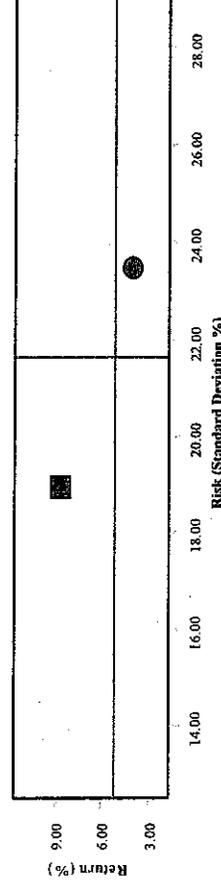
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
Kennedy Mid Cap Value	6.89	90.50	78.41
Russell Midcap Value	0.00	100.00	100.00
Kennedy Mid Cap Value	10.84	22.77	
Russell Midcap Value	6.35	28.80	
Median	7.06	26.21	

Historical Statistics - 5 Years

	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Kennedy Mid Cap Value	5.03	0.42	0.58	0.79	14.94
Russell Midcap Value	0.00	N/A	0.36	1.00	19.34
Kennedy Mid Cap Value	8.66	18.98			
Russell Midcap Value	4.01	23.49			
Median	5.23	21.63			

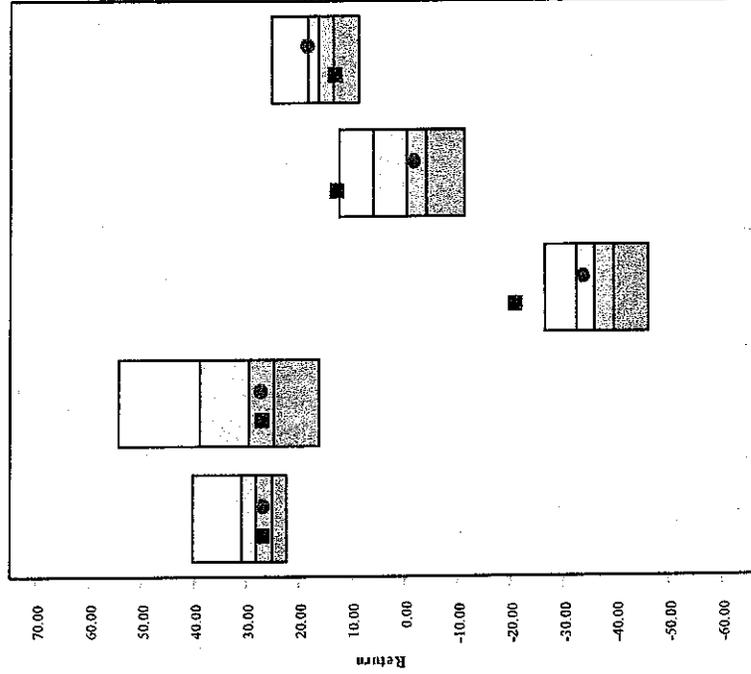
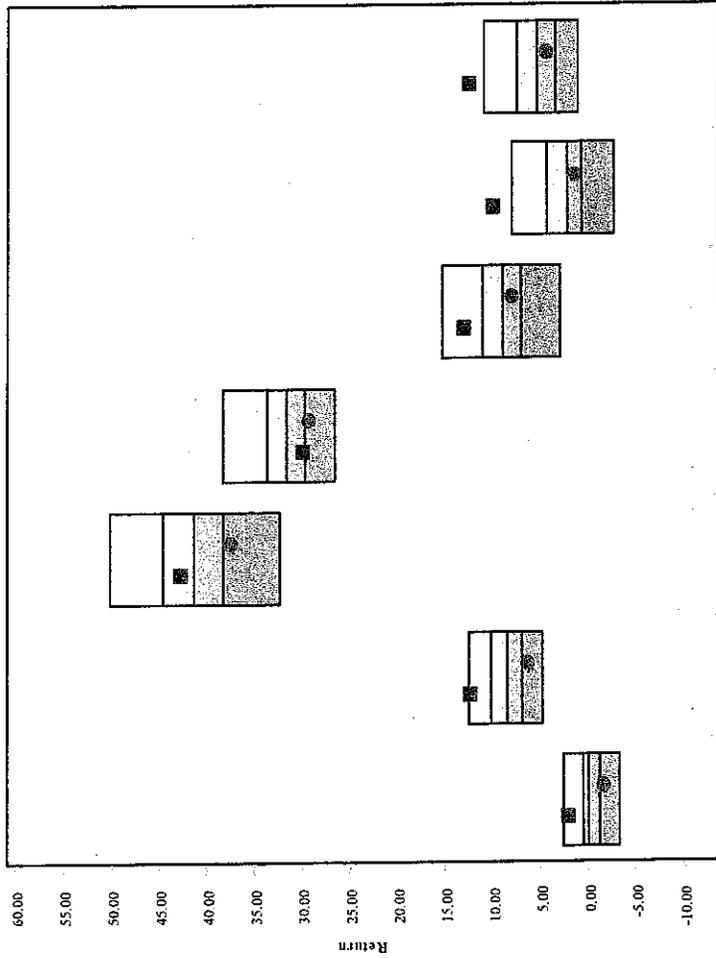
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Kennedy Mid Cap Value	5.73	95.85	80.75	4.92	0.63	0.44	0.81	12.74
Russell Midcap Value	0.00	100.00	100.00	0.00	N/A	0.20	1.00	16.14



Kennedy Small Cap June 30, 2011

Peer Group Analysis - IM U.S. Small Cap Core Equity (SA+CF)



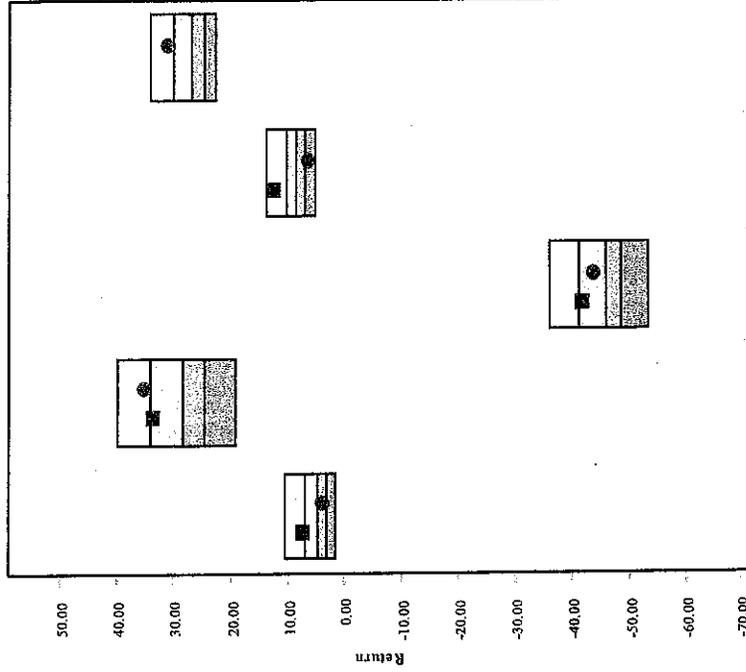
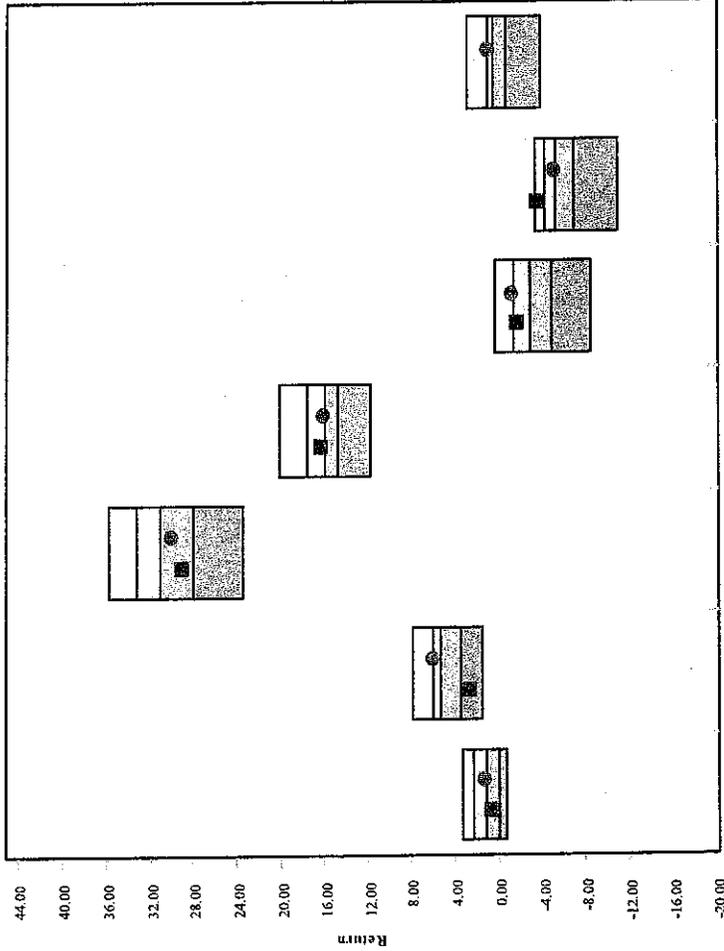
	Quarter	Jan-2011 To Jun-2011	1 Year	2 Years	3 Years	4 Years	5 Years	Quarter Ending Mar-2011	Quarter Ending Dec-2010	Quarter Ending Sep-2010	Quarter Ending Jun-2010	Quarter Ending Mar-2010	Quarter Ending Dec-2009
Kennedy Small Cap	1.99 (9)	12.19 (6)	42.70 (36)	29.82 (72)	12.75 (13)	9.80 (3)	12.31 (1)	10.00 (24)	14.50 (88)	11.08 (52)	-5.38 (5)	5.35 (92)	5.00 (33)
Russell 2000	-1.61 (79)	6.21 (82)	37.41 (80)	29.20 (78)	7.77 (62)	1.20 (61)	4.08 (63)	7.94 (71)	16.25 (55)	11.29 (46)	-9.92 (75)	8.85 (47)	3.87 (56)
IM U.S. Small Cap Core Equity (SA+CF)	-0.16	8.31	41.27	31.44	8.69	2.11	5.02	8.78	16.58	11.09	-8.81	8.24	4.11
Median													

Comparative Performance



Vanguard Intl Value June 30, 2011

Peer Group Analysis - IM International Large Cap Value Equity (MF)



Period	Vanguard Intl Value	MSCI EAFE Value	Median
1 Quarter	0.70 (64)	1.34 (46)	1.13
1 Year	29.03 (65)	30.10 (60)	31.08
2 Years	16.31 (40)	16.18 (43)	15.93
3 Years	-1.71 (31)	-1.15 (22)	-2.91
4 Years	-3.39 (7)	-5.10 (47)	-5.23
5 Years	N/A	0.95 (28)	0.40

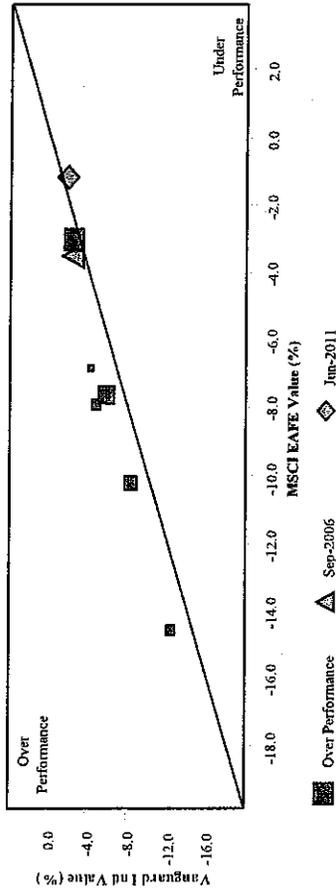
Comparative Performance

Period	Vanguard Intl Value	MSCI EAFE Value	IM International Large Cap Value Equity (MF)
1 Quarter Ending Mar-2011	1.88 (86)	4.64 (22)	3.61
1 Quarter Ending Dec-2010	6.61 (42)	5.37 (67)	6.29
1 Quarter Ending Sep-2010	17.96(49)	16.43(78)	17.92
1 Quarter Ending Jun-2010	-15.29(60)	-15.24(38)	-15.82
1 Quarter Ending Mar-2010	1.49 (16)	-0.17 (69)	0.81
1 Quarter Ending Dec-2009	1.77 (34)	0.33 (68)	1.29

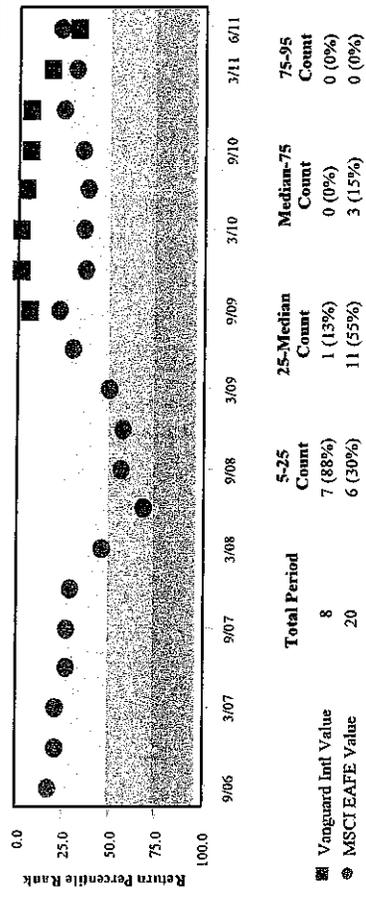


Vanguard Intl Value June 30, 2011

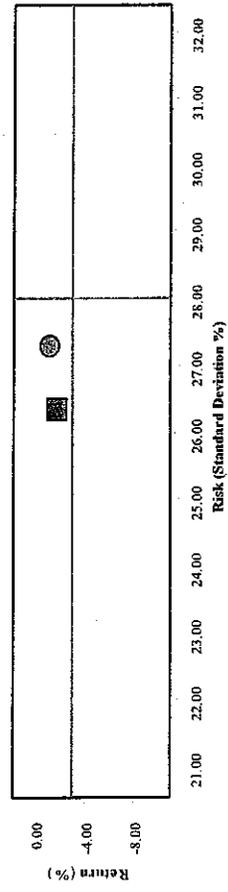
3 Yr Rolling Under/Over Performance - 5 Years



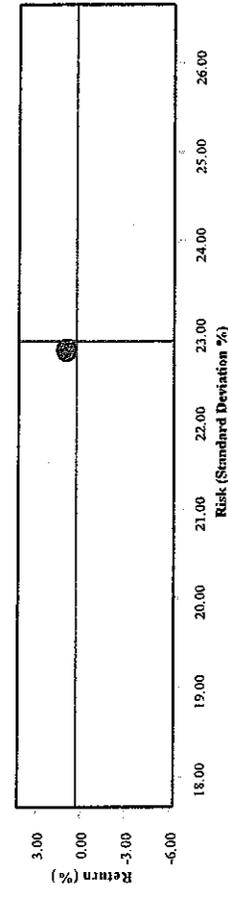
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
Vanguard Intl Value	5.49	96.97	98.97
MSCI EAFE Value	0.00	100.00	100.00

Historical Statistics - 5 Years

	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Vanguard Intl Value	-0.67	-0.15	0.05	0.95	19.13
MSCI EAFE Value	0.00	N/A	0.08	1.00	19.62

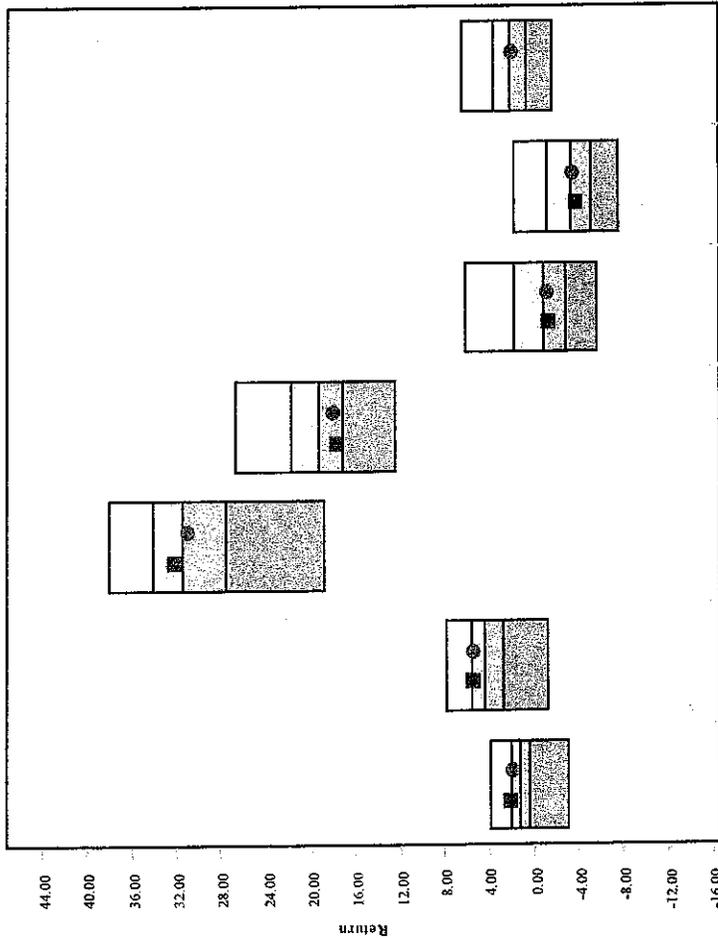
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Vanguard Intl Value	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI EAFE Value	0.00	100.00	100.00	0.00	N/A	0.07	1.00	16.54

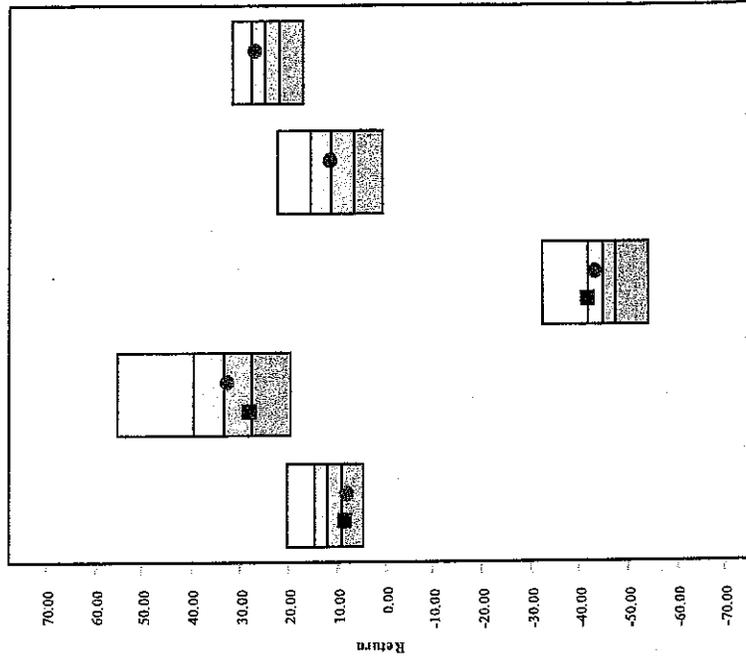


Vanguard Dev Markets June 30, 2011

Peer Group Analysis - IM International Multi-Cap Equity (MF)



	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years
Vanguard Dev Markets	2.12 (25)	32.14 (44)	17.69 (67)	-1.44 (57)	-3.80 (58)	N/A
MSCI EAFE	1.83 (36)	30.93 (55)	18.01 (64)	-1.30 (55)	-3.59 (55)	1.96 (52)
Median	1.30	31.49	19.39	-0.93	-3.35	2.09



	2010	2009	2008	2007	2006
Vanguard Dev Markets	8.54 (82)	28.16 (73)	-41.62 (25)	N/A	N/A
MSCI EAFE	8.21 (84)	32.46 (53)	-43.06 (36)	11.63 (50)	26.86 (32)
Median	12.29	33.23	-44.79	11.32	24.93

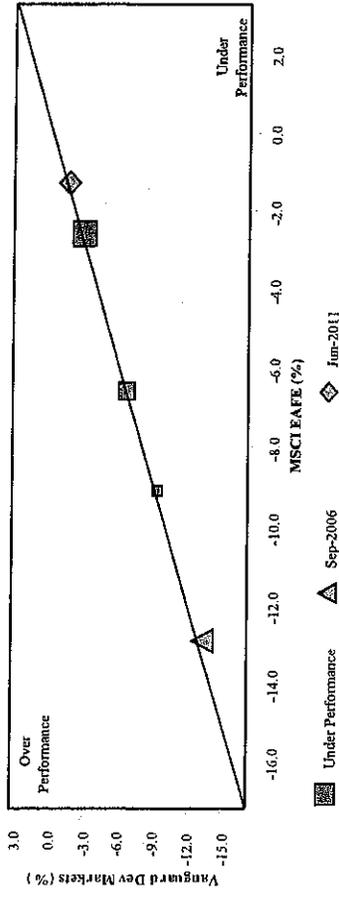
Comparative Performance

	1 Quarter Ending Mar-2011	1 Year Ending Dec-2010	2 Years Ending Sep-2010	3 Years Ending Mar-2010	4 Years Ending Jun-2010	5 Years Ending Dec-2009
Vanguard Dev Markets	3.08 (46)	6.74 (69)	17.60 (42)	-14.61 (85)	1.26 (66)	1.67 (72)
MSCI EAFE	3.45 (34)	6.65 (71)	16.53 (56)	-13.73 (73)	0.94 (75)	2.22 (63)
IM International Multi-Cap Equity (MF)	2.95	7.39	17.01	-12.27	1.85	2.80

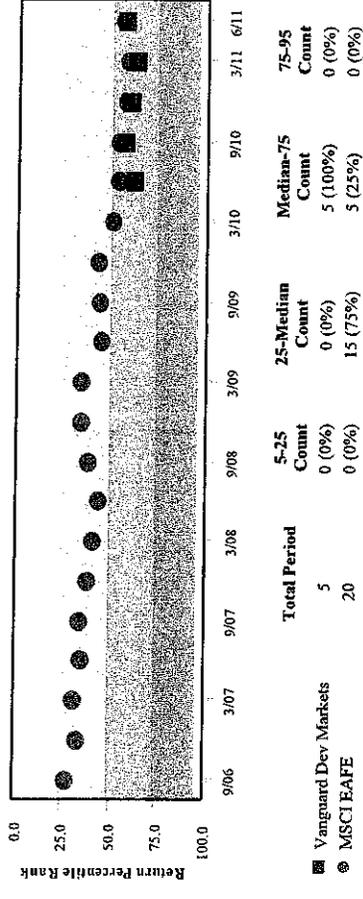


Vanguard Dev Markets June 30, 2011

3 Yr Rolling Under/Over Performance - 5 Years

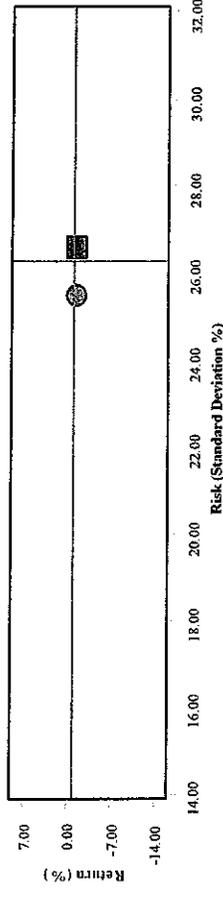


3 Yr Rolling Percentile Ranking - 5 Years



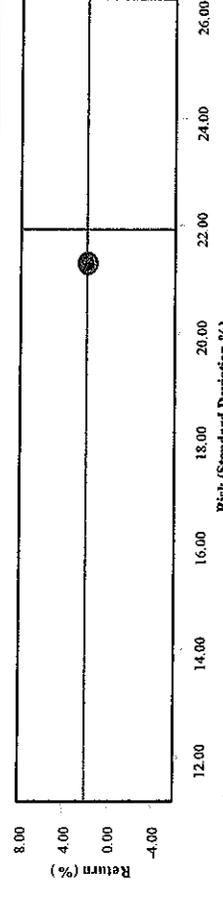
Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Vanguard Dev Markets	0 (0%)	0 (0%)	5 (100%)	0 (0%)
MSCI EAFE	0 (0%)	15 (75%)	5 (25%)	0 (0%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Vanguard Dev Markets	-1.44	26.63
MSCI EAFE	-1.30	25.52
Median	-0.93	26.27

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Vanguard Dev Markets	1.96	21.32
MSCI EAFE	2.09	21.93
Median	2.09	21.93

Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
Vanguard Dev Markets	3.28	106.27	106.25
MSCI EAFE	0.00	100.00	100.00

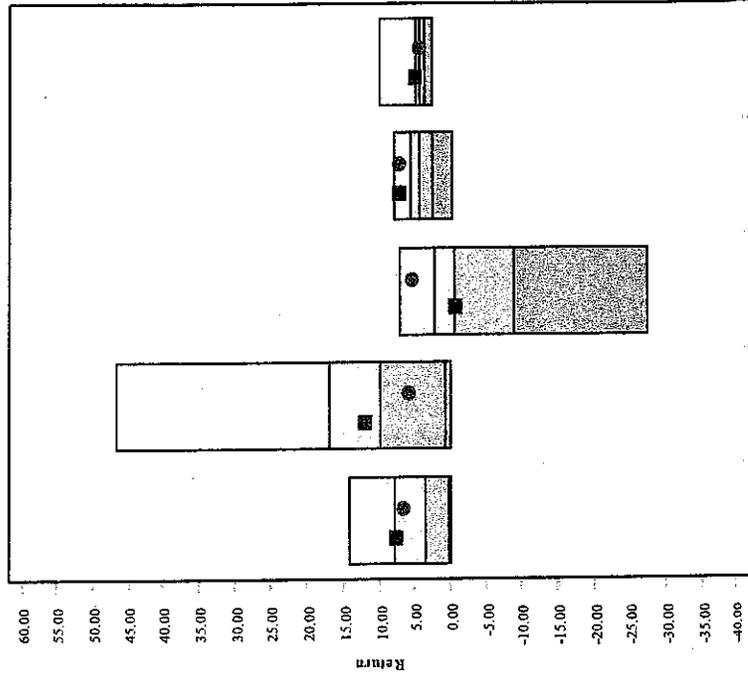
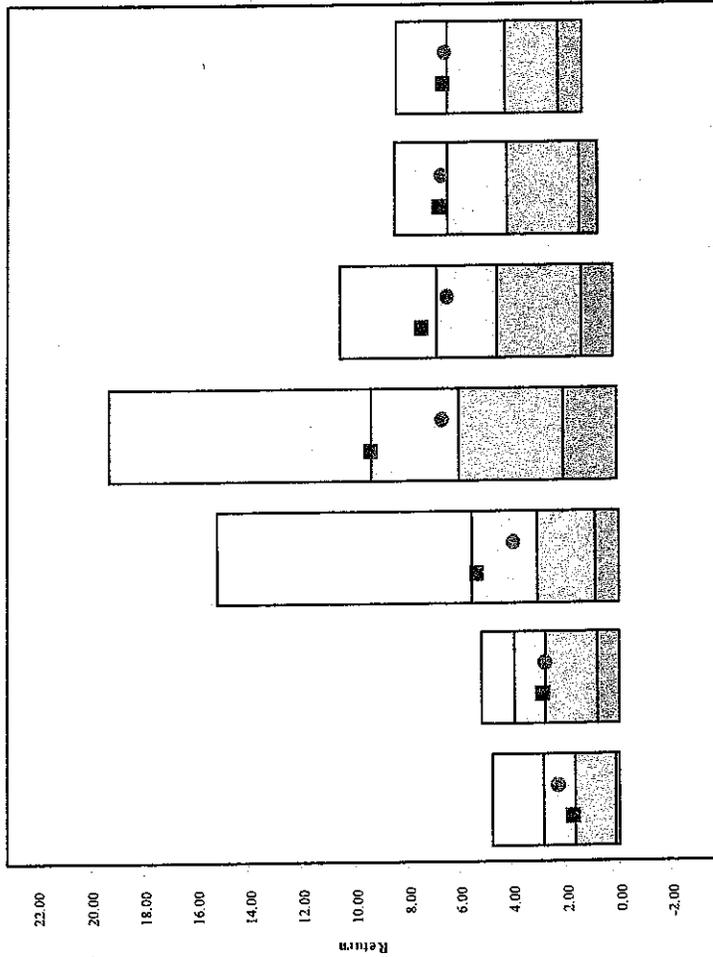
Historical Statistics - 5 Years

	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Vanguard Dev Markets	0.06	0.04	0.07	1.04	19.46
MSCI EAFE	0.00	N/A	0.06	1.00	18.91



Total Fixed Income June 30, 2011

Peer Group Analysis - IM U.S. Fixed Income (SA+CF+MF)



Comparative Performance

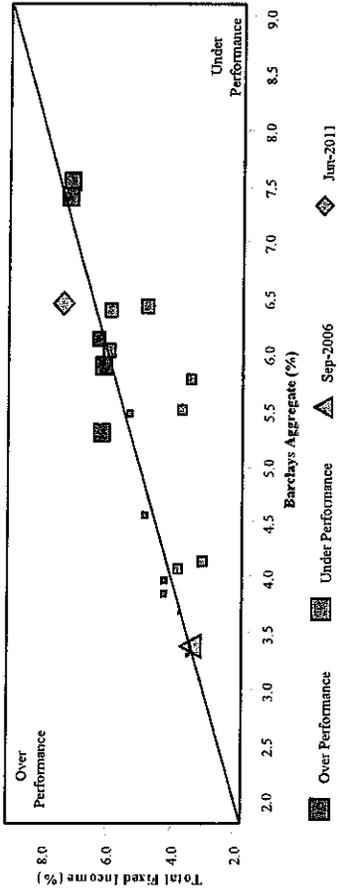
Period	Q1	Q2	Q3	Q4	Q5
Jan-2011	1.05 (27)	-0.46(52)	-1.30(67)	-0.38	2.96 (45)
Jun-2011	0.42 (48)	0.37	0.37	0.37	2.48 (57)
Jan-2011 to Jun-2011	0.37	0.37	0.37	0.37	2.75
Median	0.37	0.37	0.37	0.37	2.75

Period	Q1	Q2	Q3	Q4	Q5
Jan-2011	1.05 (27)	-0.46(52)	-1.30(67)	-0.38	2.96 (45)
Jun-2011	0.42 (48)	0.37	0.37	0.37	2.48 (57)
Jan-2011 to Jun-2011	0.37	0.37	0.37	0.37	2.75
Median	0.37	0.37	0.37	0.37	2.75

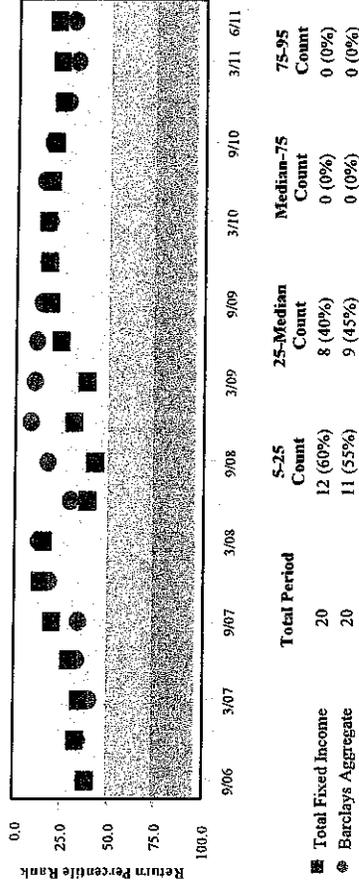


Total Fixed Income June 30, 2011

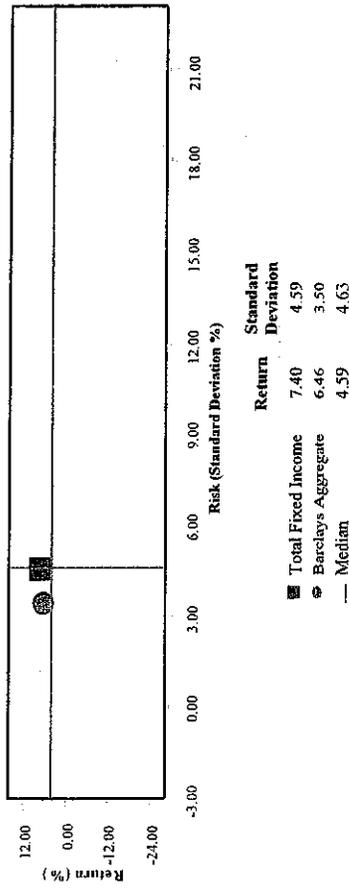
5 Yr Rolling Under/Over Performance - 5 Years



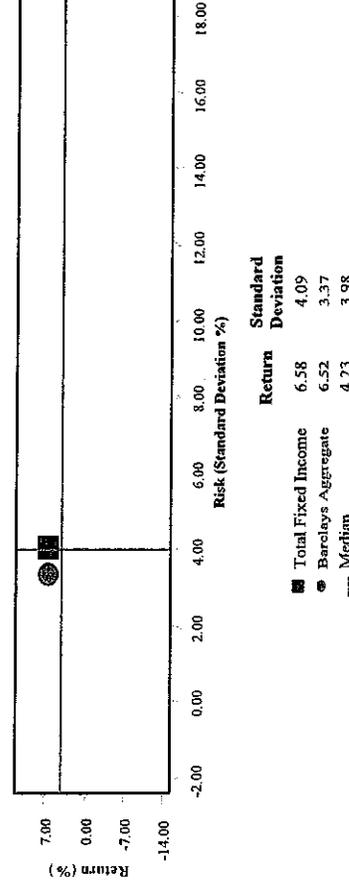
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
Total Fixed Income	2.49	103.96	81.99
Barclays Aggregate	0.00	100.00	100.00

Historical Statistics - 5 Years

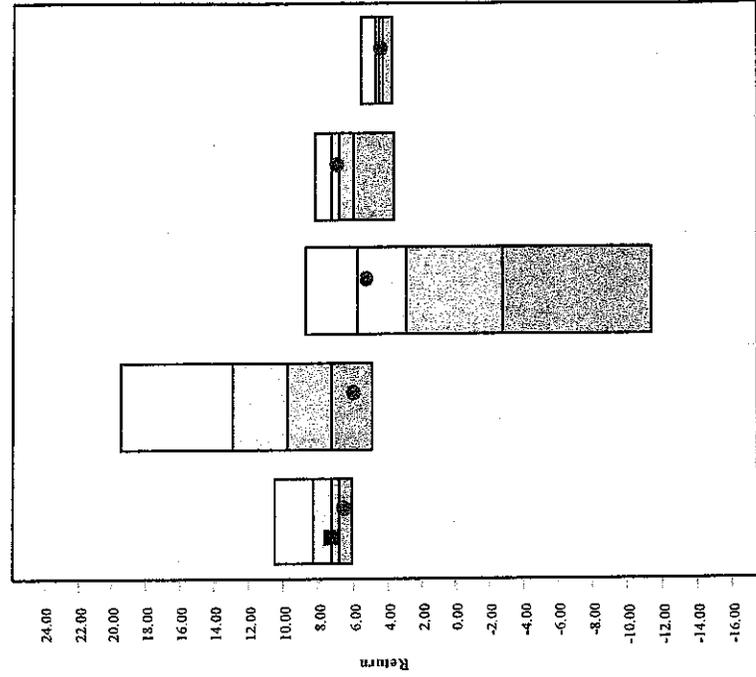
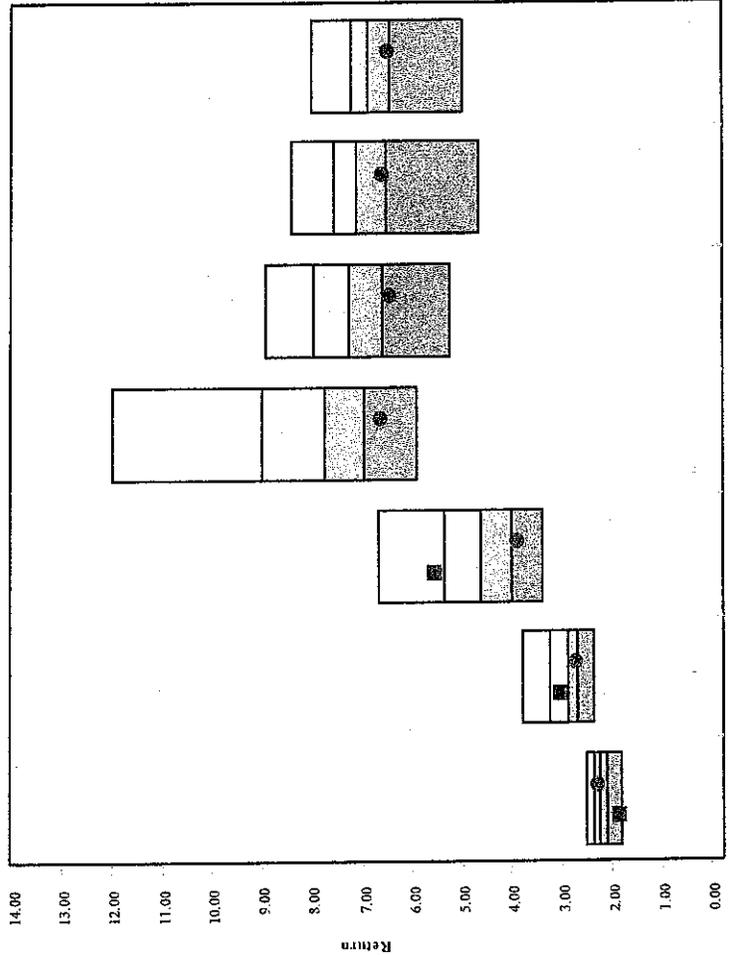
	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fixed Income	0.36	1.62	0.82	2.03
Barclays Aggregate	N/A	1.43	1.00	2.03

	Tracking Error	Up Market Capture	Down Market Capture	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fixed Income	2.09	96.78	85.31	0.03	1.22	0.83	1.72
Barclays Aggregate	0.00	100.00	100.00	N/A	1.23	1.00	1.67



**Ancora Advisors
June 30, 2011**

Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (SA+CF)



	1 Quarter	Jan-2011 To Jun-2011	1 Year	2 Years	3 Years	4 Years	5 Years	Quarter Ending Sep-2010	Quarter Ending Dec-2010	Quarter Ending Jun-2010	Quarter Ending Mar-2010	Quarter Ending Dec-2009
Ancora Advisors	1.35 (95)	3.03 (39)	5.35 (23)	N/A	N/A	N/A	N/A	2.48 (84)	-0.14(S)	2.15 (97)	2.52 (29)	1.95 (5)
Barclays Aggregate	2.29 (38)	2.72 (74)	3.90 (79)	6.06 (85)	6.46 (83)	6.62 (74)	6.52 (72)	3.49 (44)	-1.30(73)	3.49 (44)	1.78 (79)	0.20 (80)
IM U.S. Broad Market Core Fixed Income (SA+CF)	2.24	2.87	4.64	7.78	7.29	7.13	6.93	2.81	-1.12	3.40	2.13	0.61
Median												

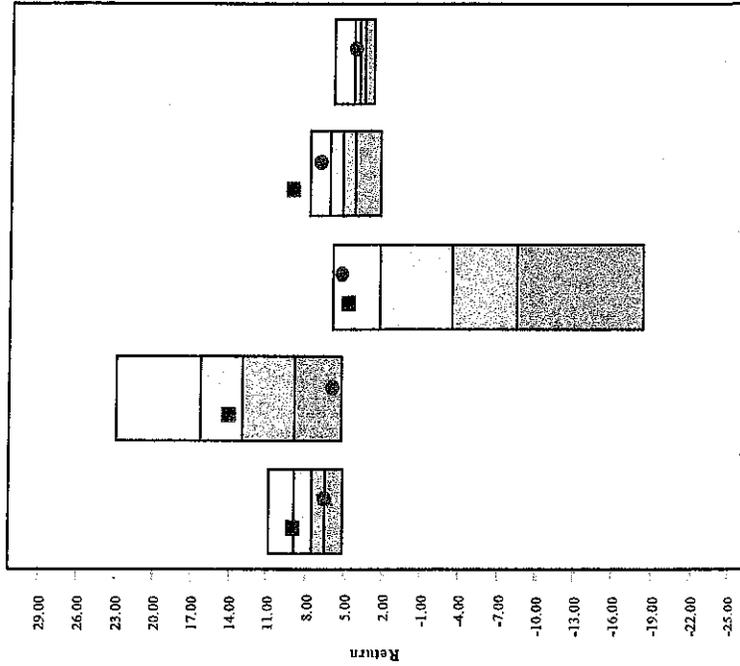
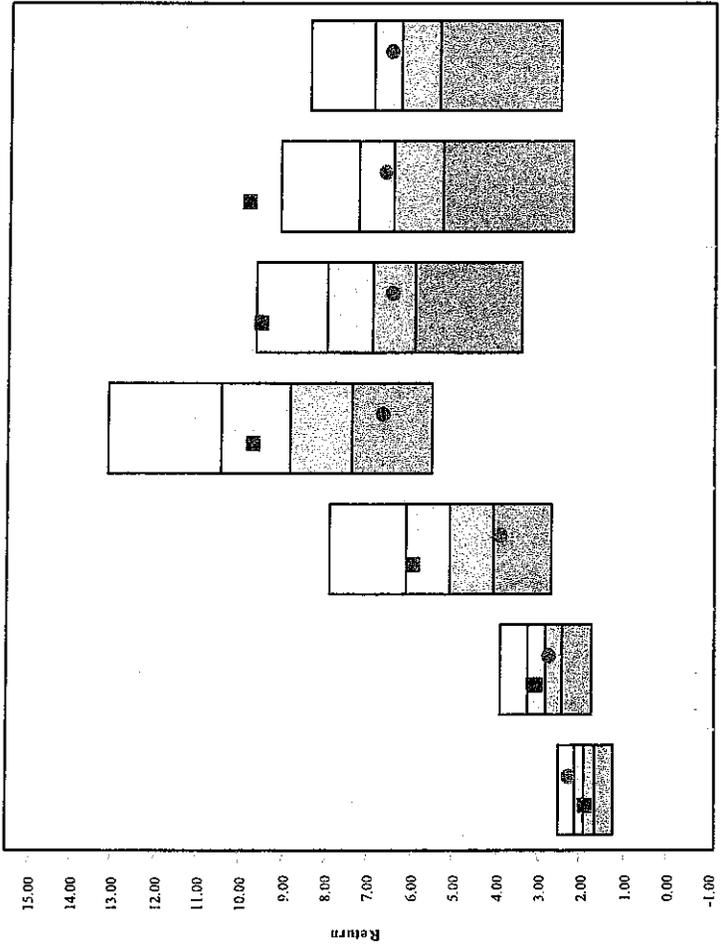
Comparative Performance

	1 Quarter Ending Mar-2011	1 Quarter Ending Dec-2010	1 Quarter Ending Sep-2010	1 Quarter Ending Jun-2010	1 Quarter Ending Mar-2010	1 Quarter Ending Dec-2009
Ancora Advisors	1.16 (17)	-0.14(S)	2.59 (76)	2.15 (97)	2.52 (29)	1.95 (5)
Barclays Aggregate	0.42 (80)	-1.30(73)	2.48 (84)	3.49 (44)	1.78 (79)	0.20 (80)
IM U.S. Broad Market Core Fixed Income (SA+CF)	0.67	-1.12	2.81	3.40	2.13	0.61



PIMCO Total Return June 30, 2011

Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (MF)



	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	Jan-2011 To Jun-2011	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	Jan-2010 to Jun-2010	2006	2007	2008	2009	2010	2011
PIMCO Total Return	1.87 (54)	5.95 (28)	9.71 (36)	9.53 (7)	9.86 (2)	N/A	3.04 (36)	1.14 (31)	5.95 (28)	9.71 (36)	9.53 (7)	9.86 (2)	N/A	2.75 (63)	N/A	9.19 (1)	4.73 (14)	14.02 (44)	8.87 (26)	3.04 (36)
Barclays Aggregate	2.29 (13)	3.90 (80)	6.66 (86)	6.46 (64)	6.62 (46)	6.52 (41)	2.72 (57)	0.42 (79)	3.90 (80)	6.66 (86)	6.46 (64)	6.62 (46)	6.52 (41)	3.49 (17)	4.34 (30)	6.97 (11)	5.24 (9)	5.93 (93)	6.54 (77)	2.72 (57)
Median	1.92	5.09	8.84	6.94	6.48	6.31	2.84	0.91	5.09	8.84	6.94	6.48	6.31	2.92	3.93	5.31	-3.44	13.10	7.53	2.84

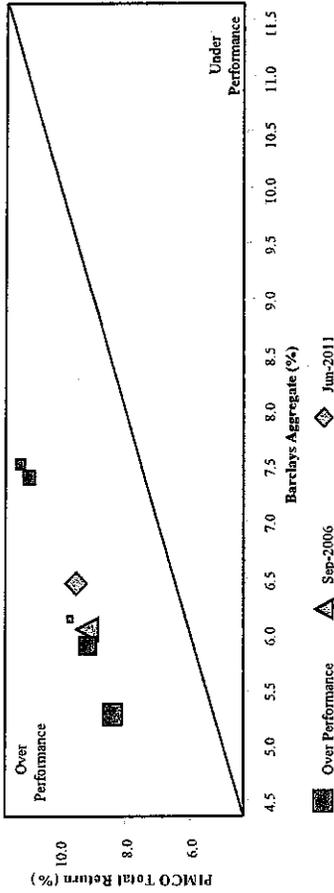
Comparative Performance

	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	Jan-2011 To Jun-2011	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	Jan-2010 to Jun-2010	2006	2007	2008	2009	2010	2011
PIMCO Total Return	1.14 (31)	5.95 (28)	9.71 (36)	9.53 (7)	9.86 (2)	N/A	3.04 (36)	3.86 (17)	5.95 (28)	9.71 (36)	9.53 (7)	9.86 (2)	N/A	2.75 (63)	N/A	9.19 (1)	4.73 (14)	14.02 (44)	8.87 (26)	3.04 (36)
Barclays Aggregate	0.42 (79)	3.90 (80)	6.66 (86)	6.46 (64)	6.62 (46)	6.52 (41)	2.72 (57)	2.48 (86)	3.90 (80)	6.66 (86)	6.46 (64)	6.62 (46)	6.52 (41)	3.49 (17)	4.34 (30)	6.97 (11)	5.24 (9)	5.93 (93)	6.54 (77)	2.72 (57)
IM U.S. Broad Market Core Fixed Income (MF)	0.91	5.09	8.84	6.94	6.48	6.31	2.84	3.20	5.09	8.84	6.94	6.48	6.31	2.92	3.93	5.31	-3.44	13.10	7.53	2.84

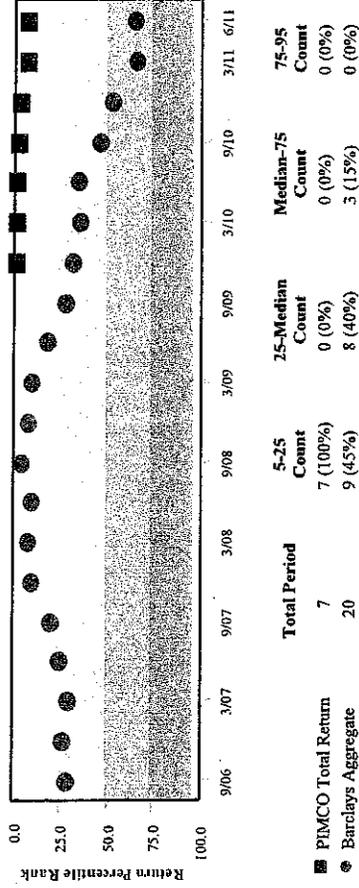


PIMCO Total Return June 30, 2011

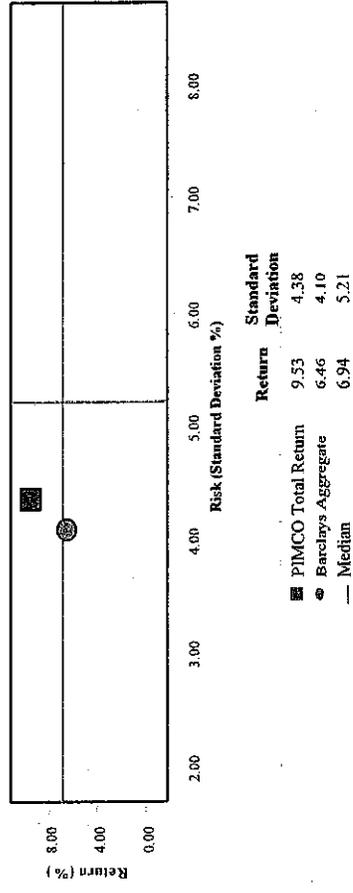
3 Yr Rolling Under/Over-Performance - 5 Years



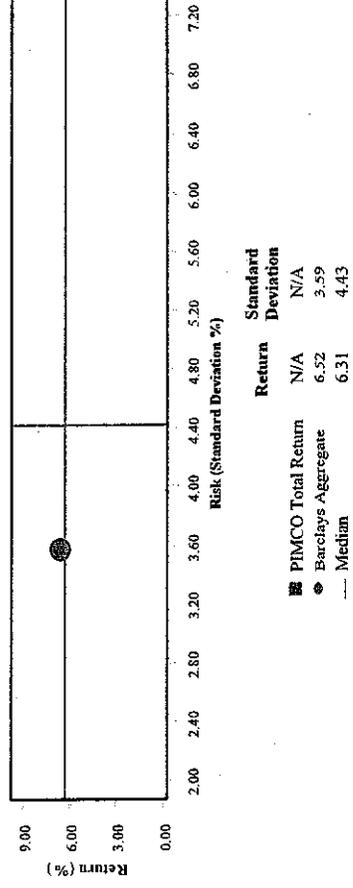
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture
PIMCO Total Return	2.47	124.22	78.14
Barclays Aggregate	0.00	100.00	100.00

Historical Statistics - 5 Years

	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
PIMCO Total Return	3.64	1.16	1.97	0.89	2.22
Barclays Aggregate	0.00	N/A	1.43	1.00	2.03



**Benchmark History
As of June 30, 2011**

Total Fund Policy	Allocation Mandate	Weight (%)
Jan-1999		
S&P 500		50.00
Barclays Capital Intermediate U.S. Gov/Credit		50.00
Jul-2008		
S&P 500		60.00
Barclays Capital Intermediate U.S. Gov/Credit		40.00
Jan-2010		
S&P 500		60.00
Barclays Capital Aggregate		40.00



Statistics Definitions

Statistics	Description
Return	-- Compounded rate of return for the period.
Standard Deviation	-- A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.
Sharpe Ratio	-- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Alpha	-- A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Beta	-- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.
R-Squared	-- The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Square means a higher correlation of the portfolio's performance to the appropriate benchmark.
Treynor Ratio	-- Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Represents the excess rate of return over the risk free rate divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Downside Risk	-- A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
Tracking Error	-- A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.
Information Ratio	-- Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.
Consistency	-- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.
Excess Return	-- Arithmetic difference between the managers return and the risk-free return over a specified time period.
Active Return	-- Arithmetic difference between the managers return and the benchmark return over a specified time period.
Excess Risk	-- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Up Market Capture	-- The ratio of average portfolio return over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.
Down Market Capture	-- The ratio of average portfolio return over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.

Calculation based on monthly periodicity.

Chicago
4320 Winfield Road, Suite 200
Warrenville, Illinois 60555

Cleveland
6133 Rockside Road
Rockside Square II, Suite 303
Independence, Ohio 44131



Orlando
4901 Vineland Road, Suite 600
Orlando, Florida 32811
866.240.7932

Milwaukee
250 E. Wisconsin Ave, Suite 1800
Milwaukee, Wisconsin 53202

Dallas
15770 Dallas Parkway, Suite 250
Dallas, Texas 75248

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Performance Report For the Month of April, 2011

RETURNS

	Asset Values		Transfers	Asset Values		Month	Quarter To Date	Fiscal Year To Date	1		3		5		Since Inception	Inception Date	ALLOCATION	
	3/31/2011	4/30/2011		Year	Year				Year	Year	Year	Year	Target	Current				
Domestic Equity Managers																		
Argent Growth	\$8,140,685	\$8,580,462	\$0	5.41%	22.05%	5.41%	7.41%	16.01%	22.25%	4.92%	-0.64%	N/A	1.59%	12/1/2007	29.50%			
Russell 1000 Growth				3.35%	22.55%	3.35%	6.08%	17.04%	19.70%	4.55%	-3.37%	5.06%	2.18%					
Dana Equity	\$8,088,525	\$8,330,195	\$0	3.00%	22.84%	3.00%	5.39%	21.26%	25.28%	4.22%	-0.07%	4.31%	10.45%	2/1/2003	28.64%			
S&P 500				2.96%	20.79%	2.96%	6.08%	17.04%	19.70%	1.73%	-2.37%	2.95%	7.93%					
Domestic Equity Russell 3000 Index	\$162,229,210	\$16,910,658	\$0	4.21%	22.44%	4.21%	7.41%	16.01%	22.25%	4.57%	-0.64%	N/A	6.06%	4/7/2008	58.14%			
				2.98%	22.25%	2.98%	7.41%	16.01%	22.25%	2.75%	-0.64%	3.33%	4.51%					
International Equity Managers																		
Baring Int'l	\$1,342,235	\$1,441,719	\$0	7.41%	16.01%	7.41%	7.41%	16.01%	22.25%	-0.64%	-2.28%	N/A	-2.28%	12/1/2007	4.96%			
MSCI EAFE Index				6.08%	17.04%	6.08%	6.08%	17.04%	19.70%	-3.37%	-3.82%	2.02%	-3.82%					
RBC Int'l	\$1,606,911	\$1,693,397	\$0	5.39%	21.26%	5.39%	5.39%	21.26%	25.28%	-0.07%	-0.54%	N/A	-0.54%	11/1/2007	5.82%			
MSCI EAFE Index				6.08%	17.04%	6.08%	6.08%	17.04%	19.70%	-2.37%	-4.63%	2.02%	-4.63%					
Total Int'l	\$2,949,146	\$3,135,116	\$0	6.31%	18.79%	6.31%	6.31%	18.79%	21.86%	-0.21%	-0.21%	N/A	1.38%	11/1/2007	15.00%			
Total Int'l Policy				4.96%	16.80%	4.96%	4.96%	16.80%	20.32%	3.82%	-0.30%	N/A	1.38%					
Total Equity	\$19,178,356	\$20,045,774	\$0	4.53%	21.85%	4.53%	4.53%	21.85%	20.54%	3.82%	-0.30%	N/A	5.31%	4/1/2008	65.00%			
Total Equity Policy				3.47%	20.82%	3.47%	3.47%	20.82%	18.99%	2.34%	3.38%	3.38%	3.92%					
Fixed Income Managers																		
Garcia Hamilton Fixed	\$8,793,091	(\$180,074)	(\$180,074)	1.84%	N/A	1.84%	1.84%	N/A	N/A	N/A	N/A	N/A	1.84%	4/1/2011	30.16%			
BC Int. Agg				1.15%	0.87%	1.15%	1.15%	0.87%	5.11%	5.66%	6.20%	6.20%	1.15%					
Total Fixed	\$8,793,091	(\$180,000)	(\$180,000)	1.84%	1.73%	1.84%	1.84%	1.73%	5.54%	6.46%	6.52%	6.52%	4.93%	2/1/2003	35.00%			
BC Int. Agg				1.15%	0.87%	1.15%	1.15%	0.87%	5.11%	5.66%	6.17%	6.17%	4.88%					
R&D Account	\$254,212	\$12,473	\$12,473	3.65%	14.45%	3.65%	3.65%	14.45%	15.18%	5.71%	5.31%	5.31%	8.30%	2/1/2003	100.00%			
Total Fund (Gross)	\$28,225,659	(\$167,527)	(\$167,527)	2.64%	13.60%	2.64%	2.64%	13.60%	14.32%	4.29%	4.86%	4.86%	7.15%					
Total Fund Policy																		
Current Total Fund Policy: 50% Russell 3000, 25% BC Int. Agg, 15% MSCI AC World ex USA																		
Current Total Equity Policy: 75% Russell 3000, 25% MSCI World ex USA																		
Current Total Int'l Policy: 100% MSCI AC World ex USA																		



Non-Core Global Fixed Income

Presented

Fourth Quarter 2011



THE
BOGDAHN
GROUP

simplifying your investment and fiduciary decisions

Loomis Sayles Fixed Income

- Region: U.S. , non-US developed markets and EM
- Sector: US treasuries, agency, securitized, corporate, muni, yankee, convertibles and preferreds
- Non-U.S. including sovereign, quasi-government corporate sector and Emerging Markets
- Hedging: un-hedged. No cross hedging
- Emphasis on corporate credit, yield curve neutral.

PIMCO Diversified Income

- Region: global
- Sector: global investment grade (sovereign and corporate sector) and high yield
- Developed and emerging markets
- Hedging: hedged to USD. 25% limit on "un-hedged" exposure. No cross hedging
- Yield Curve: Active

Templeton Global Bond

- Region: global
- Sector : primarily government and agency
- Developed and emerging markets
- Below investment grade up to 25%
- Hedging: un-hedged to USD. Cross hedge: yes
- Drivers: duration positioning, currency allocation and sovereign credit allocation

Templeton Global Total Return

- Region: global
- Sector : government/agency, securitized and corporate sector
- Developed and emerging markets
- Below investment grade up to 50%
- Drivers: duration positioning, currency allocation, sovereign credit allocation and spread sector allocation

Mutual fund names are used to represent the overall strategies

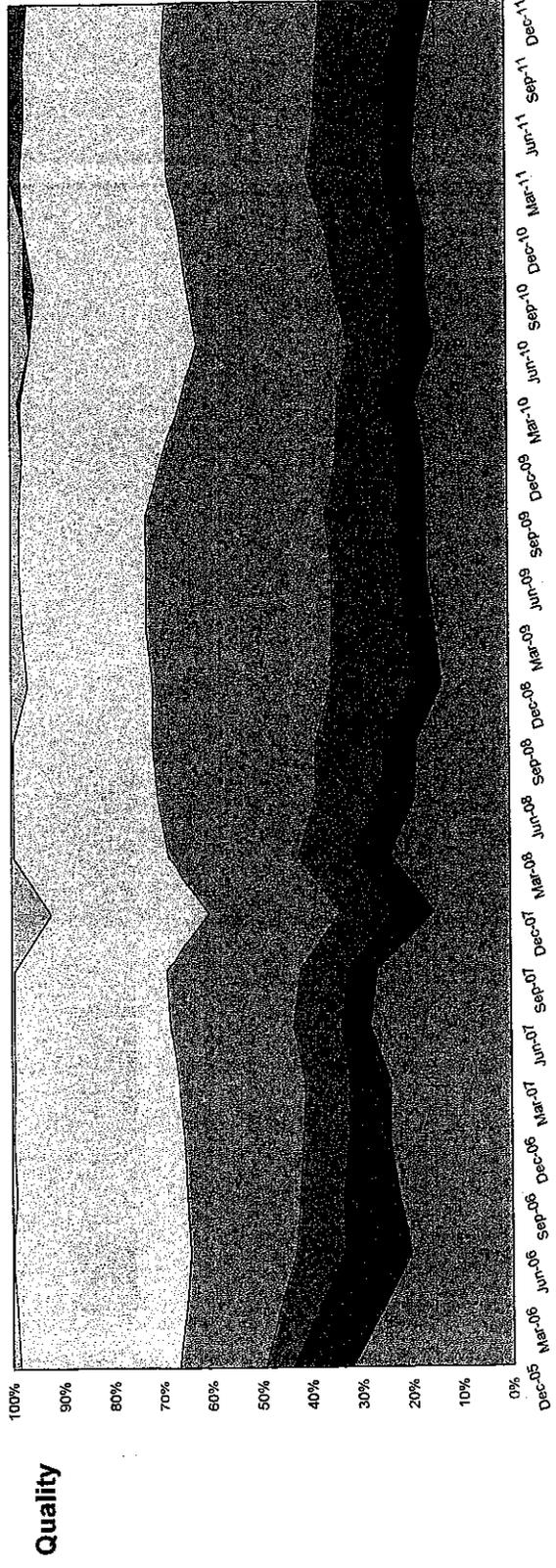
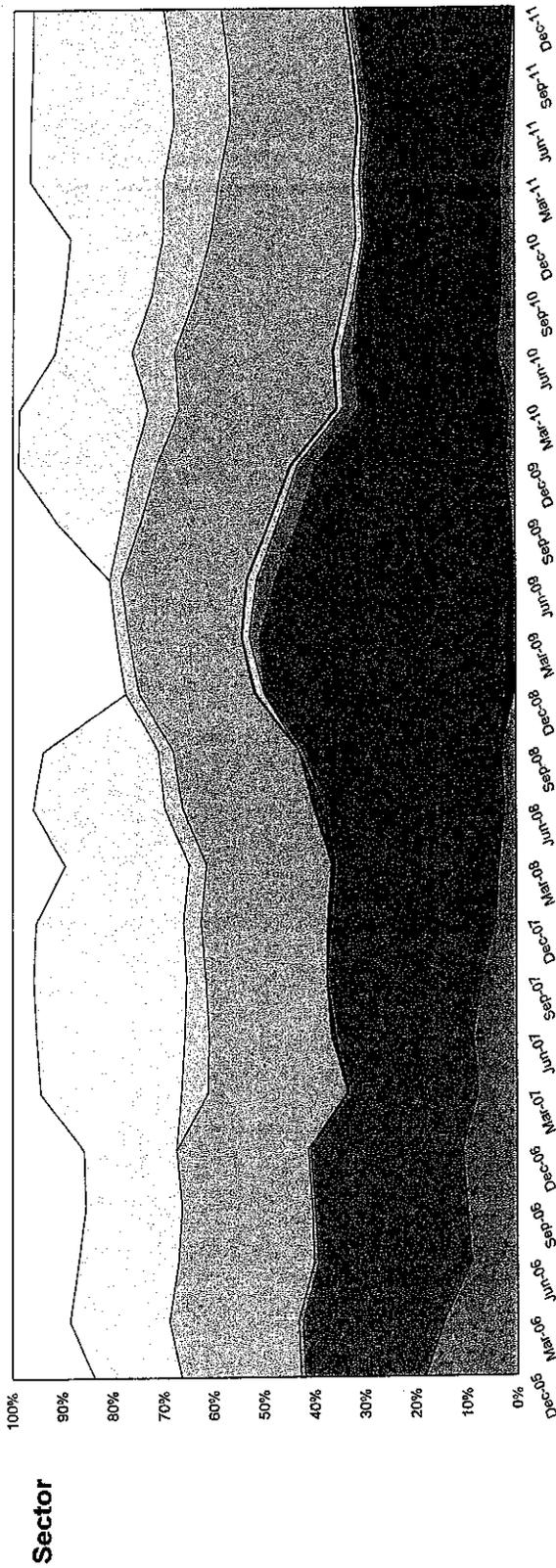


Manager Profiles

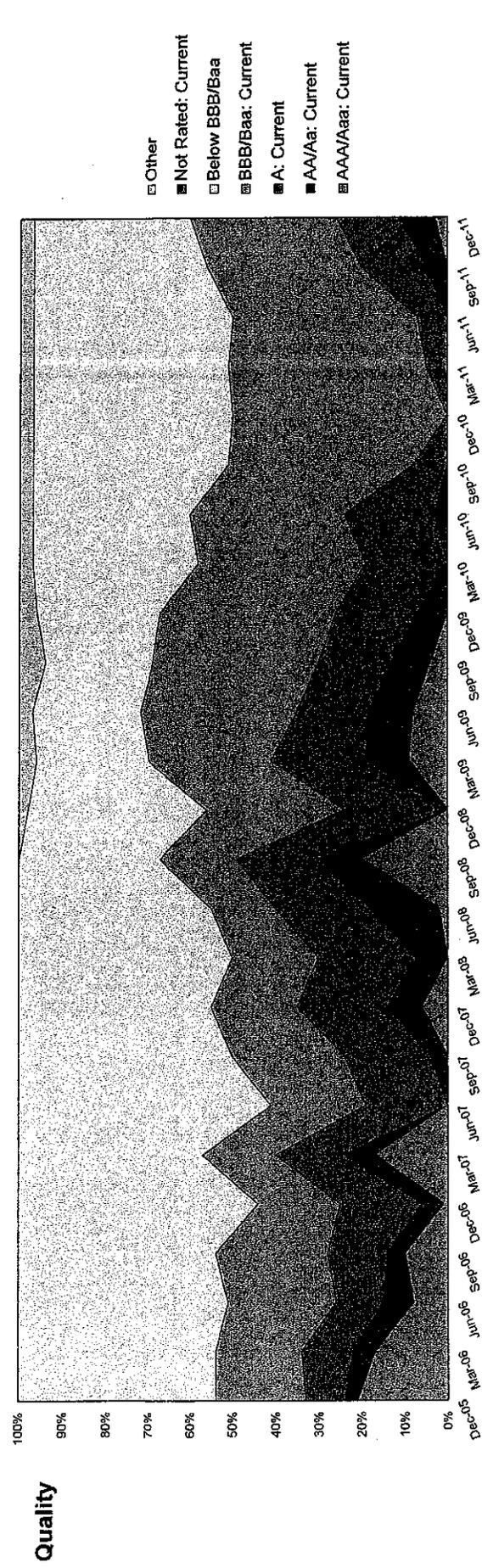
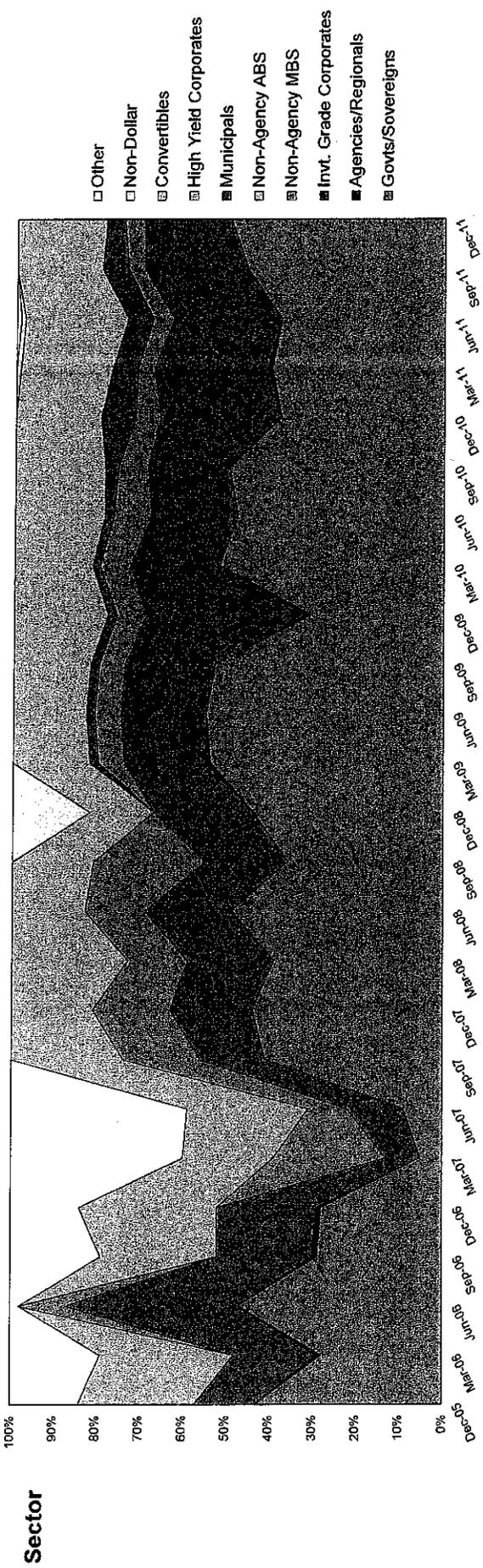
Product Name	Loomis, Sayles & Company, L.P.		PIMCO		Franklin Templeton Investments		Franklin Templeton Investments	
	Multisector Full Discretion	Diversified Income	Franklin Templeton Global Bond Plus	Franklin Templeton Global Multi-Sector Plus	Product Offered As:	Product Offered As:	Mutual Fund Name	Mutual Fund TICKER
Total Product AUM	\$47,624	\$17,567	\$109,600	\$27,500	SA, CM & MF	SA, CM & MF	Templeton Global Total Return	TTRZX
Total Firm AUM	\$162,606	\$1,357,231	\$670,300	\$670,300	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
U.S. Equity AUM	\$13,902	\$13,145	\$271,300	\$271,300	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
U.S. FI AUM	\$147,828	\$1,247,135	\$304,200	\$304,200	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Product: Mgrs/Dual Role PMs	4	5	3	3	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Product: Research Analysts	61	44	42	123	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Product: Traders	38	0	6	12	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Product: Preferred Benchmark	Citigroup WGBI Unhedged	BC Global Credit Hedged	JPM GBI Unhedged	BC Global Multiverse Index	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Product Offered As:	SA, CM & MF	SA & MF	SA, CM & MF	SA, CM & MF	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Product: Separate Account Min (\$Mil)	50	75	100	100	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Separate Account Annual Fee (bps)	50 bps	50 bps	45 bps	45 bps	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Commingled Annual Fee (bps)	57 bps	---	60 bps	60 bps	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Mutual Fund Annual Fee (bps)	58 bps	75 bps	69 bps	86 bps	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Mutual Fund Name	Loomis Sayles Fixed Income	PIMCO Diversified Income	Templeton Global Bond	Templeton Global Total Return	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX
Mutual Fund TICKER	LSFIX	PDIIX	TGBAX	TTRZX	SA, CM & MF	SA, CM & MF	Templeton Global Bond	TGBAX

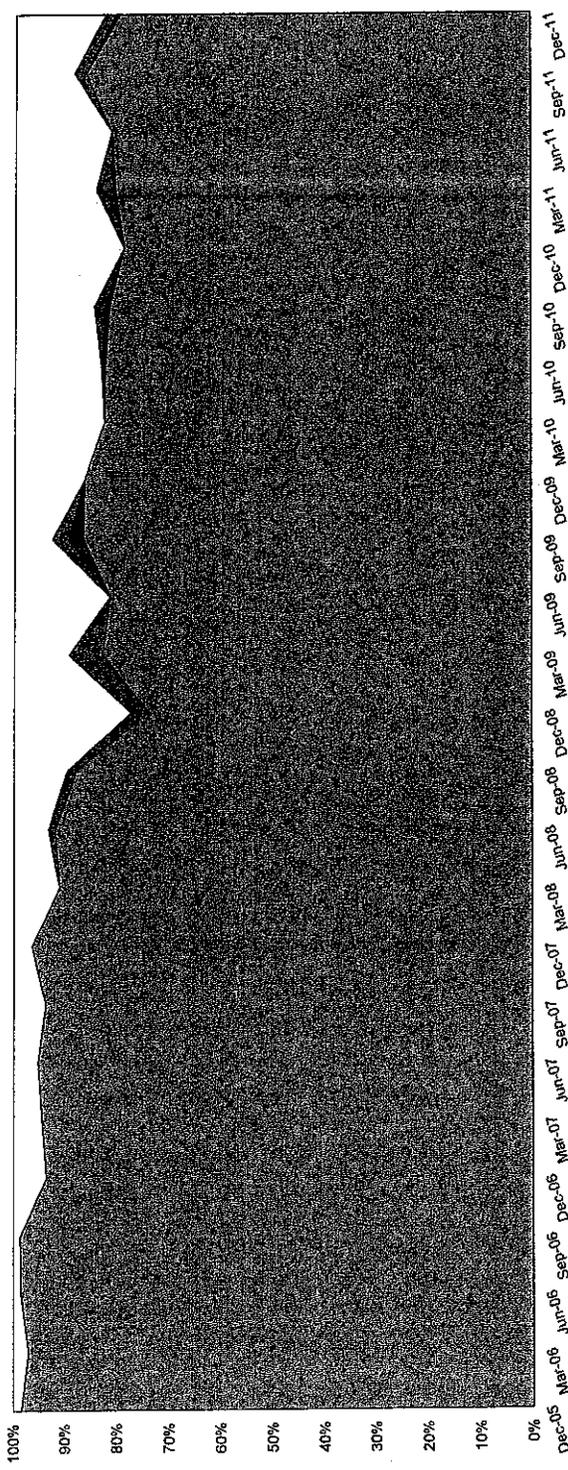


Loomis Sayles Fixed Income

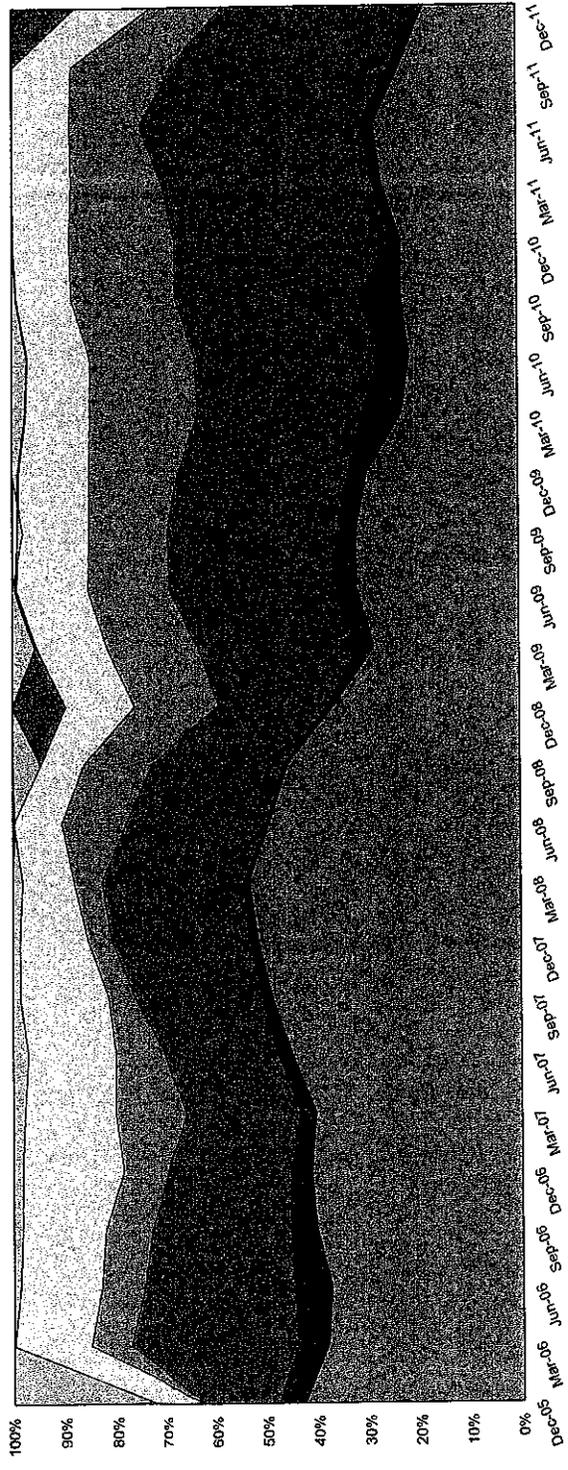


PIMCO Diversified Income





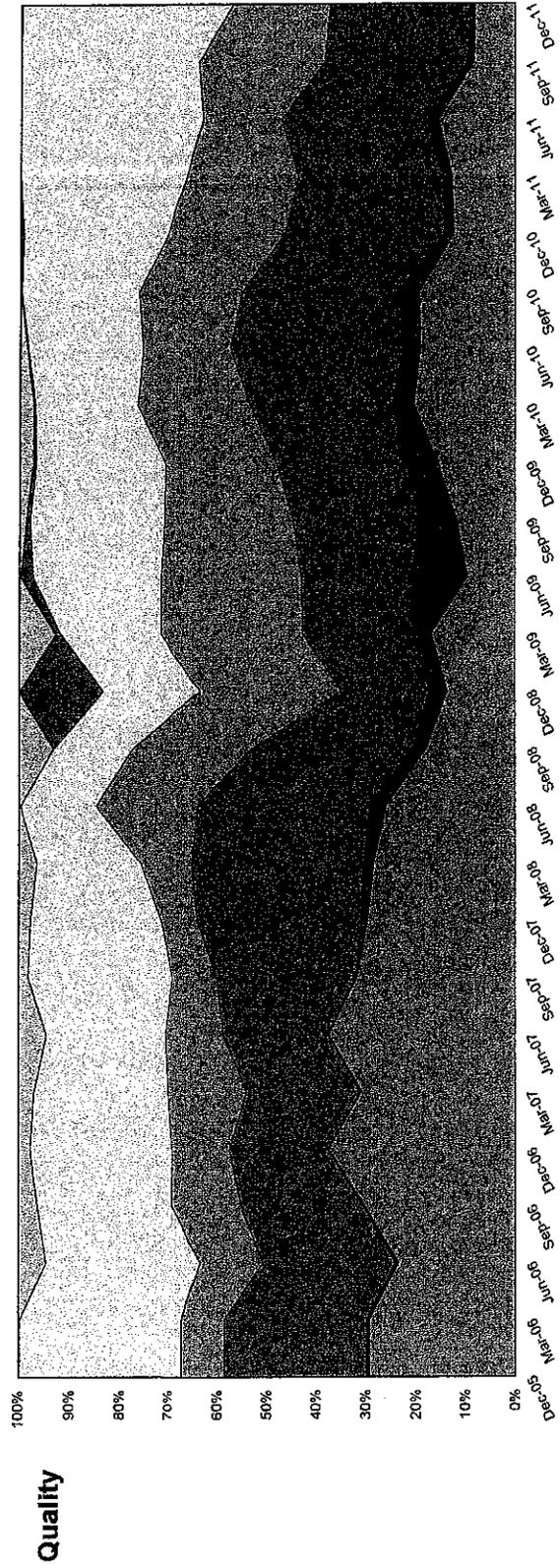
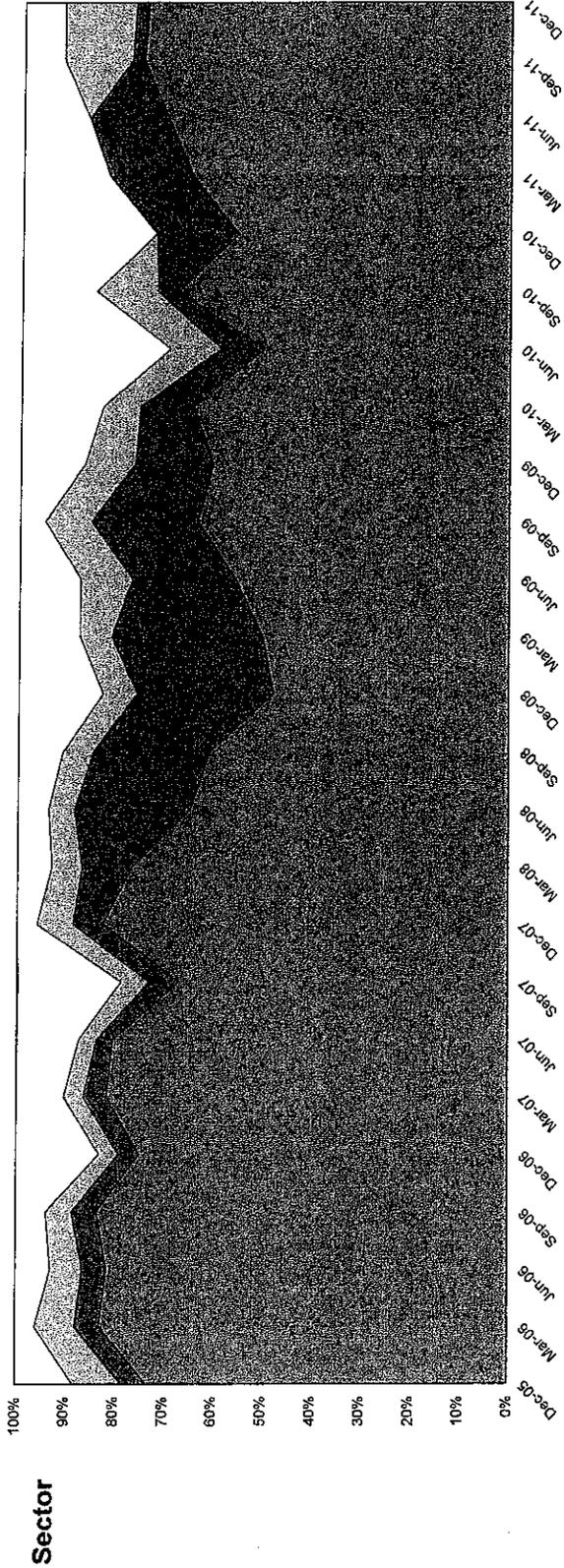
- Other
- Non-Dollar
- Convertibles
- High Yield Corporates
- Municipals
- Non-Agency ABS
- Non-Agency MBS
- Inv. Grade Corporates
- Agencies/Regionals
- Govts/Sovereigns



- Other
- Not Rated: Current
- Below BBB/Baa
- BBB/Baa: Current
- A: Current
- AA/Aa: Current
- AAA/Aaa: Current

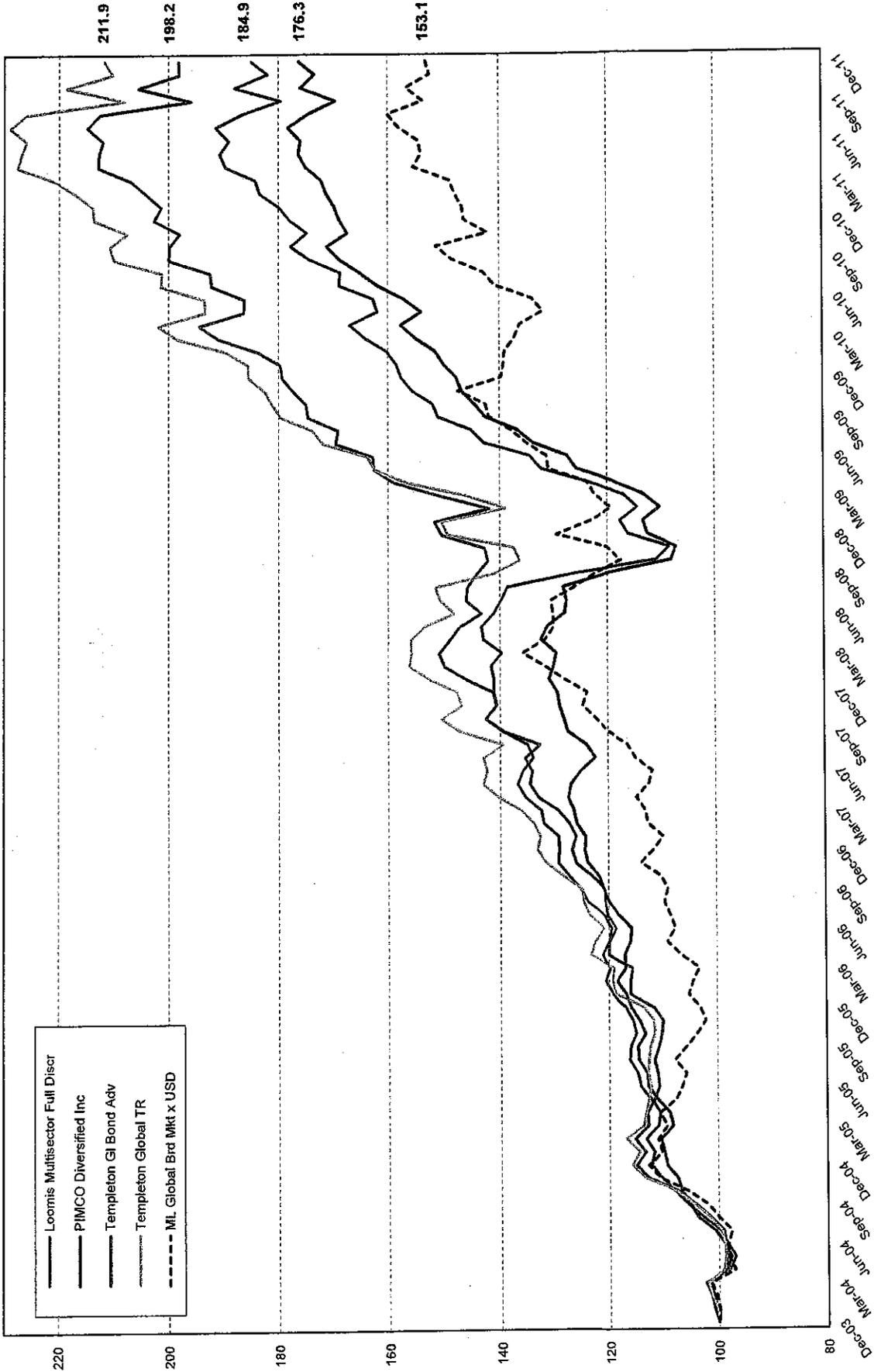


Templeton Global Total Return



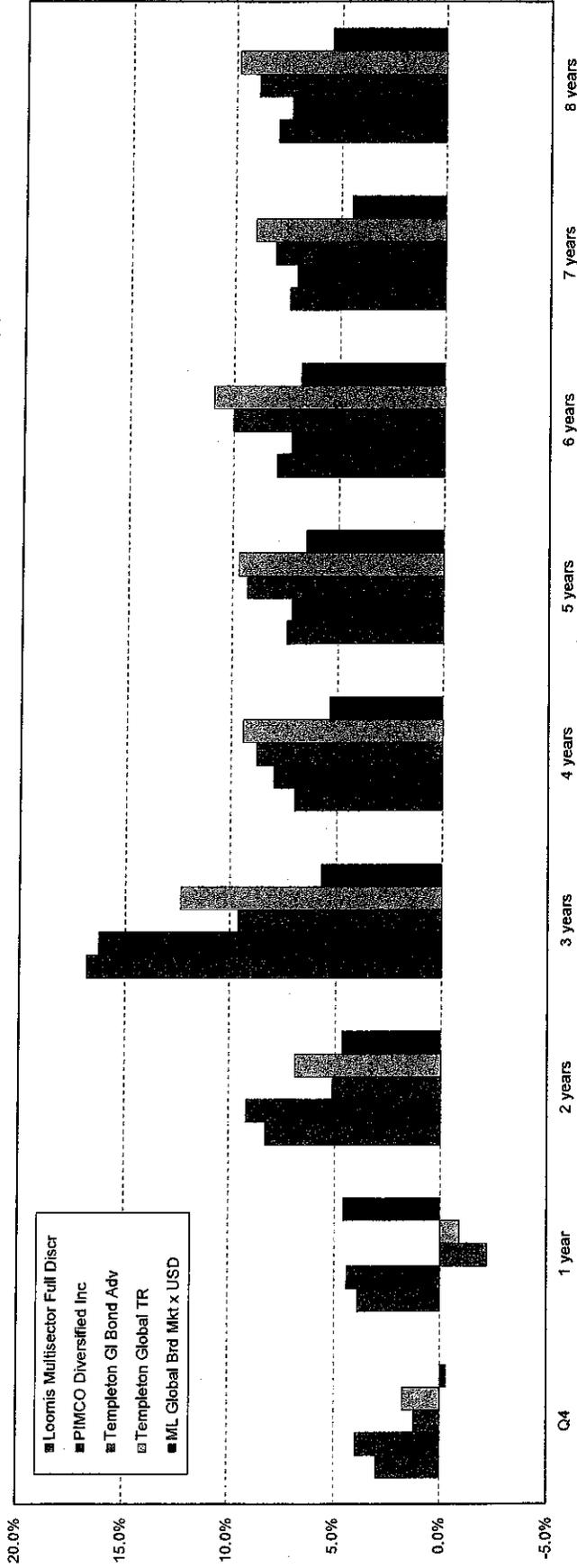
Historical Growth

Manager vs. Benchmark Cumulative Performance: 8 Years Ended December 2011



Trailing Performance

Manager vs. Benchmark Trailing Returns: 8 Years Ended December 2011

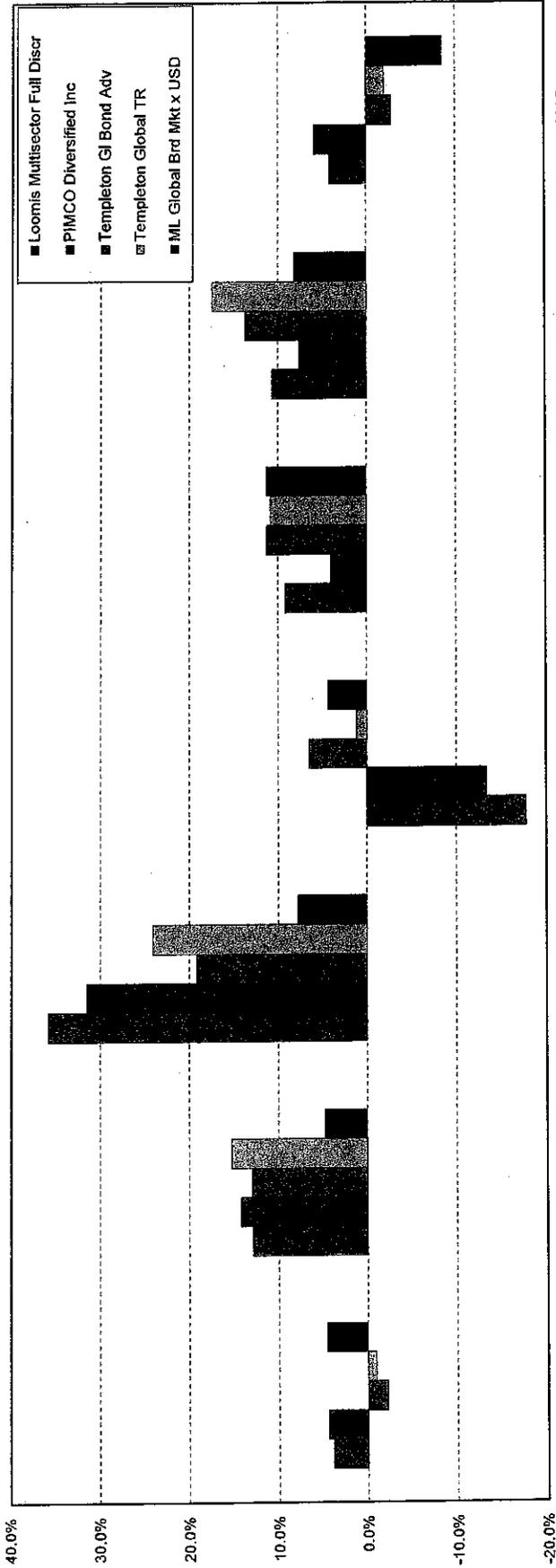


	Q4	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years
Loomis Multisector Full Discr.	2.98%	3.90%	8.30%	16.80%	6.99%	7.42%	7.95%	7.40%	7.99%
PIMCO Diversified Inc.	3.97%	4.42%	9.23%	16.22%	8.00%	7.18%	7.25%	7.06%	7.35%
Templeton GI Bond Adv.	1.23%	-2.21%	5.12%	9.62%	8.82%	9.31%	10.03%	8.09%	8.93%
Templeton Global TR	1.78%	-0.91%	6.89%	12.37%	9.44%	9.72%	10.97%	9.02%	9.84%
ML Global Brd Mkt x USD	-0.30%	4.59%	4.69%	5.72%	5.38%	6.54%	6.82%	4.48%	5.47%



Annual Performance

Manager vs. Benchmark Calendar Year Returns as of December 2011

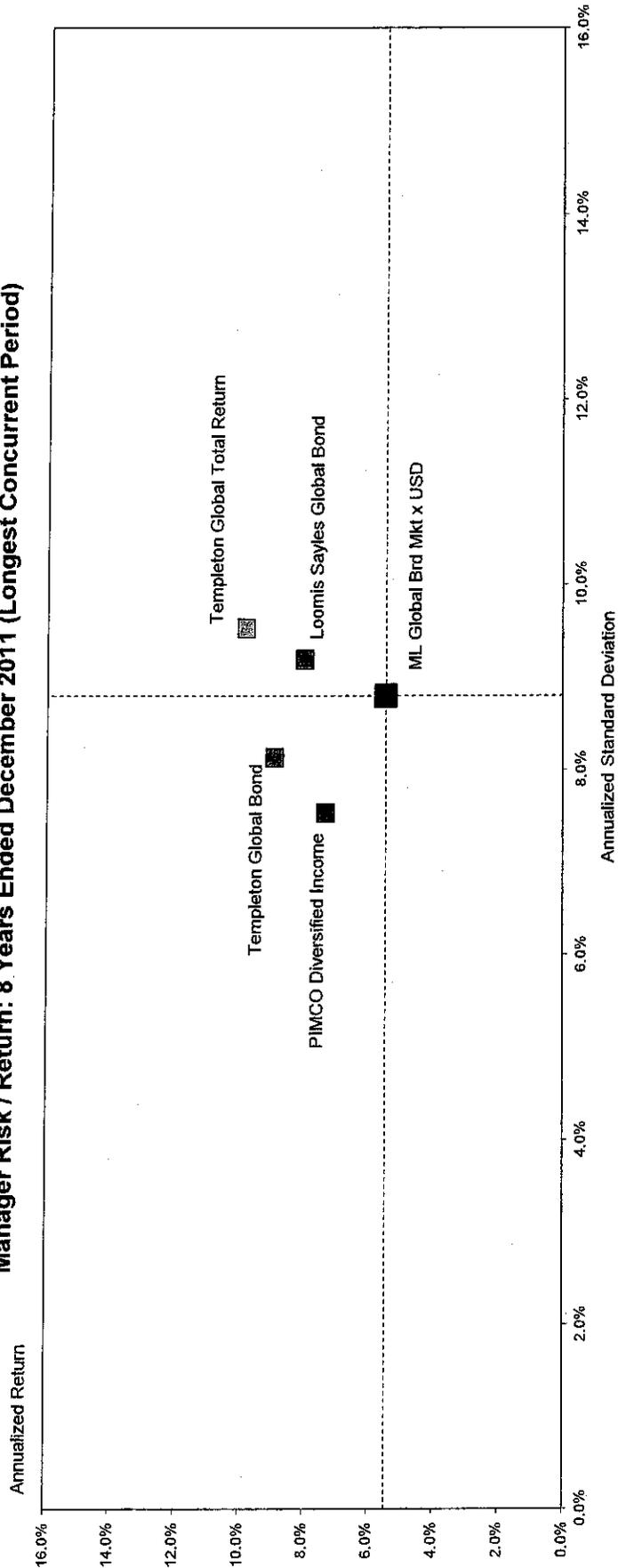


	2011	2010	2009	2008	2007	2006	2005
Loomis Multisector Full Discr	3.90%	12.90%	35.85%	-17.78%	9.16%	10.66%	4.12%
PIMCO Diversified Inc	4.42%	14.26%	31.57%	-13.34%	3.97%	7.62%	5.89%
Templeton GI Bond Adv	-2.21%	13.00%	19.21%	6.47%	11.26%	13.72%	-2.84%
Templeton Global TR	-0.91%	15.30%	24.17%	1.12%	10.84%	17.45%	-2.02%
ML Global Brd Mkt x USD	4.59%	4.78%	7.80%	4.39%	11.31%	8.22%	-8.53%



Risk / Return

Manager Risk / Return: 8 Years Ended December 2011 (Longest Concurrent Period)

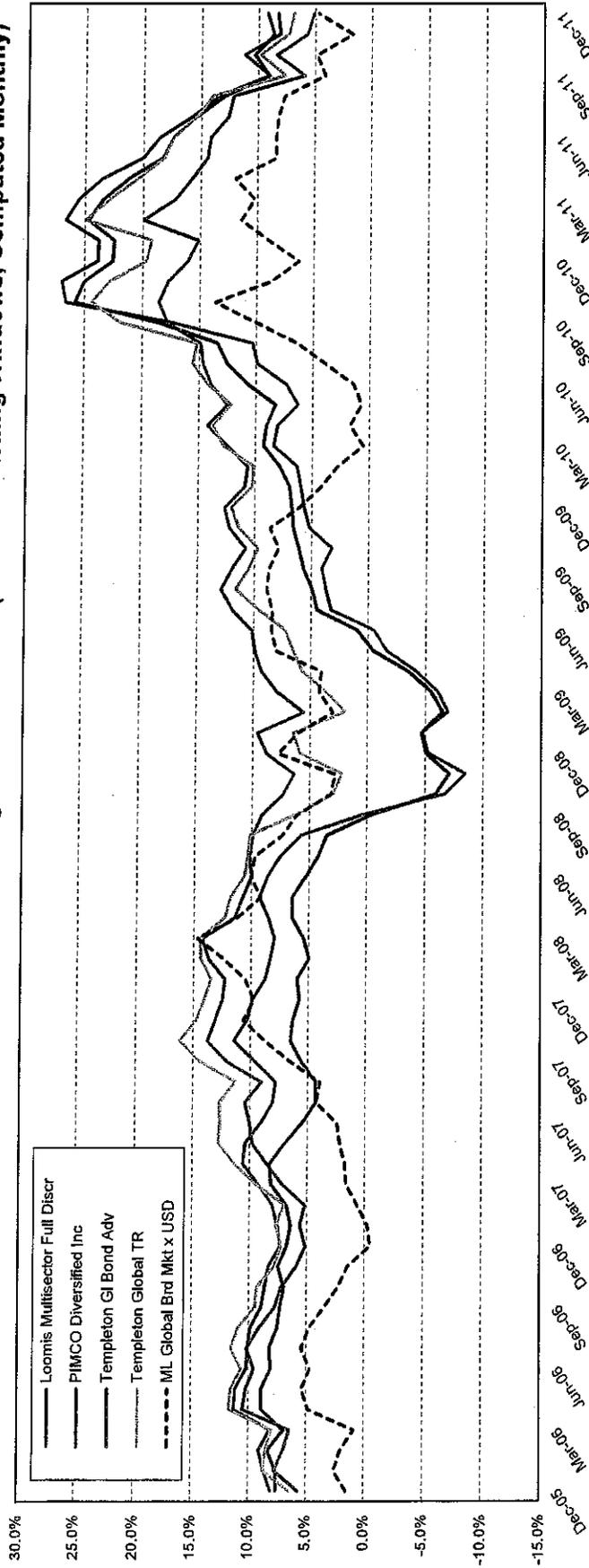


	Return (%)	Std Dev (%)	Downside Risk(%)	Beta	Alpha	R-Squared	Sharpe Ratio	Tracking Error
Loomis Multisector Full Discr	7.99%	9.19%	7.23%	0.61	4.77	33.67	0.65	8.25
PIMCO Diversified Inc	7.35%	7.52%	5.94%	0.48	4.76	31.32	0.71	7.74
Templeton GI Bond Adv	8.93%	8.13%	5.91%	0.61	5.53	44.10	0.86	6.96
Templeton Global TR	9.84%	9.53%	6.97%	0.70	6.00	42.26	0.83	7.69
ML Global Brd Mkt x USD	5.47%	8.80%	6.40%	1.00	0.00	100.00	0.40	0.00



Rolling Performance

Manager vs. Benchmark Rolling Returns: 8 Years Ending December 2011 (24-Month Rolling Windows, Computed Monthly)

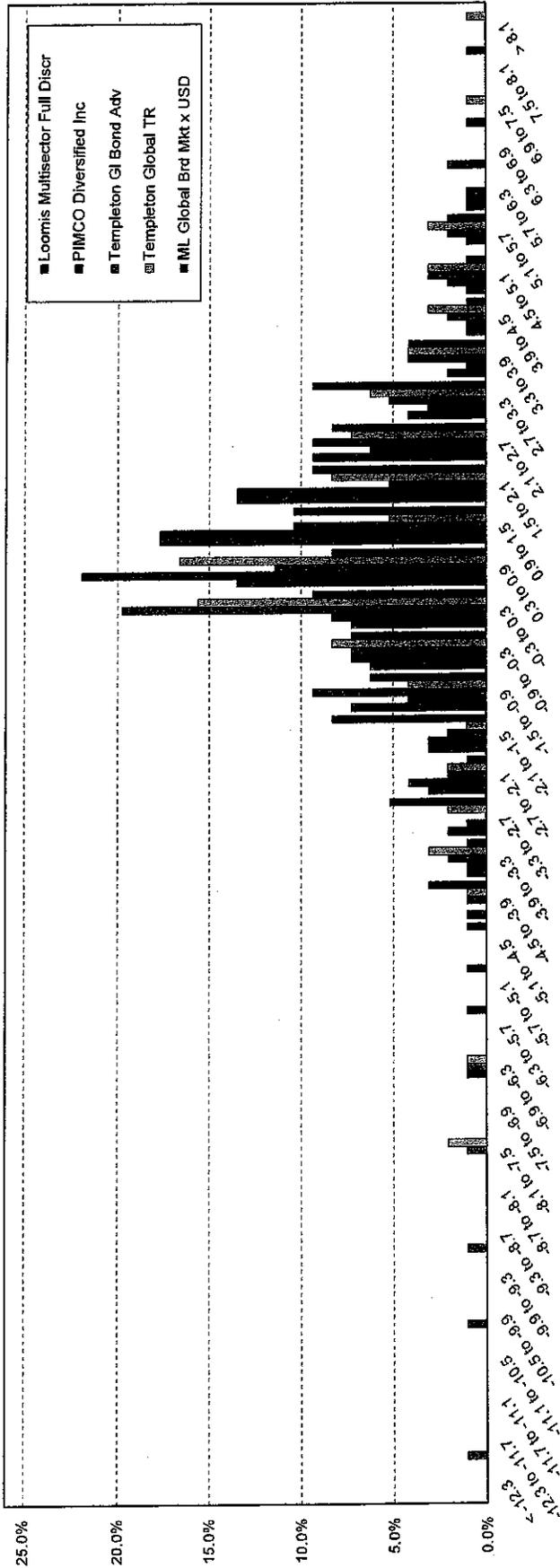


	12/06	06/07	12/07	06/08	12/08	06/09	12/09	06/10	12/10	06/11	12/11
Loomis Multisector Full Discr	7.34%	9.09%	9.90%	8.65%	-5.26%	-0.50%	5.69%	7.37%	23.84%	18.54%	8.30%
PIMCO Diversified Inc	6.75%	5.45%	5.78%	5.27%	-5.08%	0.95%	6.78%	10.73%	22.61%	17.39%	9.23%
Templeton GI Bond Adv	5.12%	10.05%	12.48%	10.00%	8.84%	10.16%	12.66%	13.96%	16.06%	14.15%	5.12%
Templeton Global TR	7.27%	12.64%	14.10%	10.65%	5.87%	7.26%	12.06%	14.27%	19.66%	17.42%	6.89%
ML Global Brd Mkt x USD	-0.51%	2.43%	9.76%	10.05%	7.80%	8.47%	6.08%	1.41%	6.28%	8.40%	4.69%



Multi-Statistics Summary

Histogram of Returns: 8 Years Ended December 2011



Multi-Statistics Summary: 8 Years Ended December 2011

	Batting Average	Up Capture	# of Up Periods	Average Up Return	Down Capture	# of Down Periods	Average Down Return	Maximum Drawdown	Omega MAR = 0.00%	Information Ratio
Loomis Multisector Full Discr	57.29%	70.08%	66	1.91%	36.23%	30	-2.03%	-24.38%	2.07	0.31
PIMCO Diversified Inc	53.13%	59.40%	69	1.58%	25.94%	27	-1.84%	-19.15%	2.19	0.24
Templeton GI Bond Adv	56.25%	79.17%	62	1.95%	40.71%	34	-1.47%	-8.93%	2.43	0.50
Templeton Global TR	60.42%	87.87%	65	2.14%	44.59%	31	-1.94%	-12.73%	2.31	0.57
ML Global Brd Mkt x USD	0.00%	100.00%	59	2.08%	100.00%	37	-2.07%	-13.66%	1.60	0.00



Correlation Matrix

Correlation Matrix: 8 Years Ending December 2011

	1	2	3	4	5	6	7	8	9	10
1) Loomis Multisector Full Discr	1.00									
2) PIMCO Diversified Inc	0.95	1.00								
3) Templeton GI Bond Adv	0.66	0.61	1.00							
4) Templeton Global TR	0.79	0.73	0.95	1.00						
5) S&P 500	0.76	0.70	0.60	0.68	1.00					
6) MSCI EAFE Index	0.84	0.76	0.66	0.75	0.90	1.00				
7) BofA Merrill Lynch Domestic Master	0.37	0.49	0.20	0.24	0.02	0.08	1.00			
8) BofA Merrill Lynch High Yield Master II	0.92	0.89	0.54	0.67	0.75	0.77	0.16	1.00		
9) BofA Merrill Lynch Emg Mkt Sovereign Plus	0.86	0.90	0.53	0.64	0.58	0.65	0.59	0.76	1.00	
10) ML Global Brd Mkt x USD	0.58	0.56	0.66	0.65	0.38	0.54	0.54	0.36	0.54	1.00



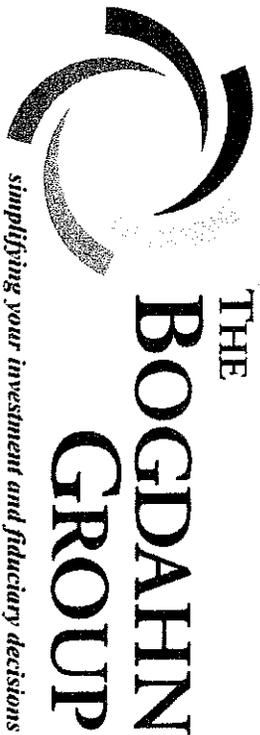
Definitions

Statistics	Description
Alpha	A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Batting Average	The batting average of the manager vs. a benchmark is the ratio between the number of periods where the manager outperforms the benchmark and the total number of periods.
Beta	A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.
Down Market Capture	The ratio of average portfolio return over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.
Downside Risk	A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
Excess Return	Arithmetic difference between the managers return and the risk-free return over a specified time period.
Information Ratio	Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.
Omega	A statistical measure that compares the count and scale of individual return points above a minimum accepted return threshold (MAR) against the count and scale of individual return points below the MAR threshold.
Return	Compounded rate of return for the period.
Sharpe Ratio	Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Standard Deviation	A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.
R-Squared	The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Square means a higher correlation of the portfolio's performance to the appropriate benchmark.
Tracking Error	A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.
Treynor Ratio	Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Represents the excess rate of return over the risk free rate divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Up Market Capture	The ratio of average portfolio return over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.



Chicago
4320 Winfield Road Suite 200
Warrenville, Illinois 60555

Cleveland
6133 Rockside Road
Rockside Square II, Suite 303
Independence, Ohio 44131



Orlando
4901 Vineland Road, Suite 600
Orlando, Florida 32811

866.240.7932

Dallas
15770 Dallas Parkway, Suite 250
Dallas, Texas 75248

Milwaukee
250 E. Wisconsin Ave Suite 1800
Milwaukee, Wisconsin 53202

**AGREEMENT BETWEEN
THE BOARD OF TRUSTEES OF THE
SAMPLE CLIENT
PENSION FUND
AND
BOGDAHNS CONSULTING
FOR PENSION CONSULTING SERVICES**

THIS AGREEMENT made and entered into this ____ day of _____, 2010, by and between the **BOARD OF TRUSTEES OF THE SAMPLE CLIENT PENSION FUND** (hereinafter referred to as "Board") and **BOGDAHNS CONSULTING, LLC**, a Florida Limited Liability Company (hereinafter referred to as "Consultant").

WITNESSETH:

WHEREAS, the Board administers the Sample Client Pension Fund (hereinafter referred to as "Fund") and is authorized and empowered to employ consultants in the performance of its investment duties and functions; and

WHEREAS, the Board desires to employ a Consultant for services in connection with the Board's investment program and the requirements of Florida law; and

WHEREAS, the Consultant is licensed and professionally qualified to provide the services required hereunder and is willing to do so upon the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, it is hereby agreed by and between the parties as follows:

1. Recitals. The above and foregoing recitals are true and correct.
2. Independent Consulting Services. The Consultant shall perform consulting services for the Board in order to assist the Board in evaluating the performance of the

Fund's investment managers and the Deferred Retirement Option Program's investment managers as set forth in Exhibit "A". The Consultant's services will include quarterly presentations to the Board in the form of both written and verbal reports regarding each manager's performance. The Consultant shall review and certify compliance by all money managers with investment provisions of the Fund; with all applicable local, state and federal laws and regulations regarding permissible investments by or on behalf of the Board; and with the Board's investment objectives and guidelines set forth in Exhibit "B," which is attached hereto and incorporated herein by this reference. The Board may amend or modify said objectives and guidelines at any time and from time to time, and shall communicate any such amendment or modification in writing to the Consultant. The Board will retain all decision making authority with respect to the management and administration of the Fund.

3. Fiduciary Status. The Consultant shall be deemed to be a fiduciary with respect to all services it performs for the Board. The Consultant agrees to be liable for, and pay to the Board, the amount of any loss, damage or liability the Board sustains resulting from, arising out of or in any way connected with the Consultant's negligence, malfeasance, misfeasance or breach of this Agreement.

4. Reports. All information, data, reports and records as are existing, available and necessary for the performance of the work to be performed by the Consultant shall be furnished to the Consultant without charge by the Board. The Board shall cooperate with the Consultant in every way possible in the performance of the services set forth herein.

5. Independent Contractor.

13. Choice of Law and Venue. This Agreement is executed and delivered in the State of Florida, shall be governed by the laws of the State of Florida and shall be enforced in the state or federal courts of Broward County, Florida.

14. Modification. Any changes to this Agreement requested either by the Consultant or the Board may only be effectuated if mutually agreed upon in writing by duly authorized representatives of the parties hereto. This Agreement shall not be modified or amended or any rights of a party to it waived except by such a writing.

15. Complete Agreement. This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to the rendering of services by the Consultant to the Board and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party or anyone acting on behalf of any party which is not embodied herein and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

16. Notices. Any notices hereunder to the respective parties shall be deemed delivered if given in writing, mailed Certified Mail Return Receipt Requested, with postage prepaid, addressed to the respective party at its current address or at such other address as the parties may from time to time designate by written notice given in accordance with this paragraph.

17. Attorneys' Fees. If the Board retains an attorney (including general counsel or house counsel) in order to enforce this Agreement, the Consultant shall pay all of the Board's reasonable trial and appellate attorneys' fees, costs and expenses, regardless of whether or not litigation is actually instituted.

18. Prior to execution of this Agreement, the Consultant has delivered to the Board a copy of its Form ADV Part II. During the term of this Agreement, the Consultant shall provide the Board with copies of all its future Forms ADV Part II.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

**BOARD OF TRUSTEES OF THE
SAMPLE CLIENT PENSION FUND**

By: _____

BOGDAHN CONSULTING, LLC

By: _____
Mike Welker, Manager/Member

2003 LIMITED LIABILITY COMPANY UNIFORM BUSINESS REPORT (UBR)

FILED
Feb 05, 2003 8:00 am
Secretary of State

02-05-2003 90037 034 *****50.00

DOCUMENT # L00000011719



1. Entity Name
BOGDahn CONSULTING, LLC

Principal Place of Business
**62 FOURTH STREET, S.W.
WINTER HAVEN FL 33880**

Mailing Address
**62 FOURTH STREET, S.W.
WINTER HAVEN FL 33880**



CHECK HERE IF MAKING CHANGES

2. Principal Place of Business

3. Mailing Address

Suite, Apt. #, etc.

Suite, Apt. #, etc.

City & State

City & State

4. FEI Number **59-3676225**

Applied For
 Not Applicable

Zip

Country

Zip

Country

5. Certificate of Status Desired **\$5.00** Additional Fee Required

6. Name and Address of Current Registered Agent

7. Name and Address of New Registered Agent

**BODDAHN, JOSEPH
62 FOURTH STREET, S.W.
WINTER HAVEN FL 33880**

Name

Street Address (P.O. Box Number is Not Acceptable)

City

FL

Zip Code

8. The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida. I am familiar with, and accept the obligations of registered agent.

SIGNATURE

Signature, typed or printed name of registered agent and title if applicable.

(NOTE: Registered Agent signature required when reinstating)

DATE

FILE NOW!!! FEE IS \$50.00
Make Check Payable to Florida Department of State
Due By May 1, 2003

9. MANAGING MEMBERS/MANAGERS

10. ADDITIONS/CHANGES

TITLE NAME STREET ADDRESS CITY-ST-ZIP	<input type="checkbox"/> Delete
MGRM BOGDahn, JOSEPH 62 FOURTH STREET, S.W. WINTER HAVEN FL 33880	<input type="checkbox"/>
	<input type="checkbox"/>

TITLE NAME STREET ADDRESS CITY-ST-ZIP	<input type="checkbox"/> Change	<input type="checkbox"/> Addition
	<input type="checkbox"/>	<input type="checkbox"/>

11. I hereby certify that the information supplied with this filing does not qualify for the exemption stated in Section 119.07(3)(i), Florida Statutes. I further certify that the information indicated on this report is true and accurate and that my signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 608, Florida Statutes.

SIGNATURE:

SIGNATURE REQUIRED

SIGNATURE AND TYPED OR PRINTED NAME OF SIGNING MANAGING MEMBER, MANAGER, OR AUTHORIZED REPRESENTATIVE

1/14/03 293 8289
Date Daytime Phone #

CR2E083 (10/02)

