

THE CITY OF NEW YORK
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COMPTROLLER

NEW YORK CITY BOARD OF EDUCATION RETIREMENT SYSTEM

INVESTMENT MEETING

JUNE 14, 2013

LOCATION:

Office of Buck Consultants
485 Lexington Avenue
New York, NY 10017

(Board Room of the Xerox Executive Briefing Center on the 22nd Floor)

INVESTMENT MEETING

JUNE 14, 2013

PUBLIC AGENDA

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I. Performance Reviews: (30 Minutes)	
• Quarterly Review/Annual Review – March 31, 2013 (To be distributed)	---
➤ ETI Quarterly Report – March 31, 2013	6
➤ Real Estate Quarterly Report – December 31, 2012	14
➤ Private Equity Quarterly Report – December 31, 2012	22
II. April Monthly Performance Review: (20 Minutes)	50

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• Liquidity Analysis	76

PUBLIC AGENDA

I. Performance Reviews:

Quarterly Reports:

ETI Quarterly Report

Economically Targeted Investments Quarterly Report

Public/Private Apartment Rehabilitation Program (PPAR)

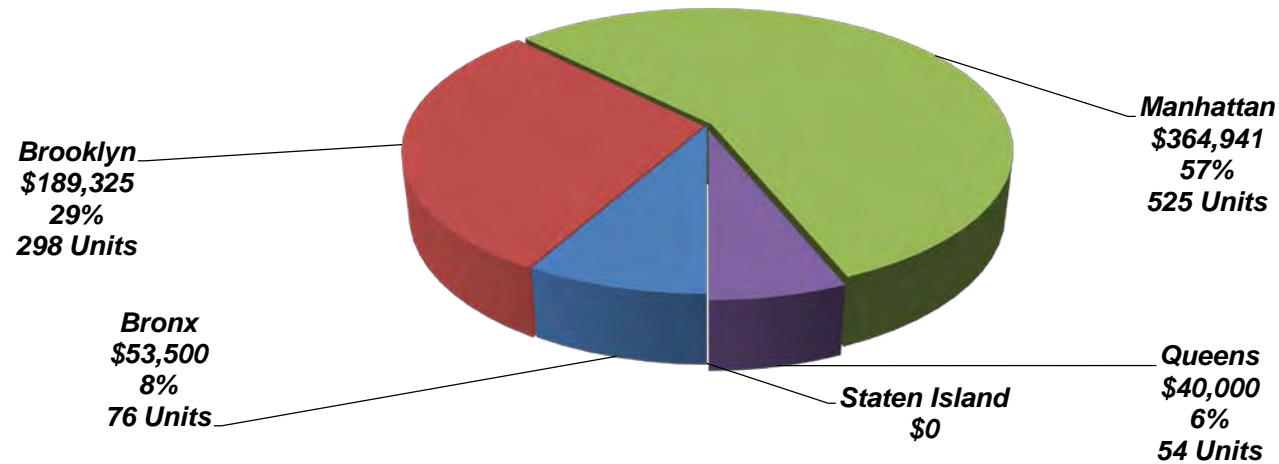
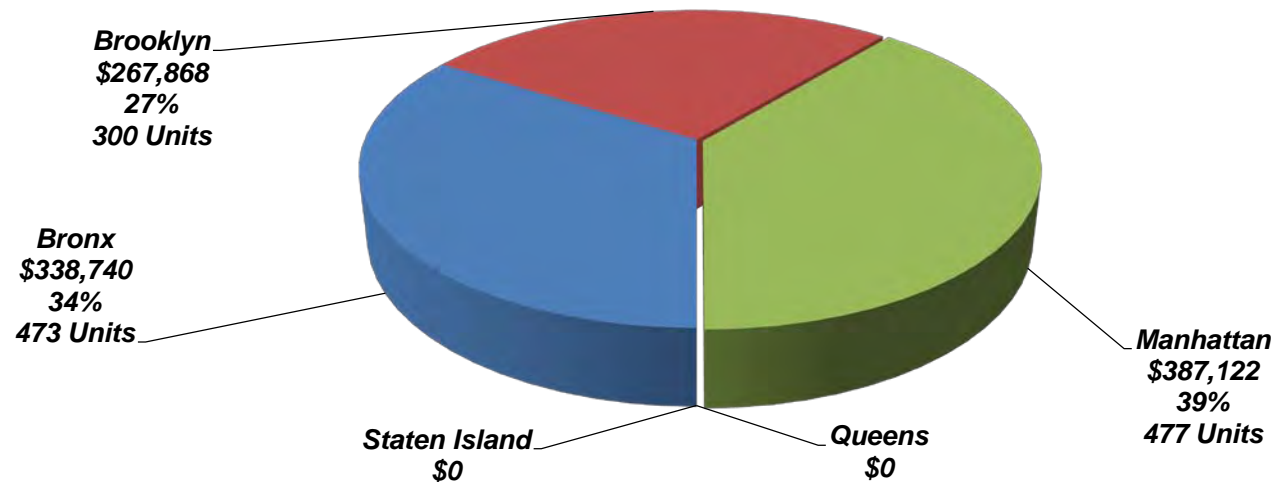
Lenders*	<u>CCD</u>		<u>CFSB</u>		<u>NCBCI</u>		<u>LIIF</u>		<u>All Lender Totals</u>	
	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units
Contractual Commitments	\$800,000	n/a	\$2,000,000	n/a	\$500,000	n/a	\$1,500,000	n/a	\$4,800,000	n/a
Current Market Value	\$285,854	n/a	\$120,689	n/a	\$70,354	n/a	\$174,613	n/a	\$651,511	n/a
<u>Commitments 1Q 13</u> <u>(included in total)</u>										
Bronx	\$0	0	\$0	0	\$0	0	\$50,000	54	\$50,000	54
Brooklyn	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	0	0	0	0
Queens	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0
Total	\$0	0	\$0	0	\$0	0	\$50,000	54	\$50,000	54
<u>Delivered 1Q 13</u> <u>(included in total)</u>										
Bronx	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	0	0	0	0
Queens	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0
Total	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
<u>Total Commitments</u>										
Bronx	\$252,740	376	\$0	0	\$0	0	\$86,000	97	\$338,740	473
Brooklyn	123,560	128	0	0	38,127	54	106,181	118	267,868	300
Manhattan	52,380	79	41,341	30	132,989	192	160,411	176	387,122	477
Queens	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0
Total	\$428,680	583	\$41,341	30	\$171,116	246	\$352,592	391	\$993,730	1,250
<u>Historical Investments</u>										
Bronx	\$53,500	76	\$0	0	\$0	0	\$0	0	\$53,500	76
Brooklyn	81,116	124	0	0	0	0	108,209	174	189,325	298
Manhattan	98,278	204	119,839	167	70,444	84	76,380	70	364,941	525
Queens	40,000	54	0	0	0	0	0	0	40,000	54
Staten Island	0	0	0	0	0	0	0	0	0	0
Total	\$272,894	458	\$119,839	167	\$70,444	84	\$184,589	244	\$647,766	953

*Lenders :

Citibank Community
DevelopmentCarver Federal
Savings Bank

NCB Capital Impact

Low Income
Investment Fund

Economically Targeted Investments Quarterly Report**Public/Private Apartment Rehabilitation Program (PPAR)*****Historical Investments Since Inception All PPAR Lenders******Current Commitments All PPAR Lenders***

Economically Targeted Investments Quarterly Report

AFL-CIO Housing Investment Trust (HIT)

Market Value \$11.8 million*

NYC Community Investment Initiative (NYCCII)

NYCCII Phase II 2006-2012

Multifamily Investments Detail

<u>Borough</u>	<u>1 Q Investments</u>	<u>Investments Since Inception</u>	<u>1Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$52,827,900	0	802
Brooklyn	89,000,000	103,890,446	2,583	5,616
Manhattan	0	134,075,200	0	926
Queens	0	17,760,000	0	1,260
Staten Island	0	6,414,554	0	693
Total	\$89,000,000	\$314,968,100	2,583	9,297

Grand Total NYCCII Phase II \$314,968,100

NYCCII Phase I 2002 - 2005

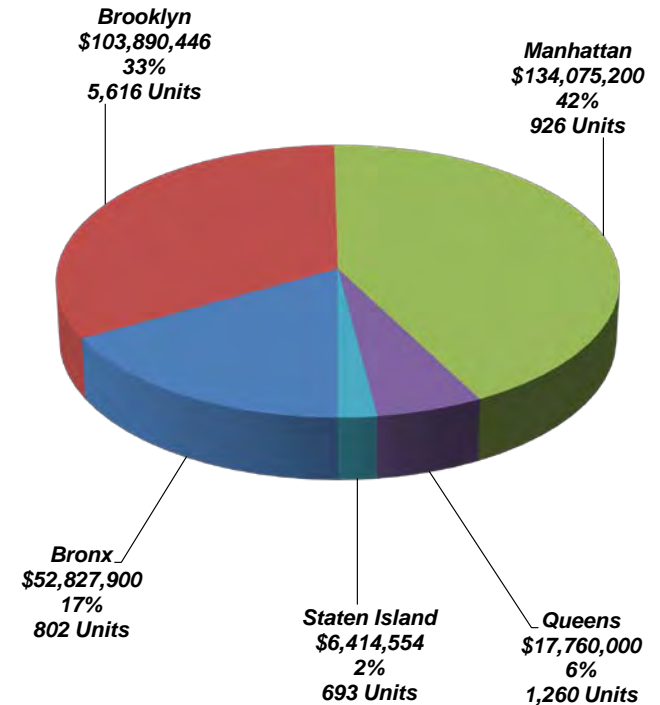
	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
HIT Home Investments	348,300,563	n/a	n/a	446
Total NYCCII Phase I	\$597,424,063	12,337	0	446

NYCCII Phases I & II

	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$564,091,600	12,337	n/a	n/a
HIT Home Investments	2,899,899,500	n/a	12	446
Grand Total NYCCII Phases I & II	\$3,463,991,100	21,634	12	446

*Interest is reinvested

HIT Multifamily Investments



BERS Economically Targeted Investments Quarterly Report

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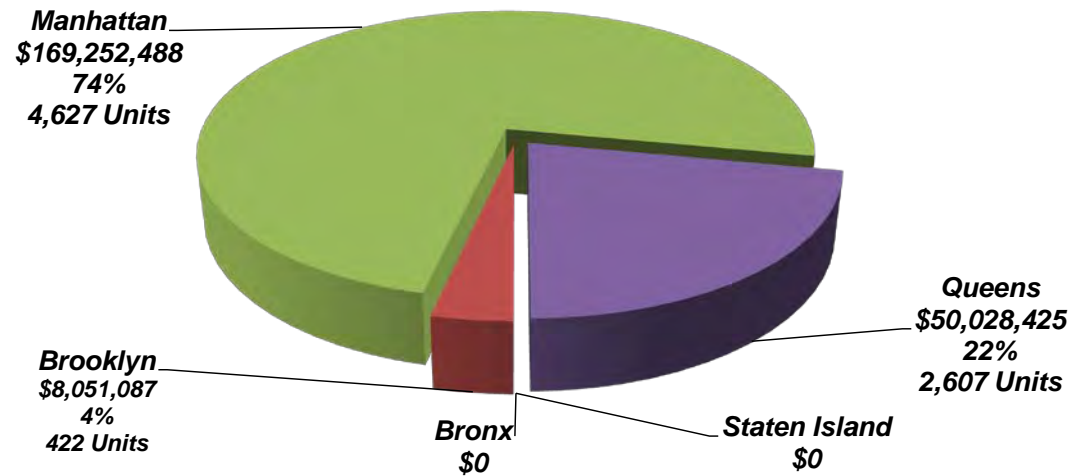
AFL-CIO Housing Investment Trust (HIT)
NYC Workforce Housing Initiative 2009-2014

Investments Through 03/31/2013

Workforce Investments Detail

<u>Borough</u>	<u>1 Q Investments</u>	<u>Investments Since Inception</u>	<u>1Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$0	0	0
Brooklyn	0	8,051,087	0	422
Manhattan	0	169,252,488	0	4,627
Queens	0	50,028,425	0	2,607
Staten Island	0	0	0	0
Total	\$0	\$227,332,000	0	7,656

HIT Workforce Housing Initiative



BERS Economically Targeted Investments Quarterly Report

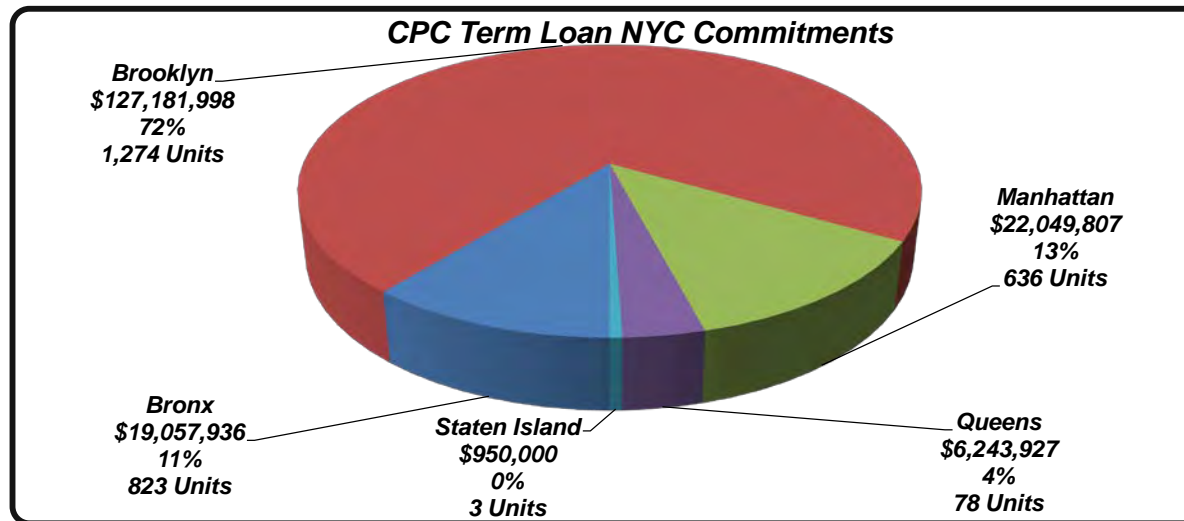
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CPC Term Loan		
Commitments All Lenders as of 4Q		\$246,209,789
4Q Paydown		\$70,726,122
Commitments All Lenders as of 1Q		\$175,483,667

BERS Commitment Share/Market Value* as of 4Q 2012	\$926,470
4Q Paydown	\$119,639
BERS Commitment Share/Market Value* as of 1Q 2013	\$806,831

	# Loans		\$ Committed (MM)		# Res. Units		# Comm. Units	
	4Q	1Q	4Q	1Q	4Q	1Q	4Q	1Q
Bronx	17	17	\$20.5	\$19.1	823	823	23	23
Brooklyn	47	38	176.1	127.2	1,644	1,274	38	33
Manhattan	33	30	37.4	22.0	746	636	23	28
Queens	6	4	11.3	6.2	129	78	3	3
Staten Island	1	1	1.0	1.0	3	3	0	0
Grand Total NYC	104	90	\$246.3	\$175.5	3,345	2,814	87	87
Other NY State	26	32	\$75.8	\$89.7	705	980	13	19

*Equals the amount drawn down. Interest is paid monthly.



BERS Economically Targeted Investments Quarterly Report

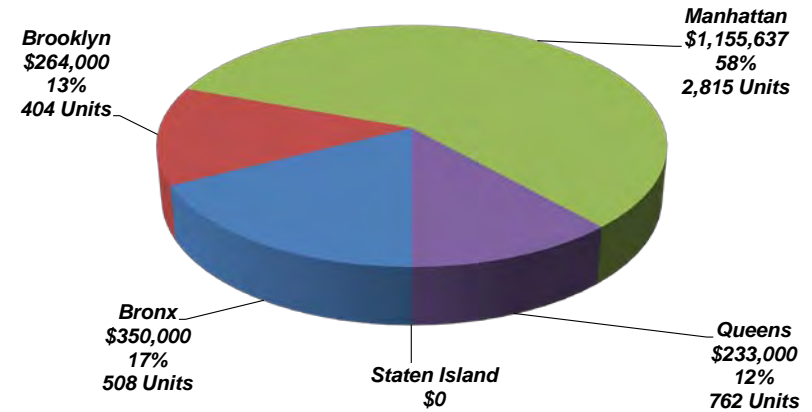
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ACCESS CAPITAL STRATEGIES (Since Inception 2/1/07)

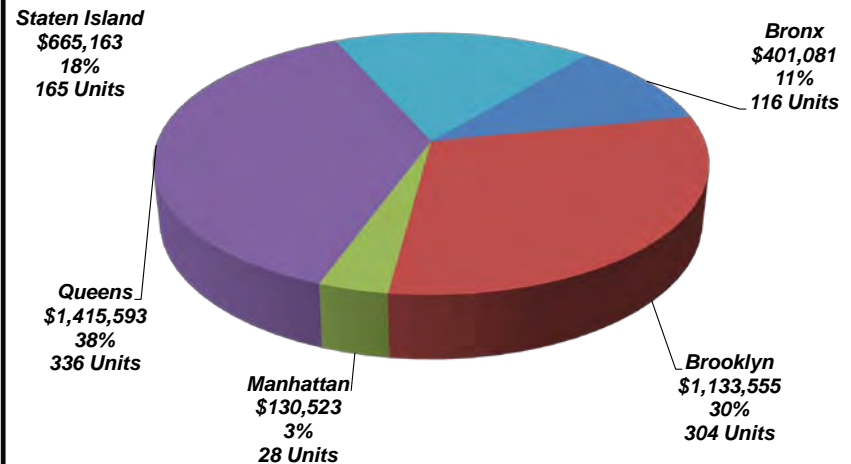
\$2 million Allocated (2% of total account)
Market Value \$2.8 million

<u>Multifamily Investments Detail</u>	1Q \$ Invested (MMs)	Total	1Q Total Units	Total
Bronx	\$0.0	\$0.4	0	508
Brooklyn	0.0	0.3	0	404
Manhattan	0.0	1.2	0	2,815
Queens	0.0	0.2	0	762
Staten Island	0.0	0.0	0	0
Total BERS Multifamily Investments	\$0.0	\$2.0	0	4,489
Multifamily Total All Systems	\$0.0	\$100.1	0	4,489
<u>Single Family Investments Detail</u>	1Q \$ Invested (MMs)	Total	1Q Total Units	Total
Bronx	0.1	\$0.4	25	116
Brooklyn	0.7	1.1	12	304
Manhattan	0.0	0.1	0	28
Queens	0.2	1.4	25	336
Staten Island	0.6	0.7	10	165
Total BERS Single Family Investments	\$0.3	\$3.7	72	949
Single Family Total All Systems	\$14.8	\$187.3	0	949
<u>Other Investments Detail</u>	1Q \$ Invested (MMs)	Total	1Q # of Loans	Total
Bronx	\$0.0	\$0.1	0	1
Brooklyn	0.0	\$0.1	0	8
Manhattan	0.0	0.5	0	5
Queens	0.0	0.1	0	3
Staten Island	0.0	0.0	0	0
Total BERS Other Investments	\$0.0	\$0.18	0	0
Other Investments Total All Systems	\$0.0	\$9.04	0	17
Grand Total BERS	\$0.3	\$5.9		
Grand Total All Systems	\$14.8	\$296.4		

Access Multifamily Investments Since Inception BERS



Access Single Family Investments Since Inception BERS



BERS Economically Targeted Investments Quarterly Report

	Assets (\$MM)	Trailing 3 Months	6/30/2007 3/31/2013	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Trailing* 15 Years	Since Inception	Data Start Date
BERS										
CCD-PPAR	0.29	2.48	7.63	12.50	9.50	9.75	****	****	9.10	
LIIF-PPAR	0.17	2.10	5.90	7.57	5.36	****	****	****	6.03	
CFSB-PPAR	0.12	1.50	5.22	8.52	7.84	7.72	****	****	7.47	
NCBCI -PPAR	0.07	2.26	7.74	10.26	7.59	****	****	****	7.41	
CITIGROUP GNMA +65 BPs per annum		-0.07	0.88	2.24	5.55	6.05	5.77	6.47	6.56	
CCD-PPAR	+/-	2.55	6.75	10.26	3.96	3.70	****	****	****	
LIIF-PPAR	+/-	2.17	5.02	5.33	(0.18)	****	****	****	****	
CFSB-PPAR	+/-	1.58	4.35	6.28	2.29	1.67	****	****	****	
NCBCI -PPAR	+/-	2.34	6.87	8.02	2.05	****	****	****	****	
CPC - TERM LOAN	0.81	0.59	1.84	2.47	2.26	2.57	****	****	3.35	
30 Day Libor + 200 bps with a Floor 250 bps per annum		0.05	0.16	0.22	0.24	0.96	2.38	3.08	2.10	
	+/-	0.54	1.67	2.25	2.02	1.61	****	****	1.25	
AFL-CIO HOUSING INV TRUST	11.76	-0.13	1.46	3.92	5.31	5.56	****	****	5.63	
BARCLAYS CAPITAL US AGGREGATE BOND INDEX		-0.12	1.68	3.77	5.52	5.47	5.02	5.85	5.94	
	+/-	(0.01)	(0.22)	0.14	(0.21)	0.09	****	****	****	
ACCESS - RBC	2.78	0.01	1.66	3.40	4.73	6.23	****	****	6.27	
Access/RBC: 60% MI 30 yrs Mortgage Index (MF30)		0.04	0.87	2.25	4.23	4.65	****	****	5.42	
plus 40% U.S. Treasury 1-10 Yr index (G502)	+/-	(0.03)	0.79	1.15	0.49	1.58				
TOTAL BERS ETI (w/o cash)**	16.00	0.04	1.73	3.98	5.26	5.70	4.28	4.93	7.45	
BOARD OF ED CUSTOM ETI BENCHMARK (no cash)		-0.05	1.52	3.37	5.02	5.08	****	****	****	
	+/-	0.08	0.21	0.61	0.24	0.63	****	****	****	

* Historical returns prior to April 2004 provided by Citigroup.

**Time periods greater than one year are annualized. Returns are net of fees and exclude Erasmus.

Real Estate Quarterly Report

**New York City
Board of Education Retirement System**

**Performance Measurement Report
Fourth Quarter 2012**

The Townsend Group

Cleveland, OH San Francisco, CA London, UK Hong Kong

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The Townsend Group

Performance Measurement Report

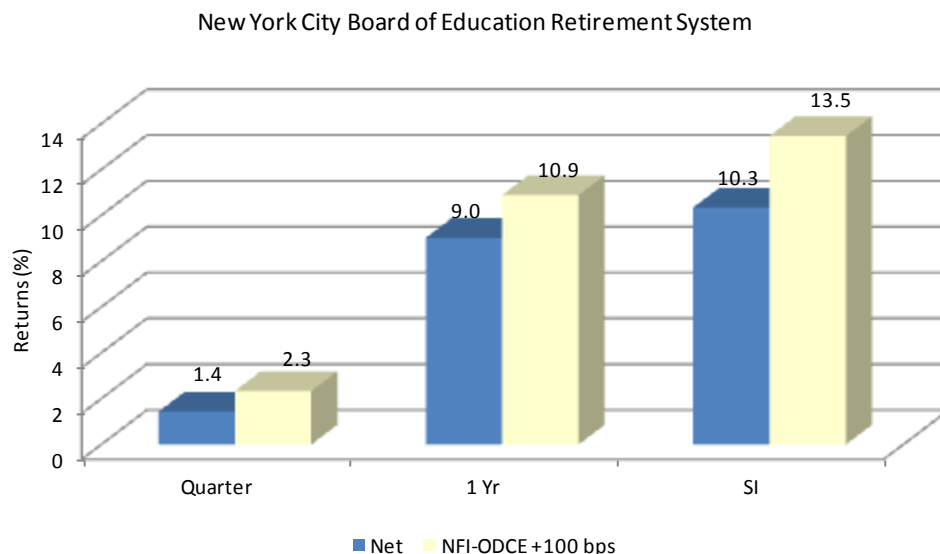
NEW YORK CITY BOARD OF EDUCATION RETIREMENT SYSTEM

FOURTH QUARTER 2012

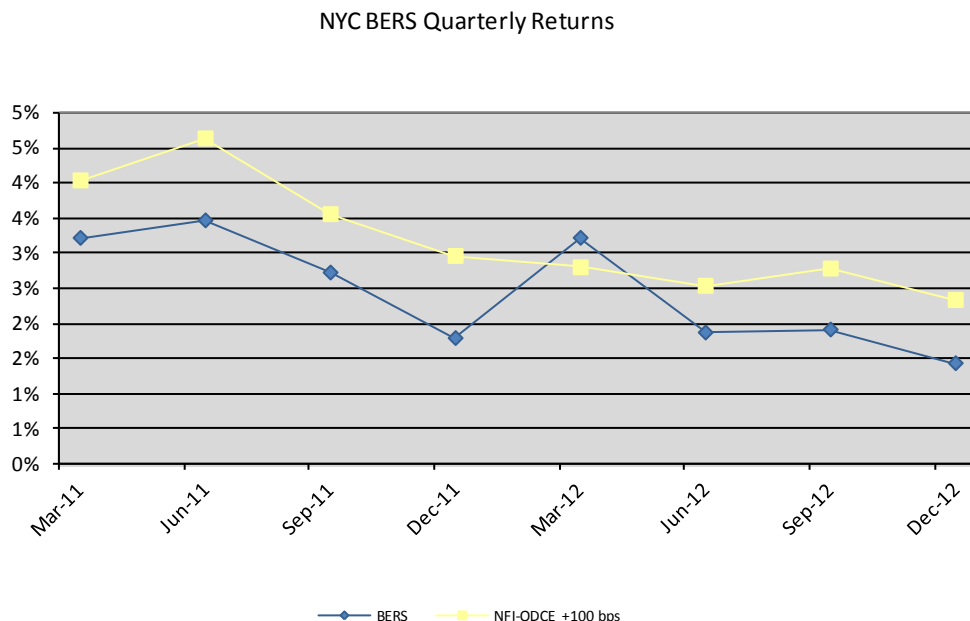
I. Performance Summary

At the end of the Fourth Quarter 2012, ("Quarter") The New York City Board of Education Retirement System ("BERS") Real Estate Portfolio ("Portfolio") had a cumulative market value of \$72.3 million. Total market value plus unfunded commitments was \$117.1 million, or 51.8% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 1.7% which was comprised of 1.2% income and 0.5% appreciation. The NCREIF Open-end Diversified Core Equity Index ("NFI-ODCE") +100 bps reported a total net return of 2.3%. In addition, the Portfolio achieved a total net return of 1.4%. Since inception, the Portfolio has a net IRR of 9.6% and an equity multiple of 1.1x as of December 31, 2012.

The following chart reflects the total net returns for the BERS Portfolio compared to the NFI-ODCE+100 bps. During the Global Financial Crisis, real estate values declined 31% and 44% for the de-levered NCREIF Property Index ("NPI") and the levered NCREIF Open-End Diversified Core Equity Index ("NFI-ODCE"), respectively. Since the market trough in 2010, both indices have recovered 21% and 27%, respectively. Real estate values continue to rise with average transaction cap rates now below the market peak (2007) average in all sectors, particularly in apartments, CBD office and full-service hotels. According to RCA ("Real Capital Analytics"), apartment pricing in six major US metros is 2% above peak values in the Fourth Quarter, while non-major metros remain below peak values (or at 82% of peak values). Lastly, the cap rate spread between primary and secondary markets continues to shrink. US GDP shrank for the first time since 2009 in the Fourth Quarter of 2012 by 0.1%. Despite the contraction, consumer spending, adjusted for inflation, increased at a 2.2% rate in the Fourth Quarter, (up from 1.6% in the third quarter), and residential investment increased at a 15.3% annual rate (up from 13.5% in third quarter). The slight decline in GDP was related to changes in private inventories (decreased 1.27%), less Federal Government spending (decreased 1.25%), and a negative contribution from trade (decreased 0.25%). The benchmark established for the Portfolio is the NFI-ODCE +100 bps net over full market cycles.



The graph below shows the total net returns for the Portfolio by quarter since inception. NFI-ODCE +100 bps total net return performance is also included. It is important to note the effects of the “J-curve” whereby fees on committed capital exceed distributions to the Portfolio due to minimal invested capital and the early stages of the value-added/opportunistic process in the underlying investments.



The table below reflects the returns for the Portfolio and the NFI-ODCE during pertinent time periods and segments these returns by their components: income, appreciation, and total return. The Portfolio’s objective is to generate a total net return that exceeds the NFI-ODCE +100 bps total net return measured over full market cycles.

Returns (%)	Quarter				1 Year				3 Year				5 Year				Inception	
	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	TGRS	TNET
New York City Board of Education Retirement System	1.2	0.5	1.7	1.4	5.0	5.0	10.3	9.0									11.6	10.3
NFI-ODCE Value Weight Index + 100 BPS			2.6	2.3			12.0	10.9									14.6	13.5

II. Portfolio Composition

New York City Board of Education Retirement System		
Total Plan Assets	12/31/2012	\$3,229
Real Estate Allocation (%)		7.0%
Real Estate Allocation (\$)		\$226
Style Sector Allocation		
Core / Core Plus Portfolio	40.0%	\$90
Non-Core Portfolio	60.0%	\$136
Uncommitted Core / Core Plus Portfolio		\$11
Uncommitted Non-Core Portfolio		\$98
Funded (Market Value) and Committed Statistics		
Core / Core Plus Portfolio		67.6%
Non-Core Portfolio		32.4%
\$ Committed		\$117
% Committed on Real Estate Allocation		51.8%
% Committed on Total Plan Assets		3.6%
Funded (Market Value) Statistics		
% Funded (Market Value) of Total Plan Assets		2.2%
% Funded (Market Value) of Total Real Estate Allocation		32.0%

BERS		
Investment Cash Flow Summary		
	Quarter	To Date
Contributions	\$1.8	\$68.0
Distributions	-\$0.7	-\$5.3
Withdrawals	\$0.0	\$0.0

Contributions: Includes actual cash funded to the investment for acquisition and capital items during the quarter.

Distributions: Includes actual cash returned during the quarter from the investments which represents distributions of income from operations and profit.

Withdrawals: Includes cash returned from the investment as a result of return of capital.

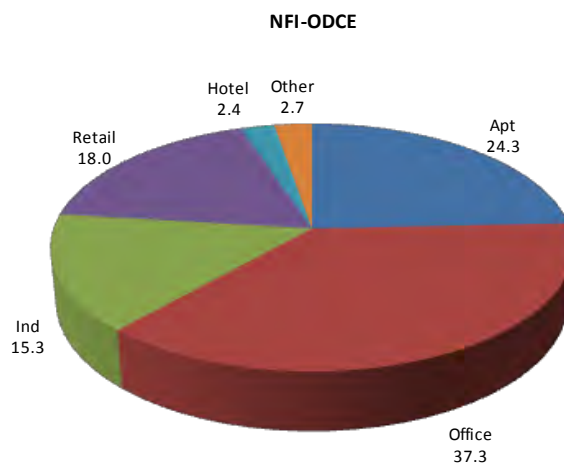
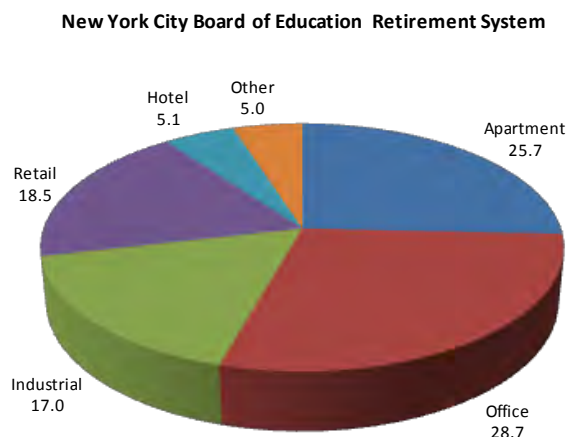
III. Portfolio Compliance

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) +100 bps over full market cycles	N/A
Portfolio Composition	<p>Core/Core Plus (minimum of 40%)</p> <p>Non Core (minimum of 60%)</p>	<i>The portfolio is funded (market value) and committed at 51.8% of real estate allocation with a portfolio composition of 67.6% core and 32.4% non-core.</i>
Real Estate Allocation	Target of 7.0%	<i>Funded (market value) and committed dollars place the portfolio at 3.6% of total plan assets.</i>
	Currently Funded at 2.2%	
Property Type Diversification	<p>Up to 40% Multifamily</p> <p>Up to 35% Industrial</p> <p>Up to 45% Office</p> <p>Up to 35% Retail</p> <p>Up to 25% Hotel</p> <p>Up to 20% Other</p>	<i>All property type locations are in compliance.</i>
Geographic Diversification	<p>Diversified geographically</p> <p>Max 25% Ex-US</p>	<i>All geographic type locations are in compliance</i>
LTV	65%	<i>Portfolio is in early stages of funding, but is in compliance (21.7%).</i>
Manager Exposure	15% of real estate allocation	<i>Manager exposure is within compliance ranges.</i>

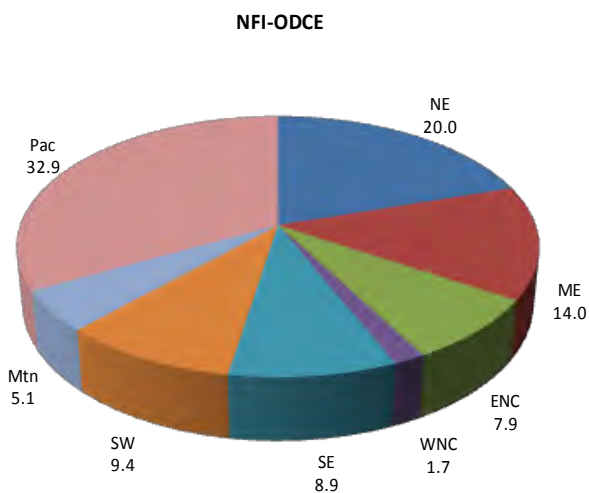
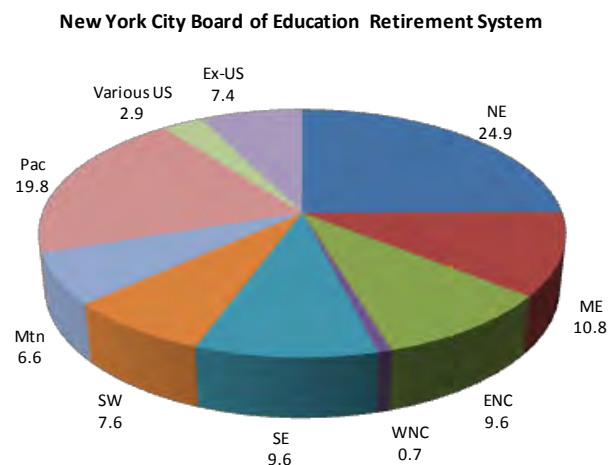
IV. Portfolio Diversification

The Investment Policy Statement (IPS) establishes ranges for diversification by property type and geographic region. These ranges are broad based and allow for investment in all major property types and all geographic regions. The diversification of the current portfolio by property type and geographic region is shown below and compared to diversification of the NFI-ODCE at the end of the Quarter.

Property Type Diversification (%)



Geographic Diversification (%)



Private Equity Quarterly Report



DECEMBER 31, 2012

ALTERNATIVE INVESTMENT REPORT

NYC Board of Education Retirement System

One Presidential Boulevard, 4th Floor, Bala Cynwyd, PA 19004
www.hamiltonlane.com | P 610.934.2222 | F 610.617.9853

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

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Section 1:

Market Update

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

The Private Equity Market

Introduction

If technical analysis was incorporated into analyzing the trends and fundamentals of private equity starting after the financial crisis, 2012 seemed to be headed for a great year. Fundraising was increasing, LPs were looking to increase their allocations, and the U.S. economy in particular was starting to show signs of health. However, as the year unfolded, the bright private equity industry forecast was met with lingering macroeconomic uncertainty.

Despite this uncertainty in the broader global economy, opportunities in private equity continue to look promising. LPs are experiencing a buildup in NAV, which shows underlying company investments are healthy and tracking well. In an attempt to gain additional return, LPs remain interested in growing their allocations as demonstrated by increased fundraising during 2012. Energy in particular is an area of enthusiasm. Traditional opportunities exist that are characteristic of investments in this sector. Additionally, lower energy costs in the United States are driving new development in manufacturing, an industry which spent the last decade shedding jobs to emerging economies.

By combining macro themes with analyses of factors unique to private equity, additional insight can be gained on the asset class. The topics explored this quarter include: deal activity, fundraising, allocations, performance, assets under management, exits, pricing, and debt markets. Lastly, with the increased enthusiasm in energy, this quarter will include an industry spotlight on the sector.

Continued Increase in Allocations

With low investment returns across asset classes, investors continue to search for outsized returns to bolster portfolio performance. A recent Preqin investor survey shows that nearly 28% of investors plan to increase their allocations to the asset class over the next 12 months. This number is expected to increase to 33% over the longer term.

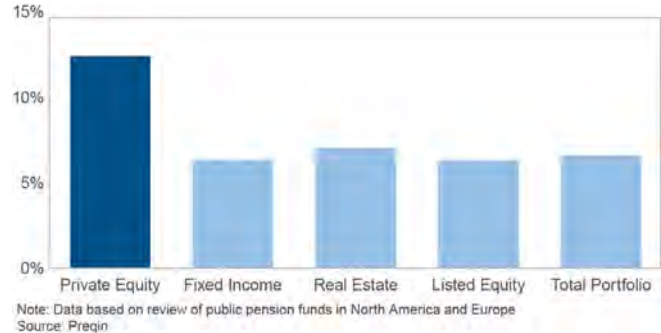
Chart 1: Investors' Intentions for Their Private Equity Allocations



Private Equity Performance

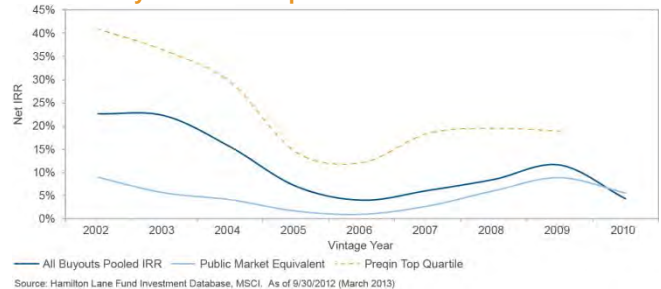
The increase in allocation to private equity is justified. When comparing the 10 year performance across asset classes in public pension funds' portfolios, private equity outperformed other asset classes by approximately 5%.

Chart 2: Median Returns for Public Pension Funds



Analyzing performance slightly differently, the pooled buyout fund IRR continues to outperform the public market equivalent across most vintage years, while top quartile funds generate an even greater spread.

Chart 3: Buyout Fund Outperformance of Public Markets



Flat-line in Deal Activity

As the economy started to rebound after the financial crisis, the credit and market conditions finally started to look promising again in 2010. This uptrend was interrupted by the European debt crisis and market volatility that surfaced in the third quarter of 2011. With the headwinds and turbulent market conditions that were present in 2012, deal activity was relatively consistent across quarters and annual statistics were similar to that of 2011.

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

Chart 4: Number and Aggregate Value of Private Equity-Backed Buyout Deals Globally

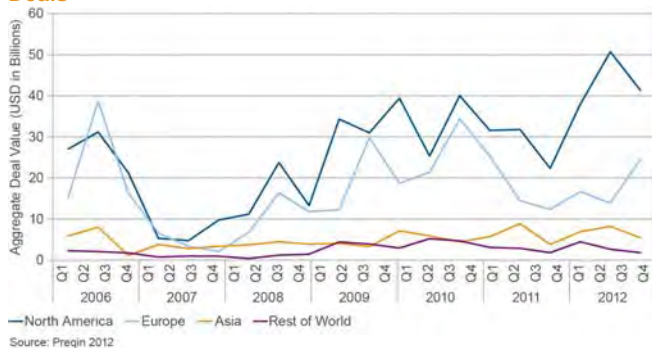


Given the varying macroeconomic outlook across geographies in 2012, the U.S. was a safe haven for buyout deals. The U.S. dominated deal volume as Europe continued to face uncertainty and developing economies were impacted by the global conditions. However, while deal activity in Europe was muted by the sovereign debt crisis through the first three quarters of 2012, the fourth quarter did see a strong rebound.

Chart 5: Buyout Deals by Region



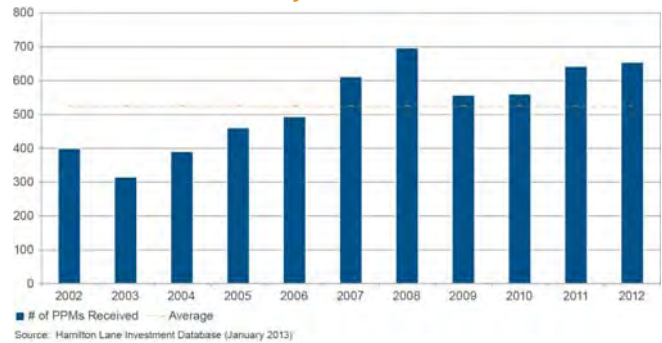
Chart 6: Aggregate Value of Private Equity-Backed Buyout Deals



Private Equity Fundraising

Hamilton Lane received 655 private placement memorandums in 2012 and this volume was comparable to pre-financial crisis numbers.

Chart 7: PPMs Received by Hamilton Lane



Aggregate dollars raised during 2012 were at their highest levels since the financial crisis; however, the number of funds closed was the lowest over the past decade. LPs are starting to concentrate their portfolios with specialized managers that have a solid track record, selecting from a wider selection of strategies and geographies that were previously unavailable. In addition, LPs are searching for managers that offer favorable terms, while GPs may have to start considering a new normal (from the perspective of aggregate capital raised) after the boom years of 2006 to 2008.

Chart 8: Annual Private Equity Fundraising



Proxy for Fundraising Environment

Besides looking at fundraising statistics, another proxy can be used to determine the state of the fundraising environment. Placement agents have traditionally assisted funds to either help reach their target or to spend less time on the road. In 2012, there was a decrease in the proportion of GPs using placement agents in comparison to the previous year (47% vs. 52%), indicating a slightly less challenging fundraising year. There was also a significant drop in the percentage of managers with ten or more funds using placement agent services. A possible explanation is that these experienced managers raised relatively conservatively sized funds in 2012, and were able to obtain enough capital from existing investors.

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

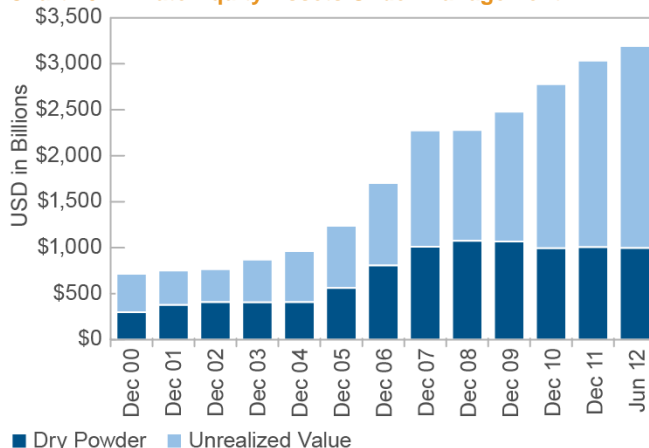
Chart 9: Proportion of Funds Using Placement Agents



The Old Overhang Issue

After breaking the \$3 trillion mark in December 2011, assets under management (AUM), defined as the sum of dry powder (private equity capital overhang) plus the unrealized value of the entire private equity industry, continued to climb and reached almost \$3.2 trillion as of June 2012. However, the proportion of dry powder as a percentage of AUM has decreased from last year, and continues the downward trend that started after the financial crisis.

Chart 10: Private Equity Assets Under Management



Traffic in the Road to Exits

The disappointing exit environment contributed to the decreasing ratio of dry powder to AUM. Exits continued to be congested as both IPOs and strategic sales were below what they were in the past two years, leading to NAV accumulation. With the difficulty in realizing value through the corporate M&A and IPO channels, GPs looked to one another to exit their investments. Sponsor-to-sponsor sales increased as a percentage of exit activity, while still below their peaks from 2003 to 2007. There continues to be an excess of unrealized value waiting to be sold, and it is the NAV overhang that should be the new focus.

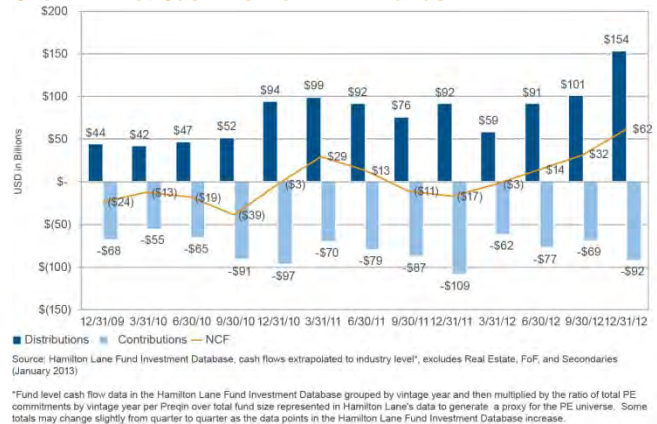
Chart 11: Global Buyout-Backed Exits



Ad-Hoc Bridge

GPs took a slightly different route to return capital since they were dealing with difficult exits through traditional channels and lingering political and regulatory uncertainty. Favorable debt markets did provide one bright spot. Taking advantage of the attractive borrowing rates and not wanting to face a potential increase in the dividend tax rate from fiscal cliff negotiations, PE firms rushed to take dividend recaps. This satisfied both GPs and LPs – realizing a solid gain for the fund while maintaining upside from future appreciation and returning capital to investors. While dividend recaps and distributions may have increased for the last quarter in 2012, this is probably not the start of a trend.

Chart 12: Net Cash Flow of All PE Funds



Shopping for the Right Price

With GPs being more cautious in their valuation methods, purchase price multiples are still below their peaks in 2007. As investor sentiment is slowly improving, the valuation multiples are also on a slow uptrend. Both U.S. and European LBO purchase price multiples remain above their long term averages. The European multiples are showing a strong rebound and may be an indicator of PE firms bidding up prices while attempting to buy at attractive levels. The timing of these purchases may also be driven by the dry powder buildup specific to Europe.

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Chart 13: Average Purchase Price Multiples of All LBOs

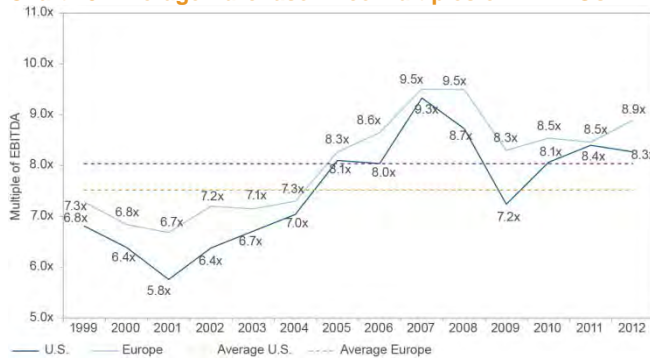


Chart 16: U.S./Europe Maturities



Debt Markets

The private equity industry benefited from the liquidity that both the U.S. Federal Reserve and European Central Bank injected into the global financial system as 2012 high yield issuance in the U.S. was above the historical average and has reached a ten year high.

Investors' demand for yield and the management of the maturity walls has led to a favorable debt market for GPs, arming them with the means to complete deals.

Chart 14: High Yield Issuance



Similarly, leveraged loan volume also exceeded both the historical average and 2011 figures. Banks continue to lend in the U.S. and debt is affordable and available, although not in the volume seen between 2005 and 2007.

Chart 15: Bank Loan Issuance



The 2014 maturity wall is now much more manageable, with 78% of both the 2014 U.S. and Europe maturities eliminated since the end of 2010. While this solves some of Europe's near term problems, the leveraged loans set to be due in 2015 and 2016 will still need to be addressed.

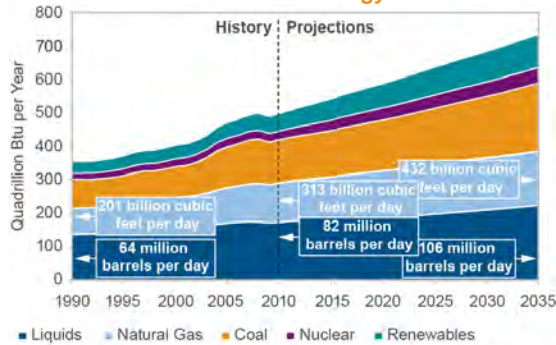
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Industry Spotlight: Energy

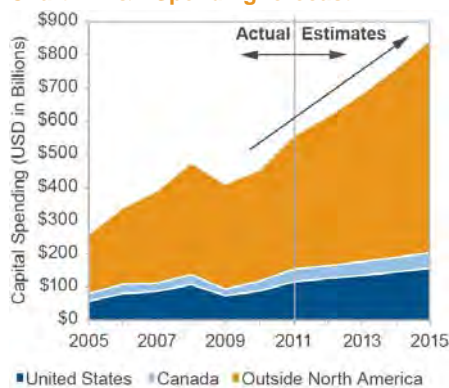


Chart 1: Global Demand for Energy



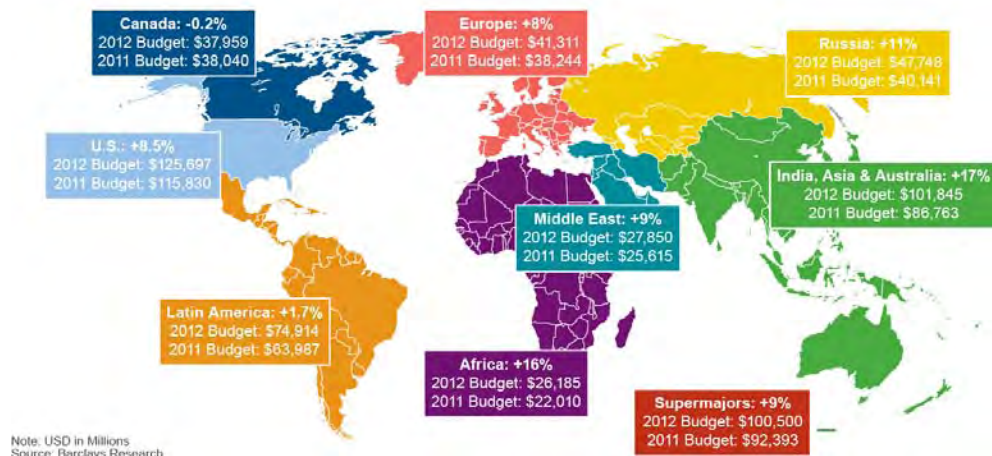
Sources: The Energy Information Administration -International Energy Outlook 2010 and International Energy Agency -World Energy Outlook 2009

Chart 2: E&P Spending forecast



Source: Barclays Research

Chart 3: Global 2012 Exploration & Production Spending Outlook



The increasing global demand for energy sources provides new opportunities for investment in the industry. Replacing and creating new energy supply infrastructure will require large investments in the energy space. The energy value chain (upstream, midstream and power) offers private equity-like returns and the wide spectrum of risk levels allows a diverse range of investors to gain exposure that suits their risk tolerance.

Upstream

As demand grows and new resources are found, more opportunities for private equity energy investments outside of North America will likely appear. The exploration and production budgets of virtually all major world regions increased from 2011 to 2012, with the India, Asia & Australia region's combined budget increasing by 17%. Offshore drilling in Brazil, West Africa, and regions of Asia were a main focus of recent non-U.S. private equity activity. Continued innovation and advancements in drilling technology are also adding to the opportunity set by providing access to unconventional resources. Since upstream investments are influenced by the fluctuations in commodity prices, they remain the most risky for private equity investors.

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Midstream

Growth in production requires improved and new infrastructure, which in turn leads to investable opportunities. Midstream infrastructure would be required to connect supply and demand across crude oil, dry gas and natural gas liquid. The presence of aging infrastructure in developed markets and an absence of infrastructure in emerging economies foreshadow future development.

Master Limited Partnerships (publicly traded, tax efficient structures focused on acquiring midstream assets) have been the key to private equity exits and have gained popularity from public market investors due to its ability to generate yield.

Power

While this energy sub-sector is cyclical, the power markets are expected to recover in the medium to long term. The power landscape in the U.S. is being altered by low gas prices and tightening environmental regulations, with coal and oil generation plants being forced into retirement. The long term demand for natural gas remains high as it is a cleaner and more efficient fuel source.

The power sector is also estimated to require \$1 trillion in capital expenditures over the next decade. In addition, the lack of power infrastructure in developing economies should produce investment opportunities, especially in new build power generation.

Chart 4: Onshore Gas Transmission Pipeline

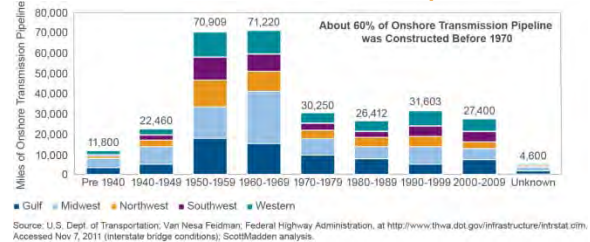


Chart 5: Changing Power Landscape

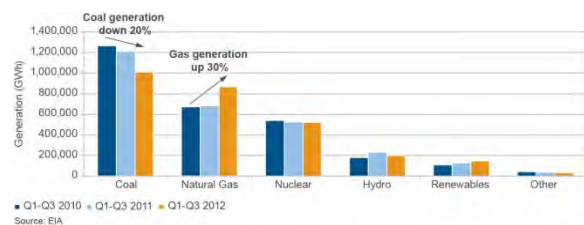
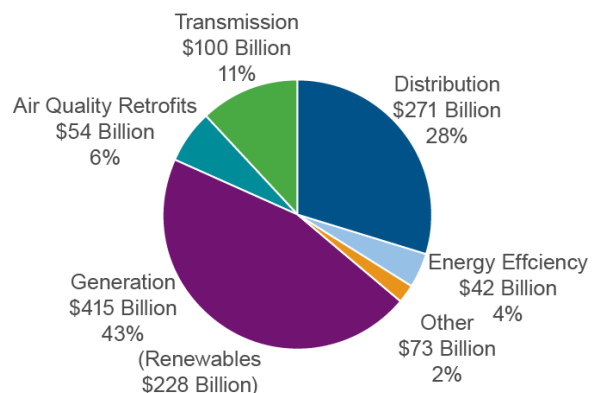


Chart 6: Investment Need in Power



Section 2:

Portfolio Update

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

Portfolio Snapshot

Hamilton Lane was engaged by the NYC Board of Education Retirement System (“BERS”) in November 2012 to provide alternative investment fund administration services in accordance with the investment objectives of the BERS Private Equity portfolio (the “Portfolio”). This report represents the review by Hamilton Lane of BERS’s Portfolio and is based on information made available to Hamilton Lane by the general partners sponsoring each of the partnership investments in the Portfolio as of December 31, 2012, with highlights through March 31, 2013.

Private Equity Allocation: BERS has a target allocation of 6.0% to Private Equity. As of December 31, 2012, Private Equity constituted 3.2% of BERS plan. (BERS plan value as of November 30, 2012)

Performance: As of December 31, 2012, the Portfolio consists of 8 partnerships and 5 underlying fund managers. The Portfolio has generated a since inception internal rate of return (“IRR”) of 5.95% and a total value multiple of 1.20x.

Portfolio Summary			
\$ millions	9/30/2012	12/31/2012	Change
Active Partnerships	5	8	3
Active GP Relationships	3	5	2
Capital Committed ⁽¹⁾	\$171.0	\$208.2	\$37.2
Unfunded Commitment	\$73.0	\$103.5	\$30.5
Capital Contributed	\$99.1	\$105.8	\$6.7
Capital Distributed	\$17.1	\$21.0	\$3.9
Market Value	\$99.1	\$106.2	\$7.1
Total Value Multiple	1.17x	1.20x	0.03x
Since Inception IRR	5.18%	5.95%	77bps
Avg. Age of Active Commitments	3.9 years	4.1 years	0.2 years

⁽¹⁾The “change” in capital committed from the prior quarter reflects additional commitments made during the quarter.

Portfolio Exposures: The Corporate Finance/Buyout strategy represents 49% of the Portfolio’s total exposure, Venture Capital represents 16%, Distressed/Turnaround represents 15%, Growth Equity accounts for 14%, Other represents 5%, and Co-Investment represents 1%. Strategic exposure takes into account the strategies for each of the underlying partnerships in the funds-of-funds within the BERS Portfolio.

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Portfolio Overview

Commitments

The table below highlights the funds that closed during the calendar year 2012.

YTD Commitments - 2012			
Closing Date	Partnership	Investment Strategy	Commitment Amount
5/9/2012	Warburg Pincus Private Equity XI, L.P.	Growth Equity	\$25.0
12/21/2012	Carlyle Partners VI, L.P.	Corporate Finance/Buyout - Mega	\$20.0
12/21/2012	Carlyle Partners VI, L.P. - Side Car	Co-Invest	\$2.2
12/28/2012	Platinum Equity Capital Partners III, L.P.	Special Situations/Turnaround	\$15.0
Total			\$62.2

The four new investments, totaling \$62.2 million are detailed below:

Warburg Pincus Private Equity XI, L.P. (\$25.0 million) the fund will seek to invest primarily in growth companies, but will opportunistically invest in companies across all stages of development, from venture capital and start-up companies, to existing companies in need of capital, to later-stage buyouts and special situations. The fund will target investments across five industry sectors, Healthcare, Technology/Media/Telecommunications, Energy, Financial Services and Consumer, Industrial and Services.

Carlyle Partners VI, L.P. & Side Car (\$20.0/\$2.2 million) the fund intends to make investments in companies in which it obtains majority control of the board of directors or significant influence over governance of business, focusing on industries in which the firm has significant expertise (Aerospace, Defense & Government Services; Consumer & Retail; Healthcare; Industrial & Transportation; Technology; and Telecom & Media).

Platinum Equity Capital Partners III, L.P. (\$15.0 million) The fund's strategy is to invest in underperforming businesses and apply operational improvements to build enterprise value and generate top tier investment returns.

NYC Board of Education Retirement System

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Subsequent Events

The Portfolio completed additional investments totaling \$25.0 million following the quarter end December 31, 2012, detailed below:

Subsequent Closings			
Investment	Investment Strategy	Commitment (\$ in Millions)	Closing Date
Landmark Equity Partners XV, L.P.	Secondaries	\$19.0	1/31/2013
Landmark Equity Partners XV, L.P. - Side Car	Co-Invest	\$6.0	1/31/2013
		\$25.0	

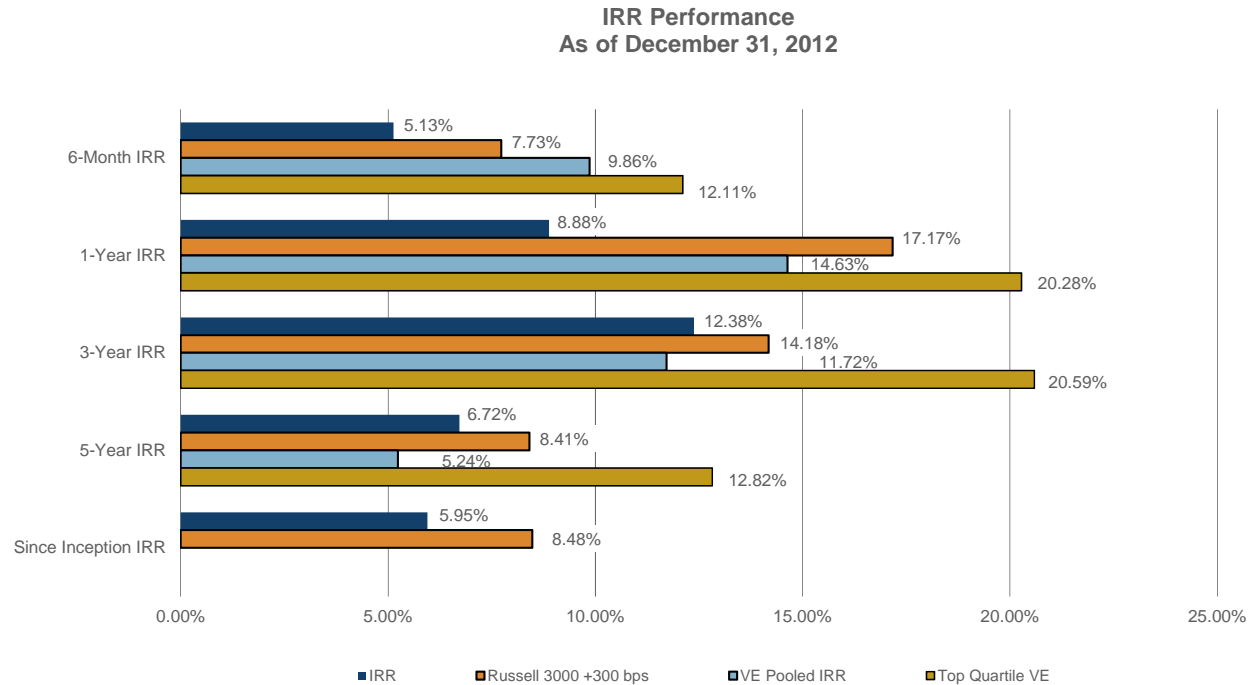
Landmark Equity Partners XV, L.P. & Side Car (\$19.0/\$6.0 million) The fund will target the entire spectrum of available secondary transactions, from the customary acquisition of individual private equity fund interests, to more complex portfolio transactions.

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

Portfolio Performance Summary

The chart below is a graphical depiction of the IRR performance of the Portfolio with respect to 6-Month, 1-, 3-, 5-Year, and Since Inception time periods. The Portfolio is benchmarked against the VE Pooled IRR, and Top Quartile VE, as well as the Russell 3000 plus 300bps.



Note: The Since Inception IRR is not benchmarked against VE as there is no time horizon available that is comparable to the March 3, 2006 inception date of BERS Portfolio. The Russell 3000 Total return index incorporates the Long Nickels methodology where the assumption is that the capital is being invested and withdrawn from the index on the days the capital was called and distributed from the underlying fund managers. This calculation includes a 3.0% premium.

- As private equity is a long term asset class, the most significant time horizon is the since inception time period. Performance on a since inception basis for the fourth quarter of 2012 increased 77 basis points from the prior quarter, with the Portfolio generating an IRR of 5.95%.
 - Relative to the benchmark, the since inception IRR is underperforming the Russell 3000 plus 300bps by 253 basis points.
- Performance on a one-year basis for the fourth quarter 2012 increased 182 basis points from the third quarter 2012, with the Portfolio generating an IRR of 8.88%.
 - Relative to the benchmarks, the one-year IRR is underperforming the VE Pooled IRR by 575 basis points, the Top Quartile VE by 1,140 basis points, and the Russell 3000 plus 300bps by 829 basis points.
 - Underperformance to the public benchmark can be attributed to the rally in the public markets during the calendar year 2012.

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

The table below details quarterly performance of the Portfolio for the year ending December 31, 2012.

Portfolio Summary					
in \$ millions	Quarter Ending				Year Ending
	3/31/2012	6/30/2012	9/30/2012	12/31/2012	12/31/2012
Beginning Market Value	\$88.5	\$93.6	\$97.1	\$99.1	\$88.5
Paid-in Capital	2.4	8.7	7.3	6.7	25.1
Distributions	0.0	(5.6)	(6.0)	(3.9)	(15.5)
Net Value Change	2.7	0.4	0.7	4.3	8.1
Ending Market Value	\$93.6	\$97.1	\$99.1	\$106.2	\$106.2
Unfunded Commitments	\$63.9	\$80.2	\$73.0	\$103.5	\$103.5
Total Exposure	\$157.5	\$177.3	\$172.1	\$209.7	\$209.7
Point to Point IRR	3.03%	0.51%	0.80%	4.25%	8.88%
Since Inception IRR	5.56%	5.32%	5.18%	5.95%	5.95%

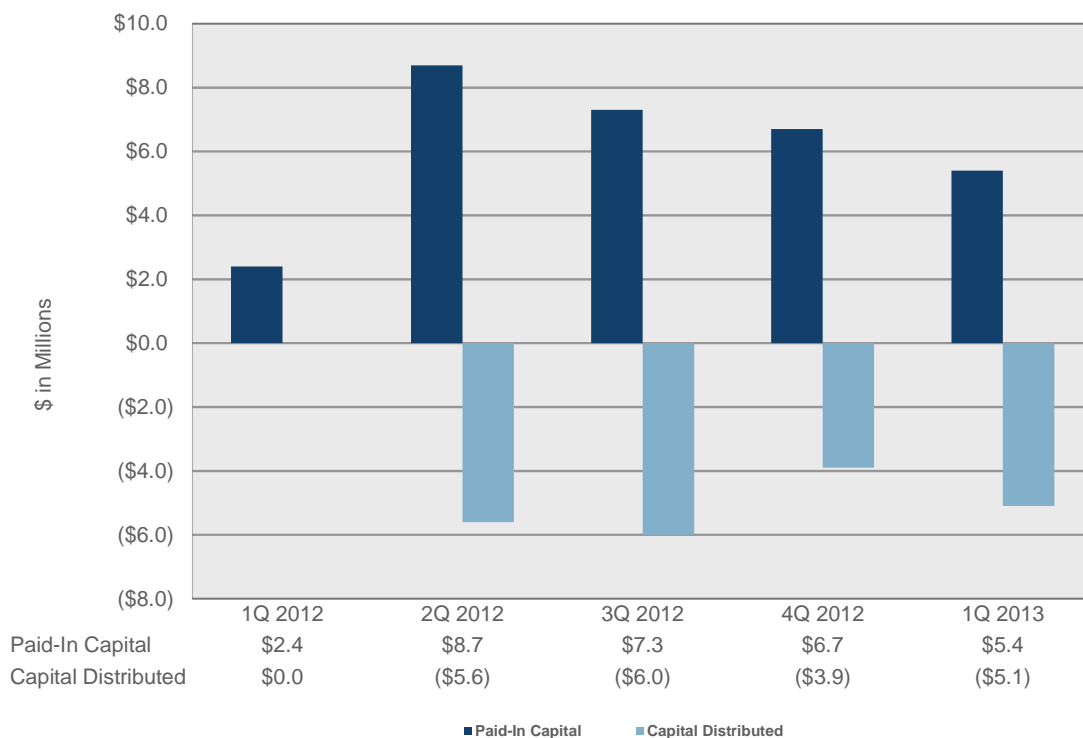
- Over the past twelve months, the Portfolio has generated an IRR of 8.88% and has experienced a total of \$8.1 million in net value gain.

NYC Board of Education Retirement System

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Cash Flow Drivers

The chart below highlights the cash flows of the Portfolio over the past five quarters ended March 31, 2013.



- For the year ended December 31, 2012, the portfolio was cash flow negative with contributions outpacing distributions by \$9.6 million.
- Contribution activity decreased 8% over the fourth quarter of 2012, with contributions totaling \$6.7 million. Distribution activity decreased modestly during the fourth quarter of 2012, with distributions totaling \$3.9 million.
 - Mesirow Financial Private Equity Partnership Fund V, L.P. called the most capital during the fourth quarter of 2012, calling \$1.8 million to fund underlying investments.
 - Mesirow Financial Private Equity Partnership Fund III, L.P. distributed the most capital during the fourth quarter of 2012, distributing \$3.4 million in proceeds from underlying investments.
- Contribution activity continued to decrease during the first quarter of 2013, with contributions totaling \$5.4 million. Distribution activity increased significantly during the first quarter of 2013, with distributions totaling \$5.1 million.
 - Platinum Equity Capital Partners III, L.P. called the most capital during the first quarter of 2013, calling \$4.4 million for initial investments in SMW, DMS Health Technologies, Falcon Lodging, Harvest Meat Company, Neovia Logistics, and BWAY.

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- SMW is a global supplier of chassis and brake components and assemblies for passenger cars and light trucks.
- DMS Health Technologies provides mobile, interim and fixed-site diagnostic imaging solutions to hospitals, clinics and other medical providers.
- Falcon Lodging comprises the assets and operating businesses of six underperforming hotels in Minnesota, Florida, Texas and North Carolina.
- Harvest Meat Company is a food distribution business based in San Diego that delivers a range of packaged meat products to retailers and foodservice customers.
- Neovia Logistics is a third-party logistics provider focused on service parts logistics for automotive, industrial, mining and aerospace & defense industries.
- BWAY is a North American manufacturer of rigid metal, plastic and hybrid containers.
- Mesirow Financial Private Equity Partnership Fund III, L.P. distributed the most capital during the first quarter of 2013, distributing \$1.7 million in proceeds from underlying investments.

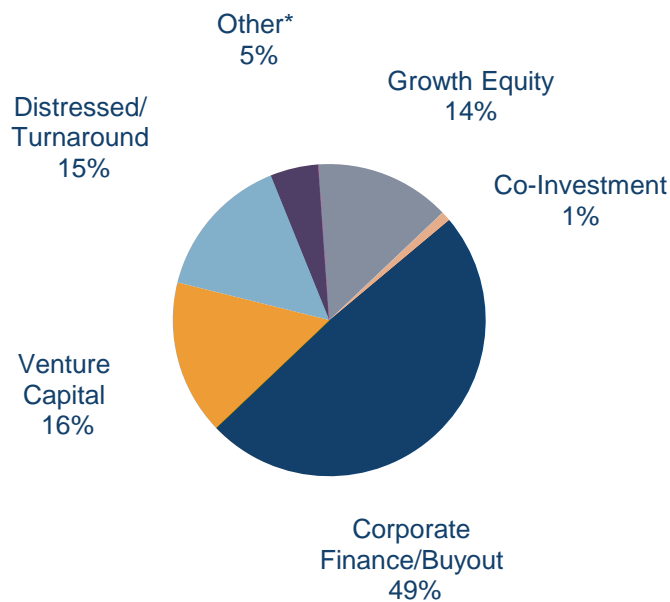
NYC Board of Education Retirement System

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Portfolio Exposures

The pie chart below represents the strategic diversification of the Portfolio as of December 31, 2012. Strategy is measured by total exposure, which is the sum of the market value and the unfunded commitments and provides a snapshot of the Portfolio's future diversification. Strategic exposure takes into account the strategies for each underlying partnership in the funds-of-funds within the BERS Portfolio.

Strategic Diversification by Total Exposure As of December 31, 2012



**Strategic exposure to 'Other' consists of underlying partnerships for which investment strategies are not disclosed in the quarter end financial statements.*

- The Portfolio is focused in the Corporate Finance/Buyout strategy, with 49% of the total exposure attributable to this strategy.

NYC Board of Education Retirement System

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Private Equity Company Exposure

The table below identifies the top ten partnership holdings held by funds-of-funds in the BERS Portfolio, as measured by exposed market value as of December 31, 2012. As noted in the second column, the values of partnerships held by several funds-of-funds have been aggregated.

Top 10 Partnership Holdings by Exposed Market Value December 31, 2012			
Partnership Name	Funds-of-Funds	Exposed Valuation (\$ Millions)	% of Total Portfolio
M/C Venture Partners VI, L.P.	Mesirow Financial Private Equity Partnership Fund III, L.P.	\$3.1	3.0%
GenNx360 Capital Partners	New York Fairview Private Equity Fund, L.P.	3.1	2.9%
DCM V, L.P.	Mesirow Financial Private Equity Partnership Fund III, L.P.	2.8	2.6%
TSG5, L.P.	Mesirow Financial Private Equity Partnership Fund III, L.P. Mesirow Financial Private Equity Partnership Fund IV, L.P.	2.7	2.6%
Providence Equity Partners VI, L.P.	Mesirow Financial Private Equity Partnership Fund III, L.P. Mesirow Financial Private Equity Partnership Fund IV, L.P.	2.6	2.4%
Encore Consumer Capital Fund	New York Fairview Private Equity Fund, L.P.	2.6	2.4%
Vicente Capital Partners Growth Equity Fund, L.P.	New York Fairview Private Equity Fund, L.P.	2.6	2.4%
Green Equity Investors V, L.P.	Mesirow Financial Private Equity Partnership Fund III, L.P. Mesirow Financial Private Equity Partnership Fund IV, L.P.	2.5	2.4%
Sun Capital Partners V, L.P.	Mesirow Financial Private Equity Partnership Fund III, L.P. Mesirow Financial Private Equity Partnership Fund IV, L.P.	2.5	2.4%
The Resolute Fund II, L.P.	Mesirow Financial Private Equity Partnership Fund III, L.P. Mesirow Financial Private Equity Partnership Fund IV, L.P.	2.3	2.2%
Total		\$26.7	25.3%

- As of December 31, 2012, the top ten partnership holdings represent 25.3% of the total Portfolio's market value, or \$26.7 million of market value.
- Five of the ten top partnerships are held in multiple funds-of-funds within the portfolio.
- M/C Venture Partners VI, L.P., a 2006 vintage Venture Capital partnership, is the Portfolio's largest exposure and is held through one fund-of-funds.

Section 3:

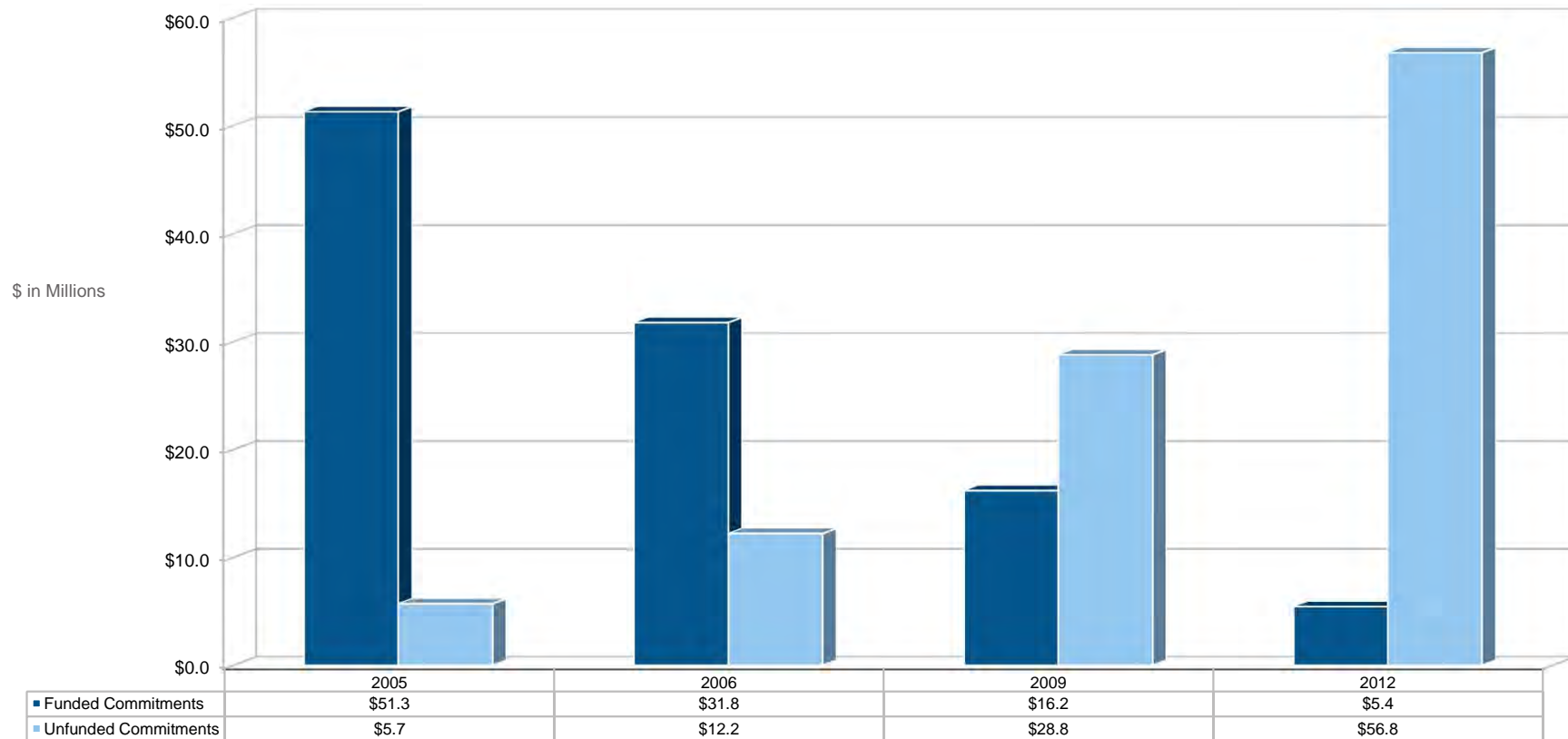
Portfolio Assessment

NYC Board of Education Retirement System
Private Equity Portfolio
As of December 31, 2012 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Paid-In Capital	Distributed Capital	Market Value	Multiple	IRR
Active Investments								
2005	Mesirow Financial Private Equity Partnership Fund III, L.P.	7/20/2006	\$ 57,000,000	\$ 51,673,273	\$ 15,031,092	\$ 51,104,258	1.28x	6.06%
2006	Mesirow Financial Private Equity Partnership Fund IV, L.P.	3/31/2008	25,000,000	16,717,233	1,128,759	18,090,989	1.15x	5.13%
2006	New York Fairview Private Equity Fund, L.P.	7/14/2006	19,000,000	15,285,500	3,695,648	14,390,191	1.18x	5.29%
2009	Mesirow Financial Private Equity Partnership Fund V, L.P.	3/7/2011	45,000,000	16,664,326	1,133,886	17,389,487	1.11x	10.82%
2012	Warburg Pincus Private Equity XI, L.P.	7/17/2012	25,000,000	5,448,050	12,500	5,203,256	0.96x	(6.22%)
2012	Carlyle Partners VI, L.P.	N/A	20,000,000	-	-	-	0.00x	N/A
2012	Carlyle Partners VI, L.P. - Side Car	N/A	2,200,000	-	-	-	0.00x	N/A
2012	Platinum Equity Capital Partners III, L.P.	N/A	15,000,000	-	-	-	0.00x	N/A
Total Portfolio			\$ 208,200,000	\$ 105,788,382	\$ 21,001,885	\$ 106,178,181	1.20x	5.95%
Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
Commitments Closed Subsequent to as of Date								
2013	Landmark Equity Partners XV, L.P.	N/A	\$ 19,000,000	\$ -	\$ -	\$ -	N/A	N/A
2013	Landmark Equity Partners XV, L.P. - Side Car	N/A	6,000,000	-	-	-	N/A	N/A
Total Commitments Closed Subsequent to as of Date			\$ 25,000,000	\$ -	\$ -	\$ -	N/A	N/A

Note: Where available, December 31, 2012 reported valuations were used. In the absence of December 31, 2012 reported values, market values have been adjusted forward using interim cashflows through December 31, 2012. The IRR calculated in the early years of a fund is not meaningful given the j-curve effect. The aggregate portfolio performance figures for IRR and multiple are as of December 31, 2012.

**NYC Board of Education Retirement System
Commitments By Vintage Year
As of December 31, 2012**



Funded Commitments exclude additional fees.

Unfunded Commitments include recallable returns of capital.

Appendix A:

Glossary of Terms

NYC Board of Education Retirement System

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Additional Fees: The amount of capital an investor pays into a fund/investment that does not count against the investors' commitment. Additional fees typically consist of management fees or late-closing interest expense.

Capital Committed: An investor's financial obligation to provide a set amount of capital to the investment.

Capital Contributed: Capital contributed from an investor's capital commitment to fund partnership investments, organizational expenses and management fees.

Capital Distributed: Cash or stock disbursed to the investors of an investment.

Co/Direct Investment: A direct investment is a purchased interest of an operating company. A co-investment is a direct investment made alongside a partnership.

Corporate Finance/Buyout: Funds seeking to make controlling and non-controlling investments in established companies which have the potential to achieve greater value through improved performance.

Cost Basis: Capital contributions less return of principal.

Fund-of-Funds: An investment vehicle which invests in other private equity partnerships.

Fund/Investment Size: The total amount of capital committed by investors to a fund.

Investment Category: Used to identify investments in one of the following categories: co/direct investments, fund-of-funds, primary funds, secondary fund-of-funds or secondary purchases.

Investment Strategy: A sub-classification of a partnership's investment type, such as Co/Direct Investment, Corporate Finance/Buyout, Mezzanine, Real Estate, Special Situation, Venture Capital.

Life Cycle Period: The current stage of a partnership depending on the percentage contributed to date. Life cycle periods are investment and realization.

Mezzanine: An investment strategy involving the purchase of subordinated debt. These securities exist between the senior debt and equity of a holding's capital structure. Subordinated debt carries a lower level of risk than pure equity structures because they generate current income and have a more senior position in the company's capital structure.

Net Internal Rate Of Return ("IRR"): The discount rate that equates the net present value of the partnership's cash outflows with its inflows and residual value at the time of calculation. The calculation is net of management fees and the general partner's carried interest.

Originator: The institution responsible for recommending a client commit to an investment.

Ownership Percentage: The investor's percent of ownership as measured by capital committed divided by fund/investment size.

Paid-In Capital: The amount of capital an investor has contributed to a partnership, which includes capital contributions and additional fees.

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Pooled Average IRR: An IRR calculation which aggregates cash flows (paid-in capital and capital distributed) and the reported market values of each investment within a portfolio to create one portfolio investment and return.

Portfolio Holding Exposure: The limited partner's pro rata allocation to an underlying investment based on the ownership percentage of the partnership.

Primary Fund: Defines when the investor acquired an interest in the partnership. Primary fund is the investment category when an investor participates in a closing at the inception of the partnership.

Private Equity Partnership: A professionally managed pool of capital that generally invests in unlisted companies or securities. Common investment strategies include corporate finance/buyout, mezzanine, special situations and venture capital.

Realized Multiple: Ratio of cumulative distributions to paid-in capital.

Return On Investment ("ROI"): A calculation based on the total value (market value plus distributions) divided by paid-in capital for an investment.

Reported Market Value: The investment's capital account balance at quarter end, which includes the general partner's reported value of the underlying holdings and other assets and liabilities.

Secondary Fund-of-Funds: A private equity vehicle formed to purchase active partnership interests from an investor.

Secondary Purchase: A purchase of an existing partnership interest or pool of partnership interests from an investor.

Special Situation: Partnerships that invest using a unique strategy. Examples include distressed and turnaround, industry focused and multi-stage partnerships.

Total Exposure: Calculated by the summation of market value and unfunded commitments.

Venture Capital: An investment strategy that provides start-up or growth capital to companies in the early stages of development. Venture investments generally involve a greater degree of risk, but have the potential for higher returns.

Vintage Year: The year in which a partnership makes its first capital call for an investment into a portfolio company/holding.

Appendix B:

Disclosure Statements

NYC Board of Education Retirement System

Fourth Quarter 2012 Report

Non-public information contained in this report is confidential and intended solely for dissemination to NYC Board of Education Retirement System and/or its Affiliates. Hamilton Lane has prepared this report to enable NYC Board of Education Retirement System and/or its Affiliates to assess the performance and status of its alternative investment portfolio. Hamilton Lane hereby disclaims any liability resulting from any unauthorized dissemination of the attached information.

The information contained in this report may include forward-looking statements regarding the funds presented or their portfolio companies. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the funds or the portfolio companies, which may result in material differences in actual results, performance or other expectations. The information presented is not a complete analysis of every material fact concerning each fund or each company. The opinions, estimates and analyses reflect our current judgment, which may change in the future.

All opinions, estimates and forecasts of future performance or other events contained herein are based on information available to Hamilton Lane as of the date of this presentation and are subject to change. Past performance of the investments described herein is not indicative of future results. Certain of the information included in this presentation has not been reviewed or audited by independent public accountants. Certain information included herein has been obtained from sources that Hamilton Lane believes to be reliable but the accuracy of such information cannot be guaranteed.

The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the funds will achieve comparable results or that they will be able to implement their investment strategy or achieve their investment objectives. The actual realized value of currently unrealized investments will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate the performance of the funds or the portfolio companies referred to for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

II. April Monthly Performance Review:

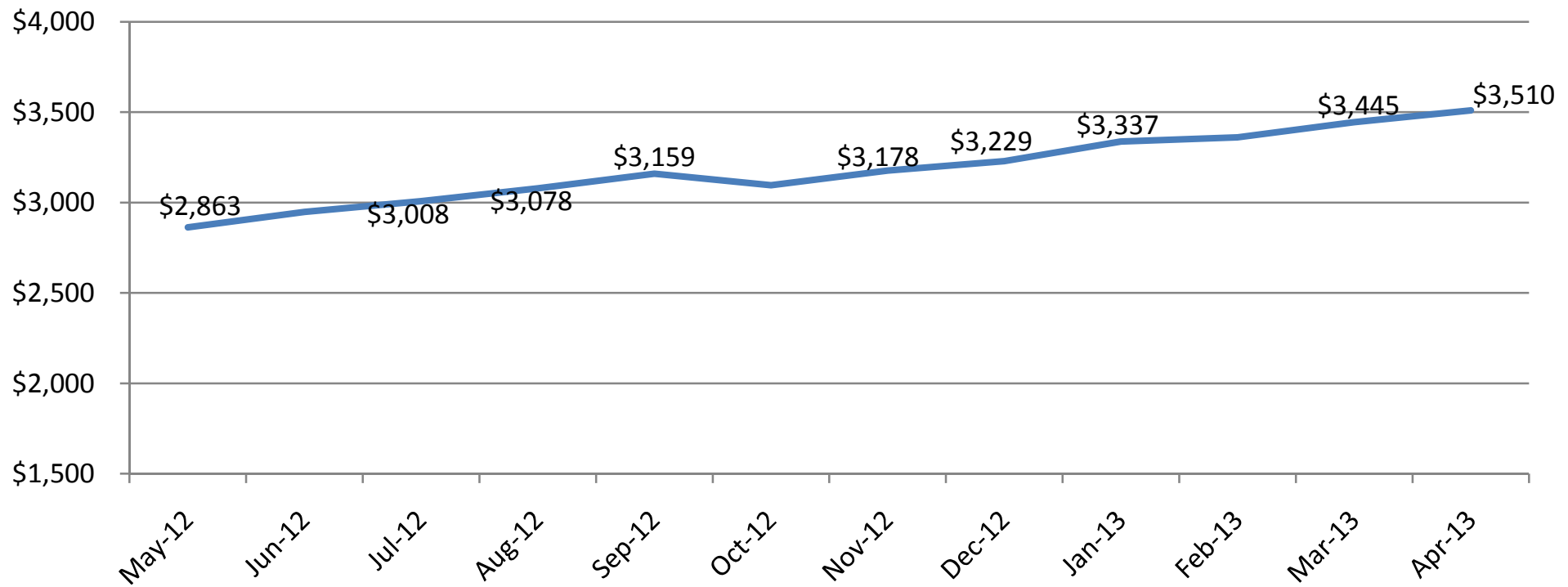
Monthly Performance Review *April 2013*

Prepared for the New York City
Board of Education Retirement System
6/14/2013

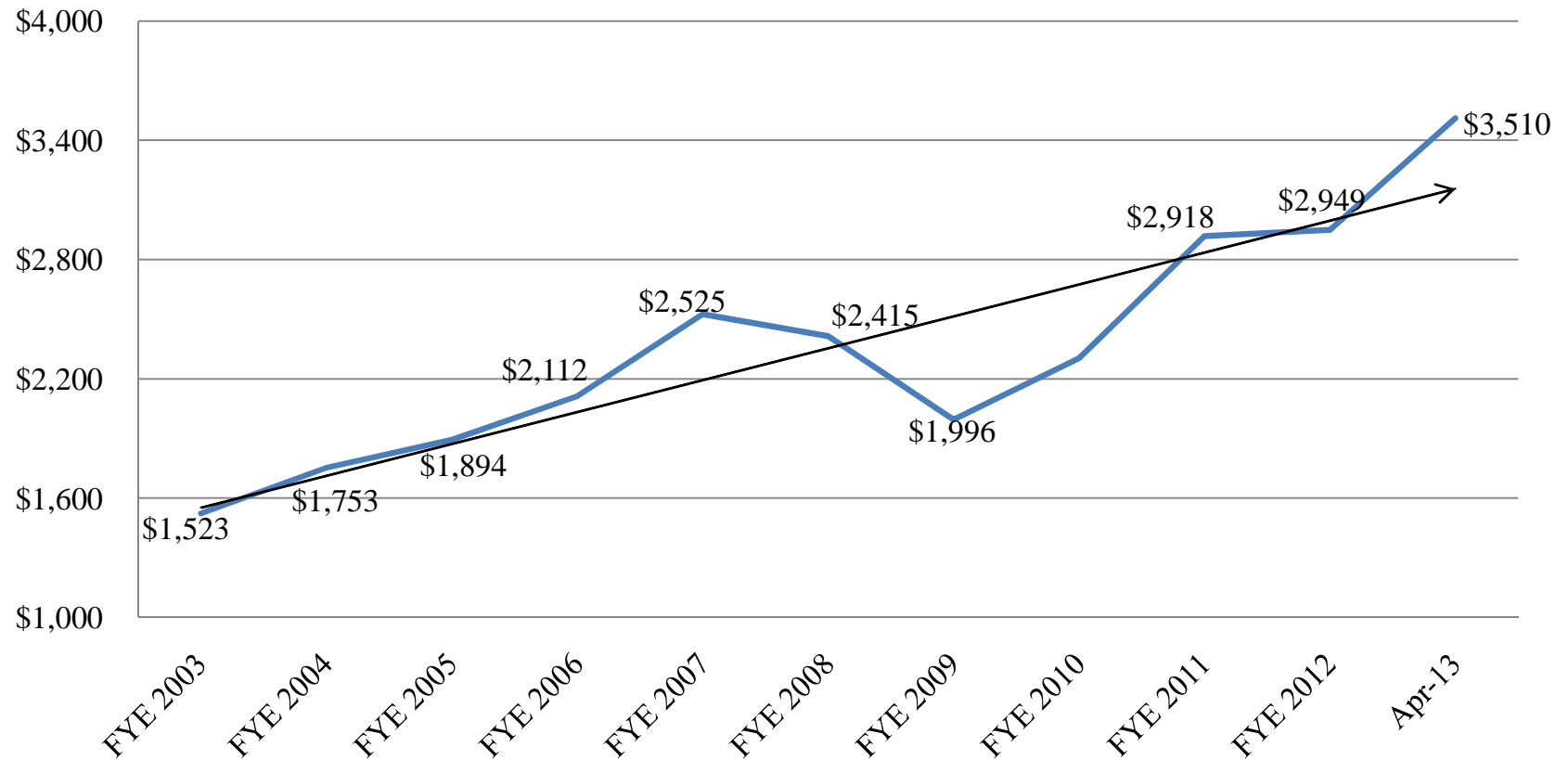
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BERS Market Values May 2012 - April 2013



BERS Market Values 2003 - 2013

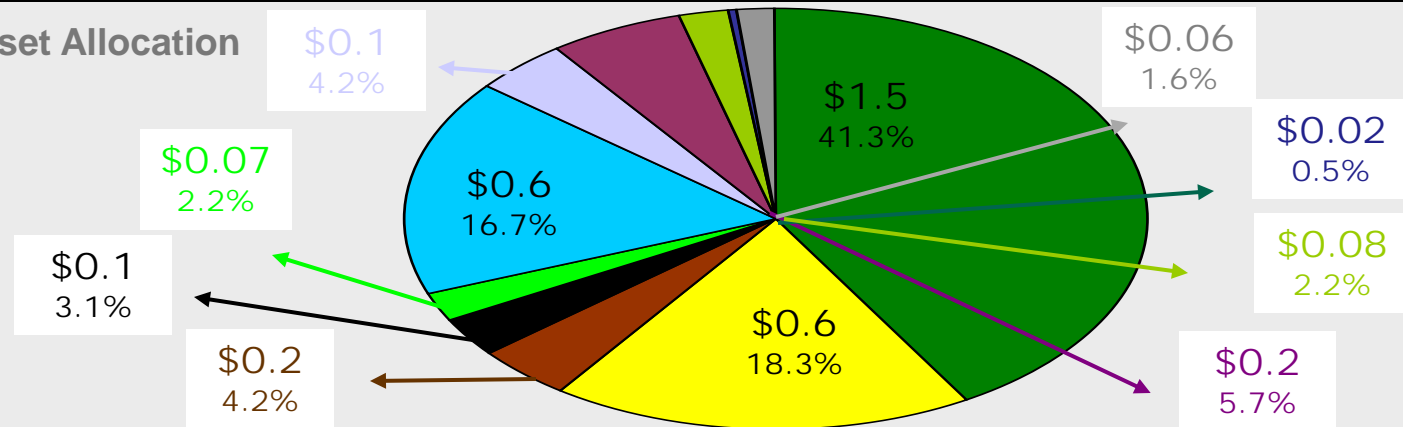


The 10 Year Return for BERS as of April 30, 2013 is 8.53%.

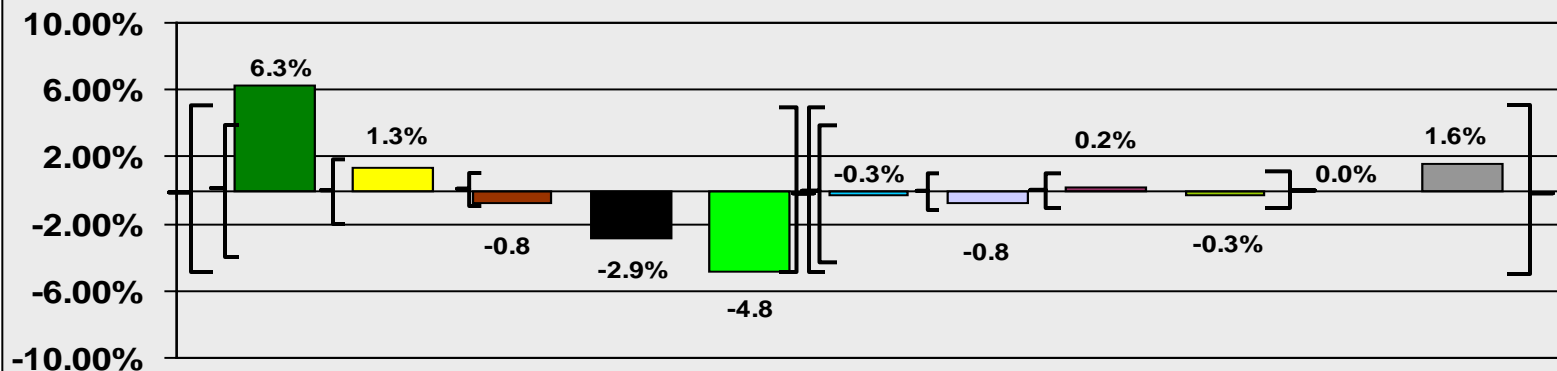
Portfolio Asset Allocation: April 30, 2013

\$3.5B Under Management

Asset Allocation



Relative Mix to New Policy Weights



Note: Brackets represent rebalancing ranges versus Policy.

NEW YORK CITY BOARD OF EDUCATION RETIREMENT SYSTEM

CLASSIFICATION OF INVESTMENTS

(as of April 30th, 2013)

ASSET CLASS ALLOCATIONS

	In \$MM	Actual	Policy Target	Adjustment	Adjusted Policy	Adjusted Target Range ***
TOTAL EQUITIES	\$2,428.9	69.2%	70.0%	NA	70.0%	65.0% - 75.0%
TOTAL FIXED INCOME	\$1,081.5	30.8%	30.0%	NA	30.0%	25.0% - 35.0%
TOTAL ASSETS	\$3,510.3	100.0%	100.0%	NA	100.0%	

	In \$MM	Actual	Policy Target	Adjustment	Adjusted Policy	Adjusted Target Range ***
US Equities	\$1,450.0	41.3%	35.0%	7.7%	42.7%	38.7% - 46.7%
Non-US Equities/EAFE	\$643.3	18.3%	17.0%	NA	17.0%	15.0% - 19.0%
Emerging Markets	\$148.3	4.2%	5.0%	NA	5.0%	4.0% - 6.0%
TOTAL PUBLIC EQUITY	\$2,241.6	63.9%	57.0%	NA	64.7%	
* PRIVATE REAL ESTATE	\$78.8	2.2%	7.0%	NA	2.2%	6.0% - 8.0%
* PRIVATE EQUITY	\$108.4	3.1%	6.0%	NA	3.1%	5.0% - 7.0%
TOTAL EQUITIES	\$2,428.9	69.2%	70.0%	NA	70.0%	65.0% - 75.0%

	In \$MM	Actual	Policy Target	Adjustment	Adjusted Policy	Adjusted Target Range ***
Core +5	US - Government	\$93.7	2.7%	NA	17.0%	13.0% - 21.0%
	US - Mortgage	\$244.5	7.0%	NA		
	US - Investment Grade Credit	\$246.3	7.0%	NA		
	TOTAL CORE + 5	\$584.5	16.7%	NA	17.0%	13.0% - 21.0%
	High Yield	\$199.6	5.7%	NA	5.5%	7.0% - 9.0%
	Bank Loans	\$78.7	2.2%	NA	2.5%	
	Total High Yield & Bank Loans	\$278.3	7.9%	NA	8.0%	7.0% - 9.0%
	TIPS	\$147.3	4.2%	NA	5.0%	4.0% - 6.0%
	** ETI	\$16.1	0.5%	** 2.0%	** 0.5%	** 0.5%
	Cash	\$55.2	1.6%	NA	0.0%	0.0% - 5.0%
	TOTAL PUBLIC FIXED INCOME	\$1,081.5	30.8%	NA	30.0%	
	TOTAL FIXED INCOME	\$1,081.5	30.8%	NA	30.0%	25.0% - 35.0%

* Ranges for illiquid asset classes represent minimums and maximums which will be monitored and will influence pacing analysis but will not necessarily result in purchases or sales.

** ETIs have a policy of 2% of the total Fund. The ETI adjusted policy % is shown for illustrative purposes only and is not included in the sub-totals. The ETI policy % is included within the policy % of the other asset classes.

*** Adjusted Target Ranges are calculated as follows: Total Equities: +/-5%; Total Fixed Income: +/-5%; US Equities: +/-4%; Non-US Equities/EAFE: +/-2%; Emerging Markets: +/-1%; Real Estate: +/-1%; Private Equity: +/-1%; Core +5: +/-4%; TIPS: +/-1%; High Yield & Bank Loans: +/-1%; Cash: 0-5%.

NEW YORK CITY BOARD OF EDUCATION RETIREMENT SYSTEM

CLASSIFICATION OF INVESTMENTS

(as of April 30th, 2013)

Adjustments to Long-Term Asset Allocation

1) Private Equity

100% of uninvested commitments will be invested in Domestic Equity.

2) Real Estate

100% of uninvested commitments will be invested in Domestic Equity.

Impact of Adjustments

1) Domestic Equity Policy Target %

35.0%

Adjustment: 100% of uninvested Private Equity

2.9%

Adjustment: 100% of uninvested Real Estate

4.8%

Adjusted Domestic Equity Policy Target %

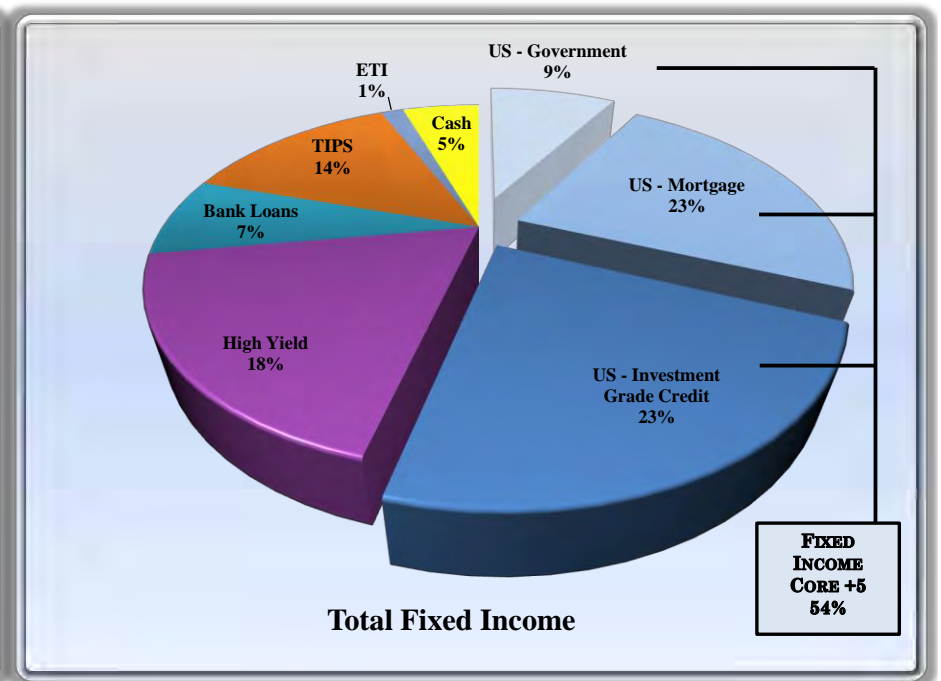
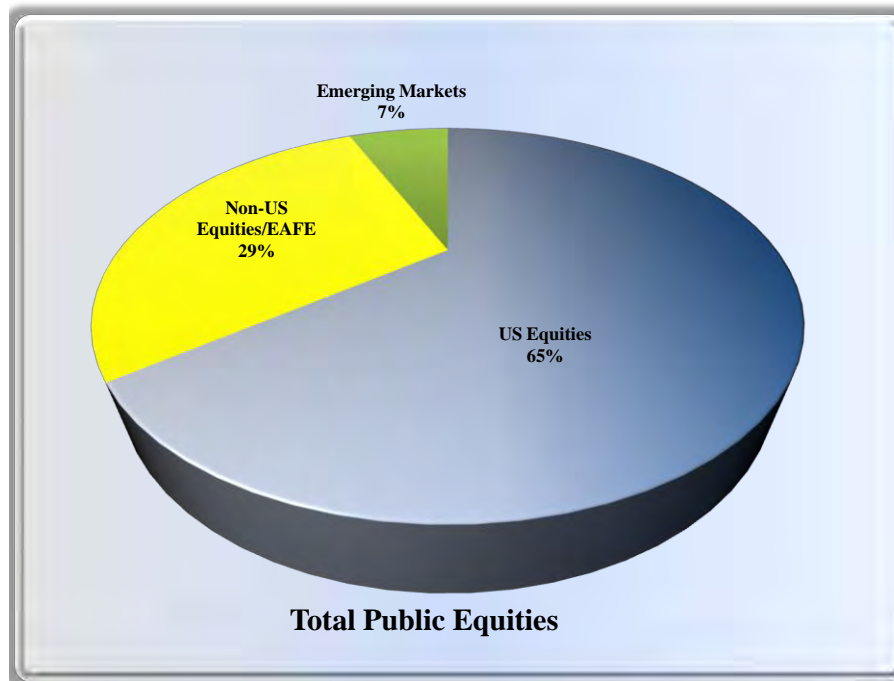
42.7%

NEW YORK CITY BOARD OF EDUCATION RETIREMENT SYSTEM

CLASSIFICATION OF INVESTMENTS

(as of April 30th, 2013)

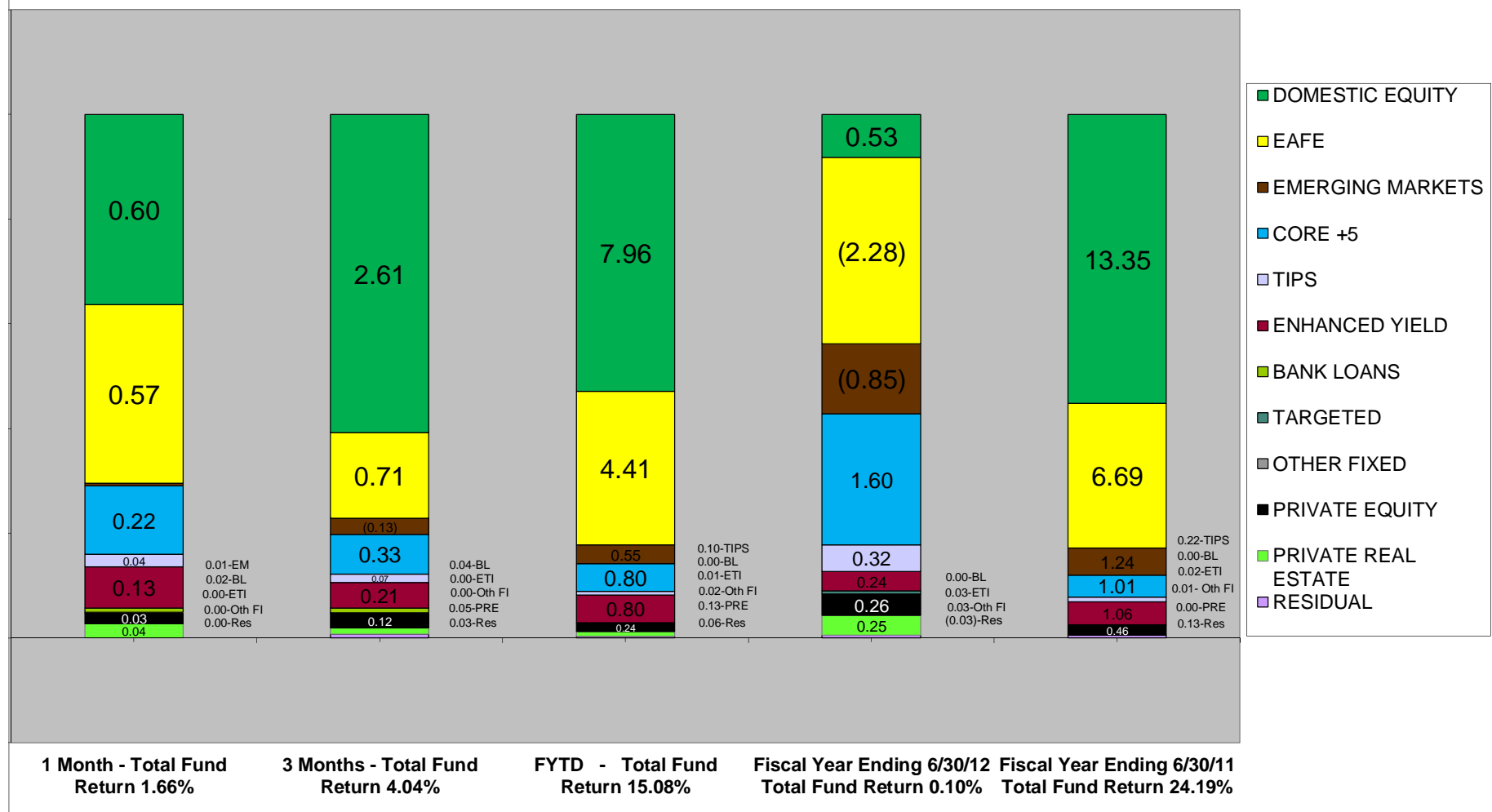
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THE BANK OF NEW YORK MELLON
CITY OF NEW YORK
Market Indicator Page *NYC Board of Education Retirement System
April 30, 2013

	Trailing 1 Month	Trailing 3 Months	06/30/12 04/30/13	Trailing 1 Year	Trailing* 2 Years	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years
MARKET INDICATORS								
STANDARD & POORS 500	1.93	7.18	19.44	16.89	10.65	12.80	5.21	7.88
S&P MIDCAP INDEX 400	0.63	6.48	24.72	18.84	8.50	13.76	8.37	11.73
RUSSELL 1000	1.81	7.16	20.24	17.17	10.44	12.91	5.49	8.32
RUSSELL 2000	-0.37	5.38	20.05	17.69	6.15	11.25	7.27	10.47
RUSSELL 3000	1.64	7.02	20.22	17.21	10.08	12.78	5.63	8.48
RUSSELL 3000 GROWTH	1.91	7.14	17.23	12.83	9.49	13.39	6.75	8.25
RUSSELL 3000 VALUE	1.39	6.91	23.15	21.64	10.62	12.12	4.37	8.55
MSCI EAFE (NET DIVIDEND)	5.21	5.07	26.04	19.39	2.02	7.44	-0.93	9.22
MSCI EMERGING MARKETS FREE	0.79	-2.15	13.04	4.34	-4.36	3.44	-0.02	16.50
FTSE CUSTOM BENCHMARK	1.05	-0.34	13.30	4.88	-3.86	4.14	1.16	****
MSCI WORLD INDEX	3.22	5.92	22.08	17.40	6.12	10.21	2.41	8.87
MSCI EUROPE SMID CAP INDEX	3.79	2.85	28.59	18.75	-0.96	8.50	-0.23	****
MSCI AC WORLD FRONTIER MARKETS EX USA	3.68	2.79	21.61	14.16	-0.28	5.96	-0.90	****
NYC - TREASURY AGENCY PLUS FIVE	2.11	3.42	1.91	5.19	10.94	9.66	7.83	6.51
CITIGROUP MORTGAGE	0.51	0.97	1.36	1.78	3.82	4.24	5.31	5.04
NYC - INVESTMENT GRADE CREDIT INDEX	1.76	2.33	6.30	7.45	8.09	7.72	7.49	5.83
NYC - CORE PLUS FIVE	1.33	1.99	3.37	4.67	6.93	6.64	6.73	5.73
CITIGROUP BROAD INVESTMENT GRADE	1.02	1.57	2.70	3.68	5.62	5.52	5.80	5.16
BARCLAYS CAPITAL AGGREGATE	1.01	1.60	2.71	3.68	5.59	5.51	5.73	5.04
CITIGROUP BB & B	1.75	3.13	11.19	12.34	9.66	10.80	8.22	7.96
BofA MERRILL LYNCH HY MASTER II	1.86	3.38	13.13	14.04	9.48	10.77	10.83	9.52
CREDIT SUISSE LEVERAGED LOAN INDEX	0.75	2.00	****	****	****	****	****	****
BARCLAYS CAPITAL GLOBAL US TIPS (INFLATION NOTES)	0.80	1.11	3.27	4.41	7.97	8.02	6.52	6.43
BofA ML ALL CONVERTIBLES EX MANDATORY	1.49	5.38	17.17	15.12	6.12	9.40	6.90	****
DJ WILSHIRE REAL ESTATE SECURITIES INDEX	6.87	10.64	16.56	17.28	13.57	16.70	6.06	12.51
NCREIF NFI-ODCE NET	0.00	2.43	7.21	9.66	11.60	14.02	-1.75	****
91 DAY TREASURY BILL	0.01	0.03	0.10	0.12	0.09	0.11	0.33	1.75

NYC Board of Education Retirement System Contribution to Return - April 2013



**THE BANK OF NEW YORK MELLON
CITY OF NEW YORK**

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**Manager / Benchmark Comparison Report *NYC Board of Education Retirement System
April 30, 2013**

	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/12	Calendar Yr Ending 2012	Calendar Yr Ending 2011	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
ASSET CLASS SUMMARY																
DOMESTIC EQUITY	\$ 1,450.0	41.31%	1.45%	6.77%	21.07%	13.15%	1.32%	16.62%	-0.72%	17.27%	28.79%	17.23%	12.51%	5.63%	8.58%	9.19%
DEVELOPED MARKETS	643.3	18.33%	3.19	3.53	23.20	8.64	-10.61	18.40	-10.35	17.92	39.95	15.27	9.07	2.09	11.23	8.04
EMERGING MARKETS	148.3	4.22%	0.19	-2.90	12.30	-1.42	-15.90	18.15	-18.03	19.85	71.67	3.63	3.23	-1.90	16.36	9.22
CORE + 5	584.5	16.65%	1.29	1.90	4.29	1.18	9.64	6.68	9.23	8.36	8.74	5.61	7.17	7.17	5.97	8.49
TIPS MANAGERS	147.3	4.20%	0.92	1.55	4.25	0.98	12.36	7.67	13.34	6.57	10.24	5.58	8.45	6.91	****	6.31
HIGH YIELD	199.6	5.69%	2.32	3.62	13.29	5.15	7.06	15.68	6.25	15.01	44.33	13.86	11.78	10.99	9.42	6.37
BANK LOANS	78.7	2.24%	0.61	1.77	****	2.94	****	****	****	****	****	****	****	****	****	3.71
ECONOMICALLY TARGETED INVESTMENTS	16.1	0.46%	0.68	1.18	2.42	0.72	7.01	4.29	7.10	5.80	7.02	3.64	5.06	5.81	****	6.18
PRIVATE EQUITY	108.4	3.09%	1.04	3.82	7.28	4.25	9.29	7.70	19.15	13.64	-9.95	10.71	12.97	4.95	****	0.38
PRIVATE REAL ESTATE	78.8	2.25%	1.97	2.24	5.96	2.23	14.84	14.30	9.43	****	****	10.07	****	****	****	10.72
CASH	55.2	1.57%	0.07	0.16	0.40	0.13	0.52	0.54	0.59	0.41	1.25	0.48	0.50	1.13	****	2.55
TOTAL BOARD OF EDUCATION	\$ 3,510.3		1.66%	4.04%	15.08%	7.44%	0.10%	13.50%	-0.42%	14.95%	25.74%	12.34%	9.68%	5.16%	8.53%	8.86%
TOTAL EQUITY	2,241.6	63.86%	1.86	5.09	21.17	10.68	-4.07	17.29	-5.27	17.69	34.27	15.65	10.72	4.00	****	7.15
TOTAL FIXED INCOME	1,026.2	29.23%	1.37	2.16	6.12	2.03	9.83	8.55	9.42	9.39	14.01	7.28	8.36	8.00	****	6.55
TOTAL PRIVATE EQUITY	108.4	3.09%	1.04	3.82	7.28	4.25	9.29	7.70	19.15	13.64	-9.95	10.71	12.97	4.95	****	0.38
PRIVATE REAL ESTATE	78.8	2.25%	1.97	2.24	5.96	2.23	14.84	14.30	9.43	****	****	10.07	****	****	****	10.72
TOTAL CASH	55.2	1.57%	0.07	0.16	0.40	0.13	0.52	0.54	0.59	0.41	1.25	0.48	0.50	1.13	****	2.55

* Returns data throughout the various reports are shown Gross of Fees with the exception of PE and RE.

THE BANK OF NEW YORK MELLON
CITY OF NEW YORK

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Manager / Benchmark Comparison Report *NYC Board of Education Retirement System
April 30, 2013

	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/12	Calendar Yr Ending 2012	Calendar Yr Ending 2011	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
EQUITY ASSET CLASS SUMMARY																
DOMESTIC EQUITY	\$ 1,450.0	41.31%	1.45%	6.77%	21.07%	13.15%	1.32%	16.62%	-0.72%	17.27%	28.79%	17.23%	12.51%	5.63%	8.58%	9.19%
PASSIVE DOMESTIC EQUITY	1,150.1	32.76%	1.58	6.97	20.47	12.94	3.44	16.50	0.69	16.99	28.31	17.29	12.73	5.64	8.47	8.90
RUSSELL 3000			1.64	7.02	20.22	12.89	3.84	16.42	1.03	16.93	28.34	17.21	12.78	5.63	8.48	
+/-			(0.06)	(0.05)	0.25	0.05	(0.40)	0.08	(0.33)	0.06	(0.03)	0.09	(0.05)	0.01	(0.00)	
TOTAL RUSSELL 3000	1,088.7	31.01%	1.64	7.00	20.20	12.87	3.83	16.41	0.95	16.99	28.31	17.20	12.77	5.66	8.47	8.79
RUSSELL 3000			1.64	7.02	20.22	12.89	3.84	16.42	1.03	16.93	28.34	17.21	12.78	5.63	8.48	
+/-			(0.00)	(0.02)	(0.02)	(0.02)	(0.01)	(0.01)	(0.08)	0.06	(0.03)	(0.00)	(0.01)	0.04	(0.00)	
TOTAL MID CAP PASSIVE	61.4	1.75%	0.62	6.45	24.64	14.13	-2.24	17.89	****	****	****	18.78	****	****	****	12.28
S&P MIDCAP 400			0.63	6.48	24.72	14.16	-2.33	17.88	****	****	****	18.84	****	****	****	
+/-			(0.01)	(0.02)	(0.08)	(0.04)	0.09	0.01	****	****	****	(0.06)	****	****	****	
ACTIVE DOMESTIC EQUITY	299.9	8.54%	0.96	6.03	22.50	13.64	-3.27	16.91	-3.63	17.87	30.20	17.16	12.17	5.72	8.95	7.96
RUSSELL 3000			1.64	7.02	20.22	12.89	3.84	16.42	1.03	16.93	28.34	17.21	12.78	5.63	8.48	
+/-			(0.68)	(0.99)	2.28	0.75	(7.11)	0.49	(4.66)	0.94	1.86	(0.05)	(0.61)	0.09	0.48	
TOTAL LARGE CAP	56.1	1.60%	3.36	6.67	23.56	15.69	-2.15	14.87	-1.64	16.72	30.50	17.65	12.80	6.71	9.41	8.70
RUSSELL 1000			1.81	7.16	20.24	12.97	4.37	16.42	1.50	16.10	28.43	17.17	12.91	5.49	8.32	
+/-			1.55	(0.49)	3.32	2.73	(6.53)	(1.56)	(3.14)	0.62	2.07	0.48	(0.11)	1.22	1.10	
TOTAL MID CAP ACTIVE	99.8	2.84%	1.06	6.69	23.24	14.89	-2.69	19.88	-6.79	****	****	19.00	****	****	****	15.47
RUSSELL MID CAP			1.28	7.08	24.27	14.41	-1.65	17.28	-1.55	****	****	19.20	****	****	****	
+/-			(0.22)	(0.39)	(1.03)	0.48	(1.03)	2.60	(5.25)	****	****	(0.19)	****	****	****	
TOTAL SMALL CAP ACTIVE	25.8	0.73%	-2.41	4.02	24.80	11.36	-13.26	19.91	-10.17	21.37	35.44	21.38	11.44	4.87	****	4.74
RUSSELL 2000			-0.37	5.38	20.05	11.98	-2.08	16.35	-4.18	26.85	27.18	17.69	11.25	7.27	****	
+/-			(2.05)	(1.36)	4.76	(0.62)	(11.18)	3.56	(5.99)	(5.48)	8.26	3.69	0.19	(2.40)	****	
TOTAL EMERGING MGRS	118.3	3.37%	0.53	5.64	21.50	11.71	-1.97	17.00	-1.75	18.99	28.60	15.53	12.04	5.32	****	6.67
RUSSELL 3000			1.64	7.02	20.22	12.89	3.84	16.42	1.03	16.93	28.34	17.21	12.78	5.63	****	
+/-			(1.11)	(1.38)	1.27	(1.18)	(5.81)	0.58	(2.78)	2.06	0.26	(1.68)	(0.74)	(0.31)	****	
TOTAL INTERNATIONAL EQUITY	791.6	22.55%	2.61	2.25	21.02	6.63	-11.66	18.36	-11.84	18.25	45.00	12.93	7.92	1.25	12.15	8.19
PASSIVE EMERGING MARKETS	29.2	0.83%	0.77	-2.26	12.85	-0.84	-16.43	18.27	****	****	****	4.00	****	****	****	-3.32
MSCI EMERGING MARKETS FREE			0.79	-2.15	13.04	-0.79	-15.67	18.63	****	****	****	4.34	****	****	****	
+/-			(0.02)	(0.11)	(0.19)	(0.05)	(0.76)	(0.36)	****	****	****	(0.34)	****	****	****	
ACTIVE DEVELOPED MARKETS	643.3	18.33%	3.19	3.53	23.20	8.64	-10.61	18.40	-10.35	17.92	39.95	15.27	9.07	2.09	11.15	8.34
MSCI EAFE (NET DIVIDEND)			5.21	5.07	26.04	10.61	-13.83	17.32	-12.14	7.75	31.78	19.39	7.44	-0.93	9.22	
+/-			(2.02)	(1.54)	(2.84)	(1.97)	3.22	1.09	1.79	10.17	8.17	(4.12)	1.63	3.02	1.93	
ACTIVE EMERGING MARKETS	119.1	3.39%	0.05	-3.06	12.17	-1.56	-15.77	18.12	-17.86	19.85	71.67	3.53	3.25	-1.89	****	11.45
MSCI EMERGING MARKETS FREE			0.79	-2.15	13.04	-0.79	-15.67	18.63	-18.17	19.20	79.02	4.34	3.44	-0.02	****	
+/-			(0.74)	(0.90)	(0.87)	(0.78)	(0.10)	(0.51)	0.32	0.65	(7.35)	(0.81)	(0.19)	(1.87)	****	

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	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/12	Calendar Yr Ending 2012	Calendar Yr Ending 2011	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
FIXED INCOME ASSET CLASS SUMMARY																
TOTAL FIXED INCOME	1,026.2	29.23%	1.37%	2.16%	6.12%	2.03%	9.83%	8.55%	9.42%	9.39%	14.01%	7.28%	8.36%	8.00%	****	6.55%
CORE + 5	584.5	16.65%	1.29	1.90	4.29	1.18	9.64	6.68	9.23	8.36	8.74	5.61	7.17	7.17	5.97	8.49
NYC - CORE PLUS FIVE			1.33	1.99	3.37	1.01	9.35	5.41	9.40	7.13	6.28	4.67	6.64	6.73	5.73	
+/-			(0.04)	(0.09)	0.92	0.17	0.30	1.27	(0.17)	1.23	2.46	0.94	0.53	0.44	0.24	
ALL MORTGAGE	244.5	6.97%	0.51	0.86	2.46	0.59	5.90	4.48	6.30	7.84	9.20	3.00	5.13	6.07	5.57	6.60
CITIGROUP MORTGAGE INDEX			0.51	0.97	1.36	0.47	5.05	2.60	6.38	5.50	5.76	1.78	4.24	5.31	5.04	
+/-			(0.00)	(0.10)	1.10	0.12	0.85	1.88	(0.08)	2.34	3.44	1.23	0.89	0.76	0.53	
ALL INVESTMENT GRADE CREDIT	246.3	7.02%	1.79	2.41	7.36	1.78	9.75	10.36	8.34	9.02	22.61	8.72	8.37	7.91	5.95	8.04
NYC - INVESTMENT GRADE CREDIT			1.76	2.33	6.30	1.39	9.14	9.52	7.80	8.36	16.36	7.45	7.72	7.49	5.83	
+/-			0.02	0.09	1.06	0.38	0.61	0.83	0.55	0.66	6.25	1.27	0.65	0.42	0.13	
ALL TREASURY / AGENCY	93.7	2.67%	2.05	3.30	1.78	1.18	18.70	3.95	18.52	8.93	-6.64	5.07	9.55	7.94	6.48	8.29
NYC - TREASURY AGENCY PLUS FIVE			2.11	3.42	1.91	1.34	18.72	3.84	18.44	9.24	-7.44	5.19	9.66	7.83	6.51	
+/-			(0.06)	(0.13)	(0.13)	(0.17)	(0.02)	0.11	0.08	(0.31)	0.80	(0.11)	(0.11)	0.11	(0.04)	
HIGH YIELD	199.6	5.69%	2.32	3.62	13.29	5.15	7.06	15.68	6.25	15.01	44.33	13.86	11.78	10.99	9.42	6.37
CITIGROUP BB & B			1.75	3.13	11.19	3.68	8.45	14.45	6.58	13.35	40.37	12.34	10.80	8.22	7.96	
+/-			0.57	0.49	2.10	1.47	(1.38)	1.23	(0.33)	1.66	3.96	1.53	0.98	2.76	1.46	
BANK LOANS	78.7	2.24%	0.61	1.77	****	2.94	****	****	****	****	****	****	****	****	****	3.71
CREDIT SUISSE LEVERAGED LOAN INDEX			0.75	2.00	****	3.14	****	****	****	****	****	****	****	****	****	
+/-			(0.14)	(0.23)	****	(0.20)	****	****	****	****	****	****	****	****	****	
TIPS	147.3	4.20%	0.92	1.55	4.25	0.98	12.36	7.67	13.34	6.57	10.24	5.58	8.45	6.91	****	6.31
BARCLAYS CAPITAL US TIPS INDEX			0.80	1.11	3.27	0.43	11.66	6.98	13.56	6.37	11.41	4.41	8.02	6.52	****	
+/-			0.13	0.44	0.98	0.55	0.70	0.69	(0.22)	0.20	(1.17)	1.17	0.42	0.39	****	
ECONOMICALLY TARGETED INVESTMENTS	16.07	0.46%	0.68	1.18	2.42	0.72	7.01	4.29	7.10	5.80	7.02	3.64	5.06	5.81	****	6.18
BERS CUSTOM BENCHMARK (NO CASH)			0.87	1.44	2.41	0.83	6.64	3.74	7.09	5.98	4.91	3.25	5.02	5.31	****	
+/-			(0.19)	(0.26)	0.01	(0.11)	0.36	0.55	0.01	(0.18)	2.11	0.39	0.04	0.50	****	
CASH ASSET CLASS SUMMARY																
CASH	55.2	1.57%	0.07	0.16	0.40	0.13	0.52	0.54	0.59	0.41	1.25	0.48	0.50	1.13	****	2.55
ML 91 DAY TREASURY BILL INDEX			0.01	0.03	0.10	0.03	0.06	0.11	0.10	0.13	0.21	0.12	0.11	0.33	****	
+/-			0.06	0.13	0.30	0.10	0.47	0.43	0.49	0.28	1.04	0.36	0.39	0.81	****	

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		Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/12	Calendar Yr Ending 2012	Calendar Yr Ending 2011	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
US EQUITY																	
TOTAL RUSSELL 3000		1,088.7	31.01%	1.64	7.00	20.20	12.87	3.83	16.41	0.95	16.99	28.31	17.20	12.77	5.66	8.47	8.79
BLACKROCK R3000		1,088.7	31.01%	1.64	7.00	20.20	12.87	3.83	16.41	0.95	16.99	28.31	17.20	12.77	5.66	8.47	3.77
RUSSELL 3000				1.64	7.02	20.22	12.89	3.84	16.42	1.03	16.93	28.34	17.21	12.78	5.63	8.48	
	TOTAL RUSSELL 3000 +/-			(0.00)	(0.02)	(0.02)	(0.02)	(0.01)	(0.01)	(0.08)	0.06	(0.03)	(0.00)	(0.01)	0.04	(0.00)	
	BLACKROCK R3000 +/-			(0.00)	(0.02)	(0.02)	(0.02)	(0.01)	(0.01)	(0.08)	0.06	(0.03)	(0.00)	(0.01)	0.04	(0.01)	
TOTAL SMALL CAP		25.8	0.73%	-2.41	4.02	24.80	11.36	-13.26	19.91	-10.17	21.37	35.44	21.38	11.44	4.87	8.03	7.63
RUSSELL 2000				-0.37	5.38	20.05	11.98	-2.08	16.35	-4.18	26.85	27.18	17.69	11.25	7.27	10.47	
	+/-			(2.05)	(1.36)	4.76	(0.62)	(11.18)	3.56	(5.99)	(5.48)	8.26	3.69	0.19	(2.40)	(2.44)	
TOTAL SMALL CAP ACTIVE		25.8	0.73%	-2.41	4.02	24.80	11.36	-13.26	19.91	-10.17	21.37	35.44	21.38	11.44	4.87	****	4.74
RUSSELL 2000				-0.37	5.38	20.05	11.98	-2.08	16.35	-4.18	26.85	27.18	17.69	11.25	7.27	****	
	+/-			(2.05)	(1.36)	4.76	(0.62)	(11.18)	3.56	(5.99)	(5.48)	8.26	3.69	0.19	(2.40)	****	
TOTAL SMALL CAP CORE ACTIVE		25.8	0.73%	-2.41	4.02	24.80	11.36	-13.26	19.91	-10.17	****	****	21.38	11.44	****	****	12.10
DARUMA -SCC		25.8	0.73%	-2.41	4.02	24.80	11.36	-13.26	19.91	-10.17	****	****	21.38	11.44	****	****	12.10
RUSSELL 2000				-0.37	5.38	20.05	11.98	-2.08	16.35	-4.18	****	****	17.69	11.25	****	****	
	TOTAL SMALL CAP CORE +/-			(2.05)	(1.36)	4.76	(0.62)	(11.18)	3.56	(5.99)	****	****	3.69	0.18	****	****	
	DARUMA -SCC +/-			(2.05)	(1.36)	4.76	(0.62)	(11.18)	3.56	(5.99)	****	****	3.69	0.18	****	****	
TOTAL MID CAP		161.2	4.59%	0.89	6.60	23.77	14.60	-2.52	19.12	-5.53	****	****	18.92	****	****	****	15.68
RUSSELL MID CAP				1.28	7.08	24.27	14.41	-1.65	17.28	-1.55	****	****	19.20	****	****	****	
	+/-			(0.39)	(0.48)	(0.50)	0.19	(0.87)	1.84	(3.98)	****	****	(0.28)	****	****	****	
TOTAL MID CAP PASSIVE		61.4	1.75%	0.62	6.45	24.64	14.13	-2.24	17.89	****	****	****	18.78	****	****	****	12.28
SSGA S&P 400		61.4	1.75%	0.62	6.45	24.64	14.13	-2.24	17.89	****	****	****	18.78	****	****	****	12.28
S&P MIDCAP 400				0.63	6.48	24.72	14.16	-2.33	17.88	****	****	****	18.84	****	****	****	
	TOTAL MID CAP PASSIVE +/-			(0.01)	(0.02)	(0.08)	(0.04)	0.09	0.01	****	****	****	(0.06)	****	****	****	
	SSGA S&P 400 +/-			(0.01)	(0.02)	(0.08)	(0.04)	0.09	0.01	****	****	****	(0.06)	****	****	****	
TOTAL MID CAP ACTIVE		99.8	2.84%	1.06	6.69	23.24	14.89	-2.69	19.88	-6.79	****	****	19.00	****	****	****	15.47
RUSSELL MID CAP				1.28	7.08	24.27	14.41	-1.65	17.28	-1.55	****	****	19.20	****	****	****	
	+/-			(0.22)	(0.39)	(1.03)	0.48	(1.03)	2.60	(5.25)	****	****	(0.19)	****	****	****	
TOTAL MID CAP CORE ACTIVE		99.8	2.84%	1.06	6.69	23.24	14.89	-2.69	19.88	-6.79	****	****	19.00	****	****	****	15.47
WELLINGTON		99.8	2.84%	1.06	6.69	23.24	14.89	-2.69	19.88	-6.79	****	****	19.00	****	****	****	15.47
S&P MIDCAP 400				0.63	6.48	24.72	14.16	-2.33	17.88	-1.73	****	****	18.84	****	****	****	
	TOTAL MID CAP CORE +/-			0.43	0.21	(1.48)	0.72	(0.36)	2.00	(5.06)	****	****	0.16	****	****	****	
	WELLINGTON +/-			0.43	0.21	(1.48)	0.72	(0.36)	2.00	(5.06)	****	****	0.16	****	****	****	
TOTAL LARGE CAP		56.1	1.60%	3.36	6.67	23.56	15.69	-2.15	14.87	-1.64	16.72	30.50	17.65	12.80	6.71	9.41	8.70
RUSSELL 1000				1.81	7.16	20.24	12.97	4.37	16.42	1.50	16.10	28.43	17.17	12.91	5.49	8.32	
	+/-			1.55	(0.49)	3.32	2.73	(6.53)	(1.56)	(3.14)	0.62	2.07	0.48	(0.11)	1.22	1.10	
TOTAL LARGE CAP GROWTH		56.1	1.60%	3.36	6.67	19.72	15.77	-11.18	8.41	-8.93	17.52	44.55	8.56	8.57	5.42	8.41	8.20
RUSSELL 1000 GROWTH				2.12	7.27	17.14	11.87	5.76	15.26	2.64	16.71	37.22	12.60	13.43	6.66	8.08	
	+/-			1.24	(0.61)	2.59	3.90	(16.94)	(6.85)	(11.57)	0.81	7.33	(4.03)	(4.87)	(1.25)	0.33	
ZEVENBERGEN		56.1	1.60%	3.36	6.67	19.72	15.77	-11.18	8.41	-10.02	23.05	56.91	8.56	9.78	6.44	11.22	9.69
RUSSELL 3000 GROWTH				1.91	7.14	17.23	11.92	5.05	15.21	2.18	17.64	37.00	12.83	13.39	6.75	8.25	
	+/-			1.45	(0.47)	2.49	3.86	(16.23)	(6.80)	(12.20)	5.41	19.91	(4.26)	(3.61)	(0.30)	2.97	

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TOTAL EMERGING MGRS RUSSELL 3000	118.3	3.37%	0.53	5.64	21.50	11.71	-1.97	17.00	-1.75	18.99	28.60	15.53	12.04	5.32	****	6.67
+/-			1.64	7.02	20.22	12.89	3.84	16.42	1.03	16.93	28.34	17.21	12.78	5.63	****	
			(1.11)	(1.38)	1.27	(1.18)	(5.81)	0.58	(2.78)	2.06	0.26	(1.68)	(0.74)	(0.31)	****	
F.I.S FUND MGMT RUSSELL 2000	59.4	1.69%	0.44	6.35	25.13	12.83	-4.07	17.35	-2.62	27.68	23.31	19.47	13.07	6.09	****	4.15
+/-			-0.37	5.38	20.05	11.98	-2.08	16.35	-4.18	26.85	27.18	17.69	11.25	7.27	****	
			0.81	0.97	5.08	0.85	(1.99)	1.00	1.55	0.83	(3.87)	1.78	1.82	(1.18)	****	
PROGRESS RUSSELL 3000	58.9	1.68%	-0.17	4.61	19.30	10.49	-1.18	16.87	-1.43	16.04	30.50	13.27	11.39	4.88	8.49	4.44
+/-			1.64	7.02	20.22	12.89	3.84	16.42	1.03	16.93	28.34	17.21	12.78	5.63	8.48	
			(1.80)	(2.41)	(0.92)	(2.40)	(5.02)	0.45	(2.45)	(0.89)	2.16	(3.94)	(1.38)	(0.74)	0.01	
NON - US EQUITY																
EAFE VALUE	279.0	7.95%	3.07	4.10	20.72	7.52	-9.00	17.84	-9.92	18.56	34.34	14.33	8.48	2.01	****	8.03
MSCI EAFE (NET DIVIDEND)			5.21	5.07	26.04	10.61	-13.83	17.32	-12.14	7.75	31.78	19.39	7.44	-0.93	****	
MSCI EAFE VALUE			6.37	4.07	27.38	10.23	-14.60	18.43	-11.65	3.81	35.06	22.45	6.93	-1.03	****	
+/-			(2.14)	(0.96)	(5.32)	(3.09)	4.83	0.52	2.22	10.81	2.56	(5.06)	1.03	2.95	****	
+/-			(3.30)	0.03	(6.66)	(2.71)	5.60	(0.60)	1.73	14.75	(0.72)	(8.11)	1.54	3.05	****	
TOTAL INTL VALUE	279.0	7.95%	3.07	4.10	20.72	7.52	-9.00	17.84	-9.92	18.56	34.34	14.33	8.48	2.01	****	8.03
SPRUCEGROVE	279.0	7.95%	3.07	4.10	20.72	7.52	-9.00	17.84	-9.92	18.56	34.34	14.33	8.48	2.01	****	8.03
MSCI EAFE VALUE			6.37	4.07	27.38	10.23	-14.60	18.43	-11.65	3.81	35.06	22.45	6.93	-1.03	****	
TOTAL INTL VALUE +/-			(3.30)	0.03	(6.66)	(2.71)	5.60	(0.60)	1.73	14.75	(0.72)	(8.11)	1.54	3.05	****	
SPRUCEGROVE +/-			(3.30)	0.03	(6.66)	(2.71)	5.60	(0.60)	1.73	14.75	(0.72)	(8.11)	1.54	3.05	****	
EAFE GROWTH	295.4	8.42%	3.04	2.22	24.26	8.67	-11.91	18.88	-10.71	17.36	45.29	15.09	9.27	1.92	****	3.47
MSCI EAFE (NET DIVIDEND)			5.21	5.07	26.04	10.61	-13.83	17.32	-12.14	7.75	31.78	19.39	7.44	-0.93	****	
MSCI EAFE GROWTH			4.34	6.47	25.45	11.45	-12.22	17.28	-11.82	12.60	29.91	17.50	8.91	0.09	****	
+/-			(2.17)	(2.85)	(1.78)	(1.94)	1.92	1.57	1.43	9.61	13.51	(4.30)	1.83	2.85	****	
+/-			(1.29)	(4.25)	(1.19)	(2.77)	0.31	1.60	1.11	4.76	15.38	(2.41)	0.36	1.83	****	
TOTAL INTL GROWTH	295.4	8.42%	3.04	2.22	24.26	8.67	-11.91	18.88	-10.71	17.36	45.29	15.09	9.27	1.92	****	3.47
BAILLIE	295.4	8.42%	3.04	2.22	24.26	8.67	-11.91	18.88	-10.71	17.36	45.29	15.09	9.27	1.92	****	3.47
MSCI EAFE GROWTH			4.34	6.47	25.45	11.45	-12.22	17.28	-11.82	12.60	29.91	17.50	8.91	0.09	****	
TOTAL INTL GROWTH +/-			(1.29)	(4.25)	(1.19)	(2.77)	0.31	1.60	1.11	4.76	15.38	(2.41)	0.36	1.83	****	
BAILLIE +/-			(1.29)	(4.25)	(1.19)	(2.77)	0.31	1.60	1.11	4.76	15.38	(2.41)	0.36	1.83	****	
TOTAL EAFE SMALL CAP	68.3	1.95%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
ACADIAN	68.3	1.95%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
S&P EPAC SMALL CAP			****	****	****	****	****	****	****	****	****	****	****	****	****	****
TOTAL EAFE SMALL CAP +/-			****	****	****	****	****	****	****	****	****	****	****	****	****	****
ACADIAN +/-			****	****	****	****	****	****	****	****	****	****	****	****	****	****
TOTAL DEVELOPED MARKETS	643.3	18.33%	3.19	3.53	23.20	8.64	-10.61	18.40	-10.35	17.92	39.95	15.27	9.07	2.09	11.23	8.04
MSCI EAFE (NET DIVIDEND)			5.21	5.07	26.04	10.61	-13.83	17.32	-12.14	7.75	31.78	19.39	7.44	-0.93	9.22	
+/-			(2.02)	(1.54)	(2.84)	(1.97)	3.22	1.09	1.79	10.17	8.17	(4.12)	1.63	3.02	2.01	

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EMERGING MARKETS																
TOTAL EMERGING MARKETS	148.3	4.22%	0.19	-2.90	12.30	-1.42	-15.90	18.15	-18.03	19.85	71.67	3.63	3.23	-1.90	16.36	9.22
ACTIVE EMERGING MARKETS	119.1	3.39%	0.05	-3.06	12.17	-1.56	-15.77	18.12	-17.86	19.85	71.67	3.53	3.25	-1.89	****	11.45
ACADIAN	119.1	3.39%	0.05	****	****	****	****	****	****	****	****	****	****	****	****	0.05
MSCI EMERGING MARKETS FREE			0.79	-2.15	13.04	-0.79	-15.67	18.63	-18.17	19.20	79.02	4.34	3.44	-0.02	****	
ACTIVE EMERGING MARKETS +/-			(0.74)	(0.90)	(0.87)	(0.78)	(0.10)	(0.51)	0.32	0.65	(7.35)	(0.81)	(0.19)	(1.87)	****	
ACADIAN +/-			(0.74)	****	****	****	****	****	****	****	****	****	****	****	****	
PASSIVE EMERGING MARKETS	29.2	0.83%	0.77	-2.26	12.85	-0.84	-16.43	18.27	****	****	****	4.00	****	****	****	-3.32
BLACKROCK-EM	29.2	0.83%	0.77	-2.26	12.85	-0.84	-16.43	18.27	****	****	****	4.00	****	****	****	-3.32
MSCI EMERGING MARKETS FREE			0.79	-2.15	13.04	-0.79	-15.67	18.63	****	****	****	4.34	****	****	****	
PASSIVE EMERGING MARKETS +/-			(0.02)	(0.11)	(0.19)	(0.05)	(0.76)	(0.36)	****	****	****	(0.34)	****	****	****	
BLACKROCK-EM +/-			(0.02)	(0.11)	(0.19)	(0.05)	(0.76)	(0.36)	****	****	****	(0.34)	****	****	****	
TOTAL INTERNATIONAL EQUITY	791.6	22.55%	2.61	2.25	21.02	6.63	-11.66	18.36	-11.84	18.25	45.00	12.93	7.92	1.25	12.15	8.19
MSCI AC WORLD FRONTIER MARKETS EX USA			3.68	2.79	21.61	7.00	-14.57	16.77	-13.75	11.25	41.17	14.16	5.96	-0.90	****	
+/-			(1.06)	(0.55)	(0.59)	(0.37)	2.91	1.82	1.91	7.00	3.83	(1.23)	1.96	2.15	****	
FIXED INCOME																
TOTAL STRUCTURED FIXED INCOME	584.5	16.65%	1.29	1.90	4.29	1.18	9.64	6.68	9.23	8.36	8.74	5.61	7.17	7.17	5.97	8.49
NYC - CORE PLUS FIVE			1.33	1.99	3.37	1.01	9.35	5.41	9.40	7.13	6.28	4.67	6.64	6.73	5.73	
+/-			(0.04)	(0.09)	0.92	0.17	0.30	1.27	(0.17)	1.23	2.46	0.94	0.53	0.44	0.24	
ALL MORTGAGE	244.5	6.97%	0.51	0.86	2.46	0.59	5.90	4.48	6.30	7.84	9.20	3.00	5.13	6.07	5.57	6.60
PIMCO-MORTGAGE	244.5	6.97%	0.51	0.86	2.46	0.59	5.90	4.48	6.30	7.84	9.20	3.00	5.13	6.07	5.57	7.56
CITIGROUP MORTGAGE INDEX			0.51	0.97	1.36	0.47	5.05	2.60	6.38	5.50	5.76	1.78	4.24	5.31	5.04	
ALL MORTGAGE +/-			(0.00)	(0.10)	1.10	0.12	0.85	1.88	(0.08)	2.34	3.44	1.23	0.89	0.76	0.53	
PIMCO-MORTGAGE +/-			(0.00)	(0.10)	1.10	0.12	0.85	1.88	(0.08)	2.34	3.44	1.23	0.89	0.76	0.53	
ALL INVESTMENT GRADE CREDIT	246.3	7.02%	1.79	2.41	7.36	1.78	9.75	10.36	8.34	9.02	22.61	8.72	8.37	7.91	5.95	8.04
PRUDENTIAL - CREDIT	132.2	3.77%	1.75	2.45	6.41	1.62	9.81	9.51	8.00	8.72	****	7.69	7.96	****	****	8.67
TAPLIN, CANIDA -CREDIT	98.7	2.81%	1.89	2.32	8.56	1.89	9.64	11.51	8.83	9.43	22.42	10.01	8.91	8.31	6.15	7.40
PRUDENTIAL-PRIVEST	15.4	0.44%	1.41	2.76	****	2.41	****	****	****	****	****	****	****	****	****	2.41
NYC - INVESTMENT GRADE CREDIT			1.76	2.33	6.30	1.39	9.14	9.52	7.80	8.36	16.36	7.45	7.72	7.49	5.83	
ALL INVESTMENT GRADE CREDIT +/-			0.02	0.09	1.06	0.38	0.61	0.83	0.55	0.66	6.25	1.27	0.65	0.42	0.13	
PRUDENTIAL - CREDIT +/-			(0.01)	0.12	0.11	0.23	0.68	(0.01)	0.20	0.36	****	0.24	0.24	****	****	
TAPLIN, CANIDA -CREDIT +/-			0.13	(0.01)	2.26	0.50	0.50	1.99	1.04	1.07	6.06	2.56	1.19	0.82	0.32	
PRUDENTIAL-PRIVEST +/-			(0.36)	0.43	****	1.02	****	****	****	****	****	****	****	****	****	
ALL TREASURY / AGENCY	93.7	2.67%	2.05	3.30	1.78	1.18	18.70	3.95	18.52	8.93	-6.64	5.07	9.55	7.94	6.48	8.29
STATE STREET	93.7	2.67%	2.05	3.30	1.78	1.18	18.70	3.95	18.52	8.93	-6.64	5.07	9.55	7.94	6.63	7.79
NYC - TREASURY AGENCY PLUS FIVE			2.11	3.42	1.91	1.34	18.72	3.84	18.44	9.24	-7.44	5.19	9.66	7.83	6.51	
ALL TREASURY / AGENCY +/-			(0.06)	(0.13)	(0.13)	(0.17)	(0.02)	0.11	0.08	(0.31)	0.80	(0.11)	(0.11)	0.11	(0.04)	
STATE STREET +/-			(0.06)	(0.13)	(0.13)	(0.17)	(0.02)	0.11	0.08	(0.31)	0.80	(0.11)	(0.11)	0.11	0.12	

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	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/12	Calendar Yr Ending 2012	Calendar Yr Ending 2011	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
HIGH YIELD																
TOTAL HIGH YIELD	199.6	5.69%	2.32	3.62	13.29	5.15	7.06	15.68	6.25	15.01	44.33	13.86	11.78	10.99	9.42	6.37
CITIGROUP BB & B			1.75	3.13	11.19	3.68	8.45	14.45	6.58	13.35	40.37	12.34	10.80	8.22	7.96	
+/-			0.57	0.49	2.10	1.47	(1.38)	1.23	(0.33)	1.66	3.96	1.53	0.98	2.76	1.46	
LOOMIS SAYLES & CO	107.0	3.05%	2.62	4.13	15.60	6.38	7.73	17.52	7.14	15.79	52.73	16.00	13.11	12.56	10.61	8.18
NYC-LOOMIS (BoFA ML-MST II 7-03/BB&B PRIOR)			1.86	3.38	13.13	4.81	6.51	15.58	4.38	15.19	57.51	14.04	10.77	10.83	9.43	
+/-			0.77	0.75	2.47	1.58	1.22	1.94	2.76	0.60	(4.78)	1.96	2.35	1.73	1.18	
SHENKMAN ENHANCED YIELD	92.6	2.64%	1.97	3.04	****	3.76	****	****	****	****	****	****	****	****	****	7.91
CITIGROUP BB & B			1.75	3.13	****	3.68	****	****	****	****	****	****	****	****	****	
+/-			0.22	(0.10)	****	0.08	****	****	****	****	****	****	****	****	****	
BANK LOANS																
TOTAL BANK LOANS	78.7	2.24%	0.61	1.77	****	2.94	****	****	****	****	****	****	****	****	****	3.71
BABSON BL MTA-BERS	78.7	2.24%	0.61	1.77	****	2.94	****	****	****	****	****	****	****	****	****	3.71
CREDIT SUISSE LEVERAGED LOAN INDEX			0.75	2.00	****	3.14	****	****	****	****	****	****	****	****	****	
TOTAL BANK LOANS +/-			(0.14)	(0.23)	****	(0.20)	****	****	****	****	****	****	****	****	****	
BABSON BL MTA-BERS +/-			(0.14)	(0.23)	****	(0.20)	****	****	****	****	****	****	****	****	****	
TIPS																
TOTAL ACTIVE TIPS MANAGERS	147.3	4.20%	0.92	1.55	4.25	0.98	12.36	7.67	13.34	6.57	10.24	5.58	8.45	6.91	****	6.31
PIMCO-TIPS-MTA	147.3	4.20%	0.92	1.55	4.25	0.98	12.36	7.67	13.34	6.57	10.24	5.58	8.45	6.91	****	6.31
BARCLAYS CAPITAL US TIPS INDEX			0.80	1.11	3.27	0.43	11.66	6.98	13.56	6.37	11.41	4.41	8.02	6.52	****	
TOTAL ACTIVE TIPS MANAGERS +/-			0.13	0.44	0.98	0.55	0.70	0.69	(0.22)	0.20	(1.17)	1.17	0.42	0.39	****	
PIMCO-TIPS-MTA +/-			0.13	0.44	0.98	0.55	0.70	0.69	(0.22)	0.20	(1.17)	1.17	0.42	0.39	****	
OTHER FIXED INCOME																
TOTAL ETI	16.07	0.46%	0.68	1.18	2.42	0.72	7.01	4.29	7.10	5.80	7.02	3.64	5.06	5.81	****	6.18
BERS CUSTOM BENCHMARK (NO CASH)			0.87	1.44	2.41	0.83	6.64	3.74	7.09	5.98	4.91	3.25	5.02	5.31	****	
+/-			(0.19)	(0.26)	0.01	(0.11)	0.36	0.55	0.01	(0.18)	2.11	0.39	0.04	0.50	****	
AFL-CIO HOUSING INV TRUST	11.86	0.34%	0.82	1.27	2.29	0.69	7.60	4.27	7.86	6.16	6.28	3.59	5.32	5.83	****	5.69
BARCLAYS CAPITAL AGGREGATE			1.01	1.60	2.71	0.89	7.47	4.21	7.84	6.54	5.93	3.68	5.51	5.73	****	
+/-			(0.19)	(0.33)	(0.41)	(0.20)	0.13	0.06	0.02	(0.38)	0.35	(0.09)	(0.19)	0.10	****	
ACCESS RBC	2.79	0.08%	0.26	0.82	2.07	0.34	6.57	4.15	6.78	5.72	10.99	3.01	4.77	6.66	****	6.51
ACCESS CUSTOM BENCHMARK			0.50	1.05	1.38	0.54	5.24	2.38	6.32	5.52	2.89	1.88	4.18	4.89	****	
+/-			(0.24)	(0.23)	0.69	(0.21)	1.33	1.78	0.46	0.20	8.10	1.13	0.58	1.78	****	
CFSB-PPAR	0.1	0.00%	-0.71	0.28	4.47	0.78	5.67	8.16	3.29	12.80	9.82	7.06	7.33	7.68	****	7.26
CCD-PPAR	0.3	0.01%	0.79	2.42	8.48	3.29	8.83	11.40	5.59	11.58	12.48	12.77	9.55	9.77	****	9.12
LIIF-PPAR	0.2	0.00%	0.76	2.25	6.70	2.87	5.72	6.84	4.96	4.34	****	8.04	5.46	****	****	6.10
NCBCI-PPAR	0.1	0.00%	0.83	2.34	8.64	3.12	8.88	9.46	8.50	4.10	****	10.89	7.70	****	****	7.48
CPC TERM LOAN	0.8	0.02%	0.20	0.60	2.04	0.79	2.34	2.51	2.09	2.06	2.20	2.48	2.27	2.53	****	3.34

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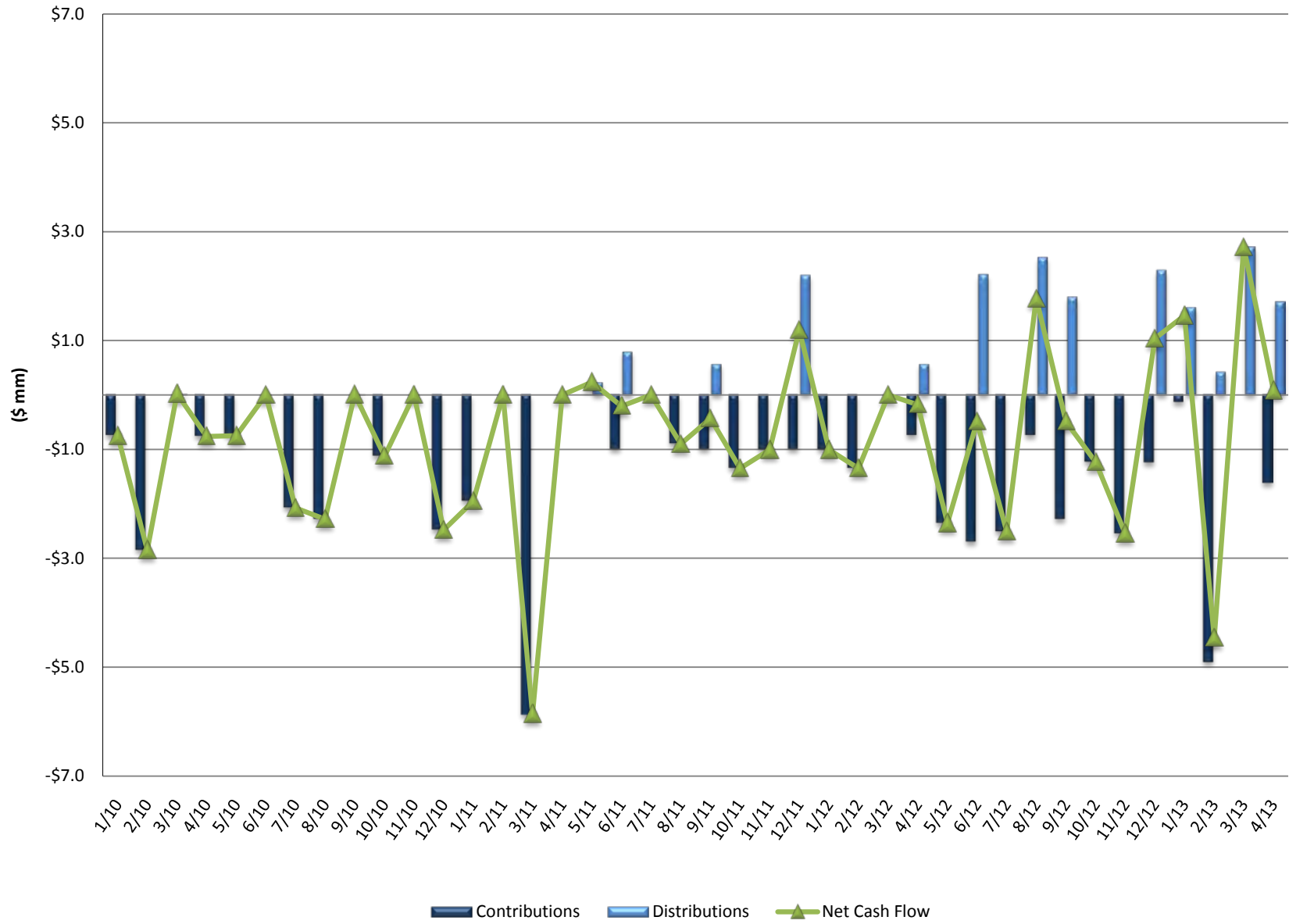
	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/12	Calendar Yr Ending 2012	Calendar Yr Ending 2011	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
CASH																
TOTAL CASH	55.2	1.57%	0.07	0.16	0.40	0.13	0.52	0.54	0.59	0.41	1.25	0.48	0.50	1.13	****	2.55
ML 91 DAY TREASURY BILL INDEX			0.01	0.03	0.10	0.03	0.06	0.11	0.10	0.13	0.21	0.12	0.11	0.33	****	
+/-			0.06	0.13	0.30	0.10	0.47	0.43	0.49	0.28	1.04	0.36	0.39	0.81	****	
PRIVATE EQUITY																
TOTAL PRIVATE EQUITY	108.4	3.09%	1.04	3.82	7.28	4.25	9.29	7.70	19.15	13.64	-9.95	10.71	12.97	4.95	****	0.38
NYC R3000 +3% Lagged			0.00	1.15	5.66	1.15	12.18	35.20	5.55	15.96	-1.42	20.72	15.99	7.10	****	
+/-			1.04	2.67	1.62	3.10	(2.89)	(27.50)	13.60	(2.32)	(8.53)	(10.02)	(3.02)	(2.15)	****	
PRIVATE REAL ESTATE																
TOTAL PRIVATE REAL ESTATE	78.8	2.25%	1.97	2.24	5.96	2.23	14.84	14.30	9.43	****	****	10.07	****	****	****	10.72
NCREIF NFI-ODCE NET + 100 BP			0.08	2.67	8.00	2.76	12.31	10.77	15.97	****	****	10.66	****	****	****	
+/-			1.89	(0.43)	(2.03)	(0.53)	2.53	4.53	(6.54)	****	****	(0.59)	****	****	****	
TOTAL BOARD OF EDUCATION	3,510.3		1.66	4.04	15.08	7.44	0.10	13.50	-0.42	14.95	25.74	12.34	9.68	5.16	8.53	8.86
BOARD OF EDUCATION POLICY BENCHMARK			2.00	4.51	15.83	8.01	1.52	14.05	0.47	12.54	25.48	13.61	10.14	5.00	8.40	
+/-			(0.34)	(0.48)	(0.75)	(0.57)	(1.42)	(0.55)	(0.89)	2.41	0.26	(1.28)	(0.46)	0.17	0.13	

NYC Board of Education Retirement System
Private Equity Portfolio
As of December 31, 2012 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Paid-In Capital	Distributed Capital	Market Value	Multiple	IRR
Active Investments								
2005	Mesirow Financial Private Equity Partnership Fund III, L.P.	7/20/2006	\$ 57,000,000	\$ 51,673,273	\$ 15,031,092	\$ 51,104,258	1.28x	6.06%
2006	Mesirow Financial Private Equity Partnership Fund IV, L.P.	3/31/2008	25,000,000	16,717,233	1,128,759	18,090,989	1.15x	5.13%
2006	New York Fairview Private Equity Fund, L.P.	7/14/2006	19,000,000	15,285,500	3,695,648	14,390,191	1.18x	5.29%
2009	Mesirow Financial Private Equity Partnership Fund V, L.P.	3/7/2011	45,000,000	16,664,326	1,133,886	17,389,487	1.11x	10.82%
2012	Warburg Pincus Private Equity XI, L.P.	7/17/2012	25,000,000	5,448,050	12,500	5,203,256	0.96x	(6.22%)
2012	Carlyle Partners VI, L.P.	N/A	20,000,000	-	-	-	0.00x	N/A
2012	Carlyle Partners VI, L.P. - Side Car	N/A	2,200,000	-	-	-	0.00x	N/A
2012	Platinum Equity Capital Partners III, L.P.	N/A	15,000,000	-	-	-	0.00x	N/A
Total Portfolio			\$ 208,200,000	\$ 105,788,382	\$ 21,001,885	\$ 106,178,181	1.20x	5.95%
Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
Commitments Closed Subsequent to as of Date								
2013	Landmark Equity Partners XV, L.P.	N/A	\$ 19,000,000	\$ -	\$ -	\$ -	N/A	N/A
2013	Landmark Equity Partners XV, L.P. - Side Car	N/A	6,000,000	-	-	-	N/A	N/A
Total Commitments Closed Subsequent to as of Date			\$ 25,000,000	\$ -	\$ -	\$ -	N/A	N/A

Note: Where available, December 31, 2012 reported valuations were used. In the absence of December 31, 2012 reported values, market values have been adjusted forward using interim cashflows through December 31, 2012. The IRR calculated in the early years of a fund is not meaningful given the j-curve effect. The aggregate portfolio performance figures for IRR and multiple are as of December 31, 2012.

NYC BERS Monthly PE Cash Flow Summary



The Townsend Group®

New York City Board of Education Retirement System

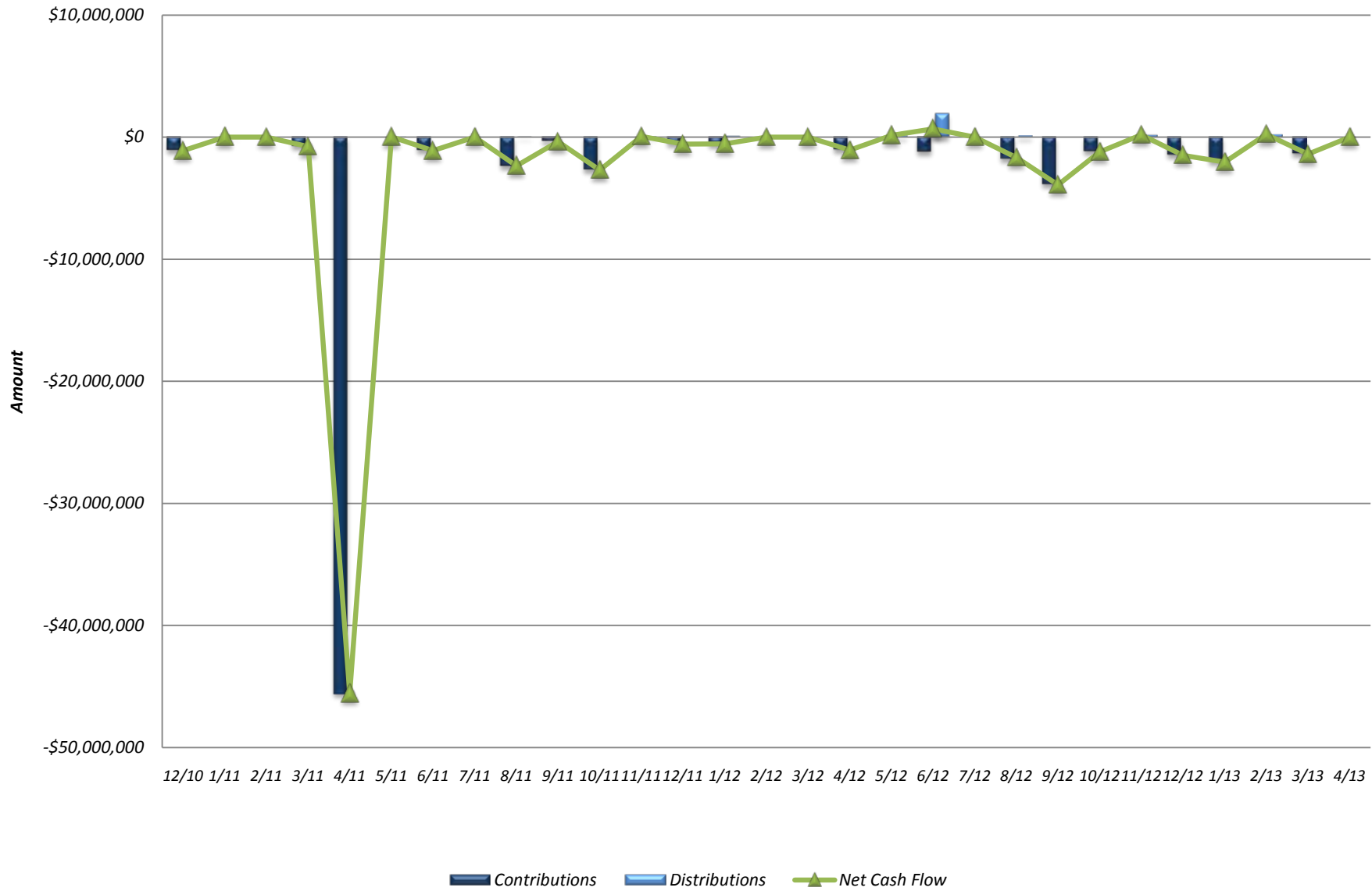
Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2011	UBS Trumbull Property Fund ("UBS-TPF")	4/1/2011	\$41,400,000	\$44,929,889	(\$2,770,946)	\$49,909,322	1.2	10.2%
2011	LaSalle Property Fund	12/13/2010	\$27,600,000	\$15,289,823	(\$718,192)	\$16,921,844	1.2	13.1%
Core/Core Plus Portfolio			\$69,000,000	\$60,219,712	(\$3,489,137)	\$66,831,166	1.2	10.7%
2011	Franklin Templeton Private Real Estate Fund	4/4/2011	\$30,000,000	\$6,550,006	(\$1,773,173)	\$4,125,702	0.9	-14.1%
2012	Brookfield Strategic Real Estate Partners	9/20/2012	\$10,000,000	\$1,239,332	\$0	\$1,297,693	1.0	18.8%
Non-Core Portfolio			\$40,000,000	\$7,789,338	(\$1,773,173)	\$5,423,395	0.9	-11.9%
New York City Board of Education Retirement System			\$109,000,000	\$68,009,050	(\$5,262,310)	\$72,254,561	1.1	9.7%

Funds Closed Subsequent to Quarter

Vintage	Fund Name	First Draw Down	Capital Committed	Contributions				
2012	Emmes Asset Management		\$10,000,000	-	-	-	-	-
2013	NYC Related Superstorm Sandy Rebuilding Fund		<u>\$11,000,000</u>	-	-	-	-	-
Grand Total			\$21,000,000					

Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows and quarterly unaudited, or audited, valuations. The IRR calculated in early years of a fund life is not meaningful given the J-curve effect and can be significantly impacted by the timing of cash flows, investment strategy, investment pacing, and fund life. The calculations are not necessarily indicative of total fund performance, which can only be determined after the fund is liquidated and all capital contributed and earnings have been distributed to the investor. All data supplied is as of December 31, 2012. Note: The General Partner of the JPMorgan Urban Renaissance Fund terminated the Fund on February 23, 2010 and all capital contributed, including management fees, was returned to investors.

BERS Monthly Real Estate Cash Flow Summary



APPENDICES:

Basket Clause

BERS- BASKET/NON BASKET SUMMARY

As of April 30th, 2013

<u>Equity</u>	<u>Adjusted Fund Policy</u>			<u>Fund Actual (PE & RE on an invested basis)</u>		
	<u>Non Basket*</u>	<u>Basket*</u>	<u>Total</u>	<u>Non Basket*</u>	<u>Basket*</u>	<u>Total</u>
Domestic Equity	42.7%	0.0%	42.7%	41.3%	0.0%	41.3%
Non-U.S. Equity	10.0%	12.0%	22.0%	10.0%	12.6%	22.6%
Private Equity	0.0%	3.1%	3.1%	0.0%	3.1%	3.1%
Real Estate	2.2%	0.0%	2.2%	2.2%	0.0%	2.2%
Total Equity	54.9%	15.1%	70.0%	53.6%	15.6%	69.2%
Fixed Income						
Core+5	16.0%	0.5%	16.5%	16.2%	0.5%	16.7%
<i>U.S. Gov't Sector</i>	3.3%	0.0%	3.3%	2.7%	0.0%	2.7%
<i>Mortgage Sector</i>	6.7%	0.0%	6.7%	7.0%	0.0%	7.0%
<i>Credit Sector</i>	6.5%	0.5%	7.0%	7.0%	0.5%	7.5%
High Yield	5.0%	0.6%	5.5%	5.3%	0.4%	5.7%
Bank Loans	0.0%	2.5%	2.5%	0.0%	2.2%	2.2%
TIPS	4.5%	0.5%	5.0%	3.8%	0.4%	4.2%
Other Fixed Income	0.0%	0.0%	0.0%	2.0%	0.0%	2.0%
Total Fixed Income	25.5%	4.1%	29.5%	27.2%	3.6%	30.8%
Total Fund	80.4%	19.1%	99.5%	80.8%	19.2%	100.0%

Remaining Capacity

5.9%

5.8%

* Note: Basket amounts are estimates

Liquidity Analysis

BERS Liquidity Profile - Static Analysis

6/4/13

AUM as of April 30, 2013

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
Domestic Equity	\$1,450	\$1,450	\$1,450	\$1,450
International Equity	749	749	749	749
Emerging Markets	148	148	148	148
Private Equity	108	0	0	0
Private Real Estate	79	0	0	0
Core + 5	584	584	584	584
TIPS	147	147	147	147
Enhanced Yield	200	200	200	200
Bank Loans	79	79	79	79
ETI	16	3	15	15
Cash	55	55	55	55
Total Assets	\$3,616	\$3,416	\$3,428	\$3,428
Total Illiquid \$		\$200	\$188	\$188
Total Illiquid %		5.5%	5.2%	5.2%
Unfunded PE Commitments	\$121			
Unfunded RE Commitments	41			
Unfunded OFI Commitments	0			
Total commitments \$	\$163			
Total commitments %	4.5%			

BERS Liquidity Profile - Static Analysis

6/4/13

AUM as of April 30, 2013

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$200	\$188	\$188
Total Illiquid %	8.3%	7.8%	7.8%

Note: Assumes zero realizations, no new commitments and a five-year investment period; funded out of liquids

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
Total Assets	\$3,616	\$3,416	\$3,428	\$3,428

Private Equity, Real Estate and Opportunistic Fixed Income Stress Case

Unfunded PE Commitments Drawn	\$24	\$48
Unfunded RE Commitments Drawn	8	17
Unfunded OFI Commitments Drawn	0	0
Total commitments \$	\$33	\$65
Total commitments %	0.9%	1.8%

Total Illiquid \$	\$221	\$254
Total Illiquid %	6.1%	7.0%

Note: Assumes zero realizations, no new commitments and a five-year investment period; funded out of liquids

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$200	\$221	\$254
Total Illiquid %	8.3%	9.2%	10.5%

Note: Assumes zero realizations, no new commitments and a five-year investment period; funded out of liquids