

**Agency Activity Inventory**  
**by Agency**  
**Appropriation Period: FY 2009-10**

**Agency:** E19 - Retirement System Investment Commission      **Functional Group:** Legislative,  
 Executive &  
 Administrative

**1659 Investment Operations**

The Retirement System Investment Commission (RSIC) was created by Act 153 of 2005 to invest the \$28 billion defined benefit retirement system funds (SCRS) as fiduciaries. On October 1, 2005, all functions & fiduciary responsibility of the Budget & Control Board for SCRS investments were transferred to the RSIC. The RSIC's mission is to fulfill fiduciary responsibility by prudently managing all assets held in trust for the sole benefit of the SCRS, seeking superior long-term investment results at an acceptable level of risk. The RSIC provides (1) coordination of investment activities; (2) establishment, maintenance, and monitoring of the portfolios; (3) continuing education on fiduciary responsibility & investment standards; (4) legal & fiduciary services on specific matters for the portfolio. SC Code citations: SC Const. art. X, § 16; SC Code, Title 9, Chapters 1 and 16; Title 30, Chapter 4.

**Statewide Result Area:** Strengthen central state government and other governmental services

**Strategy:** Provide effective and efficient central state Finance support.

**FY 2009-10**

Total	General Funds	Federal Funds	Non-Recurring Provisos	Part III (ARRA Funds)	Other Funds	FTEs
\$4,774,949	\$0	\$0	\$0	\$0	\$4,774,949	19.00

**Other Fund - Subfund No. & Title:**

4217 - RS Investment Comm - Operating

**Budgetary Program No.:** I

**Expected Results:**

(1) Maintain a disciplined investment process incurring reasonable investment expense, provide for transparency of decision making process, oversee managers (MGRs) and operations to ensure implementation of changes & compliance; (2) Set Investment Objectives, Policies and investment strategies within prudent standards, provide attentive management and monitoring of performance and MGRs to ensure prudent investing and compliance with investment policies/plan and applicable laws, attain high risk-adjusted alpha relative to appropriate benchmarks; (3) Attend and/or provide education on related topics to maintain and improve knowledge to provide optimal services to pension trust funds; (4) Monitor compliance of RSIC with statutory requirements, contractual arrangements, Freedom of Information Act (FOIA) requests, investment plans/policies, and securities litigation/claims administration to meet fiduciary standards.

**Outcome Measures:**

The RSIC will, on an ongoing basis: (1) Provide an annual report of all expenses related to the investment process, and document decisions or actions that have material impact to the compliance, operational, or investment process; (2) Make available an annual "Statement of Investment Objectives," "Statement of Investment Policies," and "Annual Investment Plan" to explain the policies, processes, and plans implemented to achieve investment objectives; Conduct calls with managers and provide analysis of manager performance, operations, and compliance with internal policies, objectives, and applicable laws on a quarterly basis; Provide a two page report highlighting portfolio performance on a quarterly basis; Measure successful investment performance as the trailing 20-year relative performance of the actuarial rate of return versus the assumed actuarial rate of return; Measure RSIC's success at meeting fiduciary obligations as successfully meeting all benefit payments; (3) Provide

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RSIC Staff and Commissioners access to educational opportunities as well as conduct an educational retreat resulting in the evaluation of current processes and proposals for new policies or procedures to improve current standards; (4) Conduct public meetings, quarterly at a minimum, to pursue investment objectives, or adopt new policies and objectives; Complete FOIA requests as required by law, administer contracts relating to the portfolio, and monitor securities litigation/claims.

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### AGENCY TOTALS

*Retirement System Investment Commission*

<b>TOTAL AGENCY FUNDS</b>	<b>TOTAL GENERAL FUNDS</b>	<b>TOTAL FEDERAL FUNDS</b>	<b>TOTAL OTHER FUNDS</b>
\$4,774,949	\$0	\$0	\$4,774,949
	<b>TOTAL NON-RECURRING FUNDS</b>	<b>TOTAL PART III FUNDS</b>	<b>TOTAL FTEs</b>
	\$0	\$0	19.00