

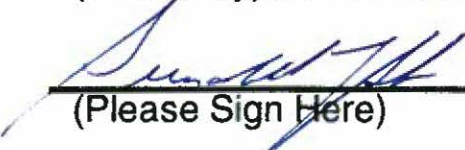


**ANNUAL REPORT
MINORITY OWNED FINANCIAL SERVICES FIRM USAGE
SUMMARY STATEMENT**

Reporting Department/Agency:	MARYLAND STATE TREASURER'S OFFICE
Fiscal Year:	2014

IN THE ATTACHED DOCUMENTS, MY AGENCY HAS REPORTED THE FOLLOWING INFORMATION:	YES	NO
1. The identity of the minority business enterprise brokerage and investment management services firms used by the Agency in the immediately preceding fiscal year;	X	
2. The percentage and dollar value of the assets under the custody of the Agency that are under the investment control of minority business enterprise brokerage and investment management services firms; and	X	
3. The measures the Agency undertook in the immediately preceding fiscal year to increase the percentage and dollar value of the assets under the investment control of minority business enterprise brokerage and investment management services firms.	X	

Agency Head/Secretary Name: BERNADETTE BENIK, CHIEF DEPUTY TREASURER
(Please Type/Print Here)

Agency Head/Secretary Signature: 
(Please Sign Here)



Nancy K. Kopp
State Treasurer

Bernadette T. Benik
Chief Deputy Treasurer

Senate Bill 606 Implementation June 30, 2014

Allowable Investments by Statute

- Treasuries
- Agencies
- Repurchase Agreements collateralized not less than 102%
- Bankers Acceptances
- Commercial Paper
- Money Market Mutual Funds
- MLGIP
- Bond Funds only may be invested in Other Government Debt

All investing done in house by Investment Division

All investments made in accordance with Policy

- New York Federal Reserve List of Primary Dealers
- Non Primary Dealers
 - o Must submit RFI
 - o Must submit evidence of their capital position
 - o Must submit most recent FOCUS Report
 - o Must submit three years audited financial statements
- Those firms approved for REPO must additionally complete the State's Master Repurchase Agreement

Actual investment process

- Bloomberg
- Fiduciary Responsibility requires selection of best price

Inclusion of MBE

-	FY 2006	2.2%	1 Approved
-	FY 2007	11.7%	2 Approved
-	FY 2008	5.4%	10 Approved
-	FY 2009	16.7%	14 Approved
-	FY 2010	12.9%	15 Approved
-	FY 2011	18.6%	19 Approved
-	FY 2012	14.8%	29 Approved
-	FY 2013	11.9%	31 Approved
-	FY 2014	17.6%	24 Approved

Outreach Efforts

The Website has all necessary documents for inclusion on the Approved Broker Dealer List readily available.

All Broker/Dealers listed on the MDOT MBE/DBE have been contacted. The necessary documents for inclusion on the Approved Broker/Dealer List have been sent.

NASP provided their list of Member Firms. All firms identified as Fixed Income providers were contacted and sent the necessary documents for inclusion on the Approved Broker/Dealer List.

Everyone who has "cold called" has been informed of our policies and procedures and invited to submit the necessary paperwork to become an approved Broker/Dealer.

Everyone who has requested a meeting has received a meeting for further explanation of our policies and procedures.

MBE Broker/Dealer lists from other States have been requested and received from the GIOA, GFOA and NAST membership.

MARYLAND MBE INVESTMENT MANAGER ANNUAL REPORT TEMPLATE (FY14)

Asset Management

Agency	FY 2010			FY 2011			FY 2012			FY 2013			FY 2014		
	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%
-	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!
Total	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!

MBE Investment Managers Utilized

Agency	FY 2010	FY 2011	FY 2012	FY 2013	FY2014
-					
Emerging MBE Managers	0	0	0	0	0
Emerged MBE Managers	0	0	0	0	0
Total	0	0	0	0	0

Definitions: Emerging Investment Manager = a qualified minority owned business or female owned business with total assets under management of at least \$10 million but less than \$2 billion.
Emerged Investment Manager = a qualified minority owned business or female owned business with total assets under management of more than \$2 billion.

Brokerage Services

Agency	FY 2010			FY 2011			FY 2012			FY 2013			FY 2014		
	Total	MBE	%	Total	MBE	%	Total	MBE	%	Total	MBE	%	Total	MBE	%
-	\$4,878,705,803.0	\$627,352,681.0	12.9%	\$8,342,529,357	\$1,181,534,307	18.6%	\$4,858,175,767	\$718,153,756	14.8%	\$7,772,768,349	\$921,868,783	11.9%	\$852,376,270	\$150,128,353	17.6%
Total	\$4,878,705,803.0	\$627,352,681.0	12.9%	\$8,342,529,357	\$1,181,534,307	18.6%	\$4,858,175,767	\$718,153,756	14.6%	\$7,772,768,349	\$921,868,783	11.9%	\$852,376,270	\$150,128,353	17.6%

Total MBE Investment Brokers Utilized

Agency	FY 2010	FY 2011	FY 2012	FY 2013	FY2014
-	15	19	29	31	24
Total	16	19	29	31	24

INVESTMENT PORTFOLIO TEMPLATE

Portfolio by Asset Class	Market Value (\$ millions)	Actual Allocation	Strategic Allocation	Emerging MBE Managers	Emerged MBE Managers
Domestic Large Cap	-	-	-	-	-
Domestic Small/Mid Cap	-	-	-	-	-
Total Domestic Equity	-	-	-	-	-
Core Fixed Income	-	-	-	-	-
Corporate - Oriented	-	-	-	-	-
Convertible Bonds	-	-	-	-	-
Total Domestic Fixed Income	-	-	-	-	-
International Fixed Income	-	-	-	-	-
Total	-	-	-	-	-

Emerged MBE Investment Managers Utilized

Manager Name	Assets Under Management (\$ millions)	Investment Advisory Fee (\$ millions)	Asset Class
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Subtotal	-	-	-

Emerging MBE Investment Manager Utilized

Manager Name	Assets Under Management (\$ millions)	Investment Advisory Fee (\$ millions)	Asset Class
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Subtotal	-	-	-

Total #VALUE! #VALUE!

MBE BROKERAGE SERVICES TEMPLATE

MBE Investment Broker Name	Commissions Paid
Alamo Capital	N/A
Blaylock Robert Van Securities, Inc.	N/A
Cabrera Capital Markets, LLC	N/A
CastleOak Securities, LP	N/A
De La Rosa & Co.	N/A
Greentree Brokerage Services, Inc	N/A
Grigsby & Associates, Inc	N/A
Gryphon Asset Management	N/A
International Financial Solutions, Inc	N/A
Loop Capital Markets, LLC	N/A
M. R. Beal & Company	N/A
MD Global Partners, LLC	N/A
MFR Securites, Inc	N/A
Muriel Siebert & Co, Inc	N/A
Quoin Capital, LLC	N/A
Ramirez & Co.	N/A
Rice Financial Products Company	N/A
Stephens Inc	N/A
Williams Capital Management, LLC	N/A
Wm Smith & Co.	N/A
Drexel Hamilton	N/A
Great Pacific Securities	N/A
Mischler Financial Group, Inc	N/A
Multi-Bank Securities, Inc	N/A

As of June 30, 2014 \$150,128,353 was transacted with MBE firms.

17.6% of all investment transactions were with MBE counterparties for FY2014.