

BOARD OF DIRECTORS MEETING (OPEN)

AGENDA ITEM 20c

ATTACHMENT 20c-I

RATIFICATION of INVESTMENT TRANSACTIONS
(Compliance Report)

PRESENTED BY: Peter Guastamachio, Leslie Dawe

July 10, 2009

COMPLIANCE REPORT

as of May 31, 2009

The following is a list of securities currently not in compliance with State Fund's Investment Policy. State Fund's Investment Policy is reviewed annually by the Investment Committee and approved by the Board of Directors.

Description	Current Face	Maturity Date	Coupon Rate	Book Yield	Rating	Portfolio Manager
<u>Long-term Investments</u>						
<u>Corp. Bonds Rated Below A *</u>						
Intl Lease Finance Corp.	10,000,000.00	07/01/09	4.750%	5.330%	Baa2/BBB+	Conning
American General Finance	10,000,000.00	09/15/12	5.900%	5.950%	Baa2/BB+	GR-NEAM
American General Finance	10,000,000.00	09/15/16	5.750%	5.560%	Baa2/BB+	Conning
American Express Co.	47,725,000.00	09/12/16	5.500%	5.420%	A3/BBB+	Conning
American Express Co.	14,000,000.00	06/17/09	4.750%	3.890%	A3/BBB+	GR-NEAM
American Express Travel	10,000,000.00	11/21/11	5.250%	5.610%	A2/BBB+	GR-NEAM
American Express Co.	13,000,000.00	07/15/13	4.875%	4.600%	A3/BBB+	GR-NEAM
Fifth Third Bancorp	34,000,000.00	06/01/18	4.500%	4.530%	Baa2/BBB+	GR-NEAM
Johnson Controls, Inc.	40,000,000.00	09/15/13	4.875%	4.640%	Baa2/BBB	GR-NEAM
Lehman Brothers Holdings	20,000,000.00	12/23/10	3.011%	0.000%	WR/D	GR-NEAM
Lehman Brothers Holdings	45,000,000.00	03/13/14	4.800%	0.000%	WR/D	Conning
Lehman Brothers Holdings	10,000,000.00	01/24/13	5.625%	0.000%	WR/NA	GR-NEAM
Lehman Brothers Holdings	10,000,000.00	09/26/14	6.200%	0.000%	WR/D	GR-NEAM
Lehman Brothers Holdings	10,000,000.00	08/15/10	7.875%	0.000%	WR/D	Conning
M&I Marshall & Ilsley Bk	20,500,000.00	01/17/17	5.000%	5.040%	A3/BBB-	GR-NEAM
M&I Marshall & Ilsley Bk	8,100,000.00	09/04/12	5.250%	4.530%	A3/BBB-	Conning
Mercantile Bankshares	22,620,000.00	04/15/13	4.625%	5.350%	Baa1/A-	Conning
Suntrust Bank	10,000,000.00	04/01/11	6.375%	4.160%	A3/BBB+	Conning
Suntrust Bank	11,000,000.00	09/11/17	6.000%	6.000%	Baa1/BBB+	GR-NEAM
Total: Bonds Rated Below A	355,945,000.00	19 item (s)				

* In compliance at the time of purchase.

MOTION: To ratify.