

**THE COMMONWEALTH OF MASSACHUSETTS**  
Public Employee Retirement Administration Commission  
John W. McCormack Building, Room 1101  
One Ashburton Place, Boston, MA 02108  
(617) 727-9380

**M E M O R A N D U M**

**TO:** All Retirement Boards

**FROM:** Joseph I. Martin, Deputy Executive Director

**DATE:** February 10, 1998

Please be advised that all investments of the board, separately managed or in a pooled fund, must comply with G.L. c. 32 and PERAC Regulations (840 CMR). Pooled funds are investment vehicles such as mutual funds, commingled funds, group trusts, real estate funds, limited partnership funds, and venture capital funds. In this regard, each board must submit or request that pooled fund managers (if any) submit to PERAC a year-end report (12-31-97) for each of the board's pooled fund investments that provides the following information:

1. A detailed listing of all the underlying assets in the portfolio including cash and short-term investments as of 12-31-97.
2. Portfolio turnover rate for the period 1-1-97 through 12-31-97.
3. Ratio of portfolio expenses to assets for the period 1-1-97 through 12-31-97.
4. Portfolio rate of return for the period 1-1-97 to 12-31-97 (indicate whether return(s) provided is net or gross).

Please be advised that this requested information is generally included in the annual report of a pooled fund and the submission of this report to PERAC should satisfy the requirements of this request. It is acceptable to submit the report that includes twelve (12) months of fund data for the period closest to 12-31-97 if the fund's year-end is not 12-31-97 and the annual report is not available for this period.

The board should also obtain a copy of this information to confirm that the manager is investing pursuant to the regulations, G.L. c. 32, the vendor's contract, and the Statement of Investment Objectives (Form 18-1).

Thank you in advance for your cooperation in this matter. If you have any questions, please call Vicky Marcorelle, at 727-9380 ext. 643.