



CHIEF FINANCIAL OFFICER
JEFF ATWATER
STATE OF FLORIDA

October 6, 2011

The Honorable Mike Haridopolos
President of The Florida Senate
409 Capitol
Tallahassee, FL 32399-1100

Dear President Haridopolos:

As you know the State Board of Administration (SBA) recently received a substantial public records request from Senator Mike Fasano related to an investment transaction. As a former Senate President, I have a deep respect for the chamber you lead and believe that requests from its members should be satisfied in a timely, open and thorough manner.

When I became aware of Senator Fasano's initial request, I asked the Executive Director of the SBA, Ash Williams, to provide the Senator with a detailed account of the investment in question and to make himself and any other members of his staff personally available to Senator Fasano at the Senator's convenience. While I believe Senator Fasano appreciated our response, I respect his position that it was insufficient for the issue at hand.

It is my deep belief that you and the other members of the Legislature, elected to represent the interests of Floridians, should have full and open access to information wherever it might reside throughout government, including the SBA. In response to Senator Fasano's most recent correspondence, I would expect that Mr. Williams and his staff, along with members of the IAC and the SBA Audit Committee, will make themselves available to you and any other Senators you would wish to include in an open, public meeting to discuss the investment in question and the public records request. A public meeting of this nature will also give our fellow Floridians the opportunity to hear clear and complete information from the SBA in a transparent setting.

As a sitting Senator, Senator Fasano should be granted the opportunity to review all relevant materials, including those that may be confidential. Knowing him to be a man of integrity, I trust him not to release or reveal confidential information. Furthermore, he should not be charged for any requested documents once they are ready for release to the public. In the meantime, I am asking that the SBA facilitate the immediate release of all pertinent documents that do not legitimately trigger confidentiality concerns, and expedite the responsible redaction of those documents that do raise confidentiality issues in the most efficient and cost effective manner possible.

President Haridopolos

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I have subsequently spoken with the Chairs of both the Investment Advisory Council and the SBA Audit Committee, and asked that they review the process by which investments are identified, investment advisors are selected, and the procedures that are followed with respect to public records requests. I am enclosing copies of correspondence formally asking them and their committees to proceed.

The Board of Trustees has the responsibility to manage the SBA and I can assure you that the Board will not retreat from any of its obligations to do so in a fair and open manner. Aside from the immediate issue, I have repeatedly expressed my concerns about a more troubling structural weakness in the governance structure at the SBA. The very position that would help ensure that the SBA promotes accountability, integrity and transparency, that of Inspector General, has been vacant for the past several months. I have also attached a letter I recently sent to Mr. Williams reiterating my frustrations with his seeming unwillingness to hire an Inspector General and request he present a candidate to the Board of Trustees before the November Cabinet meeting.

It is my hope that an open, public discussion regarding the investment in question with the esteemed members of your body will bring clarity to this issue and we, the Trustees, may continue to focus on our responsibility as fiduciaries of the fund and our commitment to its participants.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Atwater". The signature is stylized and cursive.

Jeff Atwater
Chief Financial Officer

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Enclosures