

## Objectives and Guidelines

The State Board of Administration of Florida (SBA) follows the Florida Statutes fiduciary standards of care in managing the FRS Investment Plan's options. The Investment Advisory Council provides independent oversight of the plan's general objectives, policies, and strategies. The plan's primary investment objectives are to:

- Offer a diversified mix of low-cost investment options that span the risk-return spectrum and give participants the opportunity to accumulate retirement benefits.
- Offer investment options that avoid excessive risk, have a prudent degree of diversification relative to broad market indices and provide a long-term rate of return, net of all expenses and fees, that achieves or exceeds the returns on comparable market benchmark indices.
- Offer members meaningful, independent control over the assets in their account with the opportunity to obtain sufficient information about the plan and investment alternatives to make informed investment decisions.

Other objectives and guidelines include:

- Participant Control, Liability, and Education - The SBA follows appropriate federal laws to allow participants to choose from a broad range of investment alternatives while receiving objective, multimedia education with which to make informed decisions.
- Third-party Administrator/Bundled Providers - We help establish and monitor the roles and duties of a third-party administrator selected for recordkeeping, enrollment, money disbursement, etc., as well as the bundled providers who offer investment products.
- Investment Management – The SBA Executive Director develops policies and guidelines for selection, retention and termination of investment managers (along with bundled providers and products).
- Cost-effectiveness, value-added, and compliance with stated goals are monitored for each provider and product on an ongoing basis. Specific information related to the spectrum of fund options and updated performance numbers, along with other tools and education, is provided at [MyFRS.com](http://MyFRS.com).