Curtis Loftis Response

Friends:

I firmly reject the Investment Commission’s efforts to silence my public criticism of the commission’s investment practices and its repeated refusals for information about the nature of investment practices, investment fees and contracts and other documents related to the investments. I will continue to press for transparency and accountability by the Investment Commission and staff.

Without necessary and timely information I cannot guarantee the existence, valuation or safekeeping of the assets. As the Custodian and a member of the Commission I am due any and all information and their refusals raise red flags about the security of the funds. Instead of spending public retiree resources on planning a public ambush, Chairman Reynolds Williams ought to be concerned about chronic underperformance, poor external audit reports and his criminal investigation.

Simple questions such as are investment managers or others paying for staff and Commissioner travel, why do we have contracts that pay millions of dollars more in fees than approved by the Commission and why does the Commission refuse to internally investigate an investment that has placed Chairman Williams under criminal investigation for self-dealing. (His law firm made $125,000 from an investment funded by the Commission)

**I sincerely thank Governor Nikki Haley for calling the Commission's stunt for what it was. *The Governor's spokesman told The State Newspaper, "It's unproductive and unprofessional. She (The Governor) is disappointed in the disrespect shown to the treasurer, with whom the governor will continue to work to deliver results for the people of this state."***

At the end of the day our fund makes too little money, pays too much in fees and has a portfolio that is too complex. I work for the people of South Carolina and not for the elites on the Commission and I will never stop fighting for transparency and accountability. The people deserve to know how their money is being managed.

The Investment Commission paid $296 million in investment fees while only making $125 million causing the plan to fall into the bottom 20% during fiscal year 2012. The fund ended the calendar year with a total return of 12.58% and a ranking in the bottom 20% in the Wilshire TUCS Master Trust Universe for funds greater than $5 billion.

This is the working people’s money and we must treat it as if it is our own. I will not hold back in holding the fund and its managers accountable and will not be intimidated by a Commission Chair who happens to be under criminal investigation for his own dealings with state investments.

Be Well

Curtis Loftis