

AMENDMENT FOUR
TO THE CONTRACT FOR CONSULTING SERVICES BETWEEN
THE STATE BOARD OF ADMINISTRATION OF FLORIDA (the "SBA") and INVESTMENT TRAINING
AND CONSULTING INSTITUTE, INC. ("ITCI") dated June 18, 2018

Whereas, the SBA wishes to retain ITCI as the Subject Matter Expert in the upcoming audit of the Private Equity asset class of the SBA, therefore

The parties mutually agree to the following:

1. Exhibit A is hereby repealed and replaced by the attached letter dated February 17, 2020, and designated as Exhibit A.
2. The contact information in section 16 for ITCI is amended by the following contact information,

ITCI
3024 SW Wanamaker Suite 302
Topeka, KS 66614
785-783-8201 office
785-224-6713 cell
866-606-8921 fax

3. A new section 17 is added:
17. Consistent with the Florida Transparency in Contracting Initiative, the SBA posts certain operational contracts on its website, and this Agreement will be one of the agreements posted. ITCI hereby agrees that the SBA is authorized to post this Agreement (including any amendments or addenda hereto) and a description of the content of the Agreement (including any amendments or addenda hereto) on the SBA's website.

All other Terms and Condition shall remain the same and have full force and effect.

STATE BOARD OF ADMINISTRATION
OF FLORIDA

[Redacted Signature]

Ashbel C. Williams
Executive director & CIO
Approved as to Legality

[Redacted Signature]

Craig A. Meyer
Assistant General Counsel

INVESTMENT TRAINING AND
CONSULTING INSTITUTE, INC.

[Redacted Signature]

Barbara Davison
President



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EXHIBIT A

February 17, 2020

Kim Stirner
Chief Audit Executive
State Board of Administration of Florida
1801 Hermitage Boulevard
Tallahassee, FL 32308
Kimberly.Stirner@sbafla.com

Sent via email

Dear Kim,

Thank you for thinking of Investment Training and Consulting Institute, Inc. (ITCI) as a resource to assist you as a subject matter expert (SME) on your upcoming audit of the Private Equity asset class at the State Board of Administration of Florida (SBA). We look forward to the opportunity to work with you and the audit team at the SBA once again. This proposal reflects a 5% discount in the services we will be offering the SBA since we understand the intention is to continue our partnership on investments and training and will therefore have two contracts in place with you in one year. We offer the discount to the higher priced contract to benefit the client the most.

ITCI's approach and methodology of auditing investments and the related front, back and middle offices is unique and efficient in that it is comprehensive and takes a holistic approach to the processes embodied within the audited function. Experience demonstrates that our clients are very satisfied with our standards of preparation, industry knowledge and ability to deliver an audit product within the agreed upon time limits.

We operate as a highly experienced audit team with extensive and proven knowledge of the investment markets. We do not substitute consultants with less ability or experience. ITCI consultants operate under a "knowledge transfer" process. We work very closely with the internal audit department to share our expertise and experience throughout the course of the audit.

We understand this audit to be a co-source arrangement with the SBA group. In this project, audit procedures, testing, and reporting will be performed by the SBA audit team and ITCI will act as the SME. The SBA audit team will also prepare process documentation (including flowcharts and/or narratives) and the risk assessment in advance of the commencement of the project. As part of our responsibilities, ITCI will conduct field interviews, assist in the development of the audit program and serve as a SME throughout the project. Based on our established relationship with the SBA Internal Audit team, the experience of the team and the similarities in the processes between Private Equity and Strategic Investments, we have reduced ITCI's estimated on- and offsite resources.

ITCI's and Internal Audit's specific roles in this audit can be delineated in detail once we get closer to the start dates. However, our responsibilities typically include:

ITCI Responsibilities:

- Discuss and agree upon the audit objectives, scope of work and expected deliverables with Internal Audit leadership. From these discussions, the audit work plan will be finalized.
- Complete interviews with key persons associated with all identified critical functions of the Private Equity asset class. Many of the interviews will be scheduled in advance of the start of the actual audit to allow Internal Audit to complete preliminary work prior to the start.
- The SBA audit team will draft and ITCI will review and finalize the detailed audit plan and program to use during fieldwork in the review of Private Equity and the related controls.
- SBA Internal Auditors will complete all fieldwork to ensure the integrity of processes, reports and the efficiency and effectiveness of systems, activity and internal controls as mentioned above. ITCI will serve as a subject matter expert (SME) and will provide support for the audit team throughout the completion of fieldwork.
- ITCI will perform a final review of workpapers to ensure we accomplished the intended audit objectives and to ensure we can adequately support any potential audit findings. Workpapers should be reviewed by SBA audit management prior to the final review performed by ITCI.
- In partnership with SBA, ITCI will conduct interim and exit interviews with the audit clients, discussing any potential issues and potential recommendations. We also suggest leading practices if identified through audit work.
- With the assistance of ITCI, the SBA audit team will prepare the audit report for discussion with the auditees and subsequent presentation to auditee management. ITCI will review management's response to potential audit issues for adequacy. Some of this review will be completed offsite.
- If requested, ITCI will present results to the Board and/or Audit Committee.

Audit Schedule:

Prior to Arrival:

Approximately three weeks prior to audit commencement, documentation requests are made to begin formal preparation. We request related documents on policies, procedures, committee minutes, etc. This documentation is reviewed prior to our arrival so there is a basic understanding of the activity to be audited prior to field performance. The SBA audit team will also be tasked with performing initial planning work, including process documentation in the form of flowcharts and narratives, as well as preparing the risk assessment (Internal Control & Risk Analysis (ICRA)) in advance of ITCI's arrival onsite.



On-Site - First Week:

The first few days are reserved for interviews of key positions in order to gain additional knowledge of processes and obtain management representation on key controls. (NOTE: some interviews will be conducted in advance to facilitate Internal Audit's completion of the major offices are interviewed (i.e. front, back and middle offices). This interview process follows a "life of a trade" or "life of a transaction" discussion to identify how Private Equity investments are entered into, accounted for, monitored and reported. It is important to note that we do not audit the supporting IT programs to the level of the source codes, but we always audit the linkages between programs and assess the reliance on systems and system controls to assure the integrity of the Private Equity function as a whole.

The audit objectives, scope and audit program are the deliverables from ITCI based on this week's activity.

On-site - Fieldwork

The next weeks are reserved for on-site fieldwork which will be completed by the SBA auditors, with support from ITCI while offsite. ITCI will return onsite as needed during the fieldwork cycle to review the audit procedures completed to date, conduct meetings and assist in fieldwork as necessary. We will also be available via conference call during the completion of the audit when we are not on-site.

Conclusion of Fieldwork

During the last days of fieldwork, ITCI will be back on-site to complete the final review of workpapers, conduct the exit conference and assist in the development of the audit report.



Audit Team

We understand this audit is to be a co-source arrangement with the SBA's Internal Audit group. On this assignment, this proposal is based on the assumption that SBA Internal Audit will supply a minimum of two fulltime auditors to assist on this project. ITCI resources will be led by:

Audit Principal - Barbara Davison CIA, CIDA, CISA, FLMI

Barbara Davison is currently President and Audit Principal of the Investment Training and Consulting Institute, Inc. (ITCI), located in Auburn, Kansas. ITCI provides training and audit consulting in the areas of Investments, Derivatives, and Risk Management to Board of Directors, Management, Operations and Auditors.

ITCI is dedicated to training and assisting auditors in conducting their investments and derivatives audits through a very popular and successful co-sourcing arrangement with internal audit. Over the last fifteen-plus years, ITCI has been globally recognized as the company that has developed the niche expertise in this highly complicated area and has consulted or trained more than 1,000 companies in various industries. In 2001, ITCI began sponsoring the highly specialized certification program, the Certified Investments and Derivatives Auditor, for investment auditors, which is now recognized in 33 different countries.

Barbara is a distinguished faculty leader for the International Institute of Internal Auditors, where she has served for more than 20 years. She is a Certified Internal Auditor, Certified Information System Auditor, Certified Investments and Derivatives Auditor, a Fellow of the Life Management Organization and the author of five books on investment and derivative auditing: Auditing Investment Activities, Auditing Derivatives Strategies, Auditing Merger and Acquisitions Strategies, Understanding and Auditing Investments and Derivatives, and The CIDA Study Guide, Second Edition. Previously, Barb obtained her Series 7 and Series 65 from the National Association of Security Dealers (NASD).

Prior to forming ITCI, Barbara was vice president of a financial institution where she directed investment operations for the general account and mutual funds. Her responsibilities also included portfolio management of two mutual funds, which were part of a \$7 billion portfolio. Prior to her seven years in investments, Barbara was AVP and Manager of Internal Audit for six years, where she was responsible for the management of corporate audit activities, computer security, information systems audits and assisted in new business strategies.

Lead Audit Consultant – Kelly Anderson, MAIS, CIDA

Kelly is currently employed by Investment Training and Consulting Institute, Inc., focusing on investment and derivative audits since joining ITCI in 2008. Kelly has served many clients leading co-sourced audits in the areas of derivatives, hedging, trading, fixed income, equities and alternative investments in both the financial and commodity markets. She specializes in data analysis, identifying trends, anomalies, and



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inconsistencies in trade records and other key data. She has been instrumental in the development of data analysis programs to support audit conclusions, as well as for continuous auditing purposes. Kelly also specializes in control assessment and identifying process efficiencies.

Previously Kelly worked for KPMG as a senior associate in the audit practice. She has experience leading various publicly traded and privately held company engagements in the external auditor capacity. Kelly is a Certified Investments and Derivatives Auditor and has a Masters in Accounting and Information Systems from the University of Kansas. She also holds a BS in Business Administration and Accounting from the University of Kansas.



Cost and Resource Estimates:

Based on the information provided and our knowledge of the time needed to perform a comprehensive audit of Private Equity and the related controls, a fixed price quote, including any and all reimbursable expenses is as follows.

US \$102,250.00

Please note that the proposal reflects a 5% discount assuming SBA moves forward with the FY 2020-2021 training engagement since you will have two contracts in place. If SBA determines not to move forward with the training engagement, 5% additional fees will be added to the total above.

The fees are based upon the following vendor resources determined to be needed for this project:

NOTE: Dates will be proposed at a later time.

<i>Estimated Time:</i>	<i>Task:</i>	<i>Dates:</i>
12 Hours Offsite Preparation	Team Planning, Review of Policies and Procedures, preliminary work performed by Internal Audit and other related documentation. Offsite	Various
2 Days Onsite One Auditor	Initial planning, interviewing and control analysis work. Onsite Auditor(s): One Principal	TBD
4 Days Onsite One Auditor	Continuation of planning, interviewing and control analysis work. Develop audit program. Onsite Auditor(s): One Principal	TBD
3 Days Onsite - One Auditor	Review of workpapers completed to date. Provide support in audit fieldwork. Hold meetings with audit client, as necessary. On-site Auditor(s): One Principal	TBD



Cost and Resource Estimates, cont'd:

<i>Estimated Time:</i>	<i>Task:</i>	<i>Dates:</i>
4 Days Onsite One Auditor	Review workpapers and draft of audit report, debrief auditees and complete exit conference. On-site Auditor(s): One Principal	TBD
50 Hours Offsite Audit Work	Assistance in audit, conference calls to communicate with SBA audit team, review of workpapers. Off-site Auditor: One Lead Auditor	Various *Note – hours may be onsite or offsite – dates to be determined at a later time.
15 Hours Offsite Conference Calls	Conference calls to communicate with SBA audit team. One Principal Auditor, One Lead	Various
15 Hours Offsite Audit Work	Finalize audit report, workpapers etc. Delivery of draft audit report. One Principal Auditor	Various
1 Day Onsite One Auditor	Presentation of Audit Report to Audit Committee/Board. On-site Auditor(s): One Principal Auditor	TBD

The fee will be invoiced in the following manner (two separate invoices):

- 50% of fee due on approval of this proposal.
- 25% of fee due upon completion of audit program.
- 25% of fee due upon completion of project.



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Thank you for allowing us to submit this proposal. Please let me know what additional information I can provide to assist you in this process. You can reach me at 785-224-6713 (cell) or at BDavison@Investci.com.

Sincerely,



Barbara Davison CIA, CIDA, CISA, FLMI, President
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Previous Clients	Partial List	Previous Clients
New York Life	MetLife Insurance	Illinois TRS
CIGNA	Fidelity Investments	CUNA Mutual Ins.
Wal-Mart	Pfizer	Shell Oil
Hunt Oil Company	ConAgra	Ameren Energy
LG&E Energy	Peoples Energy	ING Financial Services
NICOR	Gillette	Salt River Project Energy
Microsoft	County of Orange	Enbridge
Vanguard Securities	Federal Reserve Bank	First Security Corp.
Mutual of New York	Avery Dennison	Dow Chemical
Credit Lyonnais	Kansas City Power and Light	Allstate Insurance
NC State Auditor	Vermont National Life	SRS of Kansas
RGA Reinsurance	California Lottery	Citigroup
SC State Auditor	Mass Mutual Insurance	M&I Bank
H&R Block	World Bank	Canada Wheat Board
AICPA	IFC	Royal Caribbean
United Nations	Pacific Life Insurance	PWC
Ernst & Young	Florida Power & Light	Fleet Bank Boston
Deloitte & Touche	BCBS of IA	Texas Instruments
Central Bank of Barbados	Central Bank of Finland	Central Bank of Colombia
Central Bank of Uganda	Central Bank of Malawi	Central Bank of Tanzania
Central Bank of Zambia	Central Bank of Zimbabwe	Commercial Federal
Nationwide Insurance	Northwestern Mutual	Peabody Coal
University of Notre Dame	Stanford University	TD Bank
Praxair	Arch Coal, Inc.	Regence Blue Shield
Standard Life Insurance	Washington State Auditor	CA Earthquake Assn.
Hogan Taylor	PG&E Corporation	Purdue University
Canada Mortgage & Housing	Farm Credit Canada	Bank of Hawaii
United Parcel Service	Lutheran Brotherhood	TIAA-CREF
MOSERS	Countrywide Home Loans	Dominion Resources
AGL Resources	Conectiv, Inc.	Piedmont Natural Gas



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Previous Clients	Partial List	Previous Clients
Wells Fargo	Alticor	Capital One
Pinnacle West	The Sanwa Bank	Grant & Thornton
Duke Energy	Institute of Internal Auditors	Sun Life Of Canada
Lutheran Brotherhood	Cargill, Inc.	MIS Training Institute
Virginia State Auditor	Texas State Auditor	Cox Enterprises
Florida State Retirement	CITGO	Freddie Mac
Barclays Global Investors	Farm Credit Canada	Fannie Mae
Bank of the West	Public Service of New Mexico	Kansas City P&L
Ensign Peak Advisors	IBM	Ford Motor Credit
BC Hydro - Powerex	Placer Dome	Potash Corporation
Alaska Permanent Fund	Bi-State Development	St. Louis University
Federal Housing Finance Administration	PNC Bank	AgFirst Bank
Conseco	American Electric Power	Allegheny Energy
State Street Bank	Chase Manhattan	Banker's Trust
Wisconsin Energy	Exelon Power Team	National Bank of Canada
Chevron	Duke Energy	Sempra Energy
Proctor and Gamble	Provincial Auditor of Canada	Grant Thornton
Farm Credit Administration	Prudential Insurance	American Express
Commercial Metals	PACCAR	Sempra Energy
Westar Energy	Placer Dome	John Hancock
Southwest Airlines	Canada Mortgage and Housing	Anheuser Busch
Marathon Oil	Office of the Auditor General	Aquila Energy
Internal Revenue Service	Securities Exchange Commission	Old Mutual Insurance
FHLB Pittsburgh	FHLB Boston	FHLB Cincinnati
FHLB Seattle	FHLB Chicago	FHLB Topeka
FHLB Atlanta	FHLB New York	FHLB Des Moines
FHLB Indianapolis	FHLB San Francisco	IMF
SASK Energy	Kellogg Endowment	FINRA