

Baird Ultra Short Bond Fund
Schedule of Investments
December 31, 2016

	<u>Principal Amount</u>	<u>Value</u>	<u>% of Net Assets</u>
LONG-TERM INVESTMENTS			
U.S. Treasury Securities			
U.S. Treasury Notes:			
2.375%, 07/31/2017	\$ 45,700,000	\$ 46,139,132	
1.000%, 09/15/2017	46,100,000	46,172,008	
0.875%, 01/15/2018	12,000,000	11,994,372	
		<u>104,305,512</u>	<u>26.6%</u>
Other Government Related Securities			
CNPC General Capital Ltd.,			
1.802%, 05/14/2017 (Acquired 05/07/2014, Cost \$250,000) ∞ * f	250,000	250,130	
Electricité de France SA:			
1.150%, 01/20/2017 (Acquired 08/18/2016, Cost \$1,000,039) * f	1,000,000	999,970	
1.341%, 01/20/2017 (Acquired 01/13/2014, Cost \$250,000) ∞ * f	250,000	250,020	
Export-Import Bank of Korea,			
1.631%, 01/14/2017 ∞ f	250,000	250,027	
Statoil ASA,			
3.125%, 08/17/2017 f	1,500,000	1,517,079	
		<u>3,267,226</u>	<u>0.8%</u>
Corporate Bonds			
Industrials			
Actavis Funding SCS,			
2.208%, 03/12/2020 ∞ f	1,500,000	1,528,720	
Alibaba Group Holding Ltd.,			
1.457%, 11/28/2017 ∞ f	500,000	499,293	
American Honda Finance Corp.,			
1.741%, 02/22/2019 ∞	200,000	201,919	
Amgen, Inc.:			
2.125%, 05/15/2017	1,500,000	1,504,893	
1.296%, 05/22/2017 ∞	250,000	250,263	
Anheuser-Busch InBev Finance, Inc.,			
1.286%, 02/01/2019 ∞	1,165,000	1,166,291	
AT&T, Inc.:			
1.847%, 11/27/2018 ∞	400,000	402,848	
1.928%, 06/30/2020 ∞	1,000,000	1,005,424	
Baxalta, Inc.,			
1.776%, 06/22/2018 ∞	1,500,000	1,500,370	
BellSouth LLC,			
4.400%, 04/26/2017 (Acquired 06/15/2016, Cost \$1,009,504) *	1,000,000	1,010,250	
Boardwalk Pipelines LP,			
5.500%, 02/01/2017	1,000,000	1,002,664	
Boston Scientific Corp.,			
5.125%, 01/12/2017	1,500,000	1,501,140	
Bunge Limited Finance Corp.,			
3.200%, 06/15/2017	2,000,000	2,015,058	
Bunge NA Finance LP,			
5.900%, 04/01/2017	720,000	726,195	
Cardinal Health, Inc.,			
1.900%, 06/15/2017	1,730,000	1,734,742	
Chevron Phillips Chemical Co. LLC / Chevron Phillips Chemical Co. LP,			
1.636%, 05/01/2020 (Acquired 05/07/2015, Cost \$1,500,000) ∞ *	1,500,000	1,485,483	
Constellation Brands, Inc.,			
7.250%, 05/15/2017	1,000,000	1,020,000	
Daimler Finance North America LLC:			
1.226%, 08/01/2017 (Acquired 01/13/2015, Cost \$498,615) ∞ *	500,000	500,372	
1.375%, 08/01/2017 (Acquired 11/01/2016, Cost \$750,711) *	750,000	750,011	
1.591%, 08/03/2017 (Acquired 07/28/2015, Cost \$1,050,000) ∞ *	1,050,000	1,052,747	
Dollar General Corp.,			
4.125%, 07/15/2017	1,500,000	1,521,765	
Enbridge, Inc.,			
1.384%, 06/02/2017 ∞ f	450,000	450,042	
Enterprise Products Operating LLC,			
Class L, 6.300%, 09/15/2017	2,000,000	2,062,718	
ERAC USA Finance LLC,			
2.750%, 03/15/2017 (Acquired 06/01/2016, Cost \$260,749) *	260,000	260,697	
Federal Express Corp. 2012 Pass Through Trust,			
2.625%, 01/15/2018 (Acquired 08/19/2015, Cost \$234,003) *	232,773	233,532	
Fidelity National Information Services, Inc.,			
1.450%, 06/05/2017	1,823,000	1,823,722	

Ford Motor Credit Co. LLC:			
1.461%, 03/27/2017	1,200,000	1,200,192	
3.000%, 06/12/2017	1,000,000	1,005,821	
General Motors Financial Co., Inc.,			
2.337%, 05/09/2019 ∞	2,000,000	2,019,734	
Glencore Canada Corp.,			
5.500%, 06/15/2017 f	1,500,000	1,524,057	
Hewlett Packard Enterprise Co.,			
2.929%, 10/05/2018 (Acquired 09/30/2015, Cost \$1,000,000) * ∞	1,000,000	1,022,087	
HP, Inc.,			
1.821%, 01/14/2019 ∞	737,000	739,406	
Hutchison Whampoa International (11) Ltd.,			
3.500%, 01/13/2017 (Acquired 08/24/2016, Cost \$1,000,793) * f	1,000,000	1,000,489	
Hyundai Capital Services, Inc.,			
1.793%, 03/18/2017 (Acquired 01/13/2015 through 08/24/2016, Cost \$2,450,546) ∞ * f	2,450,000	2,450,691	
Ingredion, Inc.,			
1.800%, 09/25/2017	2,500,000	2,503,162	
Kinder Morgan Energy Partners LP,			
6.000%, 02/01/2017	1,500,000	1,504,543	
Kraft Heinz Foods Co.,			
1.600%, 06/30/2017	724,000	724,581	
Medtronic, Inc.,			
1.763%, 03/15/2020 ∞ f	750,000	757,401	
Mondelez International, Inc.,			
1.406%, 02/01/2019 ∞	500,000	499,972	
National Oilwell Varco, Inc.,			
1.350%, 12/01/2017	1,800,000	1,792,984	
Pentair Finance SA,			
1.875%, 09/15/2017 f	2,000,000	2,002,984	
Pernod Ricard SA,			
2.950%, 01/15/2017 (Acquired 08/18/2016, Cost \$2,001,394) * f	2,000,000	2,001,078	
Phillips 66,			
2.950%, 05/01/2017	1,500,000	1,508,367	
Qualcomm, Inc.,			
1.461%, 05/20/2020 ∞	1,500,000	1,500,390	
Rohm and Haas Co.,			
6.000%, 09/15/2017	2,095,000	2,160,364	
Telefonica Emisiones SAU,			
1.648%, 06/23/2017 ∞ f	1,000,000	1,001,569	
Time Warner Cable LLC,			
5.850%, 05/01/2017	2,000,000	2,028,382	
Total Capital International SA,			
1.343%, 06/19/2019 ∞ f	250,000	248,999	
Toyota Motor Credit Corp.,			
Class 2547, 1.194%, 01/12/2018 ∞	900,000	901,249	
TransCanada PipeLines Ltd.,			
1.664%, 01/12/2018 ∞ f	1,000,000	1,003,896	
Verizon Communications, Inc.,			
2.709%, 09/14/2018 ∞	1,563,000	1,597,889	
Viacom, Inc.,			
6.125%, 10/05/2017	830,000	853,746	
Vodafone Group PLC:			
5.625%, 02/27/2017 f	1,000,000	1,005,751	
1.250%, 09/26/2017 f	1,400,000	1,397,403	
Volkswagen Group of America Finance LLC:			
1.290%, 05/23/2017 (Acquired 05/15/2014, Cost \$250,000) ∞ *	250,000	249,735	
1.351%, 11/20/2017 (Acquired 11/12/2014, Cost \$500,000) ∞ *	500,000	498,712	
Williams Partners LP / Williams Partners Finance Corp.,			
7.250%, 02/01/2017	1,200,000	1,204,687	
Xerox Corp.,			
6.750%, 02/01/2017	1,600,000	1,605,779	
		<u>68,727,259</u>	<u>17.5%</u>
Utilities			
Exelon Corp.,			
1.550%, 06/09/2017	1,700,000	1,696,906	
NextEra Energy Capital Holdings, Inc.,			
Class F, 2.056%, 09/01/2017	2,500,000	2,511,012	
Tri-State Pass Through Trust,			
6.040%, 01/31/2018 (Acquired 09/18/2014, Cost \$75,907) *	74,640	75,495	
W3A Funding Corp.,			
8.090%, 01/02/2017	30,836	30,836	
		<u>4,314,249</u>	<u>1.1%</u>
Financials			
ABN AMRO Bank NV,			
4.250%, 02/02/2017 (Acquired 11/16/2015 through 08/16/2016, Cost \$2,203,859) * f	2,198,000	2,202,743	

Aetna, Inc.,		
1.601%, 12/08/2017 ∞	2,000,000	2,006,896
American Express Bank FSB,		
6.000%, 09/13/2017	2,000,000	2,061,828
Australia and New Zealand Banking Group Ltd.,		
1.320%, 01/16/2018 (Acquired 01/12/2015, Cost \$1,000,000) ∞ * f	1,000,000	1,000,899
Banco Santander (Chile),		
1.776%, 04/11/2017 (Acquired 04/08/2014, Cost \$200,000) ∞ * f	200,000	199,760
Bank of America NA,		
5.300%, 03/15/2017	2,000,000	2,015,490
Bank of Montreal,		
1.476%, 04/09/2018 ∞ f	1,095,000	1,099,214
Barclays PLC,		
2.000%, 03/16/2018 f	1,100,000	1,097,713
BB&T Corp.,		
1.546%, 02/01/2019 ∞	880,000	883,765
BNP Paribas SA:		
1.341%, 05/07/2017 ∞ f	1,000,000	1,000,717
2.375%, 09/14/2017 f	1,000,000	1,006,677
BPCE SA,		
1.732%, 02/10/2017 ∞ f	500,000	500,419
Branch Banking & Trust Co.,		
1.220%, 05/23/2017 ∞	1,000,000	999,925
Caisse Centrale Desjardins:		
1.303%, 09/12/2017 (Acquired 05/26/2016, Cost \$99,795) ∞ * f	100,000	99,933
1.550%, 09/12/2017 (Acquired 08/23/2016 through 09/23/2016, Cost \$951,610) * f	950,000	950,407
1.552%, 01/29/2018 (Acquired 01/26/2015, Cost \$1,000,000) ∞ * f	1,000,000	998,981
Capital One NA/Mclean VA:		
1.500%, 09/05/2017	2,000,000	1,997,514
1.561%, 02/05/2018 ∞	500,000	500,987
Citigroup, Inc.:		
1.493%, 03/10/2017 ∞	1,500,000	1,500,931
1.850%, 11/24/2017	1,200,000	1,202,268
Citizens Bank NA/Providence RI,		
1.600%, 12/04/2017	1,890,000	1,888,015
Comerica Bank,		
5.200%, 08/22/2017	110,000	112,471
Commonwealth Bank of Australia,		
1.353%, 03/12/2018 (Acquired 11/09/2016, Cost \$1,000,633) ∞ * f	1,000,000	999,265
Commonwealth Bank of Australia/New York NY,		
1.125%, 03/13/2017 f	1,500,000	1,500,120
Compass Bank,		
1.850%, 09/29/2017	3,015,000	3,008,156
Cooperatieve Rabobank UA,		
3.375%, 01/19/2017 f	1,120,000	1,121,021
Credit Agricole SA/London,		
1.923%, 06/10/2020 (Acquired 06/03/2015, Cost \$1,000,000) ∞ * f	1,000,000	1,003,416
Credit Suisse AG/New York NY:		
1.427%, 05/26/2017 ∞ f	500,000	500,384
1.566%, 04/27/2018 ∞ f	1,000,000	999,577
Deutsche Bank AG/London:		
1.512%, 02/13/2017 ∞ f	850,000	849,798
1.582%, 02/13/2018 ∞ f	1,000,000	993,736
HSBC USA, Inc.:		
1.651%, 08/07/2018 ∞	1,000,000	999,168
1.512%, 11/13/2019 ∞	250,000	249,180
ING Bank NV:		
3.750%, 03/07/2017 (Acquired 08/19/2016, Cost \$1,004,674) * f	1,000,000	1,004,229
2.126%, 03/22/2019 (Acquired 05/26/2016, Cost \$804,825) ∞ * f	800,000	810,119
JPMorgan Chase & Co.:		
2.000%, 08/15/2017	1,000,000	1,003,706
Class 1, 1.520%, 01/28/2019 ∞	250,000	250,803
1.837%, 01/23/2020 ∞	1,000,000	1,011,018
Kookmin Bank:		
1.761%, 01/27/2017 (Acquired 01/21/2014, Cost \$250,000) ∞ * f	250,000	250,063
1.625%, 07/14/2017 (Acquired 08/12/2016, Cost \$1,503,184) * f	1,500,000	1,497,926
Macquarie Bank Ltd.,		
1.787%, 03/24/2017 (Acquired 03/18/2014 through 09/17/2015, Cost \$1,200,237) ∞ * f	1,200,000	1,201,319
Manufacturers & Traders Trust Co.,		
6.625%, 12/04/2017	810,000	845,605
MetLife, Inc.,		
Class A, 6.817%, 08/15/2018	105,000	113,200

Mizuho Bank Ltd.:			
1.310%, 04/16/2017 (Acquired 04/09/2014, Cost \$200,000) ∞ * f	200,000	200,101	
1.447%, 09/25/2017 (Acquired 09/18/2014 through 01/14/2015, Cost \$799,361) ∞ * f	800,000	799,488	
1.637%, 03/26/2018 (Acquired 03/19/2015 through 03/14/2016, Cost \$1,345,089) ∞ * f	1,350,000	1,350,167	
2.071%, 10/20/2018 (Acquired 10/13/2015, Cost \$500,000) ∞ * f	500,000	502,541	
Morgan Stanley:			
1.738%, 01/05/2018 ∞	500,000	501,930	
1.732%, 01/24/2019 ∞	250,000	251,560	
2.026%, 01/27/2020 ∞	500,000	504,424	
Nordea Bank AB,			
1.618%, 09/30/2019 (Acquired 09/22/2016, Cost \$1,500,000) ∞ * f	1,500,000	1,500,411	
Principal Life Global Funding II,			
1.125%, 02/24/2017 (Acquired 05/26/2016, Cost \$1,000,230) *	1,000,000	999,952	
Royal Bank of Canada,			
1.138%, 10/13/2017 ∞ f	3,000,000	2,998,983	
Santander Bank NA,			
1.804%, 01/12/2018 ∞	1,400,000	1,400,875	
Santander UK PLC,			
1.375%, 03/13/2017 f	500,000	500,135	
Societe Generale SA,			
2.078%, 10/01/2018 ∞ f	1,500,000	1,512,786	
Standard Chartered PLC,			
1.520%, 04/17/2018 (Acquired 04/13/2015, Cost \$1,200,000) ∞ * f	1,200,000	1,195,399	
Sumitomo Mitsui Banking Corp.:			
1.460%, 01/16/2018 ∞ f	300,000	300,376	
1.622%, 07/23/2018 ∞ f	1,350,000	1,354,651	
1.548%, 10/19/2018 ∞ f	1,000,000	1,003,321	
SunTrust Banks, Inc.,			
6.000%, 09/11/2017	2,143,000	2,207,149	
Svenska Handelsbanken AB,			
1.483%, 06/17/2019 ∞ f	850,000	850,621	
Swedbank AB,			
2.125%, 09/29/2017 (Acquired 08/30/2016, Cost \$2,012,656) * f	2,000,000	2,009,596	
Synchrony Financial:			
2.287%, 11/09/2017 ∞	1,000,000	1,006,548	
2.111%, 02/03/2020 ∞	1,000,000	988,684	
The Bank of New York Mellon Corp.,			
1.446%, 08/01/2018 ∞	1,000,000	1,003,212	
The Bank of Tokyo-Mitsubishi UFJ Ltd.,			
1.363%, 03/10/2017 (Acquired 06/01/2016, Cost \$500,044) ∞ * f	500,000	500,128	
1.261%, 09/08/2017 (Acquired 09/30/2014, Cost \$998,890) ∞ * f	1,000,000	999,020	
The Bear Stearns Companies LLC,			
6.400%, 10/02/2017	500,000	517,973	
The Goldman Sachs Group, Inc.:			
6.150%, 04/01/2018	1,000,000	1,051,915	
2.006%, 11/15/2018 ∞	1,285,000	1,297,215	
The Hartford Financial Services Group, Inc.,			
5.375%, 03/15/2017	1,750,000	1,764,172	
The Toronto-Dominion Bank,			
1.441%, 11/05/2019 ∞ f	1,200,000	1,201,472	
UBS AG/Stamford CT:			
1.697%, 03/26/2018 ∞ f	1,000,000	1,003,326	
1.800%, 03/26/2018 f	1,300,000	1,300,898	
UBS Group Funding Jersey Ltd.,			
2.437%, 09/24/2020 (Acquired 09/21/2015, Cost \$500,000) ∞ * f	500,000	505,791	
Voya Financial, Inc.,			
2.900%, 02/15/2018	1,000,000	1,012,386	
WEA Finance LLC / Westfield UK & Europe Finance PLC,			
1.750%, 09/15/2017 (Acquired 08/10/2016, Cost \$1,403,829) *	1,400,000	1,400,871	
Wells Fargo & Co.:			
5.625%, 12/11/2017	500,000	518,380	
Class N, 1.567%, 01/30/2020 ∞	1,000,000	999,509	
Westpac Banking Corp.:			
2.000%, 08/14/2017 f	1,165,000	1,170,098	
1.360%, 05/25/2018 ∞ f	1,500,000	1,500,980	
		87,226,406	22.2%
Total Corporate Bonds		160,267,914	40.8%
Taxable Municipal Bonds			
City of Los Angeles Department of Airports,			
5.175%, 05/15/2017	65,000	65,733	
Kentucky Asset Liability Commission,			
4.372%, 04/01/2017	1,200,000	1,209,540	
Madison County Community Unit School District No. 12 Madison,			
1.950%, 01/01/2017	200,000	200,000	

Metropolitan Government Nashville & Davidson County Health & Educational Facilities, 1.750%, 07/01/2046 (Callable 1/31/2017) ∞	1,000,000	1,000,000	
Montana Board of Investments, 0.520%, 03/01/2032 (Callable 03/01/2017) ∞	2,000,000	1,997,760	
State of Illinois, 5.365%, 03/01/2017	1,260,000	1,267,497	
		<u>5,740,530</u>	<u>1.5%</u>
Residential Mortgage-Backed Securities			
U.S. Government Agency Issues			
Federal Gold Loan Mortgage Corp. (FGLMC), 5.000%, 12/01/2017	26,152	26,793	
Federal National Mortgage Association (FNMA):			
5.000%, 10/01/2017	19,556	20,014	
5.000%, 11/01/2017	17,487	17,896	
5.500%, 11/01/2017	37,860	38,244	
5.000%, 12/01/2017	16,993	17,390	
5.000%, 12/01/2019	301,906	309,723	
4.500%, 04/01/2020	578,881	595,784	
5.000%, 04/01/2020	588,101	604,334	
		<u>1,630,178</u>	<u>0.4%</u>
Non-U.S. Government Agency Issues			
Aames Mortgage Investment Trust, Series 2006-1, Class A3, 1.076%, 04/25/2036 ∞	503,118	495,092	
Accredited Mortgage Loan Trust:			
Series 2005-4, Class A2D, 1.076%, 12/25/2035 ∞	658,749	638,321	
Series 2006-2, Class A3, 0.906%, 09/25/2036 ∞	376,877	375,322	
ACE Securities Corp. Home Equity Loan Trust:			
Series 2006-HE1, Class A1B1, 0.946%, 02/25/2036 ∞	324,395	321,276	
Series 2006-HE1, Class A1A, 0.956%, 02/25/2036 ∞	122,496	121,952	
Banc of America Alternative Loan Trust, Series 2004-1, Class 5A2, 5.500%, 02/25/2019	22,796	23,071	
Carrington Mortgage Loan Trust Series 2006-RFC1, Series 2006-RFC1, Class A3, 0.906%, 05/25/2036 ∞	1,442,221	1,421,441	
CWABS Asset-Backed Certificates Trust, Series 2006-14, Class 2A2, 0.906%, 02/25/2037 ∞	1,352,742	1,327,836	
HSI Asset Securitization Corp. Trust, Series 2007-WF1, Class 2A3, 0.926%, 05/25/2037 ∞	371,591	358,254	
J.P. Morgan Mortgage Acquisition Trust:			
Series 2006-NC1, Class A4, 0.754%, 04/25/2036 ∞	663,174	653,719	
Series 2007-CH3, Class A3, 0.906%, 03/25/2037 ∞	414,052	412,555	
Long Beach Mortgage Loan Trust:			
Series 2005-WL2, Class M1, 1.461%, 08/25/2035 ∞	769,394	765,253	
Series 2006-WL2, Class 2A3, 0.956%, 01/25/2036 ∞	24,104	23,828	
MASTR Alternative Loan Trust, Series 2004-13, Class 8A1, 5.500%, 01/25/2025	75,214	75,127	
MASTR Asset Backed Securities Trust, Series 2006-AB1, Class A2, 0.986%, 02/25/2036 ∞	360,801	359,511	
Merrill Lynch Mortgage Investors Trust, Series 2006-FF1, Class A1, 0.861%, 08/25/2036 ∞	153,486	153,416	
Morgan Stanley ABS Capital I, Inc. Trust, Series 2006-HE3, Class A2C, 0.916%, 04/25/2036 ∞	1,452,115	1,447,126	
Nationstar Home Equity Loan Trust, Series 2007-C, Class 2AV2, 0.886%, 06/25/2037 ∞	17,846	17,751	
Park Place Securities, Inc., Series 2005-WCW1, Class M1, 1.206%, 09/25/2035 ∞	497,280	494,188	
RASC Series Trust:			
Series 2003-KS2, Class A16, 3.990%, 04/25/2033 ∞	20,514	20,491	
Series 2006-EMX2, Class A2, 0.956%, 02/25/2036 ∞	59,659	59,596	
Series 2006-KS1, Class A4, 1.056%, 02/25/2036 ∞	196,461	194,656	
Saxon Asset Securities Trust, Series 2006-1, Class A2C, 1.076%, 03/25/2036 ∞	697,541	688,525	
Soundview Home Loan Trust:			
Series 2005-OPT4, Class 2A3, 1.016%, 12/25/2035 ∞	831,096	822,250	
Series 2006-2, Class A4, 1.026%, 03/25/2036 ∞	213,530	212,216	
Series 2006-WF2, Class A2C, 0.896%, 12/25/2036 ∞	357,288	356,748	
		<u>11,839,521</u>	<u>3.0%</u>
Commercial Mortgage-Backed Securities			
U.S. Government Agency Issues			
Fannie Mae REMIC Trust:			
Series 2012-M9, Class ASQ2, 1.513%, 12/25/2017	2,991,716	2,996,029	
Series 2015-M1, Class ASQ2, 1.626%, 02/25/2018	1,539,018	1,542,675	

Freddie Mac Multifamily Structured Pass Through Certificates:

Series K502, Class A2, 1.426%, 08/25/2017	458,060	458,373	
Series K701, Class A2, 3.882%, 11/25/2017 ∞	2,045,000	2,080,145	
Series K702, Class A2, 3.154%, 02/25/2018	2,031,037	2,061,234	
Series K703, Class A2, 2.699%, 05/25/2018	1,084,634	1,099,743	
Series K008, Class A1, 2.746%, 12/25/2019	1,986,201	2,006,315	
Series K009, Class A1, 2.757%, 05/25/2020	2,132,019	2,150,930	
		<u>14,395,444</u>	<u>3.7%</u>
Other Asset Backed Securities			
Ally Auto Receivables Trust,			
Series 2014-2, Class A3, 1.250%, 04/15/2019	2,034,304	2,035,101	
American Express Credit Account Master Trust,			
Series 2014-2, Class A, 1.260%, 01/15/2020	4,630,000	4,632,929	
BMW Vehicle Lease Trust,			
Series 2015-1, Class A4, 1.340%, 06/20/2018	1,925,000	1,926,631	
California Republic Auto Receivables Trust:			
Series 2014-3, Class A3, 1.090%, 11/15/2018	204,403	204,396	
Series 2015-3, Class A3, 1.620%, 11/15/2019	3,160,000	3,165,254	
Capital Auto Receivables Asset Trust:			
Series 2015-3, Class A1A, 1.390%, 02/20/2018 (Acquired 06/02/2016, cost \$339,390) *	339,270	339,394	
Series 2014-1, Class A3, 1.320%, 06/20/2018	415,805	415,830	
Series 2016-3, Class A2A, 1.360%, 04/22/2019	1,000,000	1,000,455	
Capital One Multi-Asset Execution Trust:			
Series 2014-A2, Class A2, 1.260%, 01/15/2020	3,280,000	3,281,822	
Series 2007-A7, Class A7, 5.750%, 07/15/2020	3,000,000	3,096,200	
Carmax Auto Owner Trust:			
Series 2013-2, Class A4, 0.840%, 11/15/2018	1,104,949	1,103,553	
Series 2014-3, 1.160%, 06/17/2019	2,007,432	2,006,454	
Series 2014-4, Class A3, 1.250%, 11/15/2019	1,026,043	1,025,695	
Chase Issuance Trust:			
Series 2014-A1, Class A1, 1.150%, 01/15/2019	2,593,000	2,593,008	
Series 2014-A6, Class A6, 1.260%, 07/15/2019	2,100,000	2,101,287	
Citibank Credit Card Issuance Trust:			
Series 2014-A2, Class A2, 1.020%, 02/22/2019	2,984,000	2,983,885	
Series 2014-A4, Class A4, 1.230%, 04/24/2019	2,000,000	2,000,800	
Conseco Financial Corp.,			
Series 1998-4, Class A6, 6.530%, 04/01/2030 ∞	541,069	575,087	
Dell Equipment Finance Trust:			
Series 2015-1, Class A2, 1.010%, 07/24/2017 (Acquired 04/15/2015 through 10/26/2016, Cost \$160,375) *	160,387	160,365	
Series 2015-1, Class A3, 1.300%, 03/23/2020 (Acquired 07/06/2016, Cost \$1,149,910) *	1,150,000	1,150,255	
Discover Card Execution Note Trust,			
Series 2014-A3, Class A3, 1.220%, 10/15/2019	3,000,000	3,001,010	
Enterprise Fleet Financing LLC,			
Series 2015-2, Class A2, 1.590%, 02/22/2021 (Acquired 08/23/2016 through 12/19/2016, Cost \$2,802,871) *	2,802,274	2,800,718	
Ford Credit Auto Lease Trust,			
Series 2015-A, Class A4, 1.310%, 08/15/2018	2,450,000	2,451,068	
Ford Credit Floorplan Master Owner Trust:			
Series 2012-2, Class A, 1.920%, 01/15/2019	680,000	680,181	
Series 2014-1, Class A1, 1.200%, 02/15/2019	2,500,000	2,500,118	
GM Financial Automobile Leasing Trust:			
Series 2014-2A, Class A3, 1.220%, 01/22/2018 (Acquired 04/05/2016, Cost \$302,425) *	302,392	302,453	
Series 2015-1, Class A3, 1.530%, 09/20/2018	905,000	906,223	
Golden Credit Card Trust,			
Series 2012-2A, Class A1, 1.770%, 01/15/2019 (Acquired 09/26/2016 through 09/30/2016, Cost \$4,001,306) *	4,000,000	4,001,128	
Harley-Davidson Motorcycle Trust:			
Series 2014-1, Class A3, 1.100%, 09/15/2019	1,265,222	1,265,059	
Series 2015-1, Class A3, 1.410%, 06/15/2020	1,750,000	1,751,111	
Honda Auto Receivables Owner Trust,			
Series 2016-1, Class A2, 1.010%, 06/18/2018	1,575,162	1,574,639	
Hyundai Auto Lease Securitization Trust,			
Series 2015-A, Class A3, 1.420%, 09/17/2018 (Acquired 09/26/2016 through 11/04/2016, Cost \$2,046,396) *	2,043,137	2,045,940	
Kubota Credit Owner Trust,			
Series 2015-1A, Class A3, 1.540%, 03/15/2019 (Acquired 07/21/2016, Cost \$1,101,798) *	1,100,000	1,101,469	
Leaf Receivables Funding 10 LLC,			
Series 2015-1, Class A3, 1.490%, 03/15/2018 (Acquired 04/23/2015, Cost \$665,539) *	665,661	665,049	
Master Credit Card Trust II,			
Series 2016-1A, Class A, 1.494%, 09/23/2019 (Acquired 04/11/2016, Cost \$1,050,000) ∞ *	1,050,000	1,054,119	
Mercedes Benz Auto Lease Trust,			
Series 2015-A, Class A4, 1.210%, 10/15/2020	2,000,000	2,000,129	
MMAF Equipment Finance LLC:			
Series 2016-AA, Class A2, 1.390%, 12/17/2018 (Acquired 10/26/2016 through 11/14/2016, Cost \$3,302,311) *	3,300,000	3,301,181	
Series 2011-AA, Class A5, 3.040%, 08/15/2028 (Acquired 09/22/2016 through 12/30/2016, Cost \$2,446,093) *	2,429,077	2,443,641	

Nissan Auto Receivables Owner Trust, Series 2013-A, Class A4, 0.750%, 07/15/2019	149,873	149,782	
OneMain Financial Issuance Trust, Series 2014-2A, Class A, 2.470%, 09/18/2024 (Acquired 02/05/2016, Cost \$423,800) *	425,129	425,304	
Springleaf Funding Trust, Series 2014-AA, Class A, 2.410%, 12/15/2022 (Acquired 05/13/2015 through 07/28/2015, Cost \$384,711) *	383,724	383,865	
Synchrony Credit Card Master Note Trust: Series 2012-3, Class A, 1.154%, 03/15/2020 ∞	1,025,000	1,025,278	
Series 2012-6, Class A, 1.360%, 08/17/2020	3,150,000	3,151,757	
Toyota Auto Receivables Owner Trust: Series 2016-B, Class A2A, 1.020%, 10/15/2018	2,000,000	1,998,825	
Series 2013-B, Class A4, 1.460%, 01/15/2019	1,046,843	1,047,968	
Series 2015-A, Class A3, 1.120%, 02/15/2019	802,025	801,598	
Wheels SPV 2 LLC, Series 2014-1A, Class A2, 0.840%, 03/20/2023 (Acquired 07/28/2016 through 11/21/2016, Cost \$1,125,593) *	1,126,878	1,126,179	
		<u>79,754,193</u>	<u>20.3%</u>
Total Long-Term Investments (Cost \$381,069,633)		<u>381,200,518</u>	<u>97.1%</u>
SHORT-TERM INVESTMENTS			
Certificate of Deposit			
Federal Home Loan Bank Discount Notes	845,000	844,390	
Total Certificate of Deposit (Cost \$845,000)		<u>844,390</u>	<u>0.2%</u>
Money Market Mutual Fund			
Fidelity Institutional Money Market Fund - Government Portfolio, Institutional Class, 0.43% «	<u>Shares</u> 4,876,398	4,876,398	
Total Money Market Mutual Fund (Cost \$4,876,398)		<u>4,876,398</u>	<u>1.3%</u>
Total Short-Term Investments (Cost \$5,720,775)		<u>5,720,788</u>	<u>1.5%</u>
Total Investments (Cost \$386,790,408)		<u>386,921,306</u>	<u>98.6%</u>
Other Assets in Excess of Liabilities		5,583,568	1.4%
TOTAL NET ASSETS		<u>\$ 392,504,874</u>	<u>100.0%</u>

Notes to Schedule of Investments

- ∞ Variable or Floating rate security. Floating rate securities are securities whose yields vary with a designated index rate. These securities' rates are as of December 31, 2016.
- * Restricted security as defined in Rule 144(a) under the Securities Act of 1933 and determined to be liquid. Purchased in a private placement transaction; resale to the public may require registration or may extend only to qualified institutional buyers. At December 31, 2016, the value of these securities total \$59,575,084 which represents 15.18% of total net assets.
- « 7-Day Yield
- f Foreign Security

Baird Ultra Short Bond Fund
Summary Schedule of Investments, December 31, 2016
Summary of Fair Value Exposure at December 31, 2016

The Fund has adopted authoritative fair valuation accounting standards which establish a definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion on changes in valuation techniques and related inputs during the period. These standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is organized into three levels based upon the assumptions (referred to as "inputs") used in pricing the asset or liability. These standards state that "observable inputs" reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from independent sources and "unobservable inputs" reflect an entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. These inputs are summarized into three broad levels and described below:

Level 1 - Unadjusted quoted prices in active markets for identical unrestricted securities.
 Level 2 - Other significant observable inputs (including quoted prices for similar securities, dealer indications, interest rates, yield curves, prepayment speeds, credit risk, default rates, inputs corroborated by observable market data, etc.).
 Level 3 - Significant unobservable inputs (including the Fund's own assumptions about the factors that market participants would use in valuing the security) based on the best information available.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2016:

	Level 1	Level 2	Level 3	Total
Long-Term Investments				
U.S. Treasury Securities	\$ -	\$ 104,305,512	\$ -	\$ 104,305,512
Other Government Related Securities	-	3,267,226	-	3,267,226
Corporate Bonds	-	160,267,914	-	160,267,914
Taxable Municipal Bonds	-	5,740,530	-	5,740,530
Residential Mortgage-Backed Securities - U.S. Government Agency Issues	-	1,630,178	-	1,630,178
Residential Mortgage-Backed Securities - Non-U.S. Government Agency Issues	-	11,839,521	-	11,839,521
Commercial Mortgage-Backed Securities - U.S. Government Agency Issues	-	14,395,444	-	14,395,444
Other Asset Backed Securities	-	79,754,193	-	79,754,193
Total Long-Term Investments	-	381,200,518	-	381,200,518
Short-Term Investments				
Certificate of Deposit	-	844,390	-	844,390
Money Market Mutual Fund	4,876,398	-	-	4,876,398
Total Short-Term Investments	4,876,398	844,390	-	5,720,788
Total Investments	<u>\$ 4,876,398.00</u>	<u>\$ 382,044,908.00</u>	<u>\$ -</u>	<u>\$ 386,921,306</u>

Changes in valuation techniques may result in transfers into or out of assigned levels within the fair value hierarchy. There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the reporting period. See the Fund's valuation policy in Note 2a to the financial statements.