

Government Select Series Institutional Class Shares

Prospectus
October 26, 2018



As with all mutual funds, neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or judged the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense. Shares of Government Select Series offered by means of this prospectus are not available in all states.

pfm FUNDS

PFM Funds

Government Select Series Institutional Class Shares

Government Select Series (the “Portfolio”) is a separate investment portfolio of PFM Funds (the “Trust”), a diversified, open-end management investment company. The Portfolio is a money market fund designed and managed to suit the special cash management needs of institutions such as municipalities, other governmental entities, corporations, universities, hospitals, insurance entities and not for profit organizations. This Prospectus relates to shares of the Institutional Class of Government Select Series. It gives you important information about Government Select Series that you should know before investing.

PFM Asset Management LLC (the “Adviser”) serves as the Portfolio’s investment adviser.

213 Market Street
Harrisburg, PA 17101
(800) 338-3383

Table of Contents

Fund Summary.....	1
Government Select Series Institutional Class Shares	
Fund Details.....	4
Investment Objective	
Principal Investment Strategies	
Management Policies	
Principal Investment Risks	
Management of the Trust	
Other Service Providers to the Trust	
Management and Administrative Costs	
Investing in the Portfolio	10
Opening an Account	
Buying Shares	
Redeeming Shares	
Dividends and Distributions	
The Trust’s Policies	
Tax Information	
Financial Highlights	17
For More Information	Back Cover

Fund Summary - Government Select Series Institutional Class

Investment Objective

To provide high current income consistent with stability, safety of principal, and liquidity, and to maintain a stable net asset value of \$1.00 per share.

Fees and Expenses

These are the fees and expenses you may pay when you buy and hold shares of the Institutional Class of Government Select Series.

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees	0.09%
Distribution (12b-1) fees	0.00%
Other expenses:	0.14%
Transfer agent fees	0.08%
Other operating expenses	0.06%
Total Annual Fund Operating Expenses	0.23%

Expense Example

This example is intended to help you compare the cost of investing in the Institutional Class of Government Select Series with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 for the time periods indicated and then redeem all of your shares at the end of the period. The example also assumes that you earn a 5% return each year on your investment and that the operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

1 year	3 years	5 years	10 years
\$24	\$74	\$130	\$294

Principal Investment Strategies

Government Select Series invests at least 99.5% of its total assets in cash and the following instruments:

- Securities issued or guaranteed as to principal or interest by the U.S. government or by its agencies or instrumentalities, including obligations of U.S. banks guaranteed by letters of credit issued by such agencies or instrumentalities;
- Repurchase agreements for securities of the U.S. government, or its agencies or instrumentalities, that are collateralized fully; and
- Shares of other government money market mutual funds.

In addition, under normal market conditions, Government Select Series invests at least 80% of its net assets in U.S. government securities (including securities issued or guaranteed by the U.S. government or its agencies or instrumentalities), repurchase agreements that are collateralized fully by U.S. government securities and shares of other government money market mutual funds.

Government Select Series maintains a dollar-weighted average portfolio maturity of no more than 60 days and a dollar-weighted life (final maturity, disregarding interest rate adjustments) of no more than 120 days.

Principal Investment Risks

Although Government Select Series invests exclusively in high-quality securities, an investment in Government Select Series – like an investment in any money market fund – is subject to certain risks, such as:

- **Interest Rate Risk** When short-term interest rates fall, Government Select Series' yield is likely to fall. When interest rates rise, the values of obligations held by Government Select Series may decline. If the rise is sharp or unexpected, Government Select Series' share price could fall.
- **Credit Risk** The issuer of an obligation could fail to pay interest and principal in a timely manner. The credit quality of Government Select Series' holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single holding could cause Government Select Series' share price to fall.
- **Government Securities Risk** For U.S. government or agency securities not backed by the full faith and credit of the United States (including obligations guaranteed by an agency or instrumentality of the U.S. government), there is no guarantee that the government will intervene in the event of any loss or default.
- **Management Risk** Performance could be hurt by decisions made by the investment adviser, such as choice of investments and timing of buy/sell decisions.

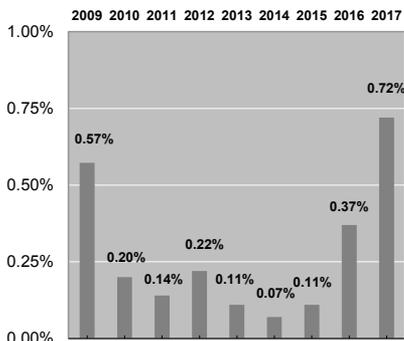
You could lose money by investing in Government Select Series. Although Government Select Series seeks to maintain the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in Government Select Series is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The investment adviser of Government Select Series' has no legal obligation to provide financial support to Government Select Series, and you should not expect that it will provide financial support to Government Select Series at any time.

Performance

The following information illustrates how Institutional Class Shares have performed over time. Prior to October 3, 2016, Government Select Series was known as Prime Series and, in addition to investing in U.S. government securities, it invested in obligations of U.S. companies, financial institutions and U.S. municipalities. The performance information that follows for dates prior to October 3, 2016 reflects the returns of Prime Series before it began to operate as a government money market fund. For current yield information, call (800) 338-3383. Returns for other classes were different and are not shown here. Past performance may not indicate future results and yields may vary.

Year-by-Year Total Return (shown for calendar years) (%)

Institutional Class Shares



Highest Quarter Return: Q1 2009 **0.29%**

Lowest Quarter Return: Q4 2014 **0.02%**

YTD Return as of 9/30/18 (not annualized): **1.17%**

Average Annual Total Return (%)^{*} (for the periods ended December 31, 2017)

Institutional Class Shares

1 year	5 Years	Since inception ¹
0.72%	0.28%	0.34%

¹*Institutional Class Shares inception: 9/29/08*

^{*}*Average annual total returns of other classes of shares were different.*

Management

Investment Adviser PFM Asset Management LLC

Purchase and Sale of Portfolio Shares

Minimum Initial Investment \$1 Million

Minimum Account Balance \$1 Million

We may waive these minimums for certain investors that participate in certain programs sponsored by PFM Asset Management LLC.

Placing Orders

You can place orders to buy or redeem Institutional Class Shares by a variety of methods, including wire, automated clearing house (ACH), and check. To place orders, or to set up features such as checkwriting, contact us at:

Online www.pfmfunds.com

Phone (800) 338-3383

Orders are generally processed on the Business Day they are received in good order if received prior to 2:00 P.M. Eastern Time.

For more complete information on buying and selling shares, see “Investing in the Portfolio” in the Prospectus.

Tax Information

Dividends of net investment income and distributions of net realized capital gains are generally taxable to shareholders, but may not be taxable for tax-exempt shareholders. However, a shareholder may be subject to tax upon redemption of shares held in a tax-advantaged account.

Fund Details

Investment Objective

The investment objective of the Portfolio is to provide high current income consistent with stability, safety of principal, and liquidity, and to maintain a stable net asset value (“NAV”) of \$1.00 per share.

This objective may not be changed without the approval of the Portfolio’s shareholders. There is no assurance that the Portfolio will achieve its objective.

Principal Investment Strategies

Portfolio Securities

The Portfolio invests exclusively in high quality, short-term money market instruments which must be determined by the Adviser, pursuant to procedures adopted by the Board of Trustees of the Trust (the “Board”), to present minimal credit risks.

The Portfolio invests at least 99.5% of its total assets in cash and the following types of instruments:

U.S. government and agency obligations

- Bills, notes, and bonds issued by the U.S. Treasury.
- Obligations issued or guaranteed by any agency or instrumentality of the U.S. government, such as obligations of Fannie Mae, Freddie Mac, Government National Mortgage Association (Ginnie Mae), the Federal Home Loan Banks, and the Federal Farm Credit Banks. These may include obligations of U.S. banks guaranteed by letters of credit issued by an agency or instrumentality of the U.S. government.

Repurchase agreements

- Repurchase agreements for U.S. government or agency obligations that are collateralized fully. Maturity dates of collateral securities for repurchase agreements may exceed 397 days.

Other government money market mutual funds

- The Portfolio may also invest in shares of other government money market mutual funds.

Deposit accounts

- Cash assets that are awaiting investment may be placed in a demand deposit account, or other deposit account, with the Portfolio’s depository bank.

In addition, under normal market conditions, the Portfolio invests at least 80% of its net assets in U.S. government securities (including securities issued or guaranteed by the

U.S. government or its agencies or instrumentalities), repurchase agreements that are collateralized fully by U.S. government securities and shares of other government money market mutual funds.

Credit support of U.S. government and agency obligations

Obligations of certain agencies and instrumentalities of the U.S. government (such as Ginnie Mae) are supported by the full faith and credit of the United States. Obligations of other U.S. government agencies and instrumentalities, such as obligations of Fannie Mae and Freddie Mac, are neither guaranteed by the U.S. Treasury nor backed by the full faith and credit of the United States. However, these agencies and instrumentalities may receive some form of federal support. For example, the U.S. Treasury is authorized to purchase specified amounts of securities issued by (or otherwise make funds available to) Freddie Mac, Fannie Mae, and the Federal Home Loan Banks. Such support may be limited and subject to specified conditions.

Obligations of other agencies and instrumentalities may be supported only by the credit of the agency or instrumentality issuing the obligations.

Further information about portfolio securities is included in the Statement of Additional Information (SAI).

Liquidity Fees and Temporary Suspensions of Redemptions

Under Securities and Exchange Commission (“SEC”) rules, the Portfolio may voluntarily impose a liquidity fee or temporarily suspend redemptions in the event that the Portfolio’s weekly liquid assets fall below 30 percent of its total assets. However, the Board does not presently intend to impose liquidity fees or to suspend redemptions under such circumstances.

Management Policies

The Portfolio is managed in accordance with Rule 2a-7 under the Investment Company Act of 1940, as amended. In keeping with Rule 2a-7, and with procedures established by the Board, the Portfolio limits its investments to those that the Adviser believes present minimal credit risk, and follows policies designed to maintain a stable share price.

Securities in which the Portfolio invests are denominated in U.S. dollars and have remaining maturities of 397 days (approximately 13 months) or less at the time of purchase. However, the Portfolio may invest in securities having maturities greater than 397 days if certain maturity shortening features (such as interest rate resets or demand features) apply. Securities with maturity shortening features may be deemed to have maturities shorter than their stated maturity dates.

The Portfolio maintains a dollar-weighted average portfolio maturity of not more than 60 days and a dollar-weighted life (final maturity, disregarding interest rate adjustments) of not more than 120 days.

Except as noted otherwise, the Portfolio invests exclusively in securities that carry at least two of the following ratings (or better):

Securities with maturities of 12 months or less

- **Moody’s:** Prime 1
- **S&P:** A-1
- **Fitch:** F-1

Securities with maturities greater than 12 months

- **Moody's:** Aa
- **S&P:** AA
- **Fitch:** AA

The Portfolio may invest in any subcategory of the ratings categories shown above.

The Adviser may adjust exposure of the Portfolio to interest rate risk, typically seeking to take advantage of possible rises in interest rates and to preserve yield when interest rates appear likely to fall.

Should the rating categories or providers described here cease to exist, the Adviser would seek to apply comparable successor standards, subject to Board approval.

Policies on Managing Cash for Municipalities and Institutions

The investment objective and investment policies of the Portfolio are designed to support the particular cash management needs of institutions, such as universities, hospitals, insurance entities, independent schools, colleges, and not-for-profit organizations, as well as municipalities, other governmental agencies and political subdivisions and corporations that must manage investments conservatively.

Further information about the Portfolio's investment policies and practices is included in the SAI.

Principal Investment Risks

There are several risk factors that could hurt the Portfolio's performance, cause you to lose money, or cause the Portfolio's performance to trail that of other investments.

Interest Rate Risk When short-term interest rates fall, the Portfolio's yield is likely to fall. When interest rates rise, the values of obligations held by the Portfolio may decline. If the rise is sharp or unexpected, the Portfolio's share price could fall.

During periods of unusually low interest rates, the Portfolio's yield may approach zero. Over time, the total return of the Portfolio may not keep pace with inflation.

Credit Risk The issuer of an obligation owned by the Portfolio could fail to pay interest and principal in a timely manner. The credit quality of the Portfolio's holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single holding could cause the Portfolio's share price to fall.

Government Securities Risk For U.S. government or agency securities not backed by the full faith and credit of the United States (including obligations guaranteed by an agency or instrumentality of the U.S. government), there is no guarantee that the government will intervene in the event of any loss or default.

Management Risk Portfolio performance could be hurt by investment decisions made by the Adviser, such as choice of investments and timing of buy/sell decisions.

Counterparty Risk A financial institution or other counterparty with which the Portfolio does business (such as trading or custody), or that underwrites, distributes, or guarantees any investments or contracts that the Portfolio owns or is otherwise exposed to, may decline in financial health and become unable to honor its commitments. This could cause losses for the Portfolio or delay the return or delivery of collateral or other assets.

Financial Industry Risk Market price movements, regulatory or technological changes, or economic conditions affecting banks or other financial institutions may have a significant impact on the Portfolio's performance.

Additional Cost Level Risk To the extent that the Portfolio invests in other money market funds rather than investing directly in money market instruments, the Portfolio's shareholders will effectively be paying two or more levels of fund costs, which could reduce yields.

Liquidity Risk If the Portfolio faces an unusual volume of redemption orders, or if it is unable to sell portfolio securities at the desired time or price, the Portfolio's share price could fall.

Regulatory Risk On July 23, 2014, the SEC adopted certain regulatory changes intended to address systemic risks believed to be associated with money market funds and to improve transparency for money market fund investors. In connection with the adoption of these changes, Government Select Series converted to operate as a government money market fund effective October 3, 2016.

Technology and Cybersecurity Risk Various technologies are used by the Adviser and other service providers in connection with their operations and in providing services to the Portfolio. There is a risk that technology malfunctions, breaches in cybersecurity or other circumstances affecting these technologies may adversely impact the Portfolio's operations (including services available to shareholders and the Portfolio's investment program) or may result in the release of proprietary information concerning the Portfolio or its shareholders, reputational damage to the Portfolio or regulatory violations. In turn, these events may cause the Portfolio to incur penalties, additional costs and financial loss.

You could lose money by investing in Government Select Series. Although Government Select Series seeks to maintain the value of your investment at \$1.00 per share, it cannot guarantee they will do so. An investment in Government Select Series is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The investment adviser of Government Select Series has no legal obligation to provide financial support to Government Select Series, and you should not expect that it will provide financial support to Government Select Series at any time.

Management of the Trust

Board of Trustees

The Board has overall responsibility for supervising the business and affairs of the Trust and the Portfolio, including services provided by the service providers listed below.

Further information on the Board and its current members is included in the SAI.

Investment Adviser, Administrator and Transfer Agent

PFM Asset Management LLC
213 Market Street
Harrisburg, Pennsylvania 17101

The Adviser is registered under the Investment Advisers Act of 1940, as amended, and is under common ownership with Public Financial Management, Inc. (PFM), a financial advisory firm. Together, the Adviser and PFM have acted as financial or investment advisers to thousands of cities, townships, boroughs, counties, school districts, and authorities and health and higher education institutions in more than half of U.S. states. As of June 30, 2018, the Adviser had over \$88 billion in discretionary assets under management.

As investment adviser, the Adviser is responsible for managing the assets of the Portfolio, calculating the NAV per share, and maintaining the books and records of the Portfolio.

PFM Asset Management also provides certain administrative services, such as:

- Providing office space, facilities, equipment, and personnel.
- Overseeing the preparation of tax returns, reports to the Board, shareholder reports, regulatory filings.
- Coordinating the activities of other service providers.

Lastly, the Adviser serves as Transfer Agent for the Portfolio, in which capacity it receives, validates, and processes orders to purchase and redeem shares of the Portfolio.

Other Service Providers to the Trust

Distributor

PFM Fund Distributors, Inc.
213 Market Street
Harrisburg, Pennsylvania 17101

PFM Fund Distributors, Inc., a wholly owned subsidiary of the Adviser, offers shares of the Portfolio on a continuous basis.

Custodian

Wells Fargo Bank N.A.
1021 East Cary Street
Richmond, Virginia 23219

Securities and other assets of the Portfolio are held by Wells Fargo Bank, the Portfolio's custodian.

Depository

U.S. Bank N.A.
60 Livingston Avenue
St. Paul, Minnesota 55107

Amounts received from investors who are buying shares of the Portfolio are deposited with and initially held by U.S. Bank.

Independent Registered Public Accounting Firm

Ernst & Young LLP
One Commerce Square, Suite 700
2005 Market Street
Philadelphia, Pennsylvania 19103

Ernst & Young LLP is responsible for performing the audit of the Trust's financial statements and financial highlights in accordance with standards of the Public Company Accounting Oversight Board (United States).

Legal Counsel

Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022

Investment Advisory and Administrative Fees

Investment Advisory Fees The Portfolio pays the Adviser an investment advisory fee, accrued daily and payable monthly, which is determined by applying the following annual percentage rates to the average daily net assets of the Portfolio:

Portfolio Net Assets	Rate
First \$2 billion	0.07%
Next \$3 billion	0.065%
Next \$5 billion	0.06%
Over \$10 billion	0.05%

For the fiscal year ended June 30, 2018, investment advisory fees paid to the Adviser by the Portfolio were \$666,762 (representing approximately 0.07% of the Portfolio's average daily net assets). For a discussion of the Board's most recent approval of the investment advisory agreement, see the annual report to shareholders for the year ended June 30, 2018.

Administrator Fees The Portfolio pays the Adviser a fee for administrative services computed at the annual rate of 0.02% of its average daily net assets, accrued daily and payable monthly.

Transfer Agent Fees Government Select Series Institutional Class pays the Adviser a fee for transfer agent services computed at the annual rate of 0.08% of the average daily net assets of that class, accrued daily and payable monthly.

Distribution Expenses Under the Trust's 12b-1 plan, shares of the Institutional Class can bear distribution-related services approved by the Board in an amount not exceeding annually 0.25% of their average daily net assets. However, the class does not currently bear any distribution expenses.

PFM Fund Distributors, Inc. may enter into agreements with unaffiliated broker-dealers authorizing them to offer shares of the Portfolio to their customers. See "Distribution Arrangements" in the SAI for more information.

Fees and Expenses In addition to paying fees to the Adviser, the Portfolio is responsible for paying directly all costs that are not the responsibility of the service providers. These include:

- Legal and audit fees and disbursements.
- Depository and custodian bank fees and charges.
- Costs of preparation and production of prospectuses and shareholder reports, and printing and distributing reports and prospectuses to shareholders.
- Federal and state securities registration fees.
- Interest, taxes, and other non-recurring or extraordinary expenses, including litigation costs.

Fee Deferrals Pursuant to voluntary fee deferral agreements with the Trust, the Adviser may, but is not obligated to, reduce the fees it charges to the Portfolio or any share class. Any contractual fee deferrals (or waivers) currently in effect are described in the applicable summary section of this prospectus

Further information on the agreements with various service providers and their associated expenses is included in the SAI.

Investing in the Portfolio

Opening an Account

Eligible Investors

Government Select Series – Institutional Class

- Available to all types of institutional investors, including, governmental, not-for-profit, and for-profit organizations.

Account Minimums

Government Select Series – Institutional Class

- Minimum **initial investment**: \$1 million
- Minimum account balance: \$1 million

There are currently no minimum additional investment or minimum holding periods for the Portfolio or any of its classes.

Account minimums may be waived for institutions that participate in certain programs sponsored by the Adviser. These include:

- participants in the Virginia AIM and SNAP® programs
- certain clients of the Adviser that are not expected to engage in frequent purchases and sales of shares of the Portfolio
- shareholders who are spending the proceeds of bond offerings after having initially qualified to purchase Government Select Series-Institutional Class shares
- shareholders who have invested in the Portfolio or the Trust's former Government Series continuously since January 1, 2004

Account Applications

To request an account application, call us at (800) 338-3383, then either fax your completed application to (888) 535-0120 or send your completed application by regular mail to the Transfer Agent at 213 Market Street, Harrisburg, PA 17101. The Transfer Agent must receive and accept your application before you can purchase shares.

Business Days

Shares of the Portfolio may be purchased and redeemed Monday through Friday except for days on which the bond market is closed (as determined by the Securities Industry and Financial Markets Association "SIFMA") and except for Good Friday (each a "Business Day").

Buying Shares

Once your application has been accepted by the Transfer Agent, you may purchase shares at their net asset value per share using one of the methods described in the table below. There are no sales charges. Fractional shares will be rounded to the nearest 1/1000th of a share. All investments must be made in U.S. dollars and must be drawn on a U.S. bank or a U.S. branch of a foreign bank. Orders to purchase shares are generally processed on the Business Day they are received in good order if received prior to 2:00 P.M. Eastern Time, except that for any day on which the bond market closes early, orders received after the close of trading will be processed on the next Business Day.

“Good order” means receipt by the Transfer Agent of an acknowledged notification (written or verbal) and receipt by the Portfolio’s depository bank of full payment in Federal Funds. Share certificates are not issued. For any questions about transactions, contact us at the number shown below.

Method	Initial investment	Additional investments
By wire	<ul style="list-style-type: none"> • Call the number below for wire instructions and to notify the Transfer Agent of the amount. • Instruct your bank to wire the amount you want to invest. 	<ul style="list-style-type: none"> • Instruct your bank to wire the amount you want to invest. Be sure to provide your name, the portfolio and share class name, and your account number to <u>both</u> your bank and the Transfer Agent.
By Automated Clearing House (ACH)	<ul style="list-style-type: none"> • Call the number below for instructions and forms. You can set up ACH transfers to come from you or from a third party, such as a financial representative. • Submit the completed form to the Transfer Agent. • When ACH is set up, make your initial investment by calling the number below or through www.pfmfunds.com. 	<ul style="list-style-type: none"> • Make additional investments by calling the number below or through www.pfmfunds.com.
By mail	<ul style="list-style-type: none"> • Make out a check, money order or negotiable bank draft to “U.S. Bank.” • Write on the back of your check: <ul style="list-style-type: none"> – “for deposit only to PFM Funds for [your name]” – the Portfolio and share class name • Send the check to the address below. 	<ul style="list-style-type: none"> • Follow the instructions for initial investments, but include a completed deposit ticket with your check. • If you do not have a deposit ticket, notify us of your purchase through www.pfmfunds.com or call the number below.

Contact Information

Phone (800) 338-3383
 Fax (888) 535-0120

Regular mail

U.S. Bank
 Bank by Mail
 P.O. Box 1950
 St. Paul, MN 55101-0950

Overnight delivery

U.S. Bank
 Mail Code EPMNWS41
 60 Livingston Avenue
 St. Paul, MN 55107

Redeeming Shares

You may redeem (sell) shares on any Business Day at their net asset value per share at no charge, as described in the table below. No matter what redemption method you use, you will need to tell us:

- your account number
- the Portfolio and share class name
- how many shares (or the dollar value) you wish to redeem

Receiving Your Redemption Proceeds Promptly

To help assure that you receive your redemption proceeds promptly, you should set up redemption payment arrangements in advance.

Wire Transfers Designate the bank account to receive redemption proceeds and give us complete wire instructions for that account. The bank account must be in your name or the name of an agent acting for you.

ACH Transfers Contact us and obtain the necessary forms to set up that service. To have the redemption proceeds sent to a third party, request the additional form necessary for this service.

Redemption Checks (Government Select Series-Institutional Class) Contact us to order a book of checks. Be aware that certain checkwriting fees may apply. Contact us for more information.

Once your payment method(s) are in place, follow the instructions in the table below. Payment of redemption proceeds will be made within seven days. Note that if you are redeeming shares that you recently bought by check, your payment could be delayed up to 15 days if the purchase check has not yet cleared.

We charge no fee for payment of redemption proceeds by wire or ACH transfer. However, your receiving institution may charge a fee to receive money we send by one of these methods.

Method	Instructions	Payment terms
By wire transfer	<ul style="list-style-type: none">• Have an authorized person call us to place the order, or• Place your order through www.pfmfunds.com.	<ul style="list-style-type: none">• If we receive your request before 2:00 P.M. Eastern Time, we will wire the money that day. Otherwise, we will wire it the next Business Day.
By check <i>Government Select Series- Institutional Class</i>	<ul style="list-style-type: none">• Make out the check to the desired recipient.	<ul style="list-style-type: none">• When your check is presented for payment, we will redeem enough shares from your account to cover the amount of the check. If you do not have enough shares, we will return the check for insufficient funds.

By ACH

- Have an authorized person call us to place the order. Be sure to indicate whether the money should deposit into your account or a pre-established third-party account.
- If we receive your request before 2:00 P.M. Eastern Time, we will process the transfer the next Business Day. Otherwise, we will process it the second Business Day. Once the transfer is processed, the recipient must still allow time for it to clear before it is available to be drawn upon.

By mail

- Send us a letter of instruction, containing all information described above and with properly authorized signature(s).
- Confirm in your letter that the bank account and wire instructions we have for your account are current.
- To change your bank account or wire instructions, contact us.
- We will wire redemption proceeds as soon as practicable once we have received and accepted your request.

Dividends and Distributions

The Portfolio declares dividends daily and pays them to shareholders on the last Business Day of each month. Your dividends will be reinvested in additional shares of your class of the Portfolio unless you contact the Transfer Agent and make arrangements to receive a cash dividend.

Shares begin earning dividends the day you purchase them. They do not earn a dividend for the day they are redeemed. If you redeem all of your shares and request that your account be closed, you will be paid dividends declared through the Business Day prior to the redemption date.

The Trust's Policies

Calculating Net Asset Value per Share (NAV)

The Portfolio calculates the NAV per share of each class as of 2:00 P.M. Eastern Time each Business Day, except that on any day on which SIFMA has called for an early close of trading in the bond market, NAV per share will be determined as of close of trading in the bond market on that day. To calculate NAV per share, the Portfolio first subtracts its total liabilities from its total assets, then divides the result by the number of outstanding shares. The Portfolio follows rules of the SEC when valuing its assets and uses the amortized cost valuation method to determine the value of securities held by the Portfolio. This valuation method takes into account any premiums or discounts to the face value of securities the Portfolio buys. However, under this method, changes in interest rates do not generally affect the value of securities.

How Purchase and Redemption Prices are Determined

The purchase price for your shares will be determined based on the NAV per share next determined after the Portfolio's depository bank has received your full payment in Federal Funds and you have met all other requirements for purchasing shares. The

redemption price for your shares will be determined based on the NAV per share next determined after we receive your redemption request in proper form.

Purchasing by electronic funds transfer (ACH)

For transfers you initiate:

Request received before 2:00 P.M. Eastern Time. Your shares will be purchased at the NAV per share determined on the next Business Day.

Request received after 2:00 P.M. Eastern Time. Your shares will be purchased at the NAV per share determined on the second Business Day after receipt of the request.

For transfers initiated by a third party:

Your shares will be purchased at the NAV per share determined on the Business Day when the Portfolio's depository bank receives the funds (normally the Business Day following the day the transfer is initiated).

How Redemption Prices are Determined for ACH Redemptions

In the case of redemptions by ACH, your shares will be redeemed at the NAV per share determined on the redemption date once we have received your ACH redemption request in proper form.

Frequent Purchases and Redemptions of Shares

The Board has determined not to adopt a policy regarding the frequent purchase and redemption of shares because the Portfolio is a money market fund that has adopted policies designed to stabilize its share price at \$1.00 and invests exclusively in money market instruments. Under these circumstances, it is not expected that the frequent purchase and redemption of shares will adversely impact the Portfolio.

Additional Services

The Portfolio offers certain cash management services at no extra charge, including:

- servicing multiple accounts
- providing detailed account information on request
- assisting with the specialized accounting and recordkeeping required under the Internal Revenue Code arbitrage rebate provisions that apply to the earnings on proceeds of tax-exempt bonds

Additional services are available for a fee. For information on services, call (800) 338-3383.

Information on Portfolio Holdings

The Portfolio discloses its holdings online monthly and in shareholder reports that are issued twice a year.

Further information on the Trust's policy on the disclosure of portfolio holdings is included in the SAI.

Special Arrangements with PAISBOA

The Philadelphia Area Independent School Business Officers Association (PAISBOA) sponsors, endorses, and oversees the operations of the PAISBOA Investment Program and collects and transmits certain information about its members and potential members. In consideration of these services, the Adviser has agreed to pay PAISBOA a fee, computed daily and paid quarterly, at the annual rate of 0.01% of the sum of the value of the shares of the Institutional Class owned by PAISBOA members and other investments

of such members managed by the Adviser, but only if the aggregate value of such shares and other investments exceeds \$25 million. The Adviser pays this fee from its own resources; it is not an expense of the Trust or of Government Select Series. For the fiscal year ended June 30, 2018, there were no payments made by the Adviser pursuant to this arrangement.

Rights Reserved by the Trust

The Trust reserves the right to do the following:

- add, change, or eliminate account minimums at any time without advance notice
- refuse any investment from any party for any reason
- close any account that, as a result of one or more redemptions, has a balance below the minimum required account balance, upon 60 days' written notice (exception: we will not do this in the case of shareholders that formerly invested in the Cash Management Class of Government Select Series or Government Series, a previously existing series of the Trust.)
- limit the frequency of purchases for any reason
- redeem shares in kind (fulfill a request to redeem shares by distributing Portfolio securities rather than cash) if the Board determines that paying the proceeds of a redemption in cash would be detrimental to the other shareholders (the Trust believes that the chance of such in-kind payments is remote.)

Share Classes of the Portfolio

The Trust may issue multiple classes of shares of the Portfolio that may have fees and expenses that differ from those of shares of the Institutional Class based on differences in services provided to the particular classes. To the extent different classes bear different fees and expenses, their investment returns will differ. Certain classes may be available for purchase only by investors meeting certain eligibility requirements.

Tax Information

The Portfolio intends to distribute all of its taxable income to investors. You are responsible for paying any required taxes on the distributions you receive.

We have highlighted some basic tax information below. Please consult your tax advisor regarding the federal, state and local tax consequences of investing in the Portfolio.

The Portfolio intends to qualify, as a "regulated investment company" under Subchapter M of the Internal Revenue Code. So long as the Portfolio so qualifies, it will not pay Federal income taxes on its net investment income and net realized capital gains it distributes to shareholders. If the Portfolio has any net long-term capital gains, it intends to distribute those gains in accordance with the timing requirements imposed by Subchapter M.

Federal Taxes

Distributions from the Portfolio will generally be taxable whether you receive them in cash or reinvest them in additional shares. Each year the Trust will let you know what portion of your distributions will be treated as long-term capital gains rather than ordinary income and what portion, if any, is attributable to tax-exempt interest income from state or local bonds.

If you sell or exchange shares at a higher price than you paid for them, you may owe taxes on the resulting capital gain. On the other hand, if you sell shares at a lower price than you paid and did not receive distributions that represented a return of your capital, you may be able to claim a capital loss on your tax return.

You must certify that you have provided your correct tax identification number and that you are not subject to backup withholding under federal law. Otherwise, we are required by law to withhold a percentage of distributions and redemption proceeds that are paid to you.

State and Local Taxes

Your dividends and distributions may be subject to state and local taxes. In some states and localities, the portion of dividends that comes from interest the Portfolio has earned on certain U.S. government securities (or from certain repurchase agreements involving U.S. government securities) may be exempt from tax. However, this would not preclude a state or locality from assessing other taxes relating to the ownership of U.S. government securities, such as intangible property taxes.

Special Tax Considerations for States and Municipalities

State and municipal investors should consult with their tax advisors regarding the tax consequences of investing in shares of the Portfolio. Relevant considerations may include Sections 103 and 115(1) of the Internal Revenue Code, which provides that the gross income of a state or political subdivision does not include income derived from the exercise of any essential government function. Also, states and municipalities may be required to pay to the U.S. Treasury a portion of earnings they derive from the investment of funds that are subject to the arbitrage limitations or rebate requirements of the Internal Revenue Code.

Financial Highlights

The following table is intended to help you understand the financial performance of the Institutional Class of the Portfolio. Certain information reflects financial results for a single share. These financial highlights, along with the financial statements of Government Select Series, have been audited by Ernst & Young LLP, an independent registered public accounting firm, and are included in the PFM Funds Annual Report for the year ended June 30, 2018. The Annual Report is incorporated by reference into (and considered part of) the SAI, which is available upon request.

Government Select Series – Institutional Class

For a share outstanding throughout each period⁽¹⁾

	Year Ended June 30,				
	2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$1.000	\$1.000	\$1.000	\$1.000	\$1.000
Income From Investment Operations					
Net Investment Income	0.012	0.004	0.003	0.001	0.001
Total From Operations	0.012	0.004	0.003	0.001	0.001
Less: Distributions					
Net Investment Income	(0.012)	(0.004)	(0.003)	(0.001)	(0.001)
Total Distributions	(0.012)	(0.004)	(0.003)	(0.001)	(0.001)
Net Asset Value, End of Period	\$1.000	\$1.000	\$1.000	\$1.000	\$1.000
Total Return	1.18%	0.41%	0.30%	0.07%	0.08%
Ratios/Supplemental Data					
Net Assets, End of Period (000)	\$907,484	\$948,853	\$1,555,873	\$1,815,312	\$2,052,845
Ratio of Expenses to					
Average Net Assets	0.23%	0.19%	0.16%	0.15%	0.16%
Ratio of Expenses to Average					
Net Assets Before Fee Waivers	0.23%	0.20%	0.18%	0.18%	0.16%
Ratio of Net Investment Income					
to Average Net Assets	1.18%	0.41%	0.28%	0.07%	0.07%
Ratio of Net Investment Income					
to Average Net Assets					
Before Fee Waivers	1.18%	0.40%	0.26%	0.04%	0.07%

(1) Effective October 3, 2016, Government Select Series adopted a policy to invest at least 99.5% of its total assets in cash and the following types of instruments: U.S. government securities (including securities issued or guaranteed by the U.S. government or its agencies or instrumentalities) ("U.S. Government Securities"), repurchase agreements that are collateralized fully by U.S. Government Securities and shares of other government money market mutual funds. It also adopted, effective on such date, a policy under which it invests, under normal market conditions, at least 80% of its net assets in U.S. Government Securities, repurchase agreements that are collateralized fully by U.S. Government Securities and shares of other government money market mutual funds. Prior to October 3, 2016, Government Select Series was known as Prime Series and invested in a broader range of money market obligations, including obligations of U.S. companies, financial institutions and municipalities. Investment performance for periods prior to October 3, 2016 is not reflective of the current investment strategy of Government Select Series.

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For More Information

The Trust sends each shareholder annual reports containing independently audited financial statements of the Portfolio, as well as semi-annual reports containing unaudited financial statements of the Portfolio. The Trust also provides monthly account summaries to shareholders, which describe dividends paid and shares purchased through dividend reinvestment, as well as confirmations of all purchase and redemption transactions. Other individual account information is available upon request.

For more details about the Trust and the Portfolio, refer to the SAI, which is incorporated by reference into this Prospectus and therefore legally considered to be a part of this Prospectus.

To purchase or redeem shares of the Portfolio, receive free copies of the SAI or the Trust's semiannual and annual reports, or for general inquiries, please contact us:

By telephone: (800) 338-3383

By mail:

PFM Funds
213 Market Street
Harrisburg, Pennsylvania 17101

On our website: www.pfmfunds.com.

The SAI and the Trust's reports are also available on the SEC's website, www.sec.gov.

- To review and copy the Trust's reports and the SAI at the SEC's Public Reference Room, call 202-551-8090. You can get text-only copies of these documents, for a fee, by writing the Public Reference Section of the SEC, Washington, D.C. 20549-1520 or by sending an email to publicinfo@sec.gov.
- Investment Company Act file number: 811-04933.