

Oklahoma State Pension Commission

Public Fund Universe Analysis Report

August 2005

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"Advancing Your Investments"
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Introduction

New England Pension Consultants is pleased to present the following Public Funds Universe Analysis Report. The information contained herein is drawn from the NEPC/ICC database. This database represents the industry's largest public funds universe, containing over 205 public funds, with aggregate assets in excess of \$685 Billion and over 2,992 individual portfolios. It is important to note that the underlying information is obtained directly from custodian banks and is rigorously reviewed by ICC member firms. No manager supplied data is included in this analysis.

The report depicts the size and type of fund included in the universe, together with a detailed examination of the asset allocation of the component funds. The asset allocations of the Oklahoma funds are then compared to the relevant universe subcomponents (Large Funds, Representative Funds) on both a year-end and historic basis. In this way we can determine the relative over/under-weights being taken currently and historically.

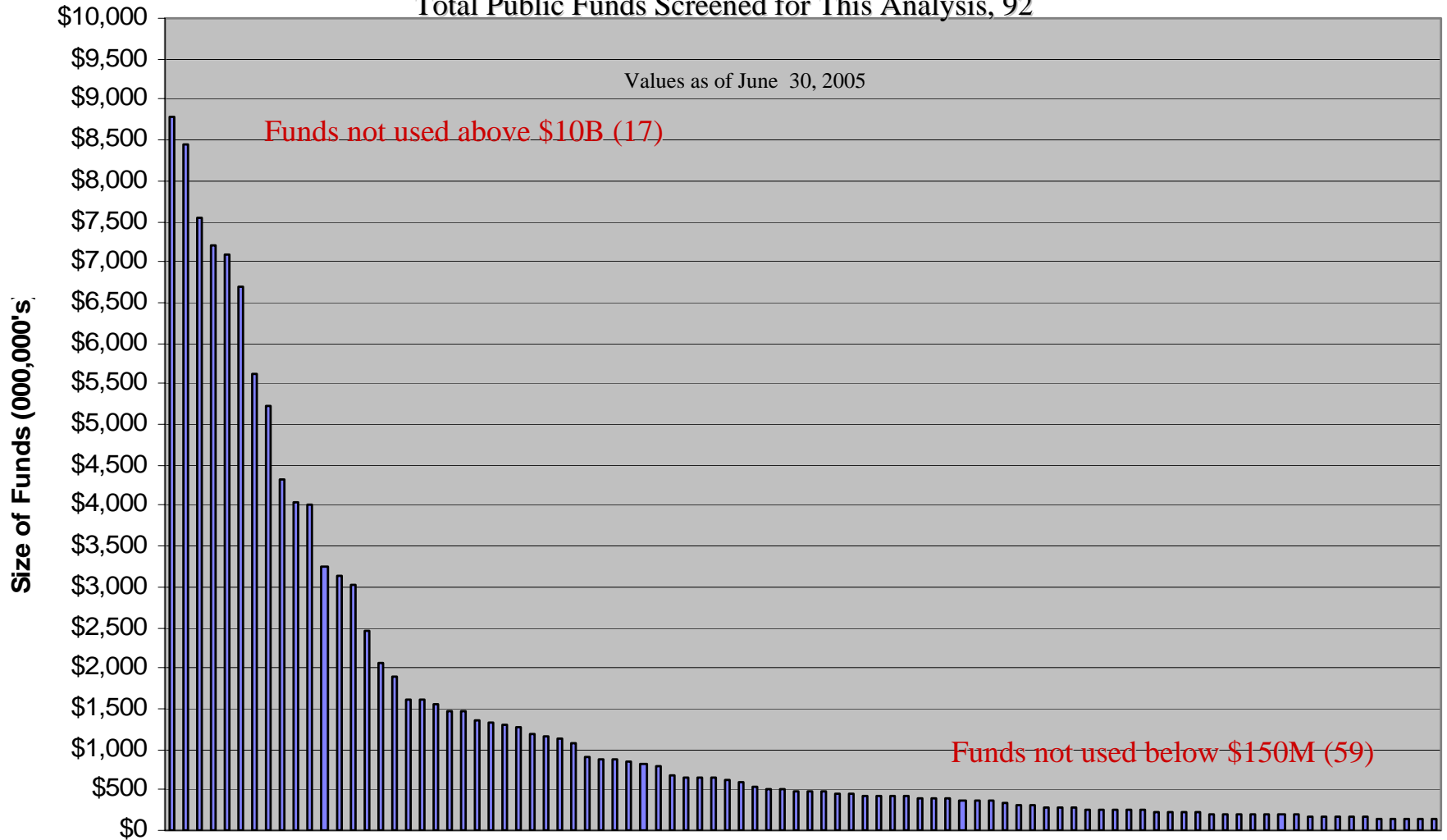
The remainder of the report examines the historic total fund performance of Oklahoma funds against the Universe in an absolute and risk-adjusted basis. We then further examine performance of the major asset classes to determine the source of historic relative performance. This performance data is as of June 30, 2005. The second quarter of 2005 performance report is contained in a separate report which will be presented to the Commission on August 17, 2005 together with this report.

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Public Fund Universe

Total Public Funds in ICC Universe,
Total Public Funds Screened for This Analysis, 92

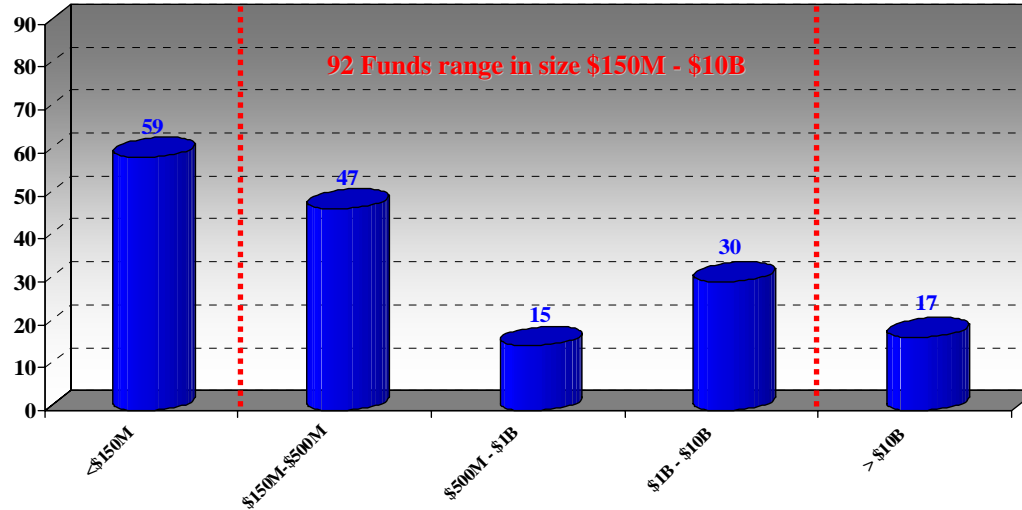


Funds used in universe (92)

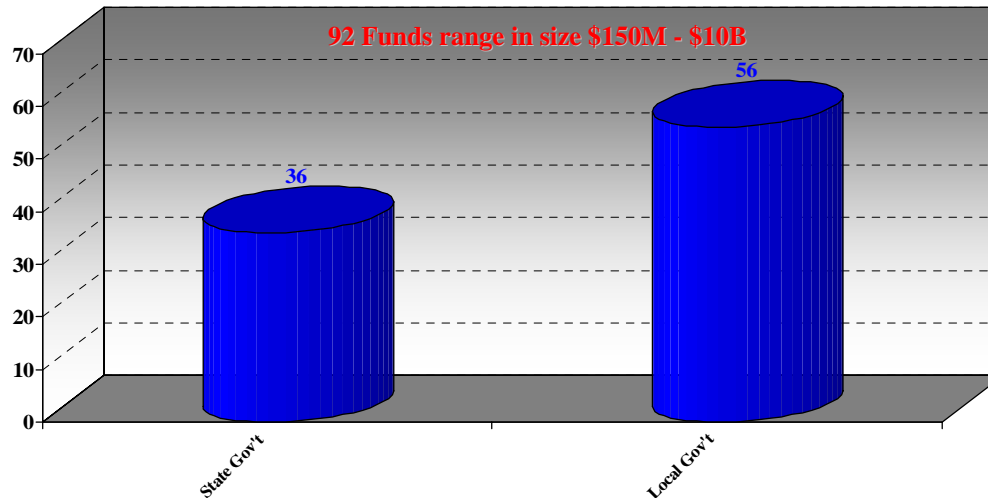


Public Fund Universe Characteristics

Asset Size - June 30, 2005



Fund Type - June 30, 2005



Public Fund Universe Statistical Summary

Allocation Range for ALL Public Funds (168 Funds, Size Range \$837K - \$161.1B)

Percentile	Domestic Equity	Int'l Equity	Domestic Fixed	Global Bonds	Real Estate	Alt Assets	Cash & Equivalents
5	67.0%	21.3%	54.8%	7.2%	8.0%	8.3%	9.1%
25	52.0%	15.8%	37.7%	0.3%	4.5%	1.0%	4.1%
Public Median	47.2%	11.5%	30.7%	0.0%	0.0%	0.0%	2.3%
75	40.1%	5.1%	26.7%	0.0%	0.0%	0.0%	1.1%
95	25.6%	0.0%	13.6%	0.0%	0.0%	0.0%	0.0%

Average Allocation for ALL Public Funds (168 Funds, Size Range \$837K - \$161.1B)

Domestic Equity	Int'l Equity	Domestic Fixed	Global Bonds	Real Estate	Alt Assets	Cash & Equivalents
46.4%	10.8%	32.7%	1.0%	2.2%	2.6%	4.4%

Average Allocation for Screened Public Funds (92 Funds, Size Range \$150M - \$10B)

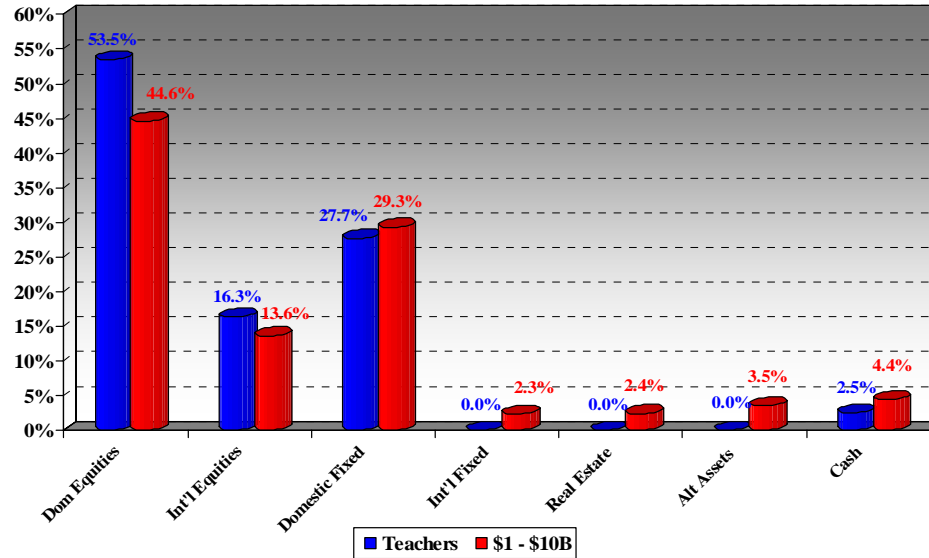
Domestic Equity	Int'l Equity	Domestic Fixed	Global Bonds	Real Estate	Alt Assets	Cash & Equivalents
48.5%	12.1%	30.5%	1.4%	2.5%	1.6%	3.4%

Average Allocation for \$1 - \$10 Billion Funds (30 Funds in Screen)

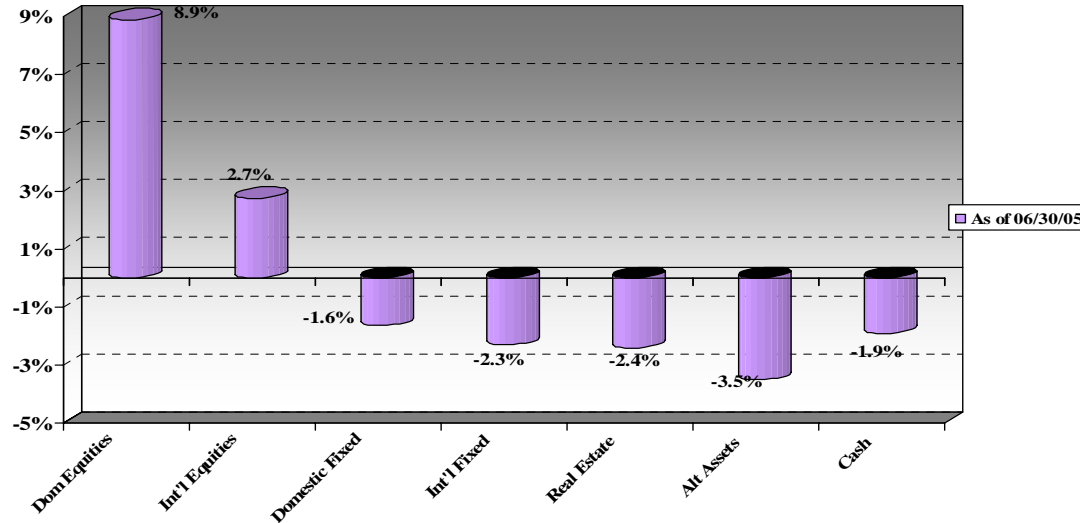
Domestic Equity	Int'l Equity	Domestic Fixed	Global Bonds	Real Estate	Alt Assets	Cash & Equivalents
44.6%	13.6%	29.3%	2.3%	2.4%	3.5%	4.4%

Teachers Retirement System (\$7.5B)

Allocation by Asset Class Compared to \$1-\$10B Funds

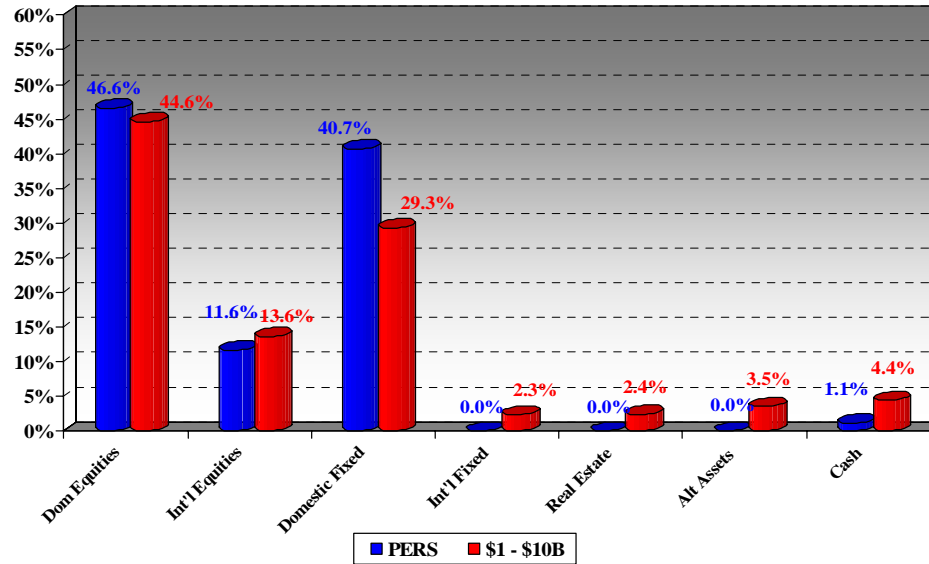


Variance - Teachers Minus \$1-\$10B Funds

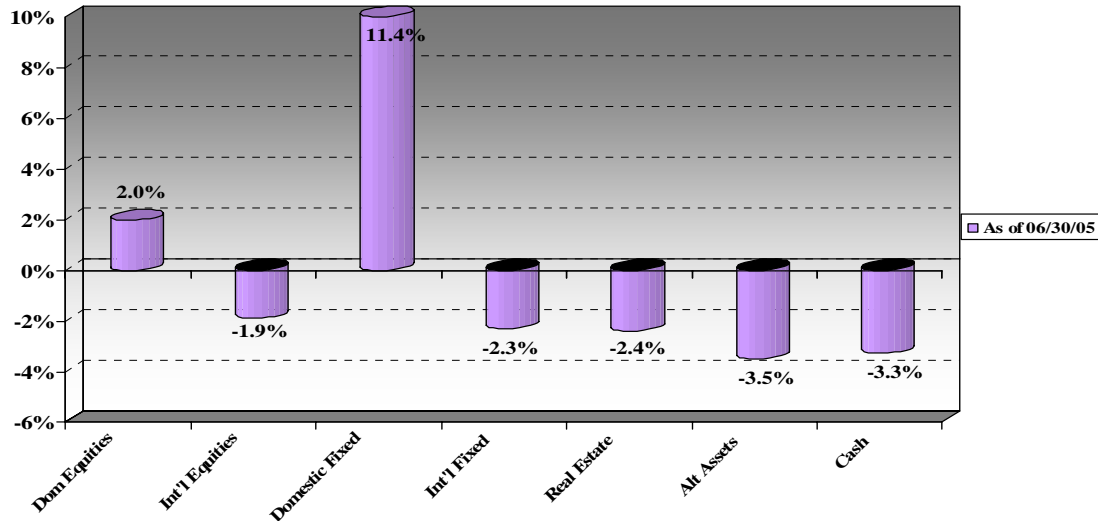


PERS (\$5.2B)

Allocation by Asset Class Compared to \$1-\$10B Funds

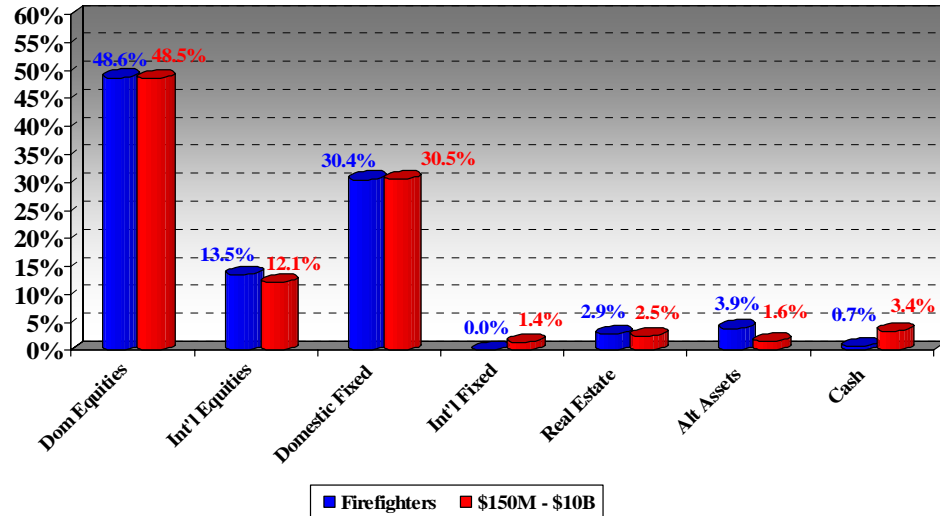


Variance - PERS minus \$1-\$10B Funds

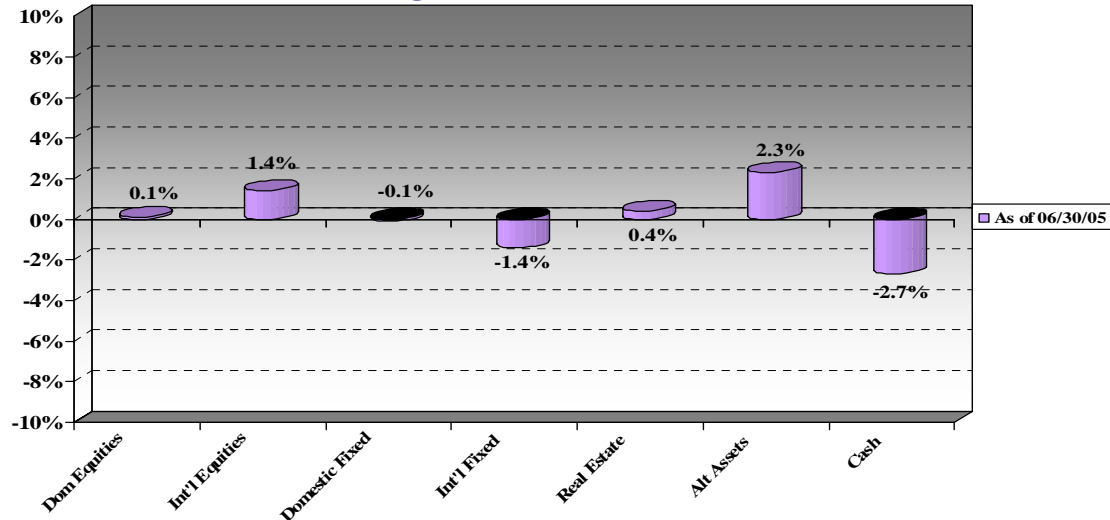


Firefighters (\$1.5B)

Allocation by Asset Class Compared to \$150M-\$10B Funds

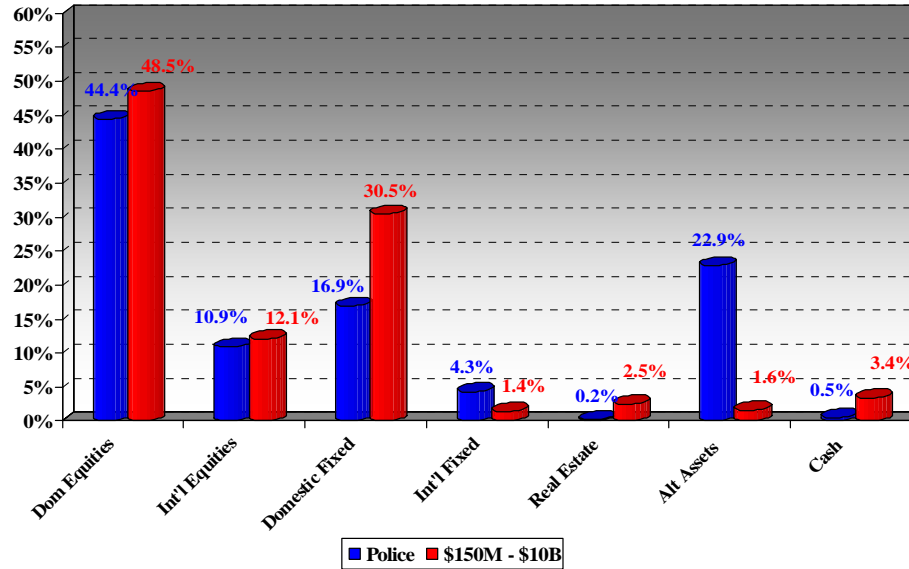


Variance - Firefighters minus \$150M-\$10B Funds

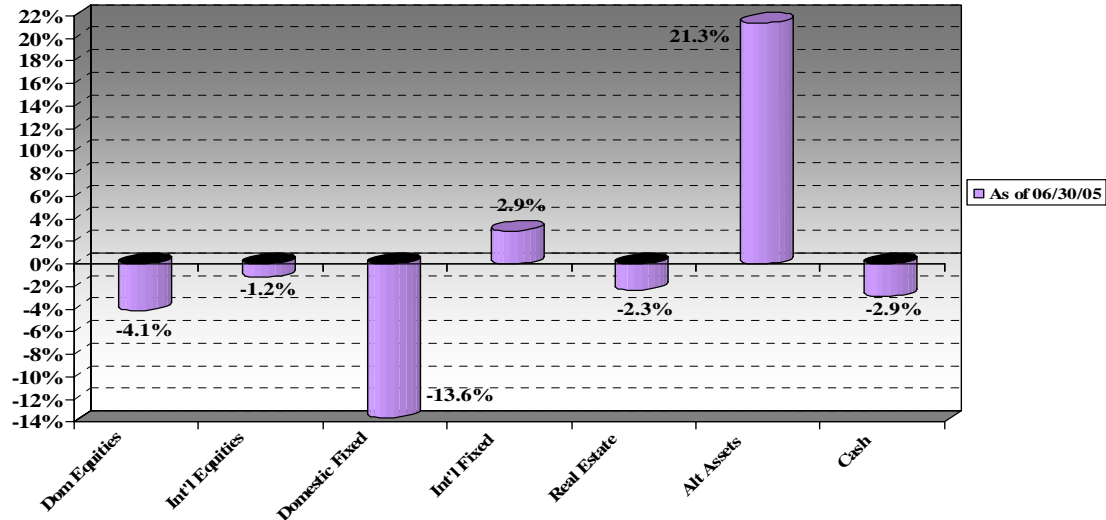


Police (\$1.4B)

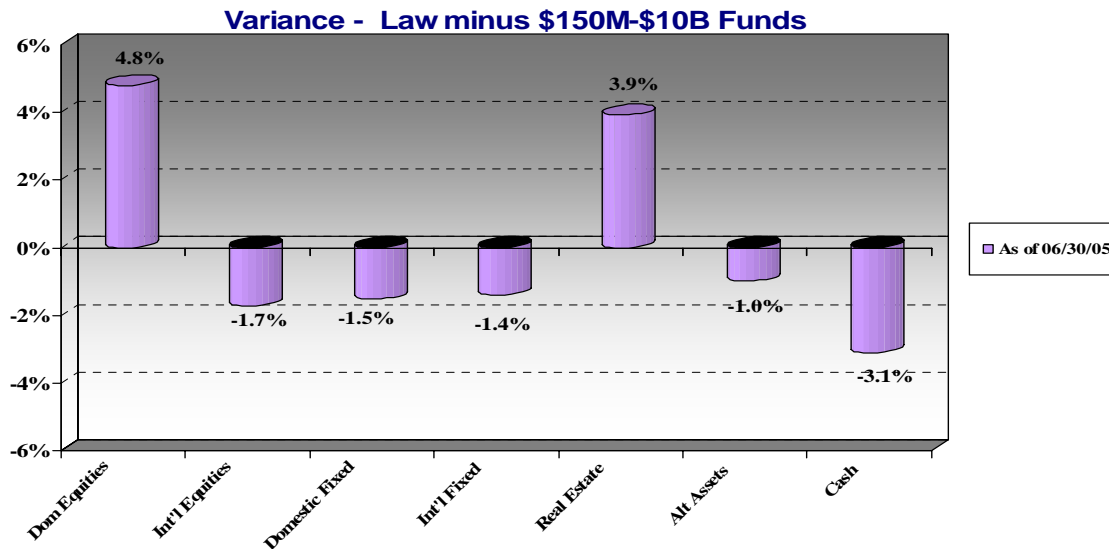
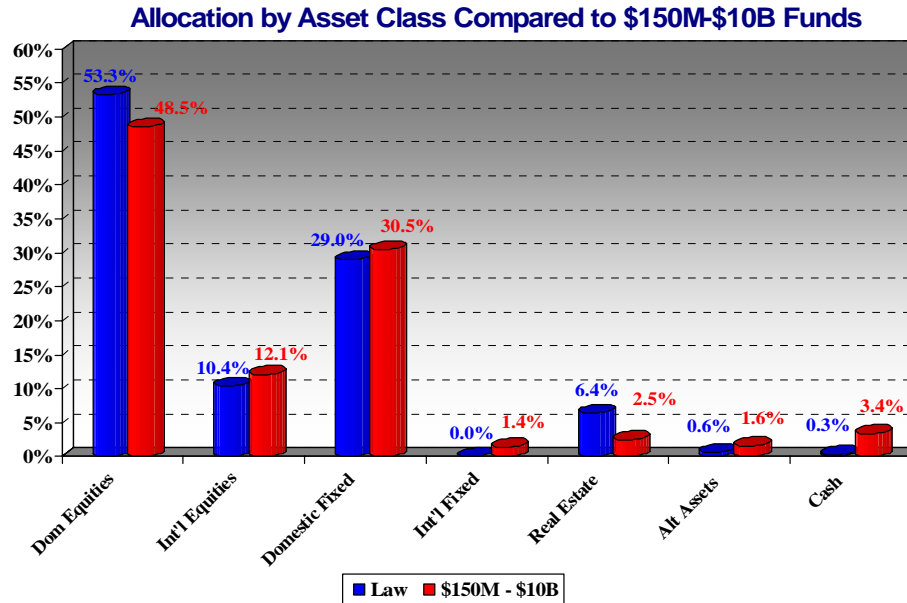
Allocation by Asset Class Compared to \$150M-\$10B Funds



Variance - Police minus \$150M-\$10B Funds

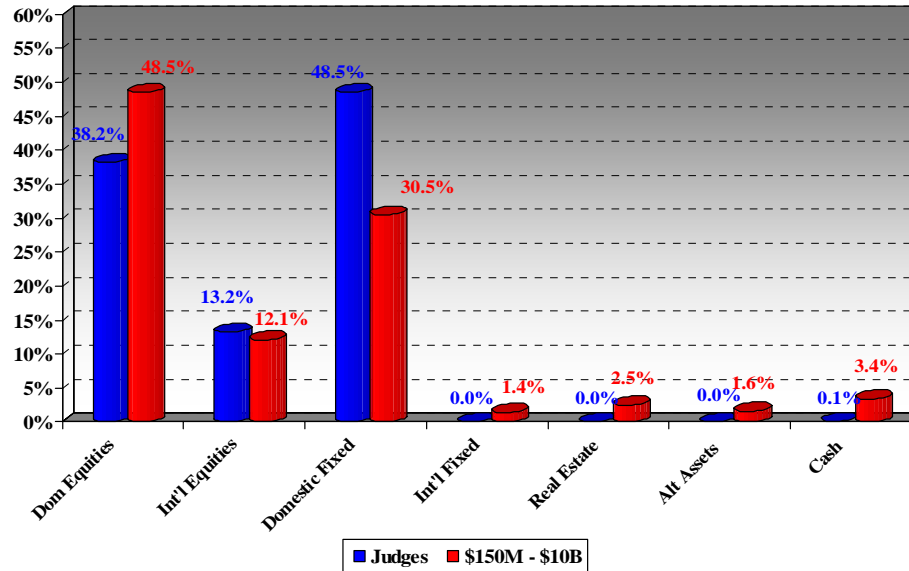


Law Enforcement (\$637.6M)

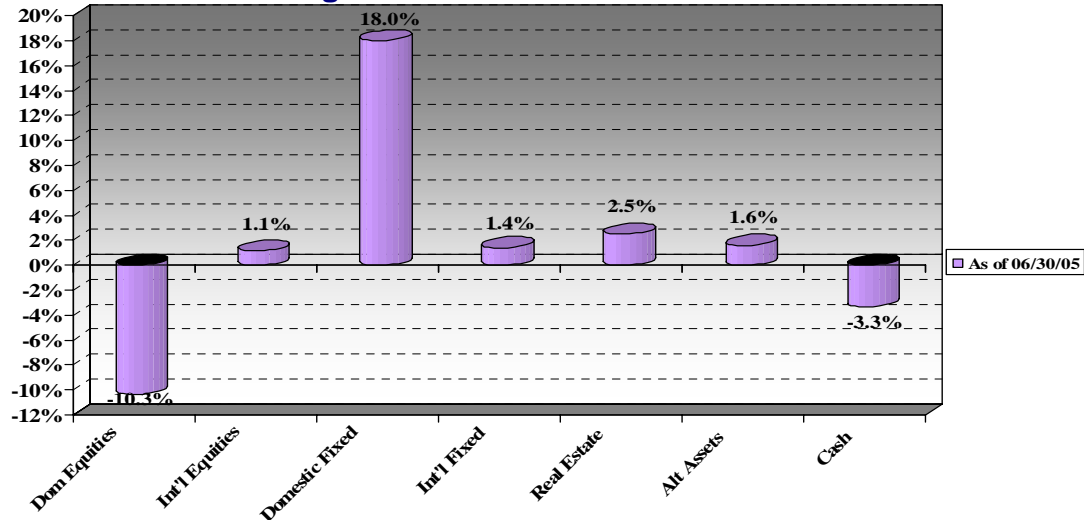


Judges & Justices (\$205.5M)

Allocation by Asset Class Compared to \$150M-\$10B Funds



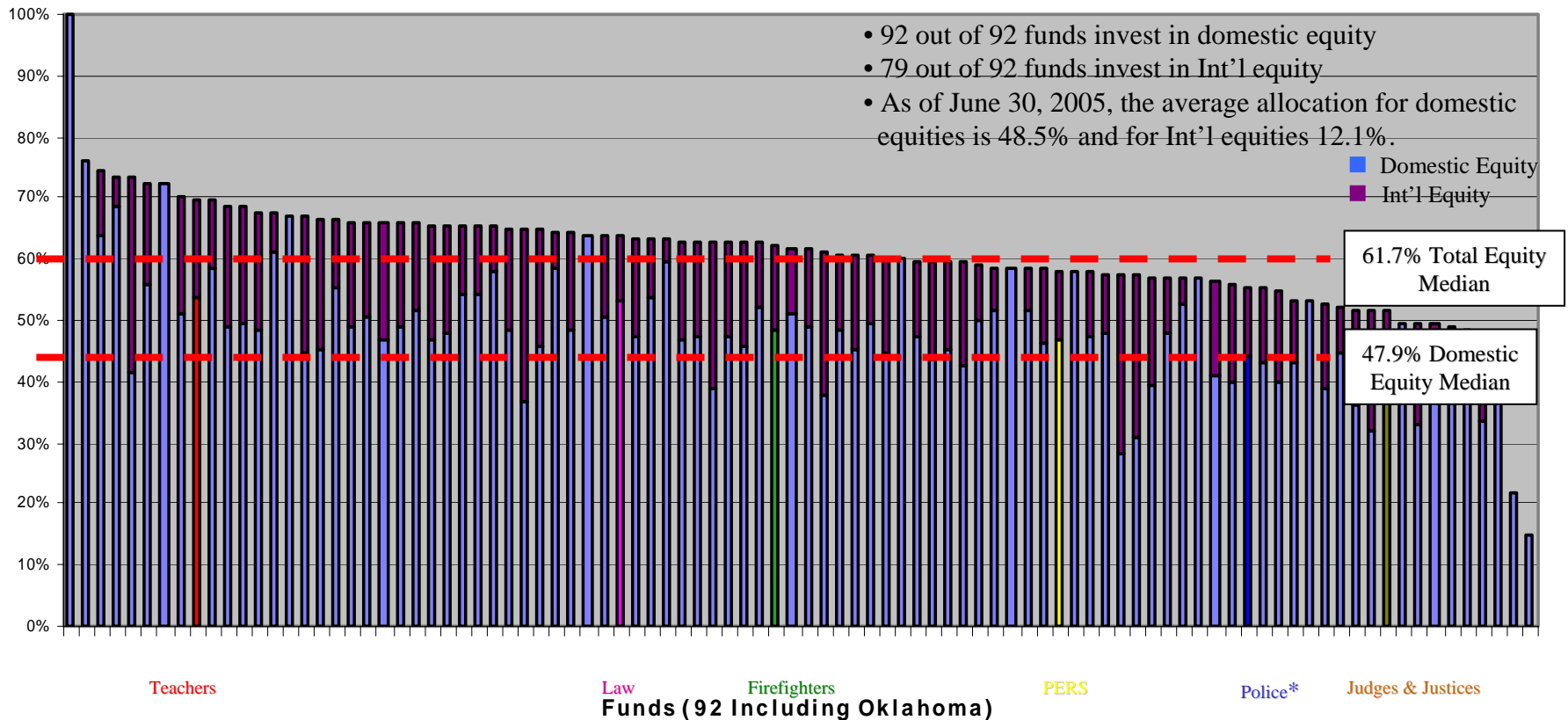
Variance - Judges & Justices minus \$150M-\$10B Funds



Equity Allocation of Screened Universe (92 Funds)

Allocation by Fund

Period Ending 06/30/2005



* Excludes Alternative Assets.



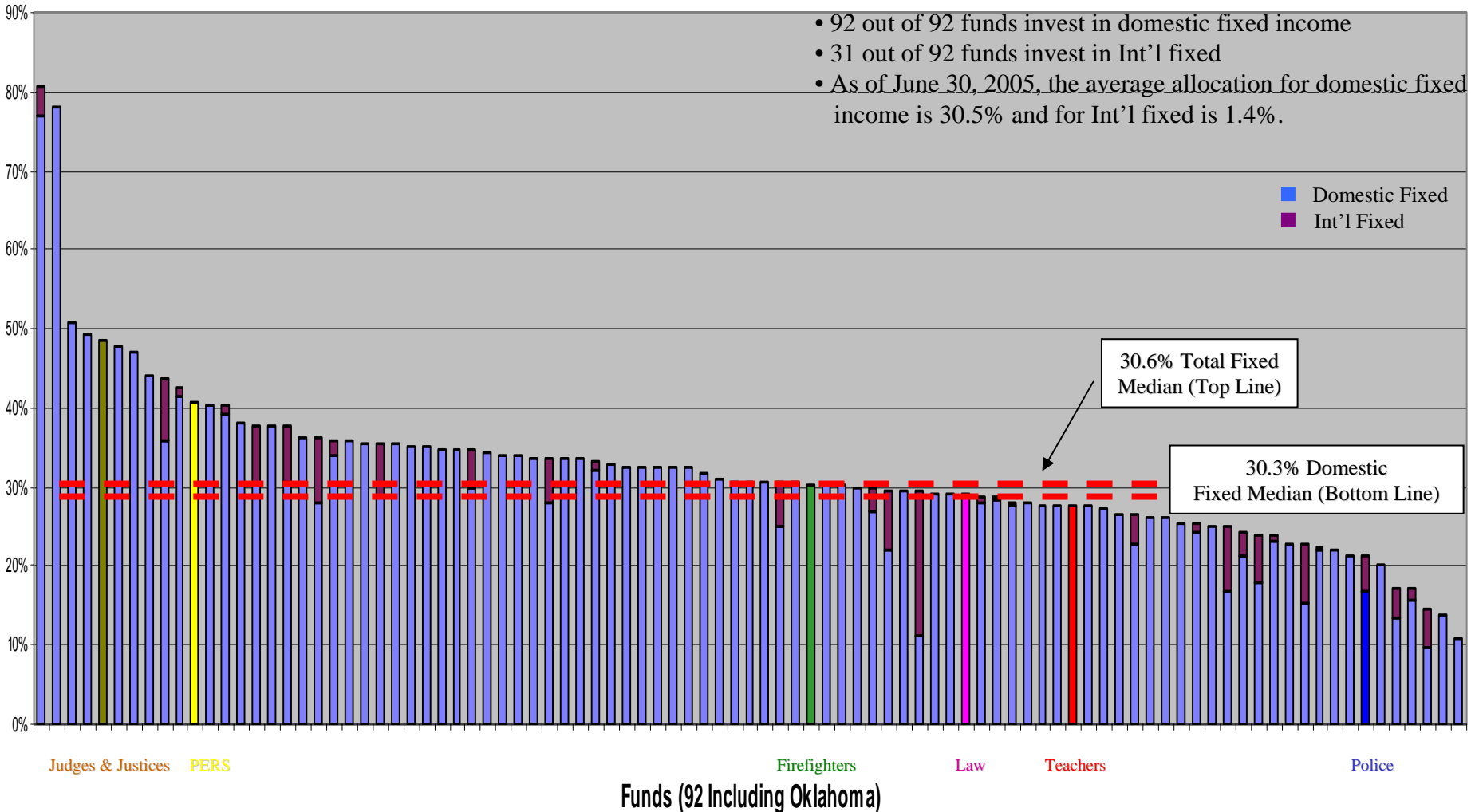
Fixed Income Allocation of Screened Universe (92 Funds)

Allocation by Fund

Period Ending 06/30/2005

- 92 out of 92 funds invest in domestic fixed income
- 31 out of 92 funds invest in Int'l fixed
- As of June 30, 2005, the average allocation for domestic fixed income is 30.5% and for Int'l fixed is 1.4%.

■ Domestic Fixed
■ Int'l Fixed

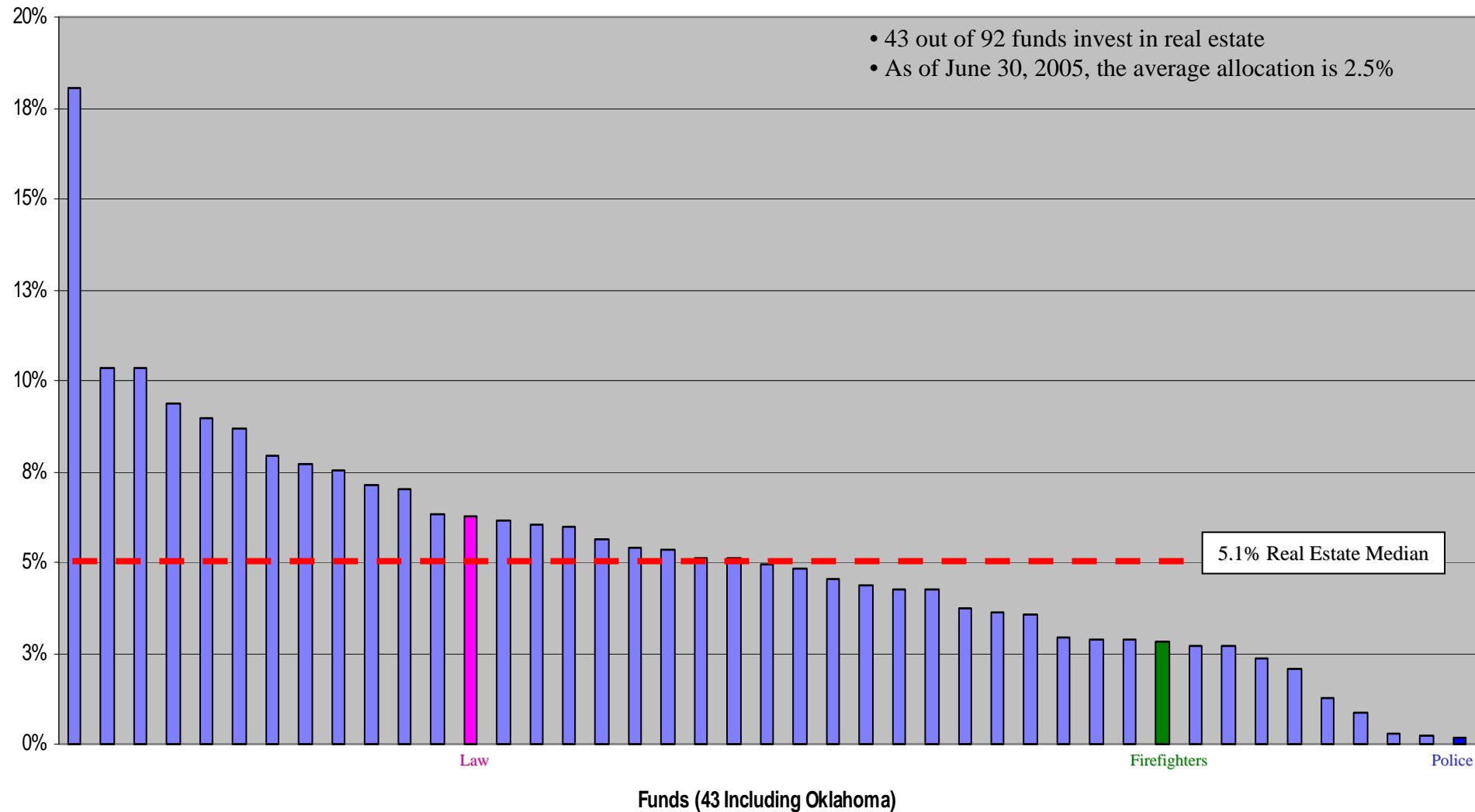


Real Estate Allocation of Screened Universe (92 Funds)

Allocation by Fund

Period Ending 06/30/2005

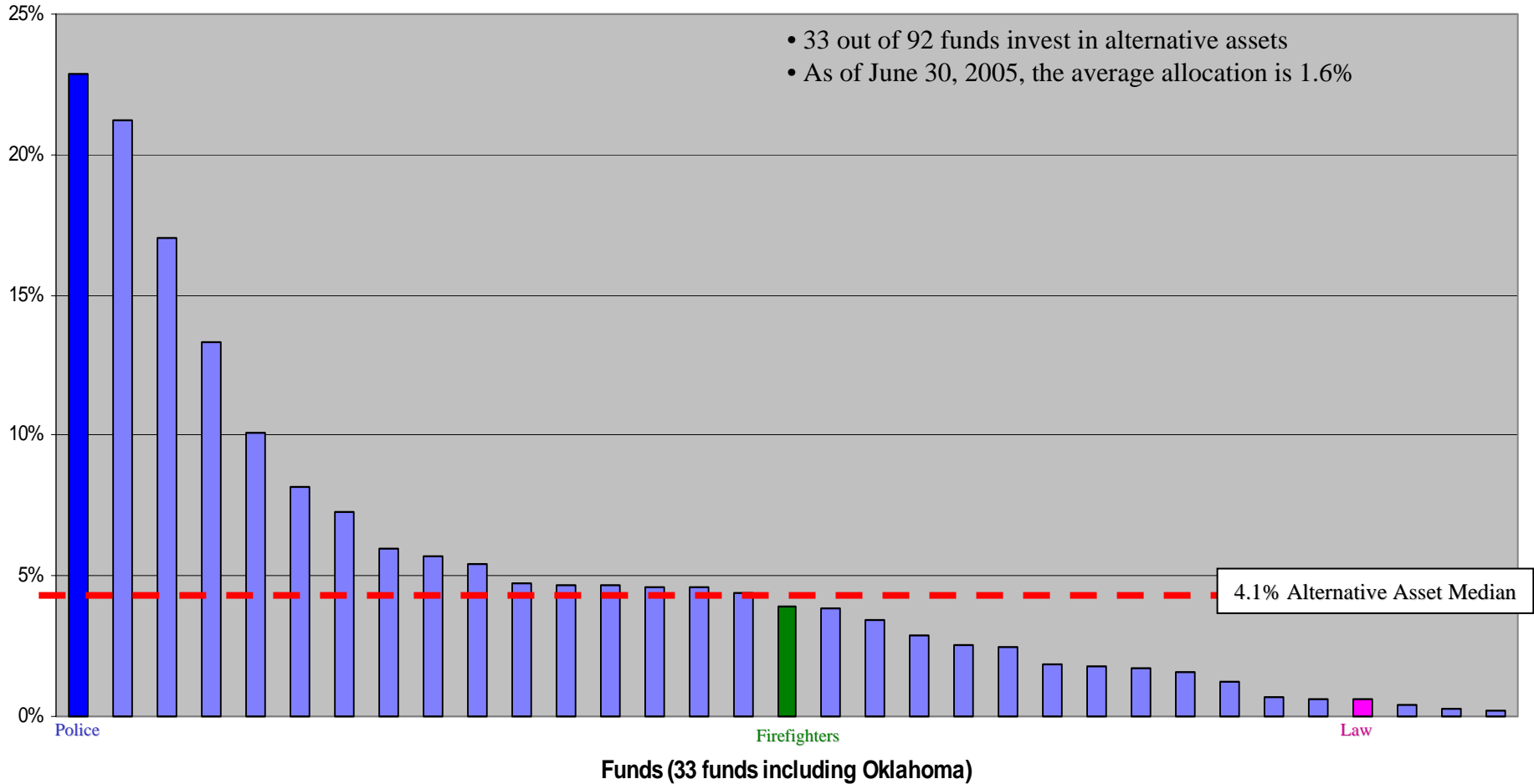
- 43 out of 92 funds invest in real estate
- As of June 30, 2005, the average allocation is 2.5%



Alternative Assets Allocation of Screened Universe (92 Funds)

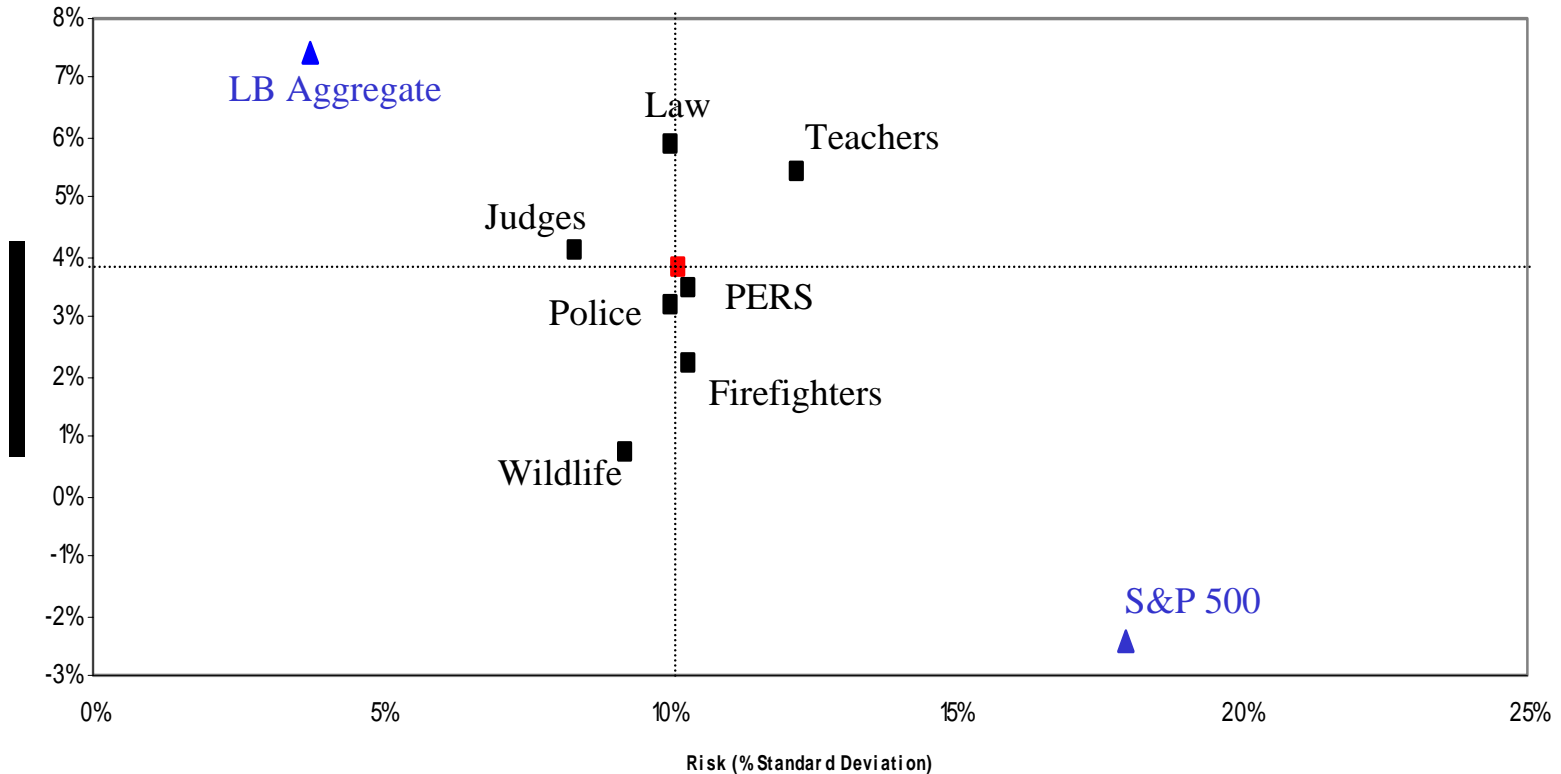
Allocation by Fund

Period Ending 06/30/2005



Risk/Return Analysis

Total Public Funds – Total Return vs. Risk - 5 Years Ending 06/30/05

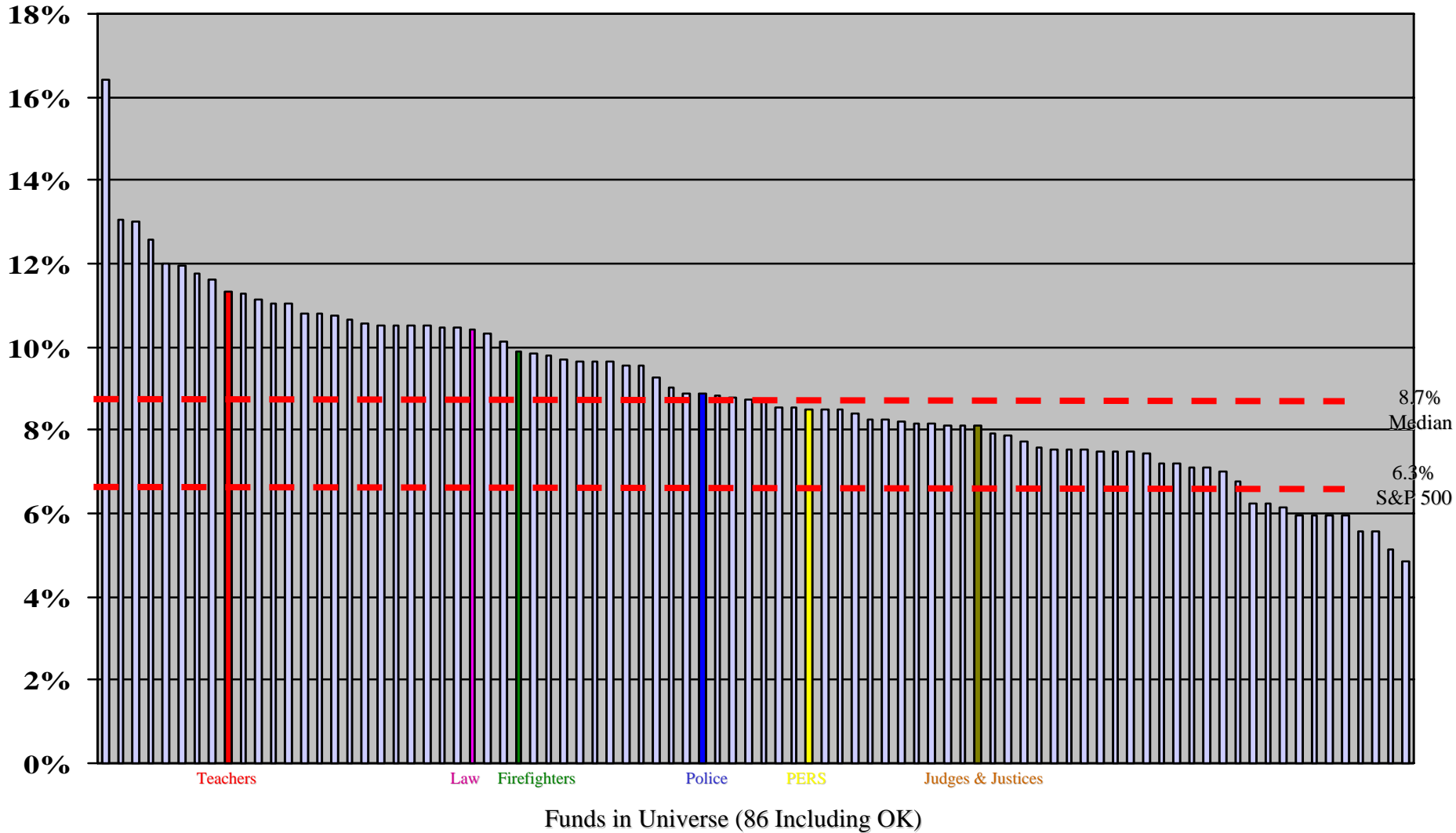


	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
Teachers	5.4	17	12.3	8
PERS	3.5	59	10.4	44
Firefighters	2.2	88	10.4	42
Police	3.2	66	10.1	51
Law	5.9	8	10.1	53
Judges	4.1	43	8.4	83
Wildlife	0.7	99	9.3	72
S&P 500	-2.4	100	18.0	1
LB Aggregate	7.4	2	3.8	99
Median	3.8		10.2	



Annual Domestic Equity Returns (86 Funds)

Year Ending
June 30, 2005

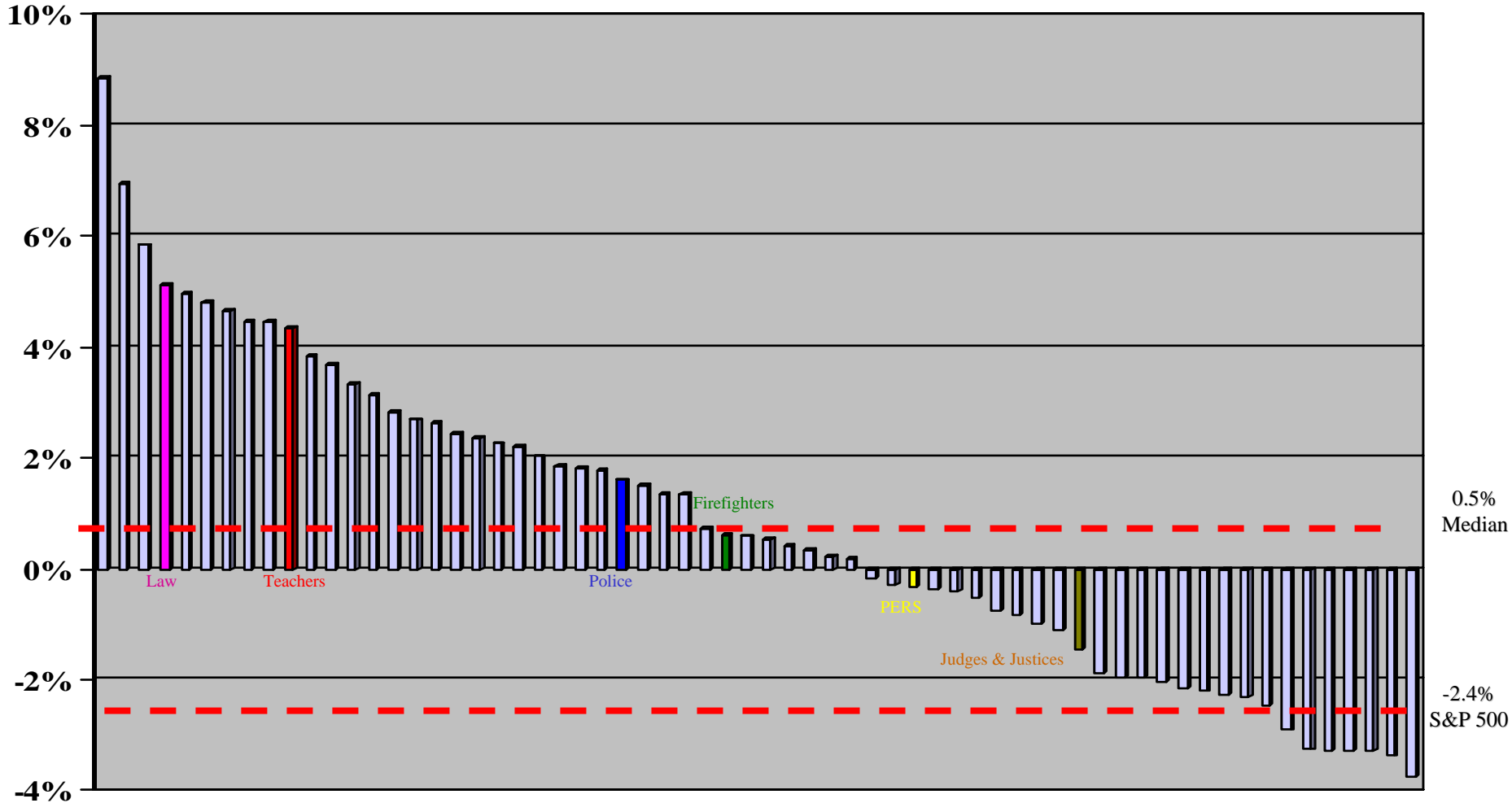


Funds in Universe (86 Including OK)



5 Year Annualized Domestic Equity Returns (64 Funds)

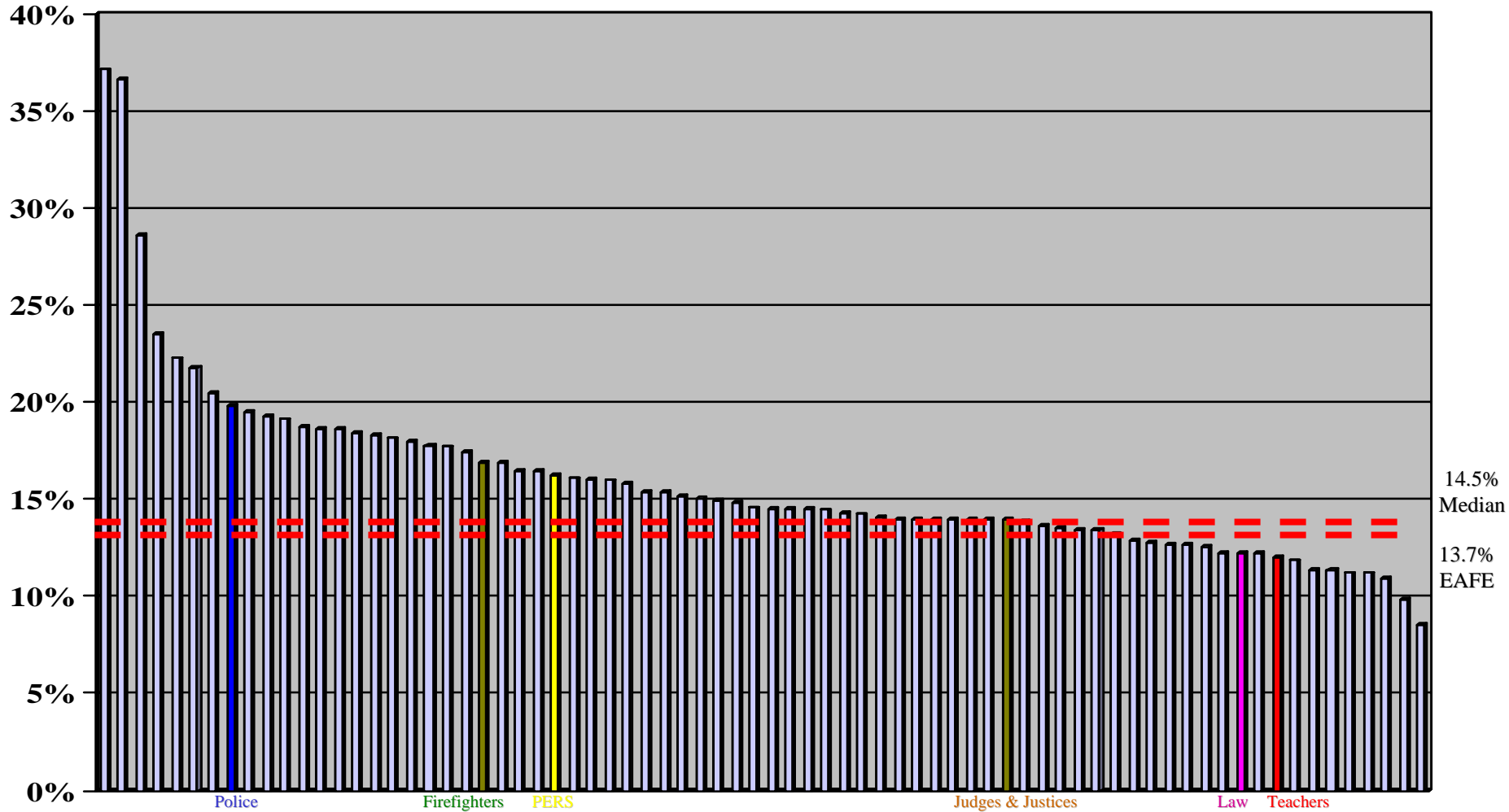
Five Years Ending
June 30, 2005



Funds in Universe (64 Including OK)

Annual International Equity Returns (74 Funds)

Year Ending
June 30, 2005

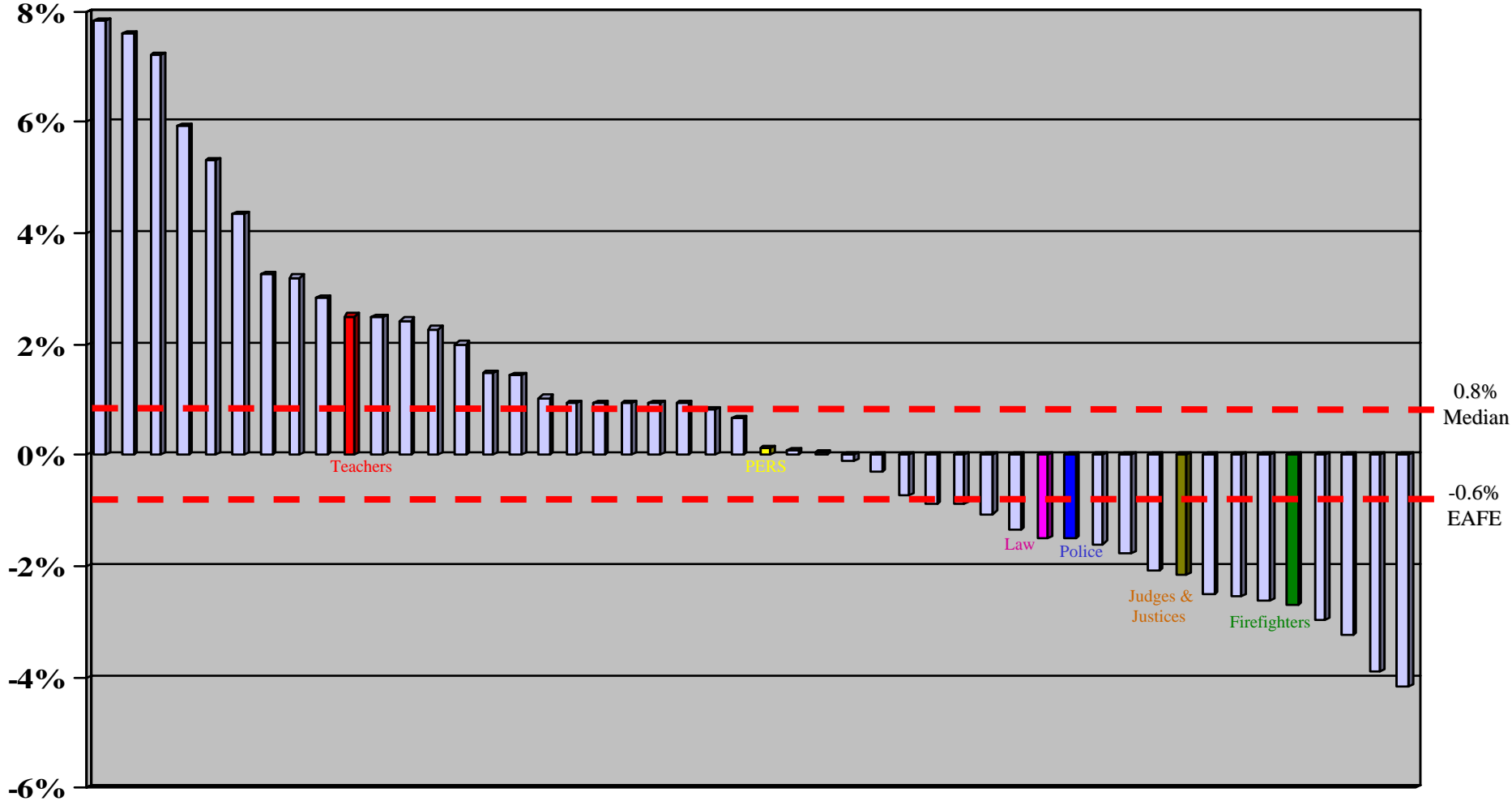


Funds in Universe (74 Including OK)



5 Year Annualized International Equity Returns (48 Funds)

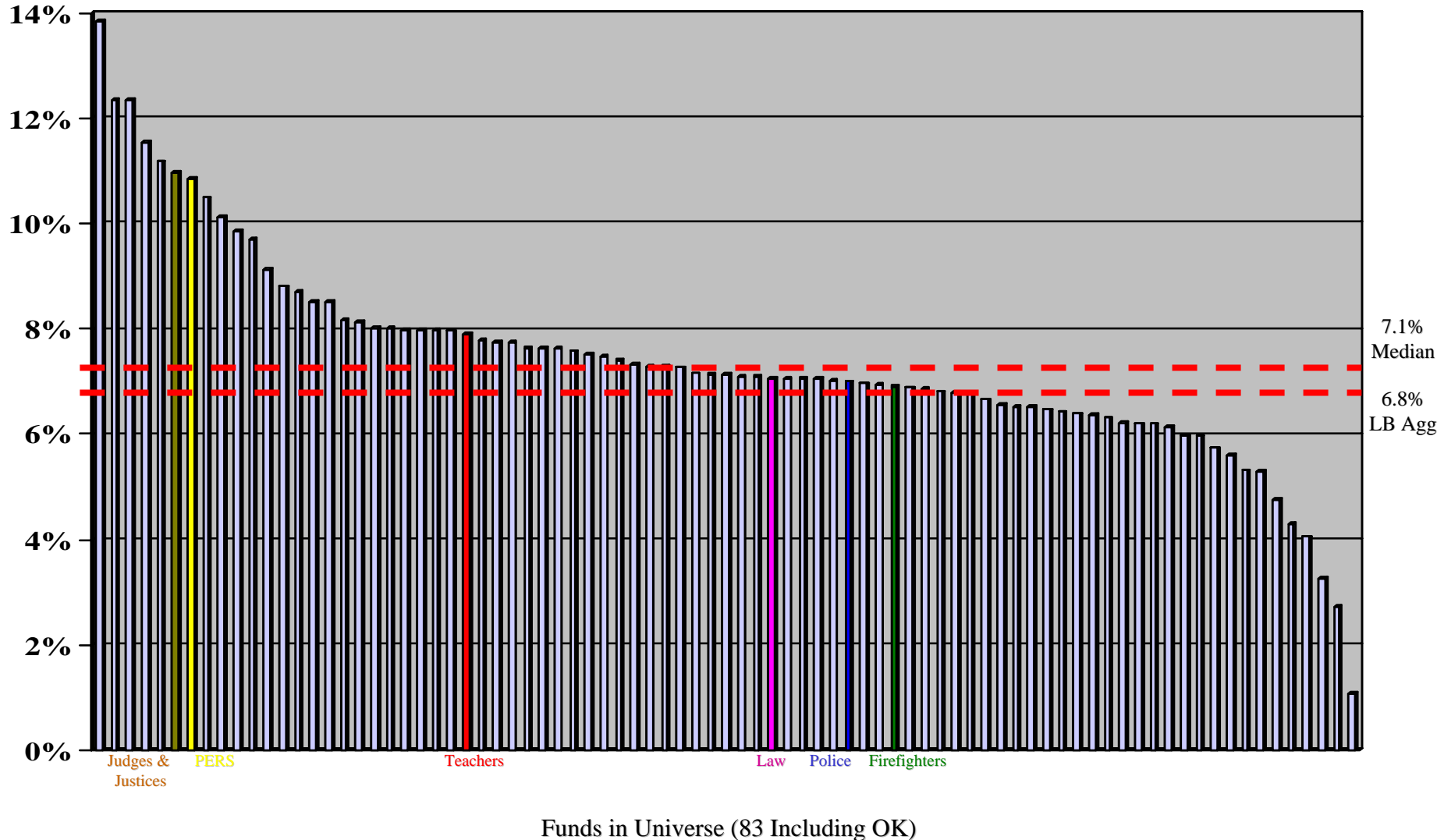
Five Years Ending
June 30, 2005



Funds in Universe (48 Including OK)

Annual Fixed Income Returns (83 Funds)

Year Ending
June 30, 2005



5 Year Annualized Fixed Income Returns (61 Funds)

Five Years Ending
June 30, 2005

