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Oklahoma State Pension Commission

Fee Analysis for Calendar Year 2010

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25
Years
1986-2011

Fee Comparison from 2009 to 2010 – Periods Ending Dec. 31

2010 FEES

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	TOTAL
12/31/10 Asset Market Value (\$ in 000's)	\$9,582,234	\$6,563,052	\$1,666,384	\$1,735,043	\$681,546	\$241,192	\$71,363	\$20,540,814
Custody Fee	\$1,260,549	\$28,938	\$294,372	\$98,285	\$101,000	\$1,062	\$13,066	\$1,797,272
Securities Lending Income	(\$7,143,113)	(\$1,408,961)	(\$707,905)	(\$86,541)	(\$93,107)	(\$25,518)	\$0	(\$9,465,145)
Commission Recapture	(\$393,350)	(\$100,149)	(\$167,362)	\$0	(\$59,057)	\$0	\$0	(\$719,917)
Sub-Total (Custody - Net)	\$1,260,549	\$28,938	\$294,372	\$98,285	\$101,000	\$1,062	\$13,066	\$1,797,272
Investment Manager Fees	\$34,417,470	\$6,306,177	\$8,424,579	\$10,109,747	\$2,245,580	\$134,381	\$119,102	\$61,757,036
Average Basis Points	49	11	51	157	53	8	16	30
Percent Passively Managed	0.0	43.8	24.4	19.7	23.2	70.1	0.0	20.9
Total Investment Return	15.9%	12.5%	12.7%	11.7%	15.1%	13.2%	10.6%	21.6%
Investment Consultant	\$723,327	\$230,851	\$170,000	\$586,319	\$110,000	\$5,836	N/A	\$1,826,333
Investment Consultant (bps)	1	1	1	3	2	0	-	1
TOTAL FEES FOR 2010	\$36,401,346	\$6,565,966	\$8,888,951	\$10,794,351	\$2,456,580	\$141,279	\$132,168	\$65,380,641
Average Basis Points	38	10	53	62	36	6	19	32

2009 FEES

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	TOTAL
12/31/09 Asset Market Value (\$ in 000's)	\$8,391,475	\$5,966,443	\$1,526,688	\$1,590,219	\$612,167	\$219,298	\$63,747	\$18,370,037
Custody Fee	\$0	\$36,194	\$284,538	\$94,873	\$160,000	\$1,305	\$17,439	\$594,349
Securities Lending Income	(\$5,406,014)	(\$2,460,711)	(\$233,175)	(\$143,737)	(\$63,093)	\$0	\$0	(\$8,306,730)
Commission Recapture	(\$842,319)	\$0	(\$215,773)	\$0	(\$41,053)	\$0	\$0	(\$1,099,145)
Sub-Total (Custody - Net)	\$0	\$36,194	\$284,538	\$94,873	\$160,000	\$1,305	\$17,439	\$594,349
Investment Manager Fees	\$27,153,673	\$5,429,003	\$3,300,881	\$10,697,098	\$1,965,765	\$89,925	\$103,150	\$48,739,495
Average Basis Points	32	9	22	67	32	4	16	27
Percent Passively Managed	0.0	45.7	30.4	20.7	28.0	67.1	0.0	20.9
Total Investment Return	24.9%	20.7%	15.4%	17.4%	16.7%	20.5%	16.1%	21.6%
Investment Consultant	\$747,580	\$241,137	\$170,000	\$548,277	\$110,000	\$8,863	N/A	\$1,825,857
Investment Consultant (bps)	1	1	1	3	1	0	-	1
TOTAL FEES FOR 2009	\$27,901,253	\$5,706,334	\$3,755,419	\$11,340,248	\$2,235,765	\$100,093	\$120,589	\$51,159,701
Average Basis Points	33	10	25	71	37	5	19	28

Asset Growth & Fee Growth

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	TOTAL
Growth in Assets from 2009 to 2010	14.2%	10.0%	9.2%	9.1%	11.3%	10.0%	11.9%	11.8%
Growth in Fees from 2009 to 2010	30.5%	15.1%	136.7%	-4.8%	9.9%	41.1%	9.6%	27.8%





Individual Retirement System Fee Analysis

Teachers Retirement System

Asset Allocation Breakdown		
	2009 % of Total Fund	2010 % of Total Fund
Domestic Equity	46.4%	48.5%
% Active	46.4%	48.5%
% Passive	0.0%	0.0%
Domestic Fixed	36.2%	34.2%
% Active	36.2%	34.2%
% Passive	0.0%	100.0%
International Eq	15.8%	15.3%
% Active	15.8%	15.3%
% Passive	0.0%	0.0%
Global Fixed	0.0%	0.0%
% Active	0.0%	0.0%
% Passive	0.0%	0.0%
Other	1.6%	2.0%
Calendar Year Return	24.9%	15.9%

OKLAHOMA TEACHERS' RETIREMENT SYSTEM							
		2009		2010		Assets as of 12/31/2010 (000's)	
CUSTODY FEES:							
Custodian: Northern Trust							
Custody Fee		\$	-	\$	1,260,549		
Securities Lending Income		\$	(5,406,014)	\$	(7,143,113)		
Commission Recapture		\$	(842,319)	\$	(393,530)		
INVESTMENT MANAGERS:							
				BPS		BPS	
Aletheia	Large Cap Core	\$	220,890	-	-	-	-
Chase	Large Cap Core	\$	850,463	-	-	-	-
Goldman Sachs	Large Cap Growth	\$	805,318	15	\$	1,353,326	25 \$ 546,187
Sawgrass	Large Cap Core	\$	1,112,764	20	\$	1,770,056	32 \$ 546,187
Hotchkis & Wiley	Large Cap Value	\$	1,062,742	28	\$	1,190,695	32 \$ 373,707
Advisory Research	All Cap	\$	939,294	26	\$	1,155,326	33 \$ 354,543
Epoch	All Cap	\$	1,447,090	35	\$	1,698,219	41 \$ 412,036
Aronson & Partners	Mid Cap Value	\$	438,089	13	\$	346,958	10 \$ 335,378
Hotchkis & Wiley	Mid Cap Value	\$	938,119	26	\$	1,576,143	43 \$ 364,125
Frontier Capital	Mid Cap Core	\$	1,618,131	41	\$	1,947,037	50 \$ 392,872
Wellington Management	Mid Cap Growth	\$	1,024,641	30	\$	1,348,447	39 \$ 344,960
Shapiro Capital	Small Cap Value	\$	2,385,336	47	\$	3,345,230	66 \$ 507,858
Tocqueville	Small Cap Value	\$	2,235,704	48	\$	2,751,446	59 \$ 469,529
Brandes	International Value Equity	\$	1,591,608	35	\$	1,749,095	38 \$ 459,947
Capital Guardian	International Equity	\$	1,287,565	33	\$	1,568,472	40 \$ 392,872
Causeway	International Value Equity	\$	965,950	32	\$	1,117,268	36 \$ 306,631
Thornburg	International Equity	\$	1,168,642	38	\$	1,425,300	46 \$ 306,631
Hoisington	Long Bonds	\$	473,917	15	\$	457,315	14 \$ 316,214
Stephens Capital	Core Fixed	\$	279,049	9	\$	394,026	13 \$ 297,049
Loomis Sayles	Core Fixed	\$	1,056,417	17	\$	810,374	13 \$ 613,263
Lord Abbett	Core Fixed	\$	991,645	16	\$	992,653	16 \$ 603,681
Mackay Shields	Core Fixed	\$	1,021,689	17	\$	1,613,925	27 \$ 603,681
PIMCO	Core Fixed	\$	1,081,496	113	\$	463,936	48 \$ 95,822
Loomis Sayles	High Yield	\$	739,205	27	\$	1,366,293	49 \$ 277,885
Lord Abbett	High Yield	\$	716,054	26	\$	1,032,411	37 \$ 277,885
Mackay Shields	High Yield	\$	701,855	24	\$	1,204,832	42 \$ 287,467
Franklin Park	Private Equity	\$	-	-	\$	1,738,686	363 \$ 47,911
Cash		\$	-	-	\$	-	- \$ 47,911
Sub-Total		\$	27,153,673	32	\$	34,417,470	36 \$ 9,582,234
INVESTMENT CONSULTANT:							
gregory.w.group							
		\$	747,580		\$	723,327	
TOTAL INVESTMENT FEES:		\$	27,901,253	33	\$	36,401,346	38

*Teacher's also paid a fee of \$23,087 to Bloomberg Financial Information Services in 2009



Firefighters Retirement System

Asset Allocation Breakdown		
	2009 % of Total Fund	2010 % of Total Fund
Domestic Equity	43.5%	55.6%
% Active	32.0%	43.1%
% Passive	11.5%	12.5%
Domestic Fixed	18.9%	11.9%
% Active	0.0%	0.0%
% Passive	18.9%	11.9%
International Eq	12.9%	13.2%
% Active	12.9%	13.2%
% Passive	0.0%	0.0%
International Fixed	2.0%	7.1%
% Active	2.0%	7.1%
% Passive	0.0%	0.0%
Other*	22.7%	12.2%
Calendar Year Return	15.4%	12.7%

*Includes L/SEquity

OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM									
		2009		2010				Assets as of	
CUSTODY FEES:								12/31/2010 (000's)	
State Street Bank									
	Custody Fee	\$	284,538	\$	294,372				
	Securities Lending		(233,175)		(707,905)				
	Commission Recapture		(215,773)		(167,362)				
INVESTMENT MANAGERS:				BFS		BFS			
Aronson & Partners	Large Cap Value	\$	137,027	28	\$	133,298	24	\$	56,657
Brandywine	Large Cap Value	\$	205,475	68	\$	270,125	46	\$	58,323
Chase Investment	Large Cap Growth	\$	488,666	52	\$	230,763	-	\$	-
Fred Alger	Large Cap Growth	\$	-	-	\$	276,497	25	\$	109,981
Intech	Large Cap Core	\$	382,847	29	\$	458,783	30	\$	153,641
Earnest Partners	Small Cap Value	\$	259,191	65	\$	322,821	65	\$	49,992
River Road	Small Cap Value	\$	301,707	81	\$	357,159	79	\$	44,992
Waddell & Reed	Small Cap Growth	\$	548,061	62	\$	705,120	64	\$	109,981
Grosvenor	Long/Short Equity	\$	-	-	\$	652,484	80	\$	81,653
Attalus	Long/Short Equity	\$	-	-	\$	498,227	96	\$	51,658
Artio (Julius Baer)	International Equity	\$	463,131	46	\$	514,470	47	\$	109,981
Thornburg	International Equity	\$	425,671	45	\$	591,560	54	\$	109,981
State Street	Index Funds	\$	-	-	\$	165,113	4	\$	407,098
Brandywine	Global Fixed Income	\$	89,105	18	\$	830,176	70	\$	118,647
JPMorgan	Real Estate	\$	-	-	\$	449,010	93	\$	48,325
TA Associates	Real Estate	\$	-	-	\$	448,348	207	\$	21,663
Portfolio Advisors	Real Estate	\$	-	-	\$	84,375	101	\$	8,332
Requot	Long/Short Equity	\$	-	-	\$	-	-	\$	1,666
Private Advisors	Hedge Fund	\$	-	-	\$	1,436,249	118	\$	121,813
Cash Account	Cash	\$	-	-	\$	-	-	\$	2,000
	Sub-Total	\$	3,300,881	22	\$	8,424,579	51	\$	1,666,384
INVESTMENT CONSULTANT:									
	Asset Consulting Group	\$	170,000		\$	170,000			
TOTAL INVESTMENT FEES:		\$	3,755,419	25	\$	8,888,951	53		
Fees for alternative managers were not provided									
Securities Lending and Commission Recapture values were not provided for 2009. Therefore, values are the same as the 2008 values									

Police Retirement System

Asset Allocation Breakdown		
	2009 % of Total Fund	2010 % of Total Fund
Domestic Equity	29.2%	43.3%
% Active	8.5%	23.6%
% Passive	20.7%	19.7%
Domestic Fixed	14.3%	14.6%
% Active	14.3%	14.6%
% Passive	0.0%	0.0%
International Eq	10.5%	10.3%
% Active	10.5%	10.3%
% Passive	0.0%	0.0%
International Fxd	4.8%	4.9%
% Active	4.8%	4.9%
% Passive	0.0%	0.0%
Other*	41.2%	27.1%
Calendar Year Return	17.4%	11.7%

*Includes L/S Equity

OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM							
		2009		2010		Assets as of	
						12/31/2010 (000's)	
CUSTODY FEES:							
Custodian: Mellon Trust							
Custody Fee		\$	94,873	\$	98,285		
Securities Lending Income		\$	(143,737)	\$	(96,541)		
Commission Recapture		\$	-	\$	-		
			BFS		BFS		
Mellon Capital	Large Cap Index	\$	69,059	\$	83,168	2	\$ 342,497
State Street	Large Cap Index Plus	\$	-	\$	-	-	\$ -
Boston Partners	Small Cap Value	\$	395,494	\$	623,691	66	\$ 94,386
Martingale	Small Cap Growth	\$	266,196	\$	432,485	62	\$ 70,096
Mondrian (Delaware)	International Equity	\$	393,999	\$	429,152	47	\$ 90,916
Artio (Julius Baer)	International Equity	\$	433,374	\$	469,393	54	\$ 87,446
Agincourt	Core Bond	\$	270,066	\$	280,588	19	\$ 148,173
Oaktree Capital	Fixed Income	\$	481,531	\$	351,356	34	\$ 104,797
Fischer Francis	Global Fixed	\$	-	\$	27,433	-	\$ 5,324
Loomis Sayles	Global Fixed	\$	254,192	\$	283,793	33	\$ 85,711
Cash Account	Cash	\$	-	\$	-	-	\$ 51,238
	Sub-Total	\$	2,563,911	\$	2,981,078	28	\$ 1,080,584
Special Strategies							
Columbus Square	Real Estate	\$	17,677	\$	17,542	51	\$ 3,470
JP Morgan	Real Estate	\$	369,743	\$	357,898	94	\$ 38,171
Attalus	Long/Short Equity	\$	715,604	\$	739,326	97	\$ 76,342
Grosvenor	Long/Short Equity	\$	1,282,756	\$	1,351,102	79	\$ 171,769
Pequot	Long/Short Equity	\$	1,282,756	\$	-	-	\$ 12,145
Mount Lucas Peak Partners	Hedge Fund	\$	295,589	\$	301,797	92	\$ 32,966
PAAMCO	Hedge Fund	\$	1,227,435	\$	1,359,383	87	\$ 156,154
Arsenal I & II	Private Equity	\$	174,903	\$	167,249	103	\$ 16,309
Calera Partners (Fremont) III & IV	Private Equity	\$	127,663	\$	123,113	229	\$ 5,379
Hicks, Muse, Tate & Furst	Private Equity	\$	-	\$	-	-	\$ 1,215
Lightspeed Venture Partners VI	Private Equity	\$	121,530	\$	95,519	-	\$ -
Knightsbridge	Private Equity	\$	84,000	\$	84,000	108	\$ 7,808
Lexington	Private Equity	\$	130,351	\$	118,146	86	\$ 13,707
Marathon Fund IV & V (Goldner Hawn)	Private Equity	\$	13,609	\$	200,000	177	\$ 11,278
First Mark II, III, & IV	Private Equity	\$	264,659	\$	225,638	-	\$ -
TOW/Crescent Mezzanine III & IV	Private Equity	\$	273,572	\$	233,503	286	\$ 8,155
Webb, Peck & Greer V & VI	Private Equity	\$	28,895	\$	16,088	27	\$ 5,899
Accel Europe	Private Equity	\$	59,735	\$	50,532	61	\$ 8,328
Levine Leichtman III & IV	Private Equity	\$	128,860	\$	264,691	391	\$ 6,767
Oaktree Funds II, III, IV, V, VI, VIIA & VIIB	Private Equity	\$	331,223	\$	378,470	364	\$ 10,410
Siguler Guff I, II & III	Private Equity	\$	438,615	\$	424,818	153	\$ 27,761
Venture Lending & Leasing III	Private Equity	\$	17,772	\$	14,568	280	\$ 521
Newstone Partners	Private Equity	\$	62,110	\$	42,044	101	\$ 4,164
Warburg Pincus	Private Equity	\$	224,972	\$	182,504	195	\$ 9,369
Thompson Street	Private Equity	\$	210,277	\$	153,693	167	\$ 9,196
Sun Capital V	Private Equity	\$	-	\$	-	-	\$ 5,379
Weathergate	Private Equity	\$	75,000	\$	75,000	240	\$ 3,123
HMSector Performance	Private Equity	\$	173,882	\$	152,044	175	\$ 8,675
	Sub-Total	\$	8,133,187	\$	7,128,669	109	\$ 654,458
Total		\$	10,697,097	\$	10,109,747		\$ 1,735,043
INVESTMENT CONSULTANT:							
Asset Consulting Group		\$	548,277	\$	586,319		
TOTAL INVESTMENT FEES:		\$	11,340,248	\$	10,794,351	62	



Law Enforcement Retirement System

Asset Allocation Breakdown		
	2009 % of Total Fund	2010 % of Total Fund
Domestic Equity	42.7%	43.3%
% Active	31.7%	33.7%
% Passive	11.0%	9.6%
Domestic Fixed	31.3%	29.3%
% Active	14.3%	15.7%
% Passive	17.0%	13.6%
International Eq	8.3%	9.7%
% Active	8.3%	9.7%
% Passive	0.0%	0.0%
Other	17.7%	17.7%
Calendar Year Return	16.7%	15.1%

OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM									
		2009		2010		Assets as of			
						12/31/2010 (000's)			
CUSTODY FEES:									
Northern Trust									
Custody Fee		\$	160,000		\$	101,000			
Securities Lending		\$	(63,093)		\$	(93,107)			
Commission Recapture		\$	(41,053)		\$	(59,057)			
INVESTMENT MANAGERS:									
				BFS		BFS			
Hbtchkis & Wiley	Large Cap Value	\$	119,919	25	\$	144,809	27	\$	54,524
NTGI	Large Cap Core & Bond Index	\$	18,894	3	\$	49,814	3	\$	158,391
Chase/Waddell & Reed	Large Cap Growth	\$	191,225	45	\$	207,048	44	\$	47,027
Columbus Circle	Small Cap Growth	\$	62,621	13	\$	354,091	54	\$	65,701
Kennedy Capital	Small Cap Value	\$	424,184	76	\$	509,359	82	\$	62,021
Mondrian (Delaware)	International Equity	\$	149,453	56	\$	177,411	55	\$	32,033
Artio (Julius Baer)	International Equity	\$	126,775	54	\$	223,155	65	\$	34,077
TCW	Core Bond	\$	250,534	29	\$	261,606	25	\$	106,594
Grosvenor	Hedge Fund	\$	-	-	-	-	-	\$	66,383
RREEF	Real Estate	\$	156,668	59	\$	293,159	96	\$	30,670
Colcord Center	Real Estate	\$	-	-	\$	25,128	74	\$	3,408
American I & II	Private Equity	\$	-	-	-	-	-	\$	8,860
Knightsbridge VI & VII	Private Equity	\$	-	-	-	-	-	\$	10,905
Cash Account	Cash	\$	-	-	-	-	-	\$	954
Sub-Total		\$	1,965,765	32	\$	2,245,580	33	\$	681,546
INVESTMENT CONSULTANT:									
Asset Consulting Group		\$	110,000		\$	110,000			
TOTAL INVESTMENT FEES:		\$	2,235,765	37	\$	2,456,580	36		

Judges & Justices Retirement System

Asset Allocation Breakdown		
	2009 % of Total Fund	2010 % of Total Fund
Domestic Equity	41.5%	42.7%
% Active	0.0%	0.0%
% Passive	41.5%	42.7%
Domestic Fixed	32.6%	32.9%
% Active	32.6%	32.9%
% Passive	0.0%	0.0%
International Eq	25.6%	24.3%
% Active	0.0%	0.0%
% Passive	25.6%	24.3%
Other	0.3%	0.1%
Calendar Year Return	20.5%	13.2%

OKLAHOMA RETIREMENT SYSTEM FOR JUDGES AND JUSTICES

		2009		2010		Assets as of	
						12/31/2010 (000's)	
CUSTODY FEES:							
Bankers Trust + Northern Trust							
Custody Fee*		\$	1,305	\$	1,062		
INVESTMENT MANAGERS:							
			BPS		BPS		
BlackRock Russell 3000 Index	All Cap Equity	\$	4,573	-	-	\$	-
BlackRock Russell 1000 Index	Large Cap Equity	\$	2,131	0	\$ 5,530	\$	86,853
BlackRock Russell 2000 Index	Small Cap Equity	\$	1,902	1	\$ 4,920	\$	15,943
BlackRock EAFE	EAFE Index Provisional	\$	9,585	-	-	\$	-
Blackrock AOM ex U.S.	International Equity	\$	6,745	1	\$ 25,827	\$	58,634
Blackrock	Core Bond	\$	39,635	9	\$ 38,324	\$	40,303
BlackRock US TIPS	TIPS	\$	-	-	\$ 763	\$	7,742
Hisington	Long Bond	\$	18,496	13	\$ 14,667	\$	8,707
Metwest [§]	Core Bond	\$	6,858	5	\$ 44,349	\$	22,696
Cash Account	Cash	\$	-	-	\$ -	\$	314
Sub-Total		\$	89,925	4	\$ 134,381	\$	241,192
INVESTMENT CONSULTANT:							
Strategic Investment Solutions*		\$	8,863	\$	5,836		
TOTAL INVESTMENT FEES:		\$	100,093	5	\$ 141,279	6	
[§] Performance-based fee							
* Custody and Investment Consultant fees are shared with OPERS plan. Fees per plan are proportioned according to total plan assets.							

Wildlife Retirement System

Asset Allocation Breakdown		
	2009 % of Total Fund	2010 % of Total Fund
Domestic Equity	42.3%	43.5%
% Active	42.3%	43.5%
% Passive	0.0%	0.0%
Domestic Fixed	46.0%	44.1%
% Active	46.0%	44.1%
% Passive	0.0%	0.0%
International Eq	7.9%	7.6%
% Active	7.9%	7.6%
% Passive	0.0%	0.0%
Other	3.8%	4.8%
Calendar Year Return	16.1%	10.6%

OKLAHOMA DEPARTMENT OF WILDLIFE

	<u>2009</u>		<u>2010</u>					
CUSTODY FEES:								
Bank of Oklahoma								
Custody Fee	\$	6,664	\$	7,090				
General Account Charges (Aetna)	\$	10,775	\$	5,976				
Sub-Total	\$	17,439	\$	13,066				
INVESTMENT MANAGER FEES								
Bank of Oklahoma*								
			BPS	BPS	Assets as of 12/31/2010 (000's)			
Growth Equity	\$	13,444	15	\$	14,454	15	\$	9,349
Core Equity	\$	9,588	15	\$	12,060	16	\$	7,350
Value Equity	\$	9,625	15	\$	13,810	17	\$	8,135
Small/Md Cap Equity	\$	8,808	18	\$	11,381	19	\$	5,994
International Equity	\$	9,277	18	\$	10,772	25	\$	4,282
Core Fixed Income	\$	52,408	18	\$	54,765	17	\$	31,471
MSCI BRIC							\$	185
International Emerging							\$	913
Multi-Cap				\$	289	10	\$	286
Alternatives				\$	1,572	8	\$	1,927
Cash Management	\$	-	-	\$	-	-	\$	1,470
Sub-Total	\$	103,150	16	\$	119,102	17	\$	71,363
TOTAL INVESTMENT FEES:	\$	120,589	19	\$	132,168	19		

*Effective 12/1/2005 Aetna/ING was replaced by Bank of Oklahoma as the Investment Manager