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Oklahoma State Pension Commission

Calendar Year 2013 Fee Analysis

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- **Within Public Markets (Both Equity & Fixed) there are three general types of Fee structures:**

- 1. Flat Fee**

- A flat basis point fee that is charged no matter the size of the mandate
- Typically used for passive or indexed mandates

- 2. Tier or Asset-Based Fee (Declining Marginal Rate Fee Structure)**

- A fee schedule that includes breakpoints or “Tiers” based on the size of the mandate
- The breakpoints will provide lower fees as the amount of assets grows
- These fee structures are offered by passive and active managers and are the most prominently used (100 bps on the first \$50 mm, 75 bps on the next \$50 mm, with 50 bps on assets over \$100mm)

3. Performance-Based Fee

- A fee schedule that includes the ability for the manager to profit from the performance of a portfolio
- The fee is comprised of a base fee, which is substantially lower than the customary or normal fee, and a performance component that is earned or exceeded only when the manager earns a required excess returns (See Appendix for Formula)

Notes:

- Performance fees do not lead to better performance
- Clients may be able to negotiate better fees using the performance fee approach, since manager most-favored-nation restrictions are less binding
- When managers seriously underperform, the optics are better, but in rising markets fees can be noticeably higher

Private Equity/Hedge Fund Fee Overview

Within the private equity and hedge fund fees, there are different types of fee structures which depend on the type of vehicle:

1. Private Equity Fee Structures

- Fees are typically much higher than for public market assets
- Fees structures often include the following components:
 - Management Fee – Typically 1-2%
 - Performance Fee or “carry” – Typically 20% of performance above a preferred return payable after all capital is returned
 - Preferred return or “hurdle rate” which needs to be attained in order to earn the performance fee– Typically 6-10%
- Fees often paid on committed, not invested capital, although this is changing

2. Hedge Fund Fee Structures

- Fees are very high compared to traditional managers
- Fees are made up of two components:
 - Management Fee
 - A fixed fee usually determined as a percentage of assets
 - Typically between 1-3%
 - Performance Fee:
 - Based on net new performance
 - Generally subject to a “highwater mark” or max fee
 - Typically between 15-30% of performance, which can be either above a hurdle or simply a positive return

General Observations

- **Competitive pressures are leading to lower fees**
- **In Public Markets, chronic manager underperformance has led to increased use of passive management**
- **In Alternatives, 1) Fees are coming down 2) Increasingly fees are being quoted on invested or drawn amounts, and 3) Non-zero hurdle rates are becoming more common**
- **Public Entities are facing greater political pressures on fees**

Fee Comparison from 2012 to 2013

2013 FEES

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	Total
Average 2013 Market Value (\$ in 000's)	\$11,824,769	\$7,819,653	\$1,941,864	\$2,003,058	\$680,118	\$270,968	\$91,778	\$24,632,208
Custody Fee	\$75,000	\$28,973	\$232,044	\$147,603	\$80,000	\$1,027	\$9,898	\$574,546
Securities Lending Income	(\$9,108,995)	(\$1,760,498)	(\$669,580)	(\$54,018)	(\$278,790)	(\$16,609)		(\$11,888,489)
Commission Recapture	(\$49,201)	(\$96,630)	(\$63,126)	(\$127,950)	(\$291,531)			(\$628,438)
Sub-Total (Custody - Net)	(\$9,083,196)	(\$1,828,155)	(\$500,662)	(\$34,364)	(\$490,321)	(\$15,582)	\$9,898	(\$11,942,381)
Investment Manager Fees (\$)	\$40,816,278	\$8,953,140	\$10,437,401	\$11,655,035	\$3,056,603	\$165,217	\$154,104	\$75,237,777
Investment Manager Fees (bps)	35	11	54	58	45	6	17	31
Percent Passively Managed	11.8%	43.6%	25.8%	17.6%	19.5%	71.1%	0%	24.3%
Total Investment Return	24.0%	16.6%	21.3%	16.1%	16.8%	16.0%	15.5%	20.4%
Sub-Total Manager Fees	\$40,816,278	\$8,953,140	\$10,437,401	\$11,655,035	\$3,056,603	\$151,305	\$154,104	\$75,223,865
Total Investment Consultant	\$702,000	\$272,391	\$249,817	\$625,813	\$110,000	\$7,609	N/A	\$1,967,630
Investment Consultant (bps)	1	1	1	3	2	0	-	1
TOTAL FEES	\$32,435,082	\$7,397,376	\$10,186,556	\$12,246,484	\$2,676,282	\$143,332	\$164,002	\$77,191,495
Average Basis Points	27	9	52	61	39	5	18	31

2012* FEES

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	TOTAL
12/31/12 Asset Market Value (\$ in 000's)	\$10,837,353	\$7,163,811	\$1,765,218	\$1,859,614	\$730,328	\$255,368	\$79,576	\$22,691,268
Custody Fee	\$51,011	\$28,960	\$243,986	\$122,074	\$80,000	\$1,040	\$7,561	\$534,632
Securities Lending Income	(\$10,487,785)	(\$1,777,154)		(\$61,728)	(\$214,898)	(\$7,460)		(\$12,549,025)
Commission Recapture	(\$311,001)	(\$70,261)	(\$57,053)		(\$327,019)			(\$765,334)
Sub-Total (Custody - Net)	(\$10,747,775)	(\$1,818,455)	\$186,933	\$60,346	(\$461,917)	(\$6,420)	\$7,561	(\$12,779,727)
Investment Manager Fees (\$)	\$47,122,886	\$7,263,868	\$9,709,914	\$11,266,127	\$2,946,322	\$119,725	\$138,049	\$78,566,891
Investment Manager Fees (bps)	43	10	55	61	40	5	17	35
Percent Passively Managed	8.4	41.2	21.2	16.1	19.1	64.9	0.0	24
Total Investment Return	14.7%	12.9%	12.6%	12.1%	11.6%	12.9%	9.1%	13.7%
Sub-Total Manager Fees	\$47,122,886	\$7,263,868	\$9,709,914	\$11,266,127	\$2,946,322	\$119,725	\$138,049	\$78,566,891
Total Investment Consultant	\$3,026,909	\$267,948	\$170,000	\$627,953	\$110,000	\$9,552	N/A	\$4,212,362
Investment Consultant (bps)	3	1	1	3	2	0	-	2
TOTAL FEES FOR 2012	\$39,402,020	\$5,713,361	\$10,066,847	\$11,954,426	\$2,594,405	\$122,857	\$145,610	\$69,999,526
Average Basis Points	36	8	57	64	36	5	18	31

*Note that MVA's were as of year end, not averaged



OK Teachers Fee Overview

Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly Market Value of Assets for 2013	Fees (%)	2013 Securities Lending Income	2013 Commission Recapture	2013 Investment Consultant Fee	2013 Custody Fee
Advisory Research	All Cap	Active	\$ 1,129,969	\$ 397,319,379	0.28%	\$9,108,995	\$49,201	\$702,000	\$75,000
Advisory Research	Int'l Small Cap	Active	\$ 877,337	\$ 151,872,239	0.58%				
Advisory Research Inc	MLP	Active	\$ 1,680,405	\$ 336,081,036	0.50%				
Aronson Johnson Ortiz	Mid Cap	Active	\$ 807,272	\$ 437,367,876	0.18%				
Brandes Investment	Int'l Equity	Active	\$ 558,552	\$ 416,794,452	0.13%				
Causeway Cap Mgmt	Int'l Equity	Active	\$ 1,633,071	\$ 489,228,209	0.33%				
Chicksaw	MLP	Active	\$ 1,925,195	\$ 240,409,048	0.80%				
Cove Street Capital	Small Cap	Active	\$ 439,806	\$ 98,241,675	0.45%				
Cushing	MLP	Active	\$ 785,202	\$ 219,673,631	0.36%				
Epoch Investment Partner	All Cap	Active	\$ 1,777,261	\$ 393,503,226	0.45%				
Epoch Investment Partner	Int'l Small Cap	Active	\$ 1,143,076	\$ 150,796,602	0.76%				
Frontier Cap Mgmt	Mid Cap	Active	\$ 2,386,751	\$ 435,428,154	0.55%				
Frontier Cap Mgmt	Small Cap	Active	\$ 781,214	\$ 140,301,971	0.56%				
Geneva Capital	Small Cap	Active	\$ 784,184	\$ 178,914,907	0.44%				
Hoisington Investment	Core Fixed	Active	\$ 390,717	\$ 260,478,255	0.15%				
Hotckis Wiley	Large Cap	Active	\$ 1,469,193	\$ 479,596,679	0.31%				
Hotckis Wiley	Mid Cap	Active	\$ 2,351,827	\$ 470,365,466	0.50%				
Loomis Sayles	High Yield	Active	\$ 1,090,835	\$ 218,629,155	0.50%				
Loomis Sayles	Core Plus	Active	\$ 886,917	\$ 588,592,674	0.15%				
Lord Abbett Core	Core Plus	Active	\$ 969,984	\$ 574,677,236	0.17%				
Lord Abbett	High Yield	Active	\$ 824,636	\$ 220,278,766	0.37%				
Mackay Shields	Core Plus	Active	\$ 987,597	\$ 219,465,993	0.45%				
Mackay Shields	High Yield	Active	\$ 1,251,354	\$ 580,676,913	0.22%				
Neumeier Poma Investment	Small Cap	Active	\$ 411,544	\$ 101,857,478	0.40%				
Northern Trust	Index	Passive	\$ 56,310	\$ 484,129,576	0.01%				
Northern Trust	Int'l Index	Passive	\$ 35,263	\$ 423,151,235	0.01%				
Sawgrass	Large Cap	Active	\$ 1,584,882	\$ 444,335,998	0.36%				
Shapiro Cap Mgmt	Small Cap	Active	\$ 4,588,233	\$ 581,309,166	0.79%				
State Street	Index	Passive	\$ 152,300	\$ 491,001,484	0.03%				
Stephens Inc	Core Plus	Active	\$ 210,420	\$ 287,196,873	0.07%				
Thornburg Invest	Int'l Equity	Active	\$ 2,273,339	\$ 454,459,525	0.50%				
Wasatch	Small Cap	Active	\$ 937,448	\$ 172,184,244	0.54%				
Wasatch	Int'l Equity	Active	\$ 1,357,600	\$ 154,649,352	0.88%				
Wellington Mgmt	Int'l Equity	Active	\$ 1,115,054	\$ 144,623,689	0.77%				
Wellington Mgmt	Mid Cap	Active	\$ 1,161,530	\$ 387,176,582	0.30%				
Total			\$ 40,816,278	\$ 11,824,768,743	0.35%				

Asset Allocation Breakdown		
	2013 % of Total Fund	2012 % of Total Fund
Domestic Equity	49.6%	43.6%
% Active	42.7%	35.2%
% Passive	6.9%	8.4%
Domestic Fixed	20.6%	27.8%
% Active	20.6%	27.8%
% Passive	0.0%	0.0%
International Eq	14.1%	15.2%
% Active	14.1%	15.2%
% Passive	0.0%	0.0%
Global Fixed	0.0%	0.0%
% Active	0.0%	0.0%
% Passive	0.0%	0.0%
Other	14.9%	13.5%
Calendar Year Return	24.0%	14.7%

OK PERS Fee Overview

Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly Market Value of Assets for 2013	Fees (%)	2013 Securities Lending Income	2013 Commission Recapture	2013 Investment Consultant Fee	2013 Custody Fee
BlackRock Financial Hoisington	Fixed Income	Active	\$ 1,202,764	\$ 1,271,247,869	0.09%	\$1,760,498	\$96,630	\$272,391	\$28,973
BlackRock TIPS	Fixed Income	Passive	\$ 28,418	\$ 237,813,863	0.01%				
MetWest	Fixed Income	Active	\$ 1,793,630	\$ 716,896,950	0.25%				
Mondrian	International Equity Value	Active	\$ 1,853,510	\$ 509,817,886	0.36%				
Baillie Gifford*	International Equity Growth	Active	\$ 144,336	\$ 263,361,891	0.05%				
BlackRock ACWI x-US Growth	International Equity Growth	Passive	\$ 220,855	\$ 433,082,144	0.05%				
BlackRock ACWI x-US	International Equity	Passive	\$ 417,650	\$ 847,160,323	0.05%				
BlackRock R1000 Index	US Equity Large Cap	Passive	\$ 131,066	\$ 1,719,541,089	0.01%				
BlackRock R1000 Growth Index	US Equity Large Cap Growth	Passive	\$ 11,433	\$ 168,135,549	0.01%				
Mellon	US Equity Large Cap	Active	\$ 125,000	\$ 396,085,596	0.03%				
SSgA	US Equity Large Cap	Active	\$ 111,558	\$ 392,571,840	0.03%				
AJO	US Equity Large Cap Value	Active	\$ 141,583	\$ 186,844,884	0.08%				
UBS	US Equity Small Cap Growth	Active	\$ 734,198	\$ 155,247,935	0.47%				
Barrow Hanley	US Equity Small Cap Value	Active	\$ 862,392	\$ 162,556,193	0.53%				
DRZ	US Equity Small Cap Value	Active	\$ 859,532	\$ 148,183,972	0.58%				
Total			8,953,140	7,819,653,311	0.11%				

Asset Allocation Breakdown		
	<u>2013 % of Total Fund</u>	<u>2012 % of Total Fund</u>
Domestic Equity	45.7%	40.4%
% Active	20.2%	17.0%
% Passive	25.5%	23.4%
Domestic Fixed	29.5%	34.7%
% Active	29.5%	34.7%
% Passive	0.0%	0.0%
Int'l Equity	24.6%	24.5%
% Active	14.7%	6.6%
% Passive	9.9%	17.8%
Other	0.0%	0.4%
Calendar Year Return	16.6%	12.9%

*Baillie Gifford entered portfolio in Sept 2013

OK Firefighters Fee Overview

Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly MVA's for 2013	Fees (%)	2013 Securities Lending Income	2013 Commission Recapture	2013 Investment Consultant Fee	2013 Custody Fee
ARONSON+ PARTNERS	LARGE CAP VALUE	ACTIVE	\$ 242,222	\$ 82,380,417	0.29%	\$ 669,580	\$ 63,126	\$ 249,817	\$ 232,044
ARTIO GLOBAL MANAGEMENT LLC	REMNANT	N/A		\$ 352,500					
ATTALUS CAPITAL	REMNANT	N/A		\$ 3,802,833					
AZUL HOLDCO	REMNANT	N/A		\$ 1,103,000					
BRANDYWINE ASSET MANAGEMENT	REMNANT	N/A		\$ 50,833					
BRANDYWINE GLOBAL FIXED	GLOBAL FIXED INCOME	ACTIVE	\$ 1,239,522	\$ 166,919,750	0.74%				
CHAUTAUQUA INT EQUITY	INTERNATIONAL EQUITY	ACTIVE	\$ 192,489	\$ 40,524,000	0.47%				
CLARIVEST EM EQUITY	EMERGING MARKETS	ACTIVE	\$ 332,166	\$ 48,527,250	0.68%				
DELAWARE INVESTMENTS	SMALL CAP GROWTH	ACTIVE	\$ 615,485	\$ 77,064,583	0.80%				
EARNEST PARTNERS	SMALL CAP VALUE	ACTIVE	\$ 445,318	\$ 66,564,167	0.67%				
ENHANCED INVESTMENT TECHNOLOGIES	LARGE CAP CORE	ACTIVE	\$ 447,548	\$ 132,516,000	0.34%				
FRED ALGER MANAGEMENT, INC.	LARGE CAP GROWTH	ACTIVE	\$ 731,933	\$ 140,429,583	0.52%				
GARRISON MIDDLE MKT FUNDING LP	OTHER FIXED INCOME	ACTIVE	\$ 150,200	\$ 9,605,500	1.56%				
GROSVENOR CAPITAL MGMT, LP	LONG/SHORT EQUITY	ACTIVE	\$ 179,562	\$ 22,671,500	0.79%				
HERNDON CAPITAL	LARGE CAP VALUE	ACTIVE	\$ 381,692	\$ 73,413,667	0.52%				
INTERNAL CASH ACCOUNT	CASH	N/A		\$ 10,179,500	0.00%				
JP MORGAN RE	REAL ESTATE	ACTIVE	\$ 635,331	\$ 68,632,583	0.93%				
LORD ABBETT	SMALL CAP GROWTH	ACTIVE	\$ 569,463	\$ 78,152,750	0.73%				
MEDLEY OPPORTUNITY FUND II LP	OTHER FIXED INCOME	ACTIVE	\$ 182,580	\$ 12,527,417	1.46%				
PORTFOLIO ADV REAL ESTATE FD IV	REAL ESTATE	ACTIVE	\$ 70,000	\$ 4,628,917	1.51%				
PORTFOLIO ADV REAL ESTATE III	REAL ESTATE	ACTIVE	\$ 75,000	\$ 14,958,750	0.50%				
PRIVATE ADVISORS	LOW VOLATILITY HEDGE FL	ACTIVE	\$ 1,684,364	\$ 136,310,000	1.24%				
RIVER ROAD ASSET MGMT	SMALL CAP VALUE	ACTIVE	\$ 528,372	\$ 60,781,000	0.87%				
SSGA EQUITY S&P FLAGSHIP	INDEXES	PASSIVE	\$ 163,433	\$ 131,265,083	0.12%				
SSGA LEHMAN IM	INDEXES	PASSIVE		\$ 88,036,583					
SSGA MSCI ACWI US NONLENDING	INDEXES	PASSIVE		\$ 25,099,167					
SSGA NL FIXED INCOME FUND	INDEXES	PASSIVE		\$ 71,706,750					
SSGA RUSSELL SMCAP COMPLETE NL	INDEXES	PASSIVE		\$ 52,001,833					
SSGA S&P 500 EQUAL WEIGHT CTF	INDEXES	PASSIVE		\$ 132,791,583					
TA ASSOCIATES REALTY VII	REAL ESTATE	ACTIVE	\$ 394,062	\$ 15,688,000	2.51%				
TA REALTY ASSOCIATES IX CORP	REAL ESTATE	ACTIVE		\$ 10,673,667	0.00%				
THORNBURG INVESTMENT MGMT	INTERNATIONAL EQUITY	ACTIVE	\$ 580,730	\$ 96,532,000	0.60%				
WASATCH EM EQUITY	EMERGING MARKETS	ACTIVE	\$ 316,509	\$ 22,930,083	1.38%				
WCM INT EQTY	INTERNATIONAL EQUITY	ACTIVE	\$ 279,420	\$ 43,043,333	0.65%				
Total			\$ 10,437,401	\$ 1,941,864,583	0.54%				

Asset Allocation Breakdown		
	2013 % of Total Fund	2012 % of Total Fund
Domestic Equity	55.8%	26.3%
% Active	40.4%	10.2%
% Passive	15.4%	16.1%
Domestic Fixed	2.7%	15.6%
% Active	0.0%	15.6%
% Passive	2.7%	0.0%
International Eq	13.5%	13.6%
% Active	13.5%	13.6%
% Passive	0.0%	0.0%
International Fxd	14.9%	5.1%
% Active	10.8%	5.1%
% Passive	4.1%	0.0%
Other*	13.1%	39.5%
Calendar Year Return	21.3%	12.1%

*Includes L/S Equity

OK Police Fee Overview

Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly MVA's for 2013	Fees (%)	Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly MVA's for 2013	Fees (%)
OK INVEST	Cash		\$	36,848,328		OAKTREE FUND V	Private Equity	Active	\$ 10,422	\$ 486,803	2.14%
CONTROL ACCOUNT	Cash		\$	12,447,246		OAKTREE FUND VI	Private Equity	Active	\$ 22,510	\$ 1,002,224	2.25%
MELLON CAP	Large Cap	Passive	\$ 75,430	\$ 351,936,420	0.02%	SIGULER GUFF II (E)	Private Equity	Active	\$ 91,055	\$ 6,828,594	1.33%
WILLIAMBLAIR	Small-Md Cap Growth	Active	\$ 747,004	\$ 96,609,514	0.77%	OAKTREE FUND VII	Private Equity	Active	\$ 43,735	\$ 2,079,146	2.10%
BOSTON PARTNERS	Small-Md Cap Value	Active	\$ 813,628	\$ 132,702,208	0.61%	OAKTREE FUND VIIb	Private Equity	Active	\$ 36,031	\$ 2,245,463	1.60%
OAKTREE CAPITAL TRUST	Global Fixed Income	Active	\$ 572,371	\$ 127,924,961	0.45%	SIGULER GUFF III	Private Equity	Active	\$ 142,500	\$ 11,987,329	1.19%
BBT/OVERSEAS CAP, L.P.	Global Fixed Income	Active	\$	1,127,403		OAKTREE FUND VIII	Private Equity	Active	\$ 71,727	\$ 7,175,790	1.00%
LOOMS SAYLES	Global Fixed Income	Active	\$ 309,269	\$ 91,824,837	0.34%	OAKTREE FUND IX	Private Equity	Active	\$ 13,119	\$ 938,554	1.40%
AGINCOURT	Global Fixed Income	Active	\$ 303,859	\$ 166,358,483	0.18%	OAKTREE EUROPEAN DISLOCATION	Private Equity	Active	\$ 843	\$ 69,375	1.22%
WASATCH ADVSOR/COMERICA	Intl EM/Small Cap	Active	\$ 274,791	\$ 27,979,297	0.98%	ACTIS GLOBAL 4	Private Equity	Active	\$ 135,000	\$ 381,137	35.42%
MONDRIAN INVESTMENT	International Equity	Active	\$ 511,912	\$ 106,624,043	0.48%	LEXINGTON CAPITAL PARTNERS V-B	Private Equity	Active	\$ 133,350	\$ 12,072,800	1.10%
VONTOBEL	International Equity	Active	\$ 451,727	\$ 52,646,063	0.86%	TCWCRESCENT MEZZ L.P. III	Private Equity	Active	\$ 3,921	\$ 763,300	0.51%
BARING FOCUSED INT'L EQUITY	International Equity	Active	\$ 446,871	\$ 81,007,459	0.55%	TCWCRESCENT MEZZ L.P. IV	Private Equity	Active	\$ 51,923	\$ 3,903,570	1.33%
GROSVENOR	Long/Short Equity	Active	\$ 1,343,342	\$ 161,256,606	0.83%	NEWSTONE CAPITAL	Private Equity	Active	\$ 17,801	\$ 1,648,695	1.08%
ATTALUS LONG SHORT EQUITY	Long/Short Equity	Active	\$	19,499,713		TCWCRESCENT MEZZ L.P. V	Private Equity	Active	\$ 76,340	\$ 6,107,902	1.25%
GROSVENOR B	Long/Short Equity	Active	\$	60,246,403		NEWSTONE CAPITAL Fund II	Private Equity	Active	\$ 105,750	\$ 2,968,670	3.56%
PAAMCO/ NEWPORT MESA, LLC	Low Volatility	Active	\$ 1,576,799	\$ 172,888,506	0.91%	WEISS, PECK & GREER V	Private Equity	Active	\$ 5,857	\$ 648,967	0.90%
ENCAP ENERGY CAPITAL	Other	Active	\$ 97,500	\$ 335,760	29.04%	FIRSTMARK CAP II	Private Equity	Active	\$	\$ 31,917	
MARATHON IV	Private Equity	Active	\$	15,409		MDTOWN FUND III	Private Equity	Active	\$ 12,525	\$ 2,030,332	0.62%
HICKS, MUSE, TATE & FURST	Private Equity	Active	\$	374,021		LIGHTSPEED VENTURE PARTNERS VI	Private Equity	Active	\$ 8,504	\$ 3,093,277	0.27%
CALERA III (Semi Annual)	Private Equity	Active	\$ 22,807	\$ 5,847,078	0.39%	VENTURE LENDING & LEASING	Private Equity	Active	\$ 1,490	\$ 384,814	0.39%
ARSENAL I	Private Equity	Active	\$	1,190,242		ACCEL	Private Equity	Active	\$ 147,352	\$ 4,631,226	3.18%
LEVINE LEICHTMAN III	Private Equity	Active	\$ 7,595	\$ 5,728,557	0.13%	KNIGHTSBRIDGE VENTURE CAPITAL VI	Private Equity	Active	\$ 54,000	\$ 10,543,701	0.51%
MARATHON V	Private Equity	Active	\$ 78,958	\$ 9,038,923	0.87%	FIRST MARK I (FIRSTMARK CAP IV)	Private Equity	Active	\$ 94,256	\$ 11,194,504	0.84%
ARSENAL II	Private Equity	Active	\$ 187,136	\$ 17,313,215	1.08%	WEATHERGAGE VENTURE CAPITAL	Private Equity	Active	\$ 75,000	\$ 6,357,110	1.18%
THOMPSON STREET II	Private Equity	Active	\$ 84,126	\$ 5,923,405	1.42%	WARBURG PINCUS X	Private Equity	Active	\$ 155,792	\$ 13,649,183	1.14%
SUN CAPITAL	Private Equity	Active	\$	11,210,345		WEATHERGAGE VENTURE CAPITAL	Private Equity	Active	\$ 75,000	\$ 3,539,019	2.12%
HMCAPITAL SECTOR PERF.	Private Equity	Active	\$ 54,926	\$ 3,868,281	1.42%	FIRST MARK II (FIRSTMARK CAP V)	Private Equity	Active	\$ 97,643	\$ 1,942,810	5.03%
CALERA IV (Semi Annual)	Private Equity	Active	\$ 152,649	\$ 7,396,378	2.06%	WARBURG PINCUS XI	Private Equity	Active	\$ 43,198	\$ 1,573,540	2.75%
LEVINE LEICHTMAN IV	Private Equity	Active	\$ 106,904	\$ 9,594,219	1.11%	PEAK PARTNERS, L.P.	Real Assets	Active	\$ 244,309	\$ 24,265,605	1.01%
THOMPSON STREET III	Private Equity	Active	\$ 150,000	\$ 1,956,027	7.67%	COLUMBUS SQUARE	Real Assets	Active	\$ 15,133	\$ 3,923,862	0.39%
ARSENAL III	Private Equity	Active	\$	1,822,053		JP MORGAN	Real Assets	Active	\$ 531,014	\$ 52,446,197	1.01%
OAKTREE FUND III	Private Equity	Active	\$	59,450		SIGULER GUFF Real Estate	Real Assets	Active	\$ 100,000	\$ 7,410,655	1.35%
OAKTREE FUND IV	Private Equity	Active	\$	27,117		TAASSOC REALTY FUND X	Real Assets	Active	\$ 215,781	\$ 5,986,824	3.60%
SIGULER GUFF	Private Equity	Active	\$ 40,516	\$ 3,025,248	1.34%	CERBERUS FUND III	Real Assets	Active	\$ 412,034	\$ 4,091,565	10.07%
Total									\$11,655,035	\$2,003,057,675	0.58%

Asset Allocation Breakdown		
	2013 % of Total Fund	2012 % of Total Fund
Domestic Equity	30.9%	26.3%
% Active	12.0%	10.2%
% Passive	18.9%	16.1%
Domestic Fixed	13.9%	15.6%
% Active	18.2%	15.6%
% Passive	0.0%	0.0%
International Eq	13.3%	13.6%
% Active	13.3%	13.6%
% Passive	0.0%	0.0%
International Fxd	4.3%	5.1%
% Active	4.3%	5.1%
% Passive	0.0%	0.0%
Other*	37.6%	39.5%
Calendar Year Return	16.1%	12.1%

*Includes L/S Equity

2013 Securities Lending Income	2013 Commission Recapture	2013 Investment Consultant Fee	2013 Custody Fee
\$54,018	\$127,950	\$625,813	\$147,603



NEPC, LLC

OK Law Fee Overview

Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly MVA's for 2013	Fees (%)	2013 Securities Lending Income	2013 Commission Recapture	2013 Investment Consultant Fee	2013 Custody Fee
Northern Trust	Fix and Equity Index	Passive	\$ 41,092	\$ 132,705,500	0.03%	\$ 278,790	\$ 291,531	\$ 110,000	\$ 80,000
Kennedy Capital	Small Cap Value	Active	\$ 495,806	\$ 51,903,333	0.96%				
Columbus Circle	Small Cap Growth	Active	\$ 235,282	\$ 49,501,917	0.48%				
Hotchkis and Wiley	Large Cap Value	Active	\$ 421,244	\$ 71,914,250	0.59%				
Waddell and Reed	Large Cap Growth	Active	\$ 318,017	\$ 67,435,833	0.47%				
TCW/MetWest	Fixed Core Opportunistic	Active	\$ 358,688	\$ 115,617,333	0.31%				
Franklin Templeton	Fixed Global Bond	Active	\$ 240,568	\$ 70,766,500	0.34%				
JP Morgan	Real Estate	Active	\$ 394,887	\$ 40,475,750	0.98%				
UBS Trumbell	Real Estate	Active	\$ 92,889	\$ 10,422,500	0.89%				
Barings	International	Active	\$ 239,028	\$ 31,653,167	0.76%				
Mondrian	International	Active	\$ 219,103	\$ 37,722,083	0.58%				
Total			\$ 3,056,603	\$ 680,118,166	0.45%				

Asset Allocation Breakdown		
	2013 % of Total Fund	2012 % of Total Fund
Domestic Equity	39.5%	35.5%
% Active	32.9%	28.7%
% Passive	6.6%	6.8%
Fixed Income	27.4%	31.5%
% Active	19.2%	19.2%
% Passive	8.2%	12.3%
Int'l Equity	13.7%	14.2%
% Active	13.7%	14.2%
% Passive	0.0%	0.0%
Other	19.3%	18.8%
Calendar Year Return	16.8%	11.6%

OK Judges & Justices Fee Overview

Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly MVA's for 2013	Fees (%)	2013 Securities Lending Income	2013 Commission Recapture	2013 Investment Consultant Fee	2013 Custody Fee
BlackRock Financial	Fixed Income	Active	\$ 42,565	\$ 44,984,695	0.09%	\$ 16,609	\$ -	\$ 7,609	\$ 1,027
Hoisington	Fixed Income	Active	\$ 12,153	\$ 8,138,998	0.15%				
BlackRock TIPS	Fixed Income	Passive	\$ 1,027	\$ 8,598,267	0.01%				
MetWest	Fixed Income	Active	\$ 63,137	\$ 25,111,299	0.25%				
BlackRock R1000 Index	US Equity Large Cap	Passive	\$ 7,686	\$ 100,842,544	0.01%				
BlackRock R2000 Index	US Equity Small Cap	Passive	\$ 5,367	\$ 15,784,041	0.03%				
BlackRock ACWI x-US	International Equity	Passive	\$ 33,281	\$ 67,508,040	0.05%				
Total			\$ 165,217	\$ 270,967,885	0.06%				

Asset Allocation Breakdown		
	2012 % of Total Fund	2012 % of Total Fund
Domestic Equity	44.8%	40.1%
% Active	0.0%	0.0%
% Passive	44.8%	40.1%
Domestic Fixed	29.7%	34.8%
% Active	26.8%	34.8%
% Passive	2.9%	0.0%
Int'l Equity	25.0%	24.8%
% Active	0.0%	0.0%
% Passive	25.0%	24.8%
Other	0.4%	0.4%
Calendar Year Return	16.0%	12.9%

OK Wildlife Fee Overview

Manager	Asset Class	Active or Passive	2013 Total Annual Fees Paid	Average Monthly MVA's for 2013	Fees (%)	2013 Securities Lending Income	2013 Commission Recapture	2013 Investment Consultant Fee	2013 Custody Fee
Bank of Oklahoma	Growth Equity	Active	\$ 24,603	\$ 14,652,346	0.17%				\$ 9,898
Bank of Oklahoma	Core Equity	Active	\$ 15,253	\$ 9,083,816	0.17%				
Bank of Oklahoma	Value Equity	Active	\$ 21,351	\$ 12,715,729	0.17%				
Bank of Oklahoma	Small Cap	Active	\$ 16,709	\$ 9,951,479	0.17%				
Bank of Oklahoma	Core Fixed	Active	\$ 57,430	\$ 34,202,833	0.17%				
Bank of Oklahoma	Multi Cap	Active	\$ 1,643	\$ 978,358	0.17%				
Bank of Oklahoma	International Equity	Active	\$ 10,817	\$ 6,442,203	0.17%				
Bank of Oklahoma	Alternatives	Active	\$ 6,299	\$ 3,751,324	0.17%				
Total			\$ 154,104	\$ 91,778,088	0.17%				

Asset Allocation Breakdown		
	2013 % of Total Fund	2012 % of Total Fund
Domestic Equity	49.6%	42.7%
% Active	49.6%	43.5%
% Passive	0.0%	0.0%
Domestic Fixed	37.4%	43.9%
% Active	37.4%	44.1%
% Passive	0.0%	0.0%
Int'l Equity	6.5%	6.7%
% Active	6.5%	7.6%
% Passive	0.0%	0.0%
Other	3.8%	6.7%
Calendar Year Return	15.5%	9.1%

Appendix



Performance Fee Formula

- **Where:**
- **BF** = **Base Fee, a substantial discount from the normal fee**
- **PF** = **Performance Fee**
- **NF** = **Normal Fee, manager's standard fee schedule for public fund**
- **RER** = **Required Excess Return, the premium to be earned above the benchmark or market rate of return to earn the normal fee**
- **PR** = **Portfolio Return**
- **MR** = **Benchmark, the market or other index return which represents the minimum performance standard**

$$(NF - BF)/(RER) \times (PR - MR - BF)$$

- **(The Maximum Fee should be symmetrically balanced, i.e., the sum of the BF and the PF should equal the BF plus two times the sum of the NF minus the BF. In no event can the MF (PF plus the BF) exceed the BF plus two times the sum of the NF minus the BF)**
- **For the initial three quarters, the manager will receive a fee equal to the Base Fee. After the end of the fourth quarter under management an annualized fee calculation will be computed to award a performance fee due to the initial twelve-month period. If the Agreement is extended for the fifth through twelfth quarters, the annualized performance fee calculation will be made each quarter on a cumulative, annualized, basis. Thereafter, the performance fee calculation will be based on the cumulative, annualized returns for the immediately preceding twelve quarters.**

