

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Question and Answer Document

**Investment Consulting Services
RFP #515-12-156**

Question: Does the System currently use an investment consultant? If so, who and for how long?

Answer: Strategic Investment Solutions has been the incumbent since December 1995.

Question: Why is the consultant search being conducted?

Answer: The search is being conducted due to the expiration of the existing consulting services contract.

Question: How many firms were invited to participate in the search?

Answer: No firms were specifically invited to participate by OPERS' Trustees or staff. The RFP was announced by contacting members of the financial media and by placing notice on OPERS' website. The RFP process is open to all vendors who meet the minimum criteria.

Question: What is the current consultant's fee? Is there a budget for this fee going forward?

Answer: The contract consulting fees were as follows:

FY ending June 30,	
2008	\$235,000
2009	\$245,000
2010	\$255,000
2011	\$265,000
2012	\$275,000

Fees for investment consulting services are an annually budgeted item.

Question: The plan does not appear to have any exposure to alternative investment strategies, such as private equity, real assets or hedge funds. Are there restrictions against these investments in policy or statute or other reasons? Please explain.

Answer: There are no statutory prohibitions on alternative asset classes. The Board would need to amend its Investment Policy if the decision is ever made to allocate to alternative asset classes. Historically, the System has maintained a strong performance profile while keeping overall plan fees exceptionally low.

Question: How often does the Board and/or Investment Committee meet? How many meetings is the consultant expected to attend each year? Are there other meeting/travel requirements? Are all meetings held in Oklahoma City?

Answer: Section IV outlines the scope of the assignment and section X outline the assumptions for the fee quote. Please refer to these two sections. All meetings are held in Oklahoma City.

Question: Does the Board and/or Committee meet on a set schedule, for example, the third Thursday of the month? If so, what is the regular schedule? Is there flexibility in establishing the schedule each year?

Answer: The regularly scheduled meeting dates are set by the Board no later than November of the prior calendar year. The dates are shown below for 2012. The Board committees (Investment, Budget & Policy, and Audit) meet on the morning of each scheduled Board meeting. In addition, the Board holds an “Investment Manager Roundtable” on the day before its January meeting.

All 2012 meetings of the Board of Trustees of the Oklahoma Public Employees Retirement System begin at 1:30 p.m. and will be held in the OPERS Board Room at 5801 Broadway Extension, Suite 400, Oklahoma City, Oklahoma, 73118. The 2012 Board Meeting Schedule is as follows:

- January 19, 2012 (Investment Manager Roundtable on January 18, 2012.)
- February 16, 2012
- April 12, 2012
- May 10, 2012
- July 19, 2012
- August 16, 2012
- October 25, 2012
- November 15, 2012