

Finansdepartementet

Postboks 8008 Dep  
0030 OSLO

### Høring – forskrift om regnskapsregler for Norges Bank

Vi viser til Finansdepartementets brev av 8. juli 2010 om utkast til forskrift om årsregnskap m.m. for Norges Bank. Riksrevisjonen ser positivt på at departementet vil underlegge Norges Bank et regnskapsregelverk i tråd med anbefalinger fra Det internasjonale pengefondet (IMF).

Kommentarer til de enkelte bestemmelsene følger nedenfor.

#### § 1-1 Forskriftens virkeområde

Dersom forskrift om regnskapsregler for Norges Bank skal omfatte Statens pensjonsfond utland (SPU) bør det framgå av teksten i § 1-1.

For øvrig forstår Riksrevisjonen det slik at Statens petroleumsforsikringsfond (SPFF) ikke er omfattet av denne forskriften, da SPFF ikke inngår i Norges Banks regnskap og at dagens praksis videreføres.

#### § 1-2 Definisjoner

SPU omtales som investeringsporteføljen i denne bestemmelsen. Det framgår av Norges Banks årsberetning 2009 at investeringsporteføljen er en del av valutareservene, der det blant annet er uttalt: *"Noregs Bank forvaltar Statens pensjonsfond utland på vegner av Finansdepartementet. Banken forvaltar også valutareservane sine, som inneheld tre delporteføljor: investeringsporteføljen, pengemarknadspoteføljen og petrobufferporteføljen."*

Riksrevisjonen vurderer den begrepsmessige sammenblanding av SPU og valutareservene i fellesbetegnelsen som uheldig, da investeringsporteføljen også er kjent som en del av valutareservene som forvaltes av Norges Bank i tillegg til SPU. Riksrevisjonen legger til grunn at fondet bør omtales som SPU og ikke gis samme navn som en av tre delporteføljene til valutareservene. Begrepet investeringsportefølje som omtale av SPU bør ikke brukes i forskriften.

Det er videre uklart hva som inngår i forskriftens omtale av investeringsporteføljen. Omfatter det SPU og valutareservene eller flere porteføljer i tillegg til disse.

### **§ 2-4 Krav til særlige opplysninger om SPU og investeringsporteføljen**

Av § 2-4 sjette ledd framgår det at regnskapsoppstillingen for investeringsporteføljen skal presenteres i egen note til årsregnskapet til Norges Bank. I § 1-2 er SPU definert som investeringsportefølje. Av dette forstås at presentasjon av SPUs regnskap har status som note til årsregnskapet til Norges Bank. Sett fra et revisjonssynspunkt vurderer Riksrevisjonen det som uheldig at SPU ikke har et eget regnskap, men har status som noteopplysninger til Norges Banks regnskap. Riksrevisjonen er av den oppfatning at det bør avlegges eget regnskap for SPU med de krav det innebærer. Markedsverdien av SPU ved utgangen av 2009 utgjorde 2/3 av statens balanse, og fondet har omfattende aktivitet og verdiendringer som påvirker statens balanse. Den vesentlige del fondet utgjør av statens kapital og fondets størrelse og kompleksitet, tilsier at det bør avlegges et eget regnskap for SPU. Riksrevisjonen vil også peke på at i henhold til Santiago-prinsipp nr. 11 skal det utarbeides regnskap for statlige investeringsfond<sup>1</sup>.

Det framgår av Finansdepartementets kommentarer til forslaget § 1-2 at SPU ikke er et eget rettssubjekt. Riksrevisjonen kan ikke se at det faktum at SPU ikke er et eget rettssubjekt er til hinder for at det kan avlegges eget regnskap for SPU. Riksrevisjonen viser til at selv om Statens pensjonsfond Norge (SPN) inngår i balansen til Folketrygdfondet avlegges det et eget regnskap for SPN. Etter Riksrevisjonens syn bør det også framgå av regler for forvaltningen av SPU hvilke regnskapsregler som skal gjelde for SPU.

Det vises også til Finansdepartementets uttalelse i Meld. St. 10 (2009-2010) om at det i prinsippet verken er innholdsmessige eller formmessige skranker for departementets adgang til å instruere banken om hvordan forvaltningen av SPU skal foregå.

Riksrevisjonen er av det syn at regnskapene for de enkelte fond/porteføljer bør presenteres hver for seg med tilhørende noteopplysninger.

### **§ 3-1 Plikt til å utarbeide regnskapsoppstilling og årsberetning for investeringsporteføljen**

Det vises til Riksrevisjonens uttalelse til høringens § 1-2 ovenfor om definisjon av SPU og investeringsporteføljen. Det framstår som uklart hva som legges i begrepet "regnskapsoppstilling" i § 3-1. Begrepet regnskapsoppstilling bør defineres tydeligere slik at det klart framkommer om det eksempelvis dekker oppstilling av resultat og balanse, oppstilling av totalresultat i henhold til IAS 1 (IFRS), noteopplysninger eller om det legges noe annet i dette begrepet.

### **§ 3-4 Virkninger av omregning fra utenlandsk valuta til norske kroner**

Riksrevisjonen er enig i at endringer i valutakurser ved omregning til norske kroner knyttet til realiserte og urealiserte gevinster og tap på finansielle instrumenter bør presenteres på egen linje i totalresultatet.

Etter Riksrevisjons vurdering bør det legges vekt på at det benyttes identiske beregningsmetoder for resultat før valutakursreguleringer og etter valutakursreguleringer. Riksrevisjonen er av den oppfatning at for å få fram størst mulig informasjonsverdi for brukere av regnskapet og korrekt rapportering av regnskapsmessig avkastning i internasjonal valuta er valg av metode helt avgjørende. Det ses derfor som viktig at den metoden som legges til grunn for å skille ut valutakurseffekten bør reflektere periodens faktiske verdiendringer korrekt i samtlige regnskapsperioder, også når det er store valutakursvingninger. Forholdet er tidligere

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<sup>1</sup> Sovereign Wealth Funds (SWF) etter Santiago prinsippene utgitt oktober 2008.

tatt opp med departementet, sist i brev fra Riksrevisjonen av 7. mai 2010 med vedlegg, jf. vedleggets punkt 7.5.

**§ 3-5 Noteopplysninger om ytelser til ledende personer m.v. knyttet til investeringsporteføljen**  
Riksrevisjonen er enig med departementet i at NBIMs ledergruppes lønnsopplysninger bør framgå av SPU's noteopplysninger, i det departementet legger opp til at banken framover skal gi tilsvarende noteopplysninger for SPU, som om fondet var en egen regnskapspliktig enhet, jf. Meld. St. 10 (2009-2010).

Av hensyn til større åpenhet og at en i alle deler av forvaltningen skal strekke seg mot ledende praksis internasjonalt, jf. Meld. St. 10 (2009-2010), ser Riksrevisjonen behov for at det også inntas bestemmelse om noteopplysninger om honorar til eksterne forvaltere. Det vises til at SPU ble i 2009 belastet med forvaltningskostnader på totalt 3,2 mrd. kroner av Norges Bank, hvorav honorar til eksterne forvaltere utgjorde 1,8 mrd. kroner. Totale forvaltningskostnader bør fortsatt framgå av resultatregnskapet på egen linje. Honorar til eksterne forvaltere kan eventuelt spesifiseres med navn, forvaltningskapital og honorar, slik det gjøres internasjonalt, for eksempel av CalPERS, jf. vedlagte utdrag av deres Comprehensive Annual Financial Report. Tilsvarende bør vurderes for konsulenter og meglere. I tillegg bør SPU's andel av ekstern revisors honorar fordelt på revisjon og konsulenttjenester framgå.

Etter fullmakt



Thor Kr. Syendsen  
ekspedisjonssjef



Thorgunn Nordstrand  
avdelingsdirektør

Last year may be remembered as one of the toughest the financial world has ever faced. As we respond to today's market realities, our

**focus is on safeguarding**

**the future health and retirement security  
for California's public employees.**

**Comprehensive Annual Financial Report**  
Fiscal Year Ended June 30, 2009

California Public Employees' Retirement System  
A Component Unit of the State of California

**CalPERS**

# Investment Expenses – PERF

## External Securities Management Fees (Dollars in Thousands)

### External Securities Management Fees & Other Fees

	Net Assets Managed at Fair Value	Fees
<b>EXTERNAL DOMESTIC EQUITY MANAGERS</b>		
Alliance Bernstein, LP (Sanford Bernstein) – SW5I	\$155,810	\$245
Analytic Investors, LLC – SWFJ	343,090	81
Axa Rosenberg Investment Management, LLC – SWDB	93,339	150
Breeden European Partners (California), LP – SWDM	290,929	1,973
Denali Advisors, LLC – SW4S, SW4U, SWGJ	114,739	506
First Quadrant, LP – SWFL	312,967	260
FIS Group, Inc. – SWGY, SWGZ	—	1,098
Golden Capital Management – SW4I, SW4J, SWFA	246,896	209
INTECH Investment Management, LLC – SWAY	236,828	202
J.P. Morgan Investment Management, Inc. – SW5G, SWJE	505,449	265
Leading Edge Investment Advisors, LLC – SWHU, SWHV	—	1,471
Legato Capital Management Ventures, LLC – SWCY, SWCZ	—	765
LM Capital Management, Inc. – SW4X, SW4Y	228,182	290
Marvin & Palmer Associates, Inc. – SWEO	200,229	249
New Amsterdam Partners, LLC – SWDA	57,642	90
Pacific Alternative Asset Management Company, LLC – SW9C	—	100
Piedmont Investment Advisors, LLC – SWFB, SWLS	210,781	347
Progress-Lovell Minnick Advisors, LLC – SW4A	—	453
Progress-Lovell Minnick Ventures, LLC – SW4B	—	161
Pzena Investment Management, LLC – SW5F	127,281	391
Quantitative Management Associates, LLC – SWFN, SWAU	341,122	525
Quotient Investors, LLC – SWHQ, SWHR, SWHS	93,792	739
Redwood Investments, LLC – SWHN, SWJD, SWHO	154,451	580
Relational Investors Mid-Cap Fund I, LP – SWKA	191,599	3,704
Relational Investors, LP – SW2R	823,422	5,155
Research Affiliates, LLC – SWDS	1,722,007	248
Rigel Capital, LLC – SW9U, SW9C, SW9S	135,673	587
Shamrock Activist Value Fund, LP – SWB2	108,607	1,766
Shenandoah Asset Management, LLC – SWCW, SW4N, SW4R	107,038	372
Smith Asset Management Group, LP – SW9X, SW9Y, SW9Z	110,596	232
SSgA Finance – SWDE, SWFO	55,253	60
Strategic Investment Management, LP – SWDI, SWDJ	—	1,649
Stux Capital Management, LLC – SWAH, SWAI	185,095	764
T. Rowe Price – SWB8	374,190	1,211
The Boston Company Asset Mgmt., LLC – SW2E	198,890	317
Turner Investment Partners, Inc. – SWEQ	279,298	331
UBS Alternative and Quantitative Investments, LLC – SWAG	3,968,442	20,619

	Net Assets Managed at Fair Value	Fees
<b>Total External Domestic Equity Managers</b>	<b>\$11,973,637</b>	<b>\$48,165</b>
<b>EXTERNAL DOMESTIC FIXED INCOME MANAGERS</b>		
Highland Capital Management, LP – SW8F, SWKU, SWKV	\$7,661	\$2,210
Nomura Corp. Research & Asset Management – SJ25	357,656	1,246
Pacific Investment Management Co. – SWAV	1,107,965	1,190
<b>Total External Domestic Fixed Income Managers</b>	<b>\$1,473,282</b>	<b>\$4,646</b>
<b>GLOBAL EQUITY MANAGERS</b>		
Acadian Asset Management – SWCJ	\$398	\$244
Alliance Bernstein, LP – SW8N	663,085	1,388
AQR Capital Management, LLC – SWC0	1,219	361
Arrowstreet Capital, LP – SW6M, SW4D, SW4E	893,615	225
Axa Rosenberg Investment Management, LLC – SW5L	441,983	1,611
Baillie Gifford Overseas, Ltd. – SW6N	698,815	416
Batterymarch Financial Management, Inc. – SWFH, SWGW	651,932	1,610
Breeden European Partners (California), LP – SWLA	25,537	3,335
Dimensional Fund Advisors, Inc. – SW7I	509,711	1,419
Genesis Asset Managers, LLP – SW80	888,795	1,796
Global Currents Investment Management (Brandywine) – SWDH	54,614	84
Grantham, Mayo, Van Otterloo & Co., LLC – SW6J	514,059	365
Lazard Asset Management, LLC – SWFE, SWJN	658,660	2,102
New Star Institutional Managers, Ltd. – SWCB	5	317
Nomura Asset Management, USA, Inc. – SJ25	357,656	40
Pareto Investment Management, Ltd. – SJ70	(139,364)	1,602
Pictet Asset Management, Ltd. – SWFG	372,285	900
Pyramis Global Advisors Holding Co. (Fidelity) – SWGX	599,937	1,196
Pyrford International, PLC – SW4V, SW4W	114,832	107
Research Affiliates, LLC – SWEU, SWFX	1,120,426	249
Sourcecap International, Ltd. – SWKW, SWKX	168,855	417
SSgA Finance – SW1D	(111,814)	1,135
<b>Total Global Equity Managers</b>	<b>\$8,485,241</b>	<b>\$20,919</b>
<b>GLOBAL FIXED INCOME MANAGERS</b>		
Alliance Bernstein, LP – SWEY	\$1,059,623	\$951
Baring Asset Management, Inc. – SJ28	357,676	228
Mondrian Investment Partners, Ltd. – SWEW	758,540	1,457
Pacific Investment Management Co. (PIMCO) – SWEX	1,107,965	984
Rogge Global Partners, PLC – SW5B	974,309	699
<b>Total Global Fixed Income Managers</b>	<b>\$4,258,113</b>	<b>\$4,319</b>

## Investment Expenses – PERF (continued)

### External Securities Management Fees (continued) (Dollars in Thousands)

#### External Securities Management Fees & Other Fees (continued)

	Net Assets Managed at Fair Value	Fees
<b>INFLATION LINKED ASSET MANAGERS</b>		
Timber International – UBS (Sylvanus) – SWGL	\$261,987	\$1,650
Timberland Lincoln Timber Co. – SWGL	2,000,618	8,649
Alinda Infrastructure Fund I – SWGM	74,651	1,357
CIM Infrastructure – SWGM	9,163	2,908
Carlyle Infrastructure Partner – SWGM	21,914	1,875
<b>Total Inflation Linked Asset Managers</b>	<b>\$2,368,333</b>	<b>\$16,439</b>
<b>Total Inflation Linked Asset Incentive Fees</b>		<b>(\$3,118)</b>
<b>TOTAL EXTERNAL SECURITIES MANAGEMENT FEES &amp; OTHER FEES</b>		<b>\$91,370</b>

#### External Securities Management Performance Fees

	Fees
<b>EXTERNAL DOMESTIC EQUITY MANAGERS</b>	
First Quadrant, LP – SWFL	\$1,182
Golden Capital Management – SW4I, SW4J, SWFA	2,464
INTECH Investment Management, LLC – SWAY	10
Marvin & Palmer Associates, Inc. – SWE0	192
New Amsterdam Partners, LLC – SWDA	113
Progress-Lovell Minnick Advisors, LLC – SW4A	445
Quantitative Management Associates, LLC – SWFN, SWAU	143
Relational Investors, LP – SW2R	6,282
The Boston Company Asset Management, LLC – SW2E	2,498
<b>Total External Domestic Equity Managers</b>	<b>\$13,329</b>
<b>DOMESTIC FIXED INCOME MANAGERS</b>	
Highland Capital Management, LP – SW8F, SWKU, SWKV	\$7,179
<b>Total Domestic Fixed Income Managers</b>	<b>\$7,179</b>
<b>GLOBAL EQUITY MANAGERS</b>	
Arrowstreet Capital, LP – SW6M, SW4D, SW4E	\$5,183
Axa Rosenberg Investment Management, LLC – SW5L	505
Baillie Gifford Overseas, Ltd. – W6N	2,461
Barclays Global Investors, N.A. – SW9J	69
Batterymarch Financial Management, Inc. – SWFH, SWGW	567
Knight Vinke Institutional Partners I, LP – SW9G	3,546
Lazard Asset Management, LLC – SWFE, SWJN	4,923
Nomura Asset Management, USA, Inc. – SJ25	309
Pictet Asset Management, Ltd. – SWFG	4,698
Pyrford International, PLC – SW4W	345
SSgA Finance – SW1D	222
<b>Total Global Equity Managers</b>	<b>\$22,828</b>
<b>GLOBAL FIXED INCOME MANAGERS</b>	
Baring Asset Management, Inc. – SJ25	\$64
Mondrian Investment Partners, Ltd. – SWEW	1,653
Rogge Global Partners, PLC – SW5B	1,411
<b>Total Global Fixed Income Managers</b>	<b>\$3,128</b>
<b>Total External Securities Management Performance Fees</b>	<b>\$46,464</b>
<b>TOTAL EXTERNAL SECURITIES MANAGEMENT FEES, PERFORMANCE FEES &amp; OTHER FEES</b>	<b>\$137,834</b>

## Investment Expenses – PERF (continued)

### Other Investment Consultants (continued) (Dollars in Thousands)

#### Consultant Fees (continued)

	Fees		Fees
Intex Solutions, Inc.	\$199	Quantitative Services Group, LLC	\$170
Intuit Real Estate Solutions	759	Quantal International, Inc.	45
Investorcom, Inc.	23	Quantstar Company, LLC	162
ISI Group, Inc.	38	R & G Associates, Inc.	44
JDM Associates, LLC	89	Results Group	37
Kearford Applications System Design	176	Reuters America, LLC	2
Kiefer Consulting	243	Richards & Tierney, Inc.	56
KLD Research & Analytics, Inc.	246	Ridgeway Partners, LLC	58
Korn/Ferry	485	Rise Vision, Inc.	1
KPMG, LLC	202	RiskMetrics Group, Inc.	178
Lan Do & Assoc.	50	Robert E. Ginis DBA GP Analytics	240
Le Plastrier Consulting Group, Inc.	1,295	Russell Investment Group	21
Lipper, Inc.	7	Russell Investments	85
Logical Information Machines, Inc.	33	Situs Realty Services	174
London Stock Exchange, PLC	3	Standard & Poor's	125
LP Capital Advisors	4,129	Standard & Poor's - Clarifi	9
Markets.com, LLC	45	Standard & Poor's - Index/Alert	34
Mathworks, Inc.	98	Standard & Poor's - Market QA	25
Mayer Hoffman McCann PC	19	Standard & Poor's - Rating Direct	57
Mcube Investment Technologies, LLC	73	Standard & Poor's - Tobacco Free Tax	10
Mellon Investor Services	75	Standard & Poor's Corporation, LOC No. 1	206
Moody's Analytics, Inc.	270	State Street Bank & Trust Company	45
Moody's Investors Service	77	State Street California, Inc.	1,459
Morningstar, Inc.	11	State Street Corporation	345
Mosaic Investment Advisors	204	StockBridge Capital Group	385
Nuveen Investment Solutions, Inc. (Richards & Tierney, Inc.)	56	Strategic Economic Decisions, Inc.	15
NYSE Market, Inc.	34	Strategic Investment Solutions, Inc.	19
Omgeo, LLC	153	Super Derivatives, Inc.	20
Org Portfolio Management, LLC	127	Thomson Financial, LLC	80
Oxford Analytica, Inc.	31	Thomson Financial/Nelson-Datastream	3
Pacific Community Ventures	161	Thomson-Baseline Financial Services	3
Parent Contract/AIM Vendor Pool	1,396	Trinity Technology Group	329
Parent Inv. Corp. Governance Proxy	112	TSX Group	2
Parent Inv. Corp. Governance Research	228	Virtcom Consulting	40
Parent Inv. Diversity Consultant	18	Wilshire Associates, Inc.	4,603
Parent Inv. Pool Contracts	851	Zephyr Associates, Inc.	37
Parent Inv. RE/Special Project	750	<b>Total Consultant Fees</b>	<b>\$42,425</b>
Parent Inv./HRD Executive Search	575		
Pension Consulting Alliance, Inc.	3,322		
Plexus Plan Sponsor - ITG	31		
Principal Global Investors, LLC	465		
Property & Portfolio Research, Inc.	150		
Propoint Technology, Inc.	341		
Proxy Governance, Inc.	77		
Pyramid Technical Consultants, LLC	215		

## Investment Expenses – PERF (continued)

### Other Investment Consultants (continued) (Dollars in Thousands)

#### Attorneys & Master Custodian

	Fees
Adorno Yoss Alvarado & Smith	\$4
Chapman & Cutler	274
Covington & Burling	340
Cox, Castle & Nicholson, LLP	446
Felderstein, Willoughby & Pascuzzi, LLP	410
Foster, Pepper & Shefelman, PLLC	77
Glaser, Weil, Fink, Jacobs & Shapiro, LLP	36
Goodwin Procter, LLC	20
Independent Fiduciary Services	333
Kirkpatrick & Lockhart Preston Gates Ellis, LLP	367
McDonough, Holland & Allen PC	28
Morgan Lewis & Bockius, LLP	898
Murphy Austin Adams Schoenfeld, LLP	299
Nossaman, LLP	22
Pillsbury Winthrop Shaw Pittman, LLP	5,734
Sheppard, Mullin Richter & Hampton, LLP	89
Torys, LLP	3
State Street Bank & Trust Company	4,482
<b>Total Attorney &amp; Master Custodian Fees</b>	<b>\$13,862</b>
<b>Total Other Investment Consultants</b>	<b>\$56,287</b>
<b>Other Investment Expenses<sup>1</sup></b>	<b>\$338,285</b>
<b>Directed Brokerage Expenses</b>	<b>\$2,019</b>
<b>Miscellaneous Investment Expense</b>	<b>\$4,078</b>
<b>Total Investment Expenses – PERF</b>	<b>\$752,781</b>
<b>Total Investment Expenses Other Funds</b>	
SPOFF – Investment Management Fees	\$331
IRC 457 – Investment Management Fees	\$563
SCPF – Investment Management Fees	\$12
CERBTF – Investment Management Fees	\$1
<b>TOTAL INVESTMENT EXPENSES – ALL FUNDS</b>	<b>\$753,688</b>

#### Note:

<sup>1</sup> Other Investment Expenses represent expenses related to swap losses pursuant to valuation and unitization of assets.



## Consultant & Professional Services Expenses – PERF

(Dollars in Thousands)

Individual or Firm	Fee	Nature of Service
Accenture, LLP	\$88,331	Pension System Resumption (PSR) Project
Delegata	7,970	Consulting Services for Public Employer Readiness Team (PERT); PSR Project
Softsol Technologies, Inc.	6,975	Conversion Preparation for PSR
Intuit Real Estate Solutions	5,000	Automated Real Estate Investment System (AREIS)
California State Controller's Office	4,401	Management Information Retrieval System (MIRS) Report/Access; Expedite Payments; Combined Warrants
Hewlett-Packard	4,036	Statement of work for Enterprise Service Delivery & Data Center Automation
Expressworks International, Inc.	3,847	Consulting Services for Enterprise Transition Management (ETM) Project Management
Kearnford Application Systems Design	3,540	PSR Data Clean-up & Data Conversion Project
KPMG, LLP	3,290	ETM, PSR, & PERT Project Oversight
Visionary Integration, LLC (VIP)	3,062	Consulting Services for Customer Education Solution; Enterprise Software Testing Support
Base 3 Consulting	2,670	Business Analysis for Management Support Services & PSR
Medstat Group	2,325	Health Care Decision Support Consulting Services
Trinity Technology Group, Inc.	2,322	Middleware Maintenance & Support; CDB Health Application Support
Vantage Consulting Group, Inc.	2,162	Peoplesoft Financials Integration with PSR; myCalPERS Integration
Insight Technologies, Inc.	2,103	PSR Data Conversion; myCalPERS; CDB Application Support
Softsol Resources, Inc.	1,690	ADABAS Database Administration Services; Enterprise Software Testing Support
Comsys	1,526	Mainframe Communications & Windows Server Support
Highlands Consulting Group	1,516	ETM Project; Business Transition Analysis Project-Enterprise Strategy Alignment
Dolamont Consulting, Inc.	1,432	ETM Project; PeopleSoft Integration to PSR
Watson Wyatt Worldwide	1,256	Health Consulting Services
Mercer Health and Benefits	1,254	Actuarial Consulting for Health Program
Rusbo, Inc.	1,160	Enterprise Identity & Access Management Implementation (EIAM) Project
Equanum Technologies	994	EMHS Project Oversight; Management Information Support Services
Information Technology Software Professionals	935	Programming Services for Legacy Mainframe Applications
Jlynnconsulting, Inc.	882	Data Administration/Data Modeling Services
Shooting Star Solutions, LLC	845	HIP & Medicare Parts A & B Project Management Support
Buck Consultants, LLC	797	360 Degree Leadership Program; Strategic & Operational Business Planning
Segula Technologies	778	FSIP PeopleSoft Financials System Administration, Security, & Developer Support
Gabriel, Roeder, Smith Co.	777	Annual Actuarial Valuations; AVS Consulting Services
Ballard Group, The	769	Enterprise Software Testing Supplemental Support Services
Staff Tech, Inc.	690	Programming Services for Legacy Mainframe Applications; PeopleSoft HCM Integration
Ambire Consulting, Inc.	672	Serena Dimensions & PSR Configuration Management Support
Grant Thornton, LLP	624	Internal Control Evaluation Services; PSR Project
Macias Gini & O'Connell, LLP	623	Financial Statement Auditor
Lussier, Vienna, Gregor & Associates	594	Federal Legislative Representative
Performance Technology Partners, LLC	581	PSR & myCalPERS Integration Accessibility Testing & Consulting
Wright On-Line Systems	541	Ebusiness, Financial, & Corporate Oracle Database Services
Logic House Ltd.	519	Enterprise Software & Management Support Services
Moore Wallace Business Communications Services	500	Open Enrollment Processing Services
Blackstone Technology Group	447	IT Transformation Support; ETM Project
North Highland Company	438	ETM Project
Thomson Reuters	395	Manage HIP Implementation, Maintenance, Operation & Turnover Phases
Aastra USA, Inc.	391	Pointspan Telephone Service Package
Coach Source	381	Leadership Development
Princeton Solutions Group, Inc.	366	Enterprise Technical Architecture/Infrastructure Services
Liberty Consulting Team	366	Information Technology Services and On-Site Training
Business Advantage Consulting	341	Consulting Services for PERT Technical Education
Saber Consulting, Inc.	336	Corporate Oracle Database Services
Spherion Pacific Enterprises, LLC	335	ACES Oracle Database Services
Innovative Software Technologies, Inc.	319	AVS & Actuarial Valuation System Programming Maintenance Support

## Consultant & Professional Services Expenses – PERF (continued)

(Dollars in Thousands)

Individual or Firm	Fee	Nature of Service
Hamilton Lane Advisors, LLC	\$300	AIM Project
Stealth Network Communication	300	Interactive Voice Response (IVR) System; Investments Trade Room Replacement Project
Kong Consulting, Inc.	293	Consulting Services for PeopleSoft Financials
PM/CM Services, Inc.	270	Construction Project Management Services
Global Access, LLC	250	Filenet Oracle Database Services
Kiefer Consulting, Inc.	243	ITSB/INVO Consulting Services
Senn-Delaney Leadership	241	Strategic Planning & Training
Eclipse Corporation	236	Legacy Mainframe Application Programming Services
Mindstorm	236	Video and Web Design Services
ADSI, Inc.	236	IT Infrastructure Project
Eagle Management Group	217	Coordination, Paperwork, & Booking Service Related to Conference/Events
Siemens Communications, Inc.	215	Speech Recognition Software, Application Development & Systems Integration
National Data Services	213	Annual Member Statements
Jeffrey F. Moy	200	Medical Consultant
California Department of Justice	194	Attorney General Services
Zyncor Consulting	194	Legacy Decommissioning Project
Saba Software, Inc.	191	Learning Management System (LMS) Implementation
Stanfield Systems, Inc.	186	Architecture Integration Services Support; AREIS Project Oversight Services
Two Shea Consulting, Inc.	181	Annual Member Statements
Celer Systems, Inc.	175	Data Validation of PSR Data Conversion
Chisoft Consultant Services, LLC	169	Architecture Consulting Services
Informatix, Inc.	154	PERT Technical Education Services
Cloverleaf Solutions	154	Application Developer/Performance Tester for Web Based Applications
ATV Video Center, Inc.	153	Audio Visual Support & Live Presentation Services
Cooperative Personnel Services	151	Physical Agility Training; Joint Powers
Financial Finesse	150	Financial Planning Services
DLT Solutions	148	Kofax Installation/Configuration for Document Capture Project
Natoma Technologies	141	Consulting Services for Self Service Application Support
Setka, Inc.	139	PAM SDK Integration & Reconciliation Support
Sri Infotech, Inc.	139	IAR Developer Support Resource Services
Intraform	125	Board Election Services
Western Blue	122	PSR Desktop Support Staffing
Nexlevel Information Technology, Inc.	116	Employer Readiness Team Planning & Project Management Operations
Evolve Technology Group	113	Date Network Architecture Support
Iron Mountain Fulfillment Services, Inc.	107	Print on Demand Service
California State Personnel Board	101	Consolidated Exam Services
Consortium of Business Continuity Professionals, Inc.	95	Business Continuity Program
DSS Research, Inc.	91	Health Plan Member Satisfaction Survey
Jannice Salas Tan	91	Pharmacy & Pharmacy Related Consulting Services
Peters Shorthand Reporting Corporation	91	Transcript Services
DLS Enterprises, LLC	90	Management Support Services for EMBARC, PSR, & Health Initiatives
Roberta Almeida	89	Legacy Mainframe Application Programming Services
Conference Plus	80	PSR/PERT Project; Powerpoint Presentation Services
Ennis, Knupp & Associates	75	Organizational & Leadership Development
Kleinfelder, Inc.	75	Construction Inspection & Materials Testing Services
EFI Actuaries	75	Professional Actuarial Auditing Services
Public Sector Consultants, Inc.	70	Business Process Re-Engineering Services
Office Workouts	70	Fitness Instruction & Program Administration
Advanced Systems Group, LLC	68	Production Equipment Maintenance Services
Michael Strategic Analysis	67	Surveys and Other Services
International Network Services	55	Microsoft Exchange Server Administrator Support

## Consultant & Professional Services Expenses – PERF (continued)

(Dollars in Thousands)

Individual or Firm	Fee	Nature of Service
Ogilvy Public Relations	\$55	Communications & Marketing
Bongo Post & Music	50	Video, Multimedia & Production Services
California State Teachers' Retirement System	50	Diversity Conference
Method	50	Leeds Educational Display
Robert Half International, Inc.	50	Temp Help for Accounts Payable
Sapphire Technologies, Inc.	44	FSIP Oracle Database Services
Maximus/Center for Health Dispute Resolution	40	Review Member Medical Claim Appeals
Eaton Interpreting Services	40	Sign Language Interpreting Services
CSUS, College of Continuing Education	35	Training Consultation
Sign Language Interpreting Service Agency	35	Sign Language Interpreting Services
Bedrosian & Associates	32	Writing/Editorial Service
Prosci, Inc.	32	Change Management Training
Evergreen Systems, Inc.	32	Server Implementation
Pacific Business Group on Health	31	Internet-Based Health Plan Chooser Tool Management & Maintenance Services
Jam Media, LLC	30	Video, Multimedia & Production Support
Forrester Research, Inc.	30	CIO Leadership Council Seat
Lincoln Crow, LLC	29	Communication Services
Interaction Associates	29	Facilitation Training Workshop
Page Design Group	28	Digital Design & Production Services
Entisys Solutions, Inc.	27	Citrix Upgrade Project
Runyon, Saltzman & Einhorn, Inc.	25	Communications & Marketing
Kaleidoscope Group, LLC	25	Diversity Awareness Baseline Survey
Dee Hansford Consulting	24	Customer Service Program; Video, Multimedia & Production Support
Pacific Satellite Connection, Inc.	24	Video Production
Los Rios Community College	22	Medical Terminology Training
Adcom Media	21	Multimedia Communication Services
Suzanne Stone Freelance Services	20	Freelance Services
International Foundation for Retirement Education (InFRE)	20	Certified Retirement Counselor Credential Program
Other	154	
<b>TOTAL CONSULTANT &amp; PROFESSIONAL SERVICES EXPENSES</b>	<b>\$177,123</b>	

## Schedule of Commissions & Fees – PERF (Dollars in Thousands)

Broker	Number of Shares Traded	Base Commission & Fees Amount
Morgan Stanley Company, Inc.	8,312,444,424	\$5,200
Credit Suisse Securities (USA), LLC	3,551,666,012	3,712
Merrill Lynch, Pierce, Fenner & Smith, Inc.	5,302,472,209	3,621
Lehman Brothers, Inc.	1,216,721,678	3,253
Goldman Sachs & Company	218,373,560,275	2,792
JP Morgan Securities, Inc.	11,607,643,346	2,748
Citigroup Global Markets, Inc.	15,929,149,011	2,635
Investment Technology Group, Inc.	145,703,193	2,239
BNY Brokerage, Inc.	96,259,963	2,006
Citigroup Global Markets, Inc. Salomon Brothers	68,594,455	1,990
Wdr Warburg Dillon Read, LLC	428,895,059	1,980
Instinet	115,060,717	1,949
Barclays Capital, LE	71,943,844	1,792
Warburg Dillon Read	750,702	1,641
Cantor Fitzgerald & Company	83,298,276	1,618
Merrill Lynch International	373,190,200	1,264
ABN Amro Bank N.V.	488,692,504	1,253
Instinet U.K., Ltd.	304,787,555	1,180
Investment Technology Group, Ltd.	307,803,278	1,165
Deutsche Bank Securities, Inc.	2,628,271,414	1,088
Gunnallen Financial	58,403,342	1,048
Credit Suisse Securities (Europe), Ltd.	170,300,161,335	901
UBS Securities, LLC	94,222,412	890
Guzman & Company	45,787,169	889
UBS AG	604,266,861	884
HSBC Securities (USA), Inc./Stock Loan	646,620,737	882
Fidelity Capital Markets	40,627,988	808
UNX, Inc.	42,959,588	784
BNY Convergenx	48,000,793	764
Seslia Securities	37,888,973	688
HSBC Bank PLC	111,413,205	677
HSBC Securities (USA), Inc.	578,975,233	659
Macquarie Securities, Ltd.	467,235,027	627
Goldman Sachs International	2,223,626,320	613
Abel Noser Corporation	30,982,032	593
Great Pacific Securities, Inc.	167,315,624	587
Magna Securities Corporation	31,882,162	560
Citigroup Global Markets, Ltd.	17,273,639,817	528
Jones Trading Institutional Services, LLC	25,954,153	522
RBC Capital Markets	126,607,390	515
JP Morgan Clearing Corporation	195,536,691	483
Jefferies & Company, Inc.	22,791,467	477
Bank Of America Securities, LLC	422,255,696	458
HSBC Bank Brasil Sa Banco Multiplo	30,857,534	445
Utendahl Capital Partners, LP	23,392,338	442
Societe Generale London Branch	51,794,194	430
Deutsche Bank AG London	9,491,440,882	414
HSBC James Capel Seoul	13,494,837	412
Sanders Morris Harris	23,653,948	396
JP Morgan Securities (Asia Pacific), Ltd.	160,333,629	372
Cabrera Capital Markets	18,690,705	365
Hong Kong & Shanghai Banking Corporation	533,344,021	357
Deutsche Securities Asia, Ltd.	88,218,193	339

Broker	Number of Shares Traded	Base Commission & Fees Amount
Citigroup Global Markets Korea Secs., Ltd.	4,165,789	\$338
Magavceo Lee & Company	18,765,889	334
Oien Securities, Inc.	18,338,630	332
Pacific American Securities, LLC	17,537,013	331
Liquidnet, Inc.	14,960,023	329
Knight Securities	13,184,029	295
National Financial Services Corporation	109,038,320	294
JP Morgan Securities, Ltd.	1,068,667,813	294
Rosenblatt Securities, LLC	15,880,621	277
CLSA Securities Korea, Ltd.	2,412,160	264
BNY Convergenx Ljr	8,815,889	257
BNP Paribas Peregrine Securities	87,535,833	256
ITG Canada	41,745,639	252
Pershing, LLC	368,844,304	251
Brockhouse & Cooper, Inc. Montreal	41,127,325	250
Finacorp Securities	15,269,401	240
Mischler Financial Group, Inc. – Equities	12,989,256	238
Morgan Stanley & Company International	229,899,996	231
UBS Securities Asia, Ltd.	126,566,159	229
Samsung Securities Company, Ltd.	2,681,983	227
Montrose Securities Equities	11,950,406	227
Macquarie Securities, Ltd. Seoul	2,286,568	225
Pershing DLJ S L	32,595,701	222
Weeden & Company	11,429,726	220
Stuart Frankel & Company, Inc.	11,960,720	205
JM Morgan Stanley Secs Pvt, Ltd.	19,971,315	205
Instinet Pacific, Ltd.	285,900,596	189
Credit Suisse First Boston (Europe)	2,101,042	183
Roberts & Ryan Investments, Inc.	7,791,462	171
Citigroup Global Markets UK Equity, Ltd.	23,948,431	171
Pulse Trading, LLC	7,824,840	170
Smifs Securities, Ltd.	4,106,955	167
Instinet, LLC	20,413,883	167
RBC Dominion Securities, Inc.	61,153,894	165
Credit Lyonnais Securities (Asia)	52,687,096	160
Friedman Billings & Ramsey	7,380,114	158
Motilal Oswal Securities, Ltd.	4,854,780	154
Macquarie Equities, Ltd. (Sydney)	78,697,460	152
SG Securities HK	85,292,877	144
Mr Beal & Company	3,012,078	139
ITG, Inc.	13,496,155	135
Sanford C. Bernstein Company, LLC	5,235,970	134
Morgan Stanley & Co. International Taipei Metro	103,080,922	130
CS First Boston (Hong Kong), Ltd.	88,147,597	129
HSBC Brokerage	6,222,351	125
Williams Capital Group, LP (The)	4,344,798	120
Capital Institutional Svcs, Inc. Equities	4,062,920	117
Morgan Stanley & Company International	2,851,048	116
Bear Stearns Securities Corporation	136,203,984	115
Multitrade Securities, LLC	5,646,046	114
Princeton Securities	5,619,674	113
Cowen & Company, LLC	3,101,606	109
Labranche Financial Services	4,274,383	108
Cazenove & Company	13,471,670	108

Schedule of Commissions & Fees – PERF (continued) (Dollars in Thousands)

Broker	Number of Shares Traded	Base Commission & Fees Amount
Firefly Capital, Inc.	5,166,159	\$104
ABN Amro Bank NV Hong Kong	52,422,630	103
Penson Financial Services, Inc.	5,161,338	102
Nomura Securities International, Inc.	13,660,231	98
Credit Lyonnais Capital Indonesia	30,609,750	97
Celfin Capital SA Corredores De Bolsa	177,008,556	96
Oppenheimer & Company, Inc.	2,501,501	95
First Clearing, LLC	4,166,737	95
Credit Agricole Indosuez Cheuvreux	10,523,430	95
O'Neil, William & Company, Inc./BCC Clrg	2,045,160	94
Thomas Weisel Partners, LLC	3,583,798	90
Loop Capital Markets, LLC	2,704,212	90
JP Morgan Securities (Far East), Ltd. Seoul	2,886,014	87
Hyundai Securities Company, Ltd.	782,761	86
Stifel Nicolaus & Company, Inc.	8,392,649	84
Cuttone & Company, Inc.	2,723,615	83
Macquarie Securities (India) Pvt, Ltd.	3,498,265	82
Banco Santander Central Hispano	7,982,681	82
UBS AG London	103,692,794,621	81
UBS Warburg, LLC	28,359,556	79
Soleil Securities	2,002,256	79
Renaissance Capital Group	1,954,291	79
Woori Investment Securities	1,101,019	78
Ridge Clearing & Outsourcing Solutions	2,339,259	78
Credit Lyonnais Securities (India)	3,853,711	77
Daewoo Securities Company, Ltd.	1,296,995	75
Daiwa Securities America, Inc.	7,294,893	72
China International Cap. Corp. HK. Secs, Ltd.	36,995,773	71
Credit Lyonnais Securities (Asia)	24,748,647	69
SG Americas Securities, LLC	10,524,441	68
Deutsche Eq In Prvt, Ltd.	1,249,607	65
Credit Suisse First Boston	26,644,322	64
Screaming Eagle Trading, Inc.	3,121,891	63
Merrill Lynch Professional Clearing Corporation	1,573,573	63
Robert Van Securities	3,101,090	62
Pipeline Trading Systems, LLC	3,276,531	62
Dresdner Bank AG London	38,141,320	61
ITG Securities (HK.) Ltd.	84,186,178	59
ING Bank N V	2,202,790	59
Dundas Unlu Securities, Inc.	9,432,955	59
Nomura International PLC	17,476,143,077	58
JP Morgan Securities (Taiwan), Ltd.	21,996,668	58
UBS Securities Canada, Inc.	1,813,623	57
Credit Lyonnais Securities (USA), Inc.	63,470,354	56
Skandinaviska Enskilda Banken London	3,358,191	54
Sanford C. Bernstein, Ltd.	3,137,914	54
Credit Suisse Securities India Private, Ltd.	3,153,080	53
Salomon Smith Barney, Inc.	75,944,563	52
India Infoline, Ltd.	3,595,211	52
Davy (J&E)	636,133	52
HC Istanbul	3,410,647	51
Exane SA	3,187,605	51

Broker	Number of Shares Traded	Base Commission & Fees Amount
ABN Amro Asia, Ltd.	36,689,235	\$51
William Blair & Company, LLC	1,519,771	50
HSBC	39,414,075	49
Citation Group	1,684,493	49
Canaccord Adams, Inc.	1,179,113	49
PCS Dunbar Securities	2,404,810	48
Enam Securities Pvt., Ltd.	1,394,407	48
Piper Jaffray	1,241,166	45
ITG Australia, Ltd.	21,356,453	45
Financial Brokerage Group (FBG)	4,376,097	45
Gardner Rich & Company	2,109,334	43
Baird, Robert W. & Company, Inc.	1,105,861	43
DSP Merrill Lynch, Ltd.	3,356,763	42
ISI Group, Inc.	1,157,433	41
Macquarie Securities (Singapore)	20,459,000	40
BNY Brokerage	2,003,264	40
Kepler Equities Zurich	1,368,446	39
Citigroup Global Markets India	2,901,326	38
UBS Securities Pte., Ltd., Seoul	409,971	37
Lehman Brothers International (Europe)	620,100,600	37
Keefe Bruyette & Woods, Inc.	1,034,060	37
Banco Itau SA	2,383,199	37
Agora Corde Titul E Val Mob	2,056,161	37
Penson Financial Services Canada, Inc.	7,559,960	36
King, Cl., & Associates, Inc.	1,006,965	36
JP Morgan Securities Australia, Ltd.	4,661,135	36
Credit Lyonnais Securities	7,251,249	36
Mitsubishi UFJ Securities International, PLC	5,959,481,341	35
Edelweiss Securities Pvt., Ltd.	1,484,815	35
Dongwon Securities	521,919	35
Hoare Govett (India) Securities Pvt, Ltd.	2,600,156	34
CLSA Singapore Pte., Ltd.	25,459,366	34
Citigroup Global Markets Australia Pty.	2,921,750	34
Morgan Keegan & Company, Inc.	731,863	33
Finsettle Services Pty., Ltd.	3,082,085	33
BMO Capital Markets	1,145,961	33
Baypoint Trading, LLC	5,756,661	33
Morgan Stanley Securities, Ltd.	5,016,143	32
Lazard Capital Markets, LLC	57,003,469	32
Harris Nesbitt Corporation	931,729	32
Boci Securities, Ltd.	18,348,200	32
Batlivala & Karani Secs India Pvt., Ltd.	1,283,542	32
Wachovia Capital Markets, LLC	9,668,153	31
Nordic Partners	2,148,000	31
Fubon Securities Company, Ltd.	8,244,550	31
Pacific Crest Securities	650,348	29
Instinet France S A	4,854,147	29
Cantor Fitzgerald Eur. No. 2	8,650,384	29
American Technology Research, Inc.	721,632	29
Sanders Morris Mundy	1,387,270	28
Kempen & Company N.V.	2,400,347	28
Instinet Australia Clearing Srvc Pty., Ltd.	13,672,408	28
Pension Financial Services, Inc.	960,070	27
Nesbitt Burns	13,469,902	27
Kotak Securities	563,348	27

Schedule of Commissions & Fees – PERF (continued) (Dollars in Thousands)

Broker	Number of Shares Traded	Base Commission & Fees Amount
S.S. Kantilal Ishwarlal Securities	889,632	\$26
Cazenove Asia, Ltd.	9,756,500	26
Calyon Securities	2,022,208	26
Daiwa SBCM Europe	3,474,500	25
Collins Stewart & Company	1,952,607	25
Monument Derivatives, Ltd. London	4,179,270	24
Liquidnet Europe, Ltd.	8,555,711	24
Instinet Singapore Services Pt.	50,883,164	24
Fox Pitt Kelton, Ltd.	3,981,350	24
Raymond James Trust Company	2,451,600	23
Raymond James & Associates, Inc.	28,962,892	23
Pershing Securities, Ltd.	2,478,630	23
Intermonte Sec. Sim. SPA	4,130,769	23
Financiera San Pedro - Peru	1,156,687	23
CSFB Australia Equities, Ltd.	2,506,973	23
Credit Suisse First Boston SA Ctvm	1,483,540	23
The Benchmark Company, LLC	898,296	22
TD Waterhouse CDA	918,122	22
Midwood Securities	569,600	22
Kleinwort, Benson Securities, Ltd.	609,496	22
KBC Financial Products UK, Ltd.	2,320,721	22
Investec Securities	803,362	22
Icici Brokerage Services	635,942	22
Deutsche BK AG	10,587,000	21
Commerce Intl Merchant Bankers	3,604,000	21
Cimb-Gk Securities Pte., Ltd.	7,122,978	21
CA IB Investment Bank AG	348,387	21
ABN Amro Securities (USA), Inc.	3,385,339	21
ABN Amro Bank NV Hong Kong	4,891,506	21
ABM Amro Hoare Govett Asia Ltd., Seoul	141,128	21
Wedbush Morgan Securities, Inc.	220,419,996	20
Nomura International (Hong Kong), Ltd.	1,601,955	20
Mizuho Sec. Asia, Ltd.	2,065,856	20
Kepler Equities Paris	321,064	20
HSBC Securities India Holdings	343,154	20
Sidoti & Company, LLC	411,341	19
Penserra Securities, LLC	4,759,270	19
J B Were & Son	1,479,509	19
Cazenove & Company	3,406,039	19

Broker	Number of Shares Traded	Base Commission & Fees Amount
Bear Stearns & Company, Inc.	914,056	\$19
Aviate Global, LLP	674,400	19
Yamner & Company, Inc. (Cls Thru 443)	1,756,816	18
UBS Warburg Securities, Ltd.		
Taiwan Branch	5,611,000	18
National Securities Corporation	5,534,000	18
Leerink Swann & Company	477,301	18
Kas-Associatie NV	1,611,884	18
Janney Montgomery, Scott, Inc.	465,197	18
Chase Manhattan Bank	49,630	18
Societe Generale	45,281,000	17
Santander Central Hispano Bolsa	403,327	17
Pereire Tod, Ltd.	2,015,933	17
Macquarie Securities Indonesia	7,973,300	17
Jefferies International, Ltd.	808,836	17
Citigroup Global Markets Asia, Ltd.	3,576,028	17
Brockhouse Cooper	2,732,362	17
Banco Santander Central Hispano SA	403,768	17
Tera Menkul Degerler AS	2,741,558	16
KBC Clearing NV	359,633	16
Johnson Rice & Company	401,040	16
Heflin & Company LLC	820,359	16
Hedging Griffo Cor De Val SA	996,200	16
Fox Pitt Kelton, Inc.	1,287,918	16
ABG Securities	7,003,609	16
TD Investments, Ltd. Cyprus	951,100	15
Sutter Securities	742,500	15
Raiffeisen Zentral Bank Oesterreich	99,800	15
Neonet Securities AB	3,922,599	15
Mizuho Securities USA, Inc.	815,265	15
Man Financial, Ltd.	1,348,573	15
Larrain Vial	851,860	15
ICAP Corporates, LLC	753,200	15
Goldman Sachs Exe & Cir L.P. Pb Cns	723,841	15
Credit Lyonnais Securities (Philippines)	1,931,490	15
Bradesco S/A Ctvm	1,417,600	15
Avondale Partners, LLC	499,918	15
CIBC World Markets Corporation	424,522	14
Various Brokers	11,350,988,628	1,388
<b>TOTAL</b>	<b>617,576,377,872</b>	<b>\$84,418</b>