Invest In Oklahoma RFP Question & Answers

Strategic Program Design & Capital Allocation **Program Mandate & Success Metrics**

Q1. How do the Board and Treasurer's Office envision balancing competitive, risk-adjusted financial return objectives with in-state economic development outcomes when recommending and approving investments under the Program?

The Treasurer's Office and Board view competitive, risk-adjusted financial returns as one of the primary fiduciary objectives of the Program. In-state economic development outcomes are pursued also as another primary objective. Investment recommendations are expected to demonstrate that Oklahoma-based impact is achieved through commercially viable opportunities with appropriate underwriting standards, downside protection, and return expectations consistent with comparable institutional strategies.

Q2. From the Treasurer's perspective, what would constitute program success versus underperformance from both a fiduciary and policy standpoint?

From a fiduciary standpoint, program success is defined by achieving risk-adjusted returns that are competitive with comparable private market strategies while maintaining prudent diversification and capital preservation. From a policy standpoint, success includes measurable contributions to Oklahoma's economy such as job creation or retention, business expansion, and long-term capital formation. Underperformance would include persistent return shortfalls relative to benchmarks, weak underwriting discipline, governance failures, or economic outcomes that materially diverge from program objectives.

Manager Selection, Authority & Underwriting

Q3. How does the Treasurer's Office evaluate first-time and emerging managers relative to established managers, particularly with respect to governance, operating experience, and institutional readiness?

First-time and emerging managers may be considered, provided they demonstrate strong governance frameworks, institutional-quality controls, and credible operating and investment experience at the individual or team level. The Treasurer's Office evaluates such managers with heightened focus on risk management, alignment of interests, operational readiness, and the ability to execute within the Program's fiduciary constraints, ultimately though the decision for those managers will be for the board.

Q4. In manager selection, which factors tend to carry the greatest weight (e.g., prior fund performance, team operating experience, sourcing capability in Oklahoma, governance discipline, or alignment with program objectives)?

Manager selection is based on a holistic assessment that typically emphasizes team experience, governance discipline, investment process, and alignment with Program objectives.

Q5. How much discretion will the selected Firm have to recommend non-traditional but risk-mitigated investment structures (e.g., preferred equity, revenue-linked investments, or hybrid equity/debt instruments) that may better align with Oklahoma-based company risk profiles?

The selected Firm is expected to have discretion to recommend non-traditional but risk-mitigated investment structures where such structures are appropriate to the underlying opportunity and consistent with fiduciary standards. Any such recommendations must be clearly justified, transparently structured, and aligned with the Program's risk, return, and liquidity parameters, considering the boards statutory authority to authorize investments, they will have the fiduciary duty of considering any of these non-traditional investment structures.

Oklahoma Nexus & Economic Impact

Q6. How does the Board define "substantial investment in Oklahoma" for companies that may serve national or global markets but maintain meaningful operations, employment, or infrastructure within the state?

A substantial investment in Oklahoma generally includes meaningful in-state operations, employment, infrastructure, or capital deployment that results in tangible economic activity within the state.

Q7. Will companies that relocate headquarters or material operations into Oklahoma be treated equivalently to companies originally founded in Oklahoma for purposes of capital eligibility?

Companies that previously relocated headquarters or conduct material operations to Oklahoma may be treated equivalently to companies originally founded in the state, provided the relocation is substantive, durable, and resulted in meaningful long-term economic presence within Oklahoma.

Q8. Which economic and community impact metrics matter most to the Treasurer and Board (e.g., jobs created or retained, wage levels, headquarters relocations, follow-on capital attracted)?

Key metrics of interest include jobs created or retained, wage levels, capital investment within the state, business expansion or relocation activity, and the ability to attract follow-on private capital. These metrics are evaluated alongside financial performance rather than in isolation.

Q9. Are economic and community impact metrics weighed formally or informally in manager evaluation and ongoing monitoring, and how should such impact be reported (e.g., self-reported, audited, or third-party validated)?

Economic and community impact metrics are generally incorporated into evaluation and monitoring on a structured but pragmatic basis. Reporting is expected to be transparent and consistent and may include self-reported data supplemented by third-party validation where appropriate, depending on the nature and scale of the investment.

Governance, Oversight & Reporting

Q10. What governance rights and oversight does the Treasurer's Office expect to retain relative to the Invest in Oklahoma Board and the selected Firm?

The Treasurer's Office expects to retain appropriate oversight and approval rights consistent with its fiduciary responsibilities, while delegating day-to-day investment execution and monitoring to the selected Firm. Governance structures should support accountability, transparency, and clear escalation pathways.

Q11. Are there reporting requirements beyond standard institutional LP reporting that the selected Firm should anticipate?

The selected Firm should anticipate supplemental reporting related to Oklahoma exposure, economic impact metrics, and compliance with Program-specific requirements.

Q12. How does the Treasurer's Office define role boundaries among the selected Firm, Treasurer's staff, and any existing consultants in manager selection, monitoring, and reporting?

The selected Firm will be responsible for investment sourcing, underwriting, and ongoing monitoring. Treasurer's staff will provide oversight, coordination, and reporting to the Board, while any existing consultants may support independent analysis, benchmarking, or compliance review as appropriate.

Q13. Is there any requirement or expectation that a portion of Invest in Oklahoma Program capital be allocated to firms designated or pre-qualified under prior legislation, or are such firms considered eligible but not guaranteed allocations?

Firms will be evaluated under the provisions of the current legislation. Prior designations do not guarantee eligibility or allocations.

Q14. Are firms designated or approved under prior legislation required to invest exclusively in Oklahoma-based companies with respect to Program capital, or may investments include companies with substantial but not exclusive Oklahoma operations?

Designated or approved firms are not required to invest exclusively in Oklahoma-based companies, provided Program capital is deployed in investments that meet the Program's Oklahoma nexus and economic impact criteria.

Capital Deployment, Economics & Program Viability

Q15. Does the Board expect capital commitments to be phased over multiple years to manage vintage risk and deployment pacing?

The Board anticipates that capital commitments may be phased over multiple years to manage deployment pacing, vintage diversification, and market conditions.

Q16. Are follow-on investments into existing portfolio companies encouraged where additional capital would protect earlier investments, accelerate growth, or preserve Oklahoma-based jobs?

Follow-on investments may be encouraged where additional capital is expected to protect prior investments, support growth, or preserve Oklahoma-based employment, subject to continued compliance with underwriting and fiduciary standards.

Q17. How does the Treasurer's Office envision calibrating expectations around fees and carried interest relative to fee levels currently paid by participating retirement systems and endowments?

Fee and interest expectations will be evaluated relative to prevailing institutional market norms and in the context of net-of-fees performance. The Treasurer's Office expects fees to be reasonable, transparent, and aligned with the interests of participating funds and the long-term viability of the Program.