

Bond Index Fund

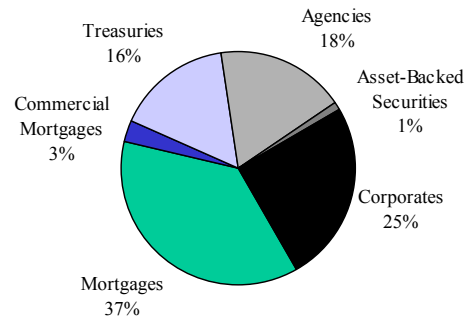
Period Ending 3/31/03
 Total Assets \$9,866,659.33

FUND DESCRIPTION

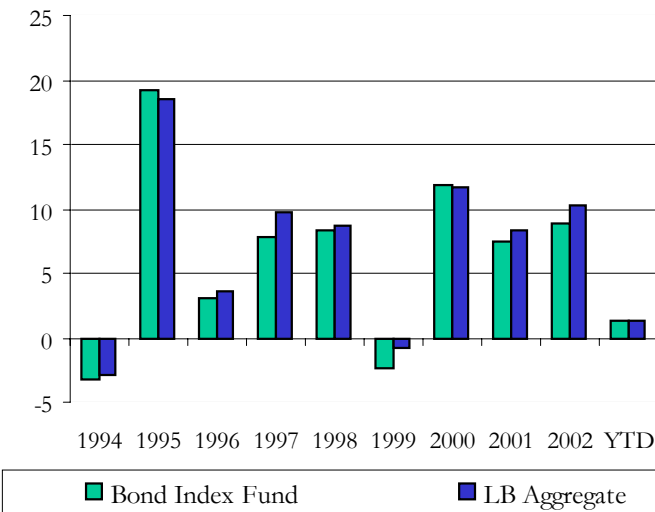
The Bond Index Fund is comprised of fixed income securities which replicate the Lehman Aggregate Bond Index. The purpose of this fund is to generally mirror the performance of the Lehman Brothers Aggregate Index with minimal tracking error. A stratified sampling approach is used to create a representative portfolio of securities from each industry, quality and duration sector of the Index. Each sector is held in proportion to its representative weight in the Index. Participants should have a minimum investment time horizon of 3 to 5 years.

TOTAL ALLOCATION BY MANAGER

The Bond Index Fund is 100% managed by Mellon Capital Management. The following chart lists the asset allocation of the fund.



TOTAL RETURNS



FUND CHARACTERISTICS

| | |
|--------------------|---------|
| Yield to Worst | 3.9% |
| Mod. Adj. Duration | 3.9 |
| Maturity | 6.7 yrs |
| Number of Issues | 794 |
| Quality Rating | AAA/AA1 |

FEES

OMRF can offer specially designed investment choices for the government sector that may not be available otherwise due to its ability to negotiate reduced investment management fees. You benefit from reduced fees while enjoying excellent investment choices and the added oversight OMRF can offer. If invested in this fund the average investment fees you can expect to pay are approximately 0.08%.

PERFORMANCE HISTORY

| Period | Fund | Benchmark |
|-------------|--------------|--------------|
| 1Q03 | 1.35% | 1.39% |
| 4Q02 | 1.72 | 1.57 |
| 3Q02 | 4.70 | 4.58 |
| 2Q02 | 3.57 | 3.69 |
| 1Q02 | -0.05 | 0.09 |
| 4Q01 | 0.07 | 0.05 |
| 2002 | 10.24% | 10.26% |
| 2001 | 8.46 | 8.44 |
| 2000* | 7.71 | 7.49 |

*Annualized, inception June 29, 2000

KEY DEFINITIONS

| | |
|----------------|---|
| Yield to Worst | The bond yield computed by using the lower of either the yield to maturity or the yield to call on every possible call date |
| Duration | A common gauge of the price sensitivity of a fixed income asset or portfolio to a change in interest rates. |
| Maturity | The date on which the principal is required to be repaid. |

DISCLOSURE

OMRF utilizes the Mellon EB Daily Opening Aggregate Bond Index Fund for this option.

Any opinions expressed herein reflect our judgment at this date and are subject to change. This report has been compiled using data and other statements of fact derived from sources which we believe to be accurate and reliable. However, such data and other statements of fact have not been verified by us and we do not make any representations as to their accuracy or completeness.

Past performance does not guarantee future results.

TICKER SYMBOLS

No ticker symbol is available since this OMRF investment option is comprised of a collective trust fund.

8/02

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