

ILLINOIS MUNICIPAL RETIREMENT FUND
MINUTES OF
REGULAR MEETING NO. 13-04
APRIL 26, 2013

ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 13-04

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m., April 26, 2013, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

Mr. Stafford presided as Chair and called the meeting to order.

Mr. Kosiba called the roll:

Present: Henry, Kuehne, Nannini, Piechocinski, Stafford, Stulir, Thompson, Copper
Absent: None

Ms. Becker-Wold, and Mr. Ball from Callan Associates, Mr. Moss from Seyfarth Shaw LLP, Ms. Myers from Loop Capital Markets; Mr. Picketts from Cabrera Capital Markets and Mr. McPheeters from Academy Securities were also present.

(13-04-01) (Investment Manager Activities - Callan Associates) Ms. Becker-Wold of Callan Associates presented the following report to the Board on the activities of IMRF's investment managers:

March 31, 2013



**Illinois Municipal
Retirement Fund
Monthly Performance Report**

**Investment Measurement Service
Monthly Review**

Major Market Returns

Returns

for Periods Ended March 31, 2013

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	3.93	11.07	14.49	13.08	6.49	9.43
Russell:1000 Index	3.86	10.96	14.43	12.93	6.15	8.97
Russell:Midcap Index	4.25	12.96	17.30	14.62	8.37	12.27
Russell:2000 Index	4.62	12.39	16.30	13.45	8.24	11.52
MSCI:ACWI ex-US (Net)	0.20	3.17	8.36	4.41	(0.39)	10.93
MSCI:EAFE US\$	0.82	5.13	11.25	5.00	(0.89)	9.69
MSCI:Emer Markets	(1.70)	(1.57)	2.30	3.59	1.39	17.41
Barclays:Aggregate Index	0.08	(0.12)	3.77	5.52	5.47	5.02
NCREIF ODCE Index	0.58	1.76	9.36	14.64	(1.10)	6.66
NAREIT Equity Index	2.99	8.19	15.29	17.17	6.83	12.44

The first quarter of 2013 came to a close on a high note, at least on the domestic front. Equities built upon their momentum from the first two months of the year to give investors a 3.9% return in March. International equities, while positive, failed to measure up to their U.S. counterparts, only gaining 0.2%. Fixed income markets struggled as investors continued to move into riskier assets. The Barclays Aggregate Bond Index managed a positive return of only 0.1%.

Several factors during the month contributed to the strong performance of the equity markets. First, GDP in the fourth quarter was revised upward to 0.4% (the initial estimate in January was -0.1%) which provided investors with much needed confidence in the economic recovery. Second, job growth appeared to be strong when the Bureau of Labor Statistics announced that 236,000 jobs were added to the economy in February. Finally, despite the Fed's aggressive monetary policies, inflation remained tame. CPI increased 2.0% from the previous year.

International markets were hampered by more negative news concerning their banking sector. On March 10, the European Central Bank announced a bailout of Cypriot banks which included a "tax" of up to 10% of private deposits held in those banks. After a large outcry and a subsequent bank holiday it was decided that only deposits exceeding 100,000 euros would be subject to this tax. Growth continues to be anemic at best as only two of the 17 Eurozone countries showed positive economic growth in the fourth quarter of last year.

*Due to a lag in the reporting of NCREIF Property Index returns, the monthly return shown is deduced from the most recent quarterly return. This monthly return, when compounded over three months, equates to the quarterly return.

U.S. Equity Overview

Returns

for Periods Ended March 31, 2013

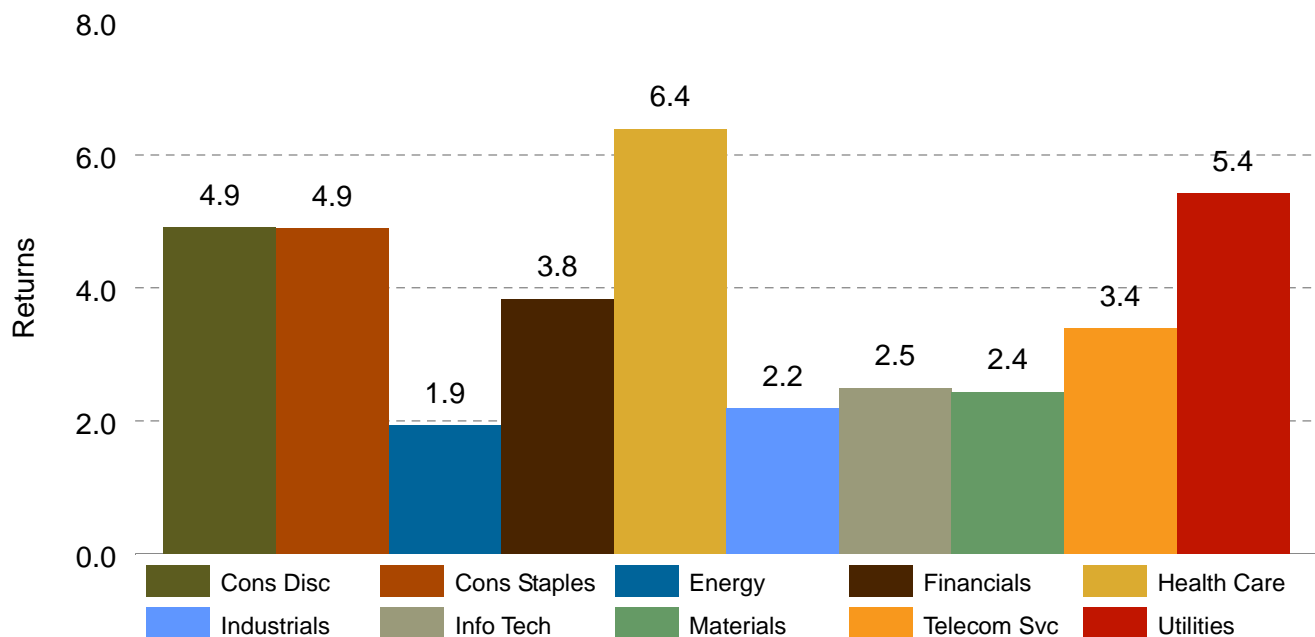
Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	3.93	11.07	14.49	13.08	6.49	9.43
Russell:1000 Index	3.86	10.96	14.43	12.93	6.15	8.97
Russell:1000 Growth	3.75	9.54	10.09	13.06	7.30	8.62
Russell:1000 Value	3.96	12.31	18.77	12.74	4.85	9.18
Russell:Midcap Index	4.25	12.96	17.30	14.62	8.37	12.27
Russell:2000 Index	4.62	12.39	16.30	13.45	8.24	11.52
Russell:2000 Growth	5.10	13.21	14.52	14.75	9.04	11.61
Russell:2000 Value	4.16	11.63	18.09	12.12	7.29	11.29

Domestic equities looked very strong all around in March. Each market cap segment returned around 4.0%. Small caps were the best performing segment, gaining 4.6% (Russell 2000), followed by mid caps (Russell Midcap: 4.3%), and then large caps (Russell 1000: 3.9%).

There was very little dispersion between the returns for value and growth stocks during the month. Growth outperformed value in small caps (Russell 2000 Growth: 5.1%; Russell 2000 Value: 4.2%), but the opposite was true in large cap stocks (Russell 1000 Value: 4.0%; Russell 1000 Growth: 3.8%).

Every sector of the S&P 500 Index rose in March, led by Health Care (+6.4%) and Utilities (+5.4%). Energy lagged all other sectors but still gained 1.9% during the month.

S&P 500 Sector Returns for Month Ended March 31, 2013



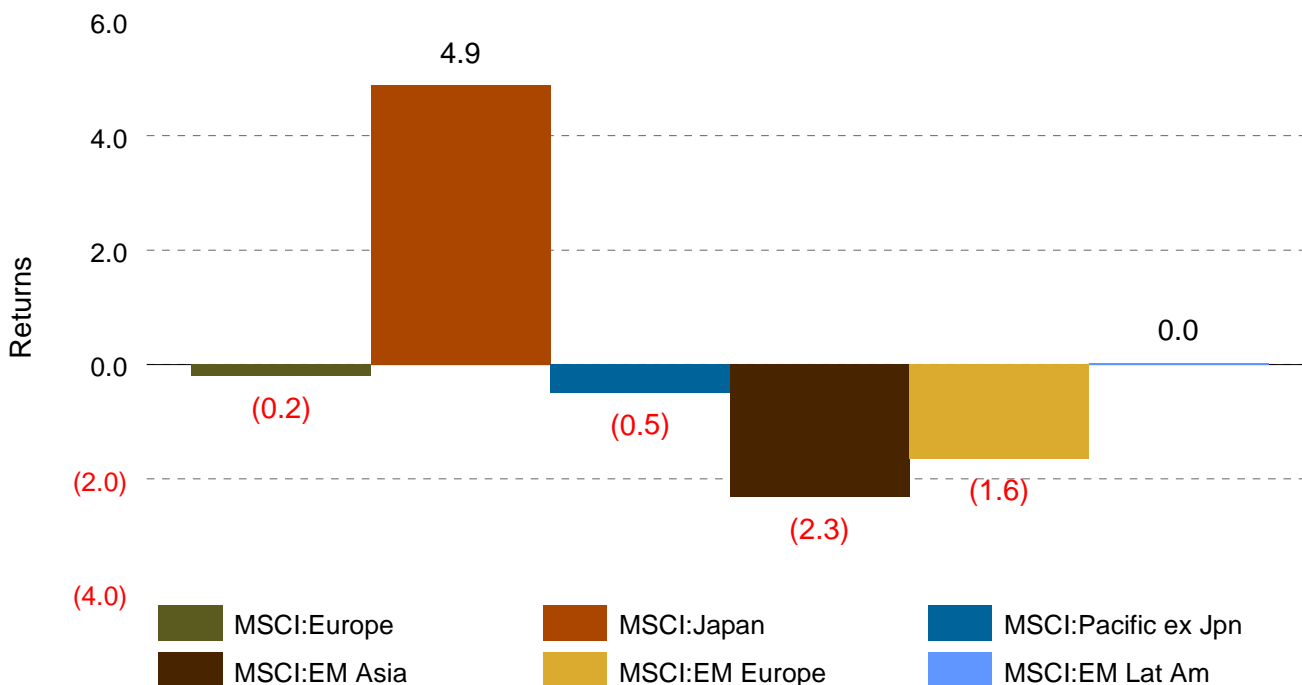
Returns
for Periods Ended March 31, 2013

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
MSCI:ACWI ex-US (Net)	0.20	3.17	8.36	4.41	(0.39)	10.93
MSCI:ACWI ex US Gr	0.80	4.58	9.46	5.81	0.13	10.67
MSCI:ACWI ex US Val	(0.31)	1.94	8.23	3.90	(0.02)	12.10
MSCI:EAFE US\$	0.82	5.13	11.25	5.00	(0.89)	9.69
MSCI:EAFE Hedged	1.26	8.79	13.27	1.59	(1.75)	5.22
MSCI:Emer Markets	(1.70)	(1.57)	2.30	3.59	1.39	17.41
MSCI:ACWI ex-US Small Cap	1.58	6.54	10.48	6.95	2.54	14.28

International equity markets again underperformed their U.S. counterparts in March, rising only 0.2%. Developed country equities (MSCI EAFE Index) gained 0.8% in U.S. dollar terms but hedged investors gained 1.3% as the dollar strengthened versus a basket of EAFE currencies. The MSCI Emerging Markets Index lost ground in March, declining 1.7%. This return puts emerging markets in negative territory for the year (-1.6% year-to-date).

All major international regions were down in March with the exception of Japan. Japanese equity markets cheered its government's and central bank's bold moves to weaken the yen. In fact, Japanese equities are up over 21% year to date in local currency terms (11.6% for U.S. dollar based investors). Emerging markets in Asia fell more than the other regions in March (-2.3%).

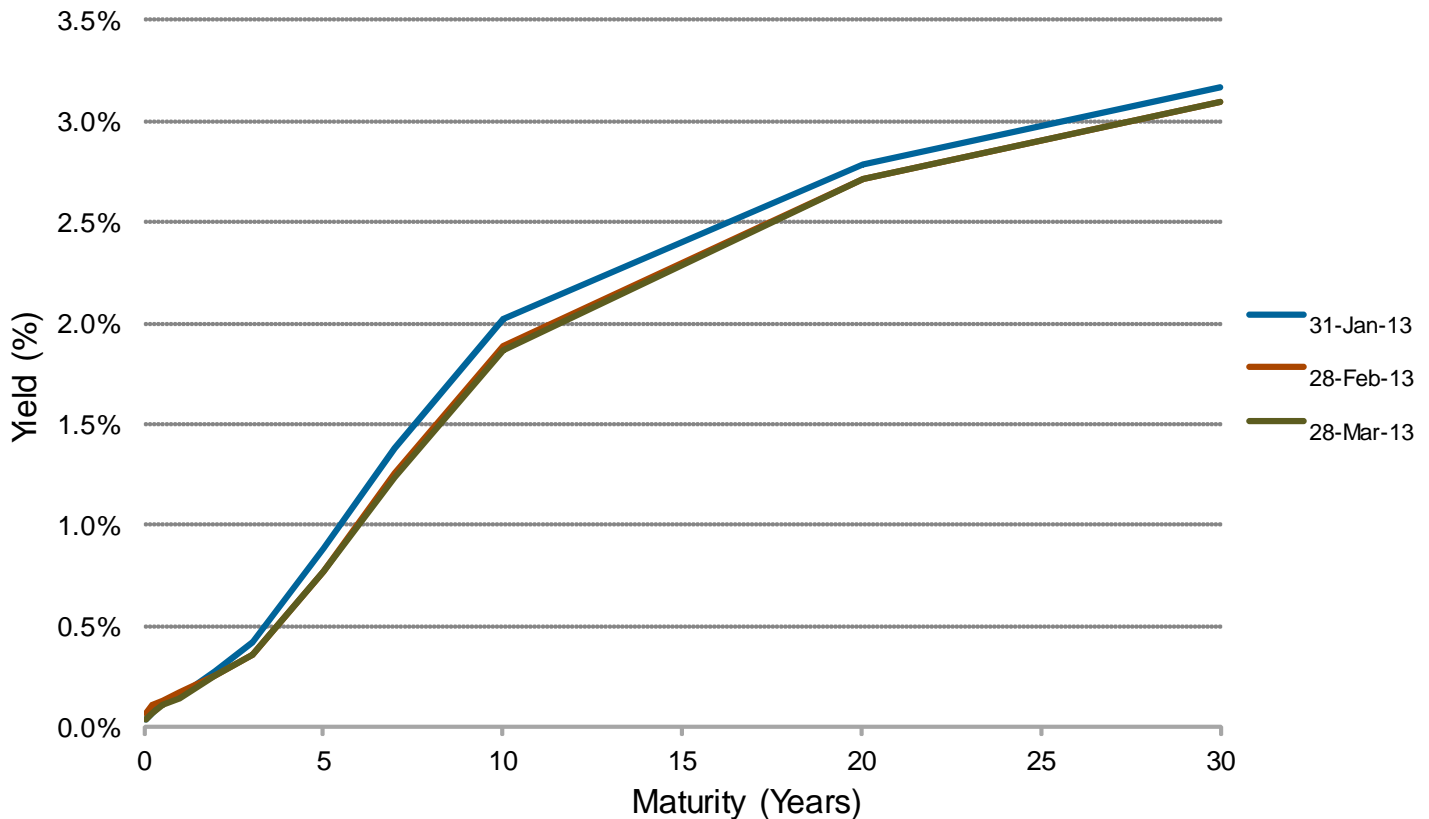
Regional Returns for Month Ended March 31, 2013



Returns
for Periods Ended March 31, 2013

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Barclays:Aggregate Index	0.08	(0.12)	3.77	5.52	5.47	5.02
Barclays:Govt Index	0.09	(0.16)	3.01	5.04	4.36	4.53
Barclays:Credit	0.01	(0.17)	7.00	7.86	7.52	5.96
Barclays:Mortgage Idx	0.12	(0.05)	1.97	4.17	5.15	4.98
Barclays:US TIPS Index	0.28	(0.36)	5.68	8.57	5.89	6.32
ML:High Yield CP Idx	1.03	2.87	13.05	10.90	11.19	9.81
3 Month T-Bill	0.02	0.02	0.12	0.11	0.34	1.75

Treasury Yield Curve



The fixed income market rose slightly in March but not enough to bring year-to-date returns into positive territory (Barclays Aggregate Bond Index: 0.1%). Yields did not change much across the curve. The yield on the 10-year Treasury fell from 1.89% to 1.87%.

While March was not a good month for fixed income investments all sectors were positive. High Yield was the only sector to post a decent return, gaining 1.0%. Cash and High Yield are the only two sectors with positive year-to-date returns (0.02% and 2.87%, respectively).

Total Fund

Total Fund assets at the end of March were \$29.6 billion, up from \$29.0 billion at the end of February. The Fund gained 2.05% for the month, outperforming the benchmark by 0.41%. Domestic equity, international equity and fixed income beat their respective benchmarks. Over the last year, the fund is up 10.86% exceeding the benchmark by 1.24%.

Current policy states that when the actual allocations of the asset classes differ by more than four percentage points from their policy targets, a recommendation for rebalancing will be made to the Board of Trustees. As of March 31, domestic equity exceeded its target allocation by 5.4%. All other asset classes were within the allowable range.

US Equity

Large Cap: In aggregate, the Fund's large cap managers gained 3.84%, trailing the Russell 1000 Index by 0.02%. Growth portfolios collectively underperformed their benchmark by 65 basis points for the month while value portfolios outperformed by 54 basis points. Growth managers returned 3.10%. Vision was the best performing active manager with a return of 3.77%. The Large Cap Value managers returned 4.50%, leading the Russell 1000 Value Index return of 3.96%. LSV was the best performing manager in the group with a return of 5.00%. The Large Cap Active Core segment rose 3.78%, trailing the Russell 1000 Index return of 3.86%.

Small Cap: The Small Cap portfolio rose 4.73%, beating the Russell 2000 Index by 0.11%. Small Cap Growth and Value gained 4.06% and 4.50%, respectively. Fortaleza was the best performing small cap growth manager and DFA was the best in value. The Micro Cap segment returned 6.46% in March. Ativo was the best performing micro-cap manager, posting a gain of 8.32% for the month.

International Equity

Large Cap: International fared worse than the U.S. with the IMRF International Large Cap managers gaining only 1.03%. However, this return was 83 points ahead of the MSCI ACWI ex-U.S. Index. International Large Cap Growth rose 0.11% as EARNEST Partners pulled down returns, declining 0.87%. International Large Cap Value returned 1.95% with Brandes performing the best. The Large Cap Active Core Group returned 1.34% in March with the strongest performance coming from Brown.

International Small Cap and Emerging Markets: The International Small Cap managers rose 2.51%, outperforming the ACWI Small Cap ex-U.S. Index by 0.93%. The emerging markets portfolio, managed by Genesis, fell 1.29% during March, outperforming the MSCI Emerging Markets Index by 41 basis points.

Domestic Fixed Income

The total fixed income portfolio rose 0.23% as yields were virtually unchanged from the prior month. The high yield segment was the best performing segment during the month, gaining 0.92%.

Active Core: The active core fixed income component returned 0.15%, outperforming the BC Aggregate Index by 7 basis points. The enhanced core portfolio rose 0.05%.

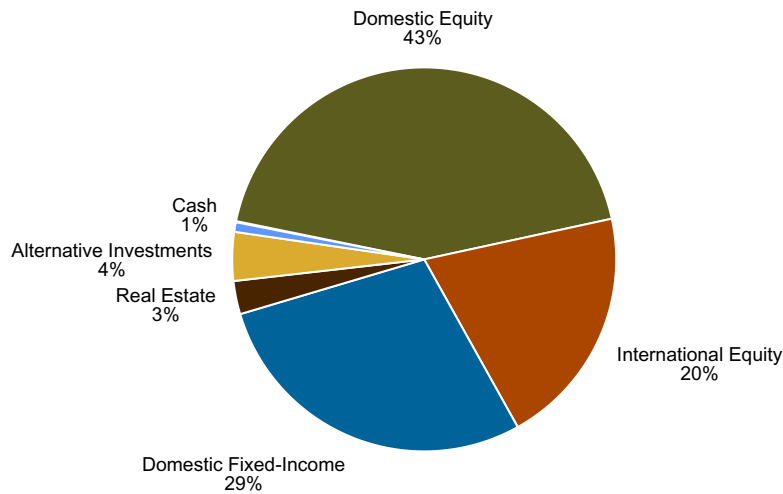
Core Plus: The core plus managers gained 0.17% which beat the Barclays Aggregate Index. Western had the best monthly performance, rising 0.31%.

High Yield: The high yield component gained 0.92%, slightly trailing the ML High Yield Cash Pay Index (+1.03%). Pyramis returned 0.95% in March while McKay Shields gained 0.89%.

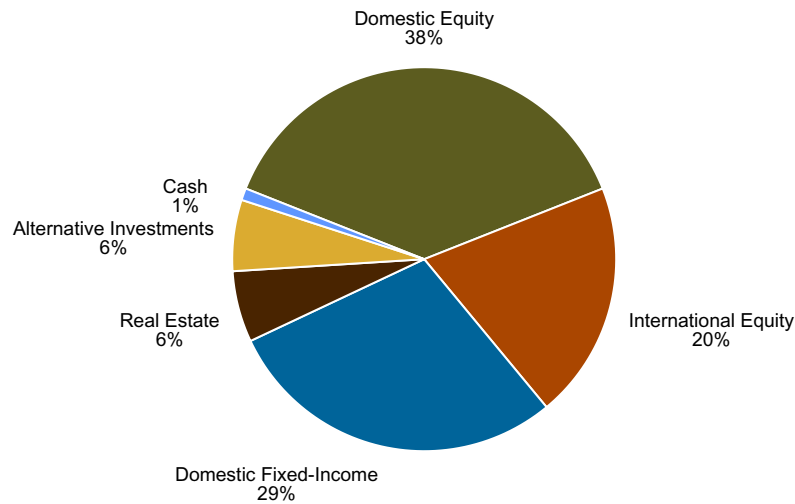
Actual vs Target Asset Allocation

The first chart below shows the Fund's asset allocation as of March 31, 2013. The second chart shows the Fund's target asset allocation as outlined in the investment policy statement.

Actual Asset Allocation



Target Asset Allocation



Asset Class	\$Millions Actual	Percent Actual	Percent Target	Percent Difference	\$Millions Difference
Domestic Equity	12,846	43.4%	38.0%	5.4%	1,604
International Equity	6,018	20.3%	20.0%	0.3%	101
Domestic Fixed-Income	8,433	28.5%	29.0%	(0.5%)	(146)
Real Estate	834	2.8%	6.0%	(3.2%)	(941)
Alternative Investments	1,226	4.1%	6.0%	(1.9%)	(549)
Cash	226	0.8%	1.0%	(0.2%)	(70)
Total	29,582	100.0%	100.0%		

* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2013, with the distribution as of February 28, 2013.

Asset Distribution Across Investment Managers

	March 31, 2013		February 28, 2013	
	Market Value	Percent	Market Value	Percent
Domestic Equity	\$12,845,505,663	43.42%	\$12,344,340,137	42.55%
Large Cap Growth				
BlackRock LCG	640,751,910	2.17%	624,240,981	2.15%
Holland	843,370,747	2.85%	815,563,706	2.81%
NTGI S&P 500 Growth Idx	779,339,512	2.63%	750,973,889	2.59%
Sands	893,110,842	3.02%	871,234,820	3.00%
Vision	62,954,217	0.21%	60,669,579	0.21%
Large Cap Value				
Dodge & Cox	825,009,433	2.79%	789,410,967	2.72%
BMO	886,728,152	3.00%	846,820,087	2.92%
LSV	869,185,561	2.94%	827,756,452	2.85%
NTGI S&P 500 Value Idx	818,182,040	2.77%	788,841,575	2.72%
Large Cap Core				
Piedmont	152,337,439	0.51%	147,018,621	0.51%
Progress	506,289,127	1.71%	487,642,642	1.68%
NTGI MarketCap Index	2,345,366,194	7.93%	2,256,682,053	7.78%
Small Cap Growth				
Fortaleza	38,590,256	0.13%	36,465,946	0.13%
Frontier	576,084,737	1.95%	555,330,398	1.91%
Pyramis	620,823,218	2.10%	595,523,748	2.05%
Small Cap Value				
Channing	64,566,710	0.22%	61,561,987	0.21%
Dimensional Small Cap Value	535,248,881	1.81%	509,828,272	1.76%
Inv. Counselors of Maryland	596,217,399	2.02%	573,647,861	1.98%
Lombardia	127,170,765	0.43%	121,218,324	0.42%
Micro Cap				
Ariel	75,911,884	0.26%	70,311,696	0.24%
Ativo	36,258,297	0.12%	33,484,534	0.12%
Dimensional Micro Cap	227,282,721	0.77%	217,062,521	0.75%
Wall Street	324,725,622	1.10%	303,049,474	1.04%
International Equity	\$6,017,570,101	20.34%	\$5,963,210,501	20.55%
International Large Cap Growth				
EARNEST Partners	493,508,031	1.67%	497,832,963	1.72%
McKinley	71,436	0.00%	185,622	0.00%
William Blair	517,637,241	1.75%	512,199,434	1.77%
International Large Cap Value				
Brandes	422,353,760	1.43%	413,147,310	1.42%
Lombardia	26,311,374	0.09%	26,264,142	0.09%
Mondrian	435,250,248	1.47%	426,739,200	1.47%
Lazard	84,571,888	0.29%	83,818,466	0.29%
International Large Cap Core				
Arrowstreet	435,398,094	1.47%	433,534,573	1.49%
Brown	220,658,307	0.75%	213,112,205	0.73%
GlobeFlex	443,227,501	1.50%	438,064,349	1.51%
NTGI MSCI EAFE Index	2,083,856,236	7.04%	2,065,647,140	7.12%
International Small Cap				
AXA Rosenberg	8,927	0.00%	9,903	0.00%
Franklin Templeton	163,112,311	0.55%	160,664,367	0.55%
William Blair	189,296,061	0.64%	183,120,281	0.63%

Mondrian and Lombardia were funded 3/20/2012, Lazard was funded 3/21/2012.
Franklin Templeton Intl SC was funded 07/27/2011. BlackRock LCG was funded 07/12/2011. Vision was funded 06/17/2011.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2013, with the distribution as of February 28, 2013.

Asset Distribution Across Investment Managers

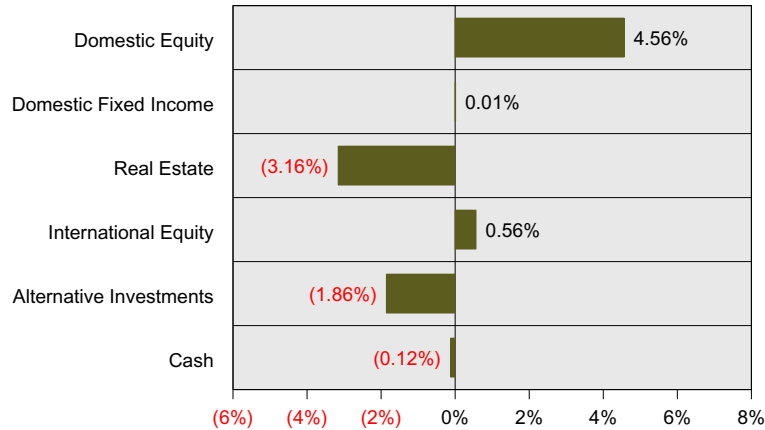
	March 31, 2013		February 28, 2013	
	Market Value	Percent	Market Value	Percent
Emerging Markets				
Genesis	502,308,688	1.70%	508,870,545	1.75%
Domestic Fixed-Income	\$8,432,912,264	28.51%	\$8,413,345,585	29.00%
Domestic Fixed Core				
EARNEST Partners	541,851,907	1.83%	540,920,321	1.86%
Piedmont	532,929,980	1.80%	532,290,995	1.83%
BlackRock Enhanced	962,366,622	3.25%	961,683,430	3.31%
NTGI BC Aggregate Index	1,405,506,804	4.75%	1,404,700,820	4.84%
Domestic Fixed Core Plus				
BlackRock Core Plus	714,989,048	2.42%	714,770,760	2.46%
LM Capital	837,599,447	2.83%	835,888,996	2.88%
Progress Fixed Income	431,740,089	1.46%	431,011,131	1.49%
Taplin, Canida, & Habacht	828,866,831	2.80%	828,101,984	2.85%
Western	1,112,020,547	3.76%	1,108,637,910	3.82%
High Yield				
MacKay Shields	519,945,310	1.76%	515,351,615	1.78%
Pyramis High Yield	545,095,679	1.84%	539,987,621	1.86%
Real Estate	\$834,247,252	2.82%	\$818,823,081	2.82%
Real Estate Core				
BlackRock Granite	72,896,875	0.25%	72,896,875	0.25%
TA Buckhead Ind. Prop.	242,773,160	0.82%	242,773,160	0.84%
Cornerstone Patriot	89,905,362	0.30%	88,245,275	0.30%
INVESCO Core RE	86,537,366	0.29%	86,537,366	0.30%
Real Estate Non-Core				
Franklin Templeton EMREFF	22,186,927	0.08%	20,201,591	0.07%
Olympus Real Estate Fund II	330,536	0.00%	499,342	0.00%
Security Capital	55,159,696	0.19%	55,133,842	0.19%
Dune II	46,859,487	0.16%	42,706,987	0.15%
Non-Core Real Estate Funds*	84,798,972	0.29%	76,460,280	0.26%
Rockwood Fund VIII	38,553,507	0.13%	38,553,507	0.13%
Almanac ARS V	45,573,842	0.15%	45,573,842	0.16%
TA Fund IX	48,671,522	0.16%	49,241,014	0.17%
Alternative Investments	\$1,225,954,225	4.14%	\$1,191,372,974	4.11%
Absolute Return				
Aurora	507,090,894	1.71%	473,384,553	1.63%
Grosvenor	6,214,165	0.02%	6,214,165	0.02%
Mesirow	14,080,160	0.05%	15,262,166	0.05%
Private Equity				
Abbott	291,080,563	0.98%	288,744,778	1.00%
Muller & Monroe ILPEFF	12,210,354	0.04%	12,247,795	0.04%
Muller & Monroe MPEFF	19,282,306	0.07%	19,892,704	0.07%
Pantheon	167,925,142	0.57%	167,285,784	0.58%
Private Equity Fund - Domestic	13,653,952	0.05%	14,110,756	0.05%
Agriculture				
Cozad/Westchester	132,797,713	0.45%	132,761,297	0.46%
Timberland				
Forest Investment Assoc.	61,618,976	0.21%	61,468,976	0.21%
Cash	\$226,149,025	0.76%	\$283,063,731	0.98%
Total Fund	\$29,582,338,531	100.0%	\$29,014,156,008	100.0%

*Non-Core Real Estate Funds funded since September 2011.

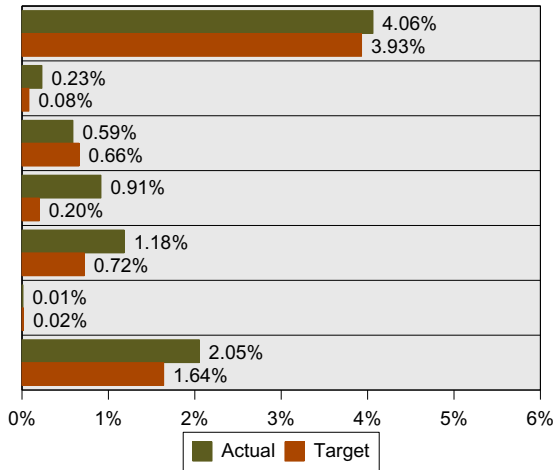
Monthly Total Fund Relative Attribution - March 31, 2013

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

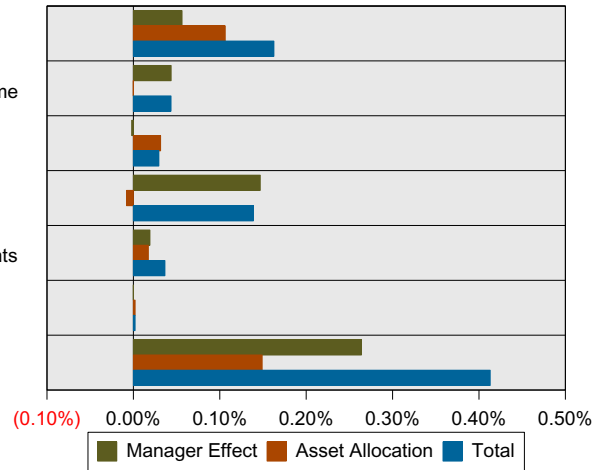
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Month ended March 31, 2013

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	43%	38%	4.06%	3.93%	0.06%	0.11%	0.16%
Domestic Fixed Income	29%	29%	0.23%	0.08%	0.04%	(0.00%)	0.04%
Real Estate	3%	6%	0.59%	0.66%	(0.00%)	0.03%	0.03%
International Equity	21%	20%	0.91%	0.20%	0.15%	(0.01%)	0.14%
Alternative Investments	4%	6%	1.18%	0.72%	0.02%	0.02%	0.04%
Cash	1%	1%	0.01%	0.02%	(0.00%)	0.00%	0.00%
Total			2.05%	1.64%	+ 0.26%	+ 0.15%	0.41%

* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

Asset Class Returns

The table below details the rates of return for the fund's asset class composites over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Domestic Equity (12/31/81)	4.06%	11.24%	14.41%
DJ U.S. Total Stock Market Index	3.93%	11.07%	14.49%
Domestic Equity - Net (12/31/04)	4.06%	11.17%	14.12%
International Equity (08/31/86)	0.91%	4.79%	11.56%
MSCI ACWI x US (Net)	0.20%	3.17%	8.36%
International Equity - Net (12/31/04)	0.91%	4.73%	11.23%
Domestic Fixed-Income (12/31/81)	0.23%	0.49%	6.33%
BC Aggregate Index	0.08%	(0.12%)	3.77%
Domestic Fixed-Inc. - Net (12/31/04)	0.23%	0.43%	6.14%
Real Estate (04/30/85)	0.59%	2.32%	11.92%
Blended Benchmark**	0.66%	1.99%	10.65%
Real Estate - Net (12/31/04)	0.59%	2.32%	11.54%
Alternative Investments (01/31/86)	1.18%	4.56%	6.63%
Alternatives Custom Benchmark***	0.72%	2.18%	9.00%
Alternative Investments - Net (12/31/04)	1.18%	4.51%	6.33%
Absolute Return (12/31/01)	1.15%	3.26%	5.60%
HFR Fund-of-Funds Index	0.90%	3.36%	4.78%
Private Equity (01/31/86)	1.55%	1.71%	4.24%
Alternatives Custom Benchmark***	0.72%	2.18%	9.00%
Agriculture (09/30/97)	0.03%	28.05%	29.67%
Blended Benchmark**	0.66%	1.99%	10.65%
Timberland (09/30/92)	0.90%	(2.72%)	(4.96%)
Blended Benchmark**	0.66%	1.99%	10.65%
Total Fund (12/31/81)	2.05%	6.03%	10.86%
Total Fund Benchmark	1.64%	5.00%	9.62%
Total Fund - Net (12/31/04)	2.05%	5.98%	10.62%

* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

** The Blended Benchmark is currently ODCE Value Weigh Index+1%. Returns between January 1, 2007 and December 31, 2012 reflect NPI+1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%.

Given that ODCE returns are updated quarterly, an approximation of the Index is used in the monthly reports.

*** The Alternatives Custom Benchmark is based on an annualized rate of return of 9.0%. Prior to July 1, 2010 the Benchmark was based on an annual return of 12.0%. Prior to 2004, the Benchmark was based on an annual return of 13.0%. Prior to 2003, it was based on an annual return of 15.0%.

Asset Class Returns

The table below details the rates of return for the fund's asset class composites over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Equity (12/31/81)	13.25%	6.79%	10.02%	11.44%
DJ U.S. Total Stock Market Index	13.08%	6.49%	9.43%	11.05%
Domestic Equity - Net (12/31/04)	12.98%	6.53%	-	5.96%
International Equity (08/31/86)	6.55%	0.56%	11.91%	8.16%
MSCI ACWI x US (Net)	4.41%	(0.39%)	10.93%	-
International Equity - Net (12/31/04)	6.25%	0.25%	-	5.48%
Domestic Fixed-Income (12/31/81)	7.13%	7.19%	6.19%	9.21%
BC Aggregate Index	5.52%	5.47%	5.02%	8.58%
Domestic Fixed-Inc. - Net (12/31/04)	6.96%	7.04%	-	5.94%
Real Estate (04/30/85)	12.82%	0.05%	5.83%	4.38%
Blended Benchmark**	14.00%	3.17%	6.17%	7.34%
Real Estate - Net (12/31/04)	12.69%	(0.02%)	-	5.04%
Alternative Investments (01/31/86)	7.38%	2.95%	8.52%	10.93%
Alternatives Custom Benchmark***	9.25%	10.34%	11.24%	13.59%
Alternative Investments - Net (12/31/04)	7.13%	2.69%	-	7.50%
Absolute Return (12/31/01)	3.08%	1.20%	4.89%	4.72%
HFR Fund-of-Funds Index	2.10%	(0.24%)	3.85%	3.69%
Private Equity (01/31/86)	10.07%	2.99%	11.07%	12.92%
Alternatives Custom Benchmark***	9.25%	10.34%	11.24%	13.59%
Agriculture (09/30/97)	15.99%	9.60%	10.37%	7.49%
Blended Benchmark**	14.00%	3.17%	6.17%	6.61%
Timberland (09/30/92)	(0.15%)	4.15%	3.17%	8.53%
Blended Benchmark**	14.00%	3.17%	6.17%	6.85%
Total Fund (12/31/81)	9.62%	6.29%	9.19%	10.16%
Total Fund Benchmark	9.21%	5.81%	8.49%	-
Total Fund - Net (12/31/04)	9.39%	6.07%	-	6.49%

* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

** The Blended Benchmark is currently ODCE Value Weigh Index+1%. Returns between January 1, 2007 and December 31, 2012 reflect NPI+1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%.

Given that ODCE returns are updated quarterly, an approximation of the Index is used in the monthly reports.

*** The Alternatives Custom Benchmark is based on an annualized rate of return of 9.0%. Prior to July 1, 2010 the Benchmark was based on an annual return of 12.0%. Prior to 2004, the Benchmark was based on an annual return of 13.0%. Prior to 2003, it was based on an annual return of 15.0%.

Large Cap Equity Returns

The table below details the rates of return for the fund's large cap growth and large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Large Cap Equity (12/31/81)	3.84%	10.66%	13.92%
Russell 1000 Index	3.86%	10.96%	14.43%
Large Cap Growth (12/31/81)	3.10%	8.40%	8.84%
BlackRock LCG (07/31/11)	2.66%	6.42%	5.43%
LCG Blended Benchmark*	3.75%	9.54%	10.09%
Russell 1000 Growth Index	3.75%	9.54%	10.09%
BlackRock LCG - Net (07/31/11)	2.66%	6.32%	5.03%
Holland (10/31/94)	3.41%	10.29%	9.40%
LCG Blended Benchmark*	3.75%	9.54%	10.09%
Russell 1000 Growth Index	3.75%	9.54%	10.09%
Holland - Net (12/31/04)	3.41%	10.24%	9.14%
NTGI S&P 500 Growth Idx (07/31/01)	3.78%	9.35%	11.69%
S&P/Citi 500 Growth Index	3.77%	9.33%	11.61%
NTGI S&P 500 Growth Idx - Net (12/31/04)	3.78%	9.35%	11.68%
Sands (10/31/03)	2.51%	7.23%	7.50%
LCG Blended Benchmark*	3.75%	9.54%	10.09%
Russell 1000 Growth Index	3.75%	9.54%	10.09%
Sands - Net (12/31/04)	2.51%	7.17%	7.24%
Vision (06/30/11)	3.77%	9.14%	11.64%
LCG Blended Benchmark*	3.75%	9.54%	10.09%
Russell 1000 Growth Index	3.75%	9.54%	10.09%
Vision - Net (06/30/11)	3.77%	8.99%	11.01%
Large Cap Value (09/30/82)	4.50%	12.56%	19.10%
Dodge & Cox (08/31/03)	4.53%	11.91%	21.61%
LCV Blended Benchmark**	3.96%	12.31%	18.77%
Russell 1000 Value Index	3.96%	12.31%	18.77%
Dodge & Cox - Net (12/31/04)	4.53%	11.85%	21.37%
BMO (01/31/01)	4.71%	13.06%	18.12%
LCV Blended Benchmark**	3.96%	12.31%	18.77%
Russell 1000 Value Index	3.96%	12.31%	18.77%
BMO - Net (12/31/04)	4.71%	13.00%	17.86%
LSV (01/31/03)	5.00%	13.59%	20.22%
LCV Blended Benchmark**	3.96%	12.31%	18.77%
Russell 1000 Value Index	3.96%	12.31%	18.77%
LSV - Net (12/31/04)	5.00%	13.52%	19.90%
NTGI S&P 500 Value Idx (07/31/99)	3.72%	11.59%	16.65%
S&P/Citi 500 Value Index	3.73%	11.97%	16.64%
NTGI S&P 500 Value Idx - Net (12/31/04)	3.72%	11.59%	16.65%

* The LCG Blended Benchmark is currently the Russell 1000 Growth Index. Returns prior to January 1, 2006, reflect those of the S&P 500/Citigroup Growth Index.

** The LCV Blended Benchmark is currently the Russell 1000 Value Index. Returns prior to January 1, 2006, reflect those of the S&P 500/Citigroup Value Index.

Large Cap Equity Returns

The table below details the rates of return for the fund's large cap growth and large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Large Cap Equity (12/31/81)	12.96%	6.30%	9.17%	10.91%
Russell 1000 Index	12.93%	6.15%	8.97%	11.23%
Large Cap Growth (12/31/81)	13.23%	7.96%	8.72%	11.34%
BlackRock LCG (07/31/11)	-	-	-	6.14%
LCG Blended Benchmark*	13.06%	7.30%	8.10%	12.97%
Russell 1000 Growth Index	13.06%	7.30%	8.62%	12.97%
BlackRock LCG - Net (07/31/11)	-	-	-	5.85%
Holland (10/31/94)	13.53%	9.21%	9.29%	9.78%
LCG Blended Benchmark*	13.06%	7.30%	8.10%	8.87%
Russell 1000 Growth Index	13.06%	7.30%	8.62%	7.97%
Holland - Net (12/31/04)	13.20%	8.90%	-	6.05%
LCG Blended Benchmark*	13.06%	7.30%	8.10%	6.41%
Russell 1000 Growth Index	13.06%	7.30%	8.62%	6.61%
NTGI S&P 500 Growth Idx (07/31/01)	13.35%	7.51%	8.18%	4.28%
S&P/Citi 500 Growth Index	13.31%	7.48%	8.15%	4.23%
NTGI S&P 500 Growth Idx - Net (12/31/04)	13.34%	7.50%	-	6.04%
S&P/Citi 500 Growth Index	13.31%	7.48%	8.15%	6.47%
Sands (10/31/03)	19.13%	12.76%	-	10.27%
LCG Blended Benchmark*	13.06%	7.30%	8.10%	6.93%
Russell 1000 Growth Index	13.06%	7.30%	8.62%	7.14%
Sands - Net (12/31/04)	18.83%	12.46%	-	7.95%
LCG Blended Benchmark*	13.06%	7.30%	8.10%	6.41%
Russell 1000 Growth Index	13.06%	7.30%	8.62%	6.61%
Vision (06/30/11)	-	-	-	12.09%
LCG Blended Benchmark*	13.06%	7.30%	8.10%	11.67%
Russell 1000 Growth Index	13.06%	7.30%	8.62%	11.67%
Vision - Net (06/30/11)	-	-	-	11.53%
Large Cap Value (09/30/82)	12.84%	4.88%	9.67%	10.08%
Dodge & Cox (08/31/03)	12.25%	5.34%	-	8.01%
LCV Blended Benchmark**	12.74%	4.85%	9.20%	7.35%
Russell 1000 Value Index	12.74%	4.85%	9.18%	7.55%
Dodge & Cox - Net (12/31/04)	12.00%	5.10%	-	4.89%
LCV Blended Benchmark**	12.74%	4.85%	9.20%	5.34%
Russell 1000 Value Index	12.74%	4.85%	9.18%	5.50%
BMO (01/31/01)	14.03%	5.25%	10.50%	6.69%
LCV Blended Benchmark**	12.74%	4.85%	9.20%	3.87%
Russell 1000 Value Index	12.74%	4.85%	9.18%	5.04%
BMO - Net (12/31/04)	13.77%	4.98%	-	6.23%
LCV Blended Benchmark**	12.74%	4.85%	9.20%	5.34%
Russell 1000 Value Index	12.74%	4.85%	9.18%	5.50%
LSV (01/31/03)	13.00%	6.00%	11.04%	10.13%
LCV Blended Benchmark**	12.74%	4.85%	9.20%	8.36%
Russell 1000 Value Index	12.74%	4.85%	9.18%	8.41%
LSV - Net (12/31/04)	12.70%	5.70%	-	5.95%
LCV Blended Benchmark**	12.74%	4.85%	9.20%	5.34%
Russell 1000 Value Index	12.74%	4.85%	9.18%	5.50%
NTGI S&P 500 Value Idx (07/31/99)	12.15%	4.09%	8.91%	3.57%
S&P/Citi 500 Value Index	12.12%	4.07%	8.87%	3.57%
NTGI S&P 500 Value Idx - Net (12/31/04)	12.14%	4.08%	-	4.59%
S&P/Citi 500 Value Index	12.12%	4.07%	8.87%	4.96%

* The LCG Blended Benchmark is currently the Russell 1000 Growth Index. Returns prior to January 1, 2006, reflect those the S&P 500/Citigroup Growth Index.

** The LCV Blended Benchmark is currently the Russell 1000 Value Index. Returns prior to January 1, 2006, reflect those of the S&P 500/Citigroup Value Index.

Large Cap Equity Returns

The table below details the rates of return for the fund's large cap core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Large Cap Active Core (12/31/04)	3.78%	10.87%	12.52%
Piedmont (05/31/11)	3.62%	9.16%	10.69%
Russell 1000 Index	3.86%	10.96%	14.43%
Piedmont - Net (05/31/11)	3.62%	9.05%	10.26%
Progress (01/31/05)	3.82%	11.39%	13.07%
DJ U.S. Total Stock Market Index	3.93%	11.07%	14.49%
Progress - Net (01/31/05)	3.82%	11.23%	12.39%
Large Cap Passive Core (12/31/84)	3.93%	11.09%	14.53%
NTGI MarketCap Idx (01/31/85)	3.93%	11.09%	14.53%
DJ U.S. Total Stock Market Index	3.93%	11.07%	14.49%
NTGI MarketCap Idx - Net (12/31/04)	3.93%	11.08%	14.52%

Large Cap Equity Returns

The table below details the rates of return for the fund's large cap core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Large Cap Active Core (12/31/04)	11.71%	5.78%	-	5.70%
Piedmont (05/31/11)	-	-	-	8.24%
Russell 1000 Index	12.93%	6.15%	8.97%	11.02%
Piedmont - Net (05/31/11)	-	-	-	7.84%
Progress (01/31/05)	11.79%	5.83%	-	5.79%
DJ U.S. Total Stock Market Index	13.08%	6.49%	9.43%	5.95%
Progress - Net (01/31/05)	11.13%	5.19%	-	5.17%
Large Cap Passive Core (12/31/84)	13.04%	6.36%	9.30%	10.80%
NTGI MarketCap Idx (01/31/85)	13.07%	6.38%	9.31%	10.84%
DJ U.S. Total Stock Market Index	13.08%	6.49%	9.43%	10.80%
NTGI MarketCap Idx - Net (12/31/04)	13.06%	6.37%	-	5.76%
DJ U.S. Total Stock Market Index	13.08%	6.49%	9.43%	6.34%

Small Cap Equity Returns

The table below details the rates of return for the fund's small cap growth, small cap value, and micro cap managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Small Cap Equity (06/30/88)	4.73%	12.98%	15.85%
Russell 2000 Index	4.62%	12.39%	16.30%
Small Cap Growth (06/30/88)	4.06%	12.57%	13.59%
Fortaleza (11/30/06)	5.83%	13.65%	13.07%
Russell 2000 Growth Index	5.10%	13.21%	14.52%
Fortaleza - Net (11/30/06)	5.83%	13.52%	12.38%
Frontier (07/31/88)	3.74%	10.98%	11.39%
Russell 2000 Growth Index	5.10%	13.21%	14.52%
Frontier - Net (12/31/04)	3.74%	10.85%	10.85%
Pyramis (07/31/88)	4.25%	14.02%	15.75%
Russell 2000 Growth Index	5.10%	13.21%	14.52%
Pyramis - Net (12/31/04)	4.25%	13.94%	15.38%
Small Cap Value (08/31/89)	4.50%	12.53%	18.72%
Channing (06/30/11)	4.88%	12.14%	24.86%
Russell 2000 Value Index	4.16%	11.63%	18.09%
Channing - Net (06/30/11)	4.88%	11.93%	23.90%
DFA Small Cap Value (01/31/96)	4.99%	13.73%	22.70%
Russell 2000 Value Index	4.16%	11.63%	18.09%
DFA Small Cap Value - Net (12/31/04)	4.99%	13.60%	22.10%
Inv. Counselors of Maryland (04/30/99)	3.93%	11.43%	15.34%
Russell 2000 Value Index	4.16%	11.63%	18.09%
Inv. Couns. of Maryland - Net (12/31/04)	3.93%	11.33%	14.89%
Lombardia (05/31/11)	4.91%	12.93%	15.96%
Russell 2000 Value Index	4.16%	11.63%	18.09%
Lombardia - Net (05/31/11)	4.91%	12.75%	15.17%
Micro Cap (06/30/84)	6.46%	14.67%	14.58%
Ariel (10/31/10)	7.95%	15.79%	24.88%
Russell 2000 Value Index	4.16%	11.63%	18.09%
Russell 2000 Index	4.62%	12.39%	16.30%
Russell Microcap Index	5.50%	12.58%	16.93%
Ariel - Net (10/31/10)	7.95%	15.56%	23.90%
Ativo (09/30/10)	8.32%	19.13%	22.71%
Russell 2000 Growth Index	5.10%	13.21%	14.52%
Russell 2000 Index	4.62%	12.39%	16.30%
Russell Microcap Index	5.50%	12.58%	16.93%
Ativo - Net (09/30/10)	8.32%	18.91%	21.74%
DFA Micro Cap (07/31/87)	4.71%	12.01%	18.33%
Russell 2000 Value Index	4.16%	11.63%	18.09%
Russell 2000 Index	4.62%	12.39%	16.30%
DFA Micro Cap - Net (12/31/04)	4.71%	11.88%	17.74%
Wall Street (07/31/90)	7.17%	15.85%	9.24%
Russell 2000 Growth Index	5.10%	13.21%	14.52%
Russell 2000 Index	4.62%	12.39%	16.30%
Wall Street - Net (12/31/04)	7.17%	15.65%	8.43%

Small Cap Equity Returns

The table below details the rates of return for the fund's small cap growth, small cap value, and micro cap managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Small Cap Equity (06/30/88)	14.57%	9.33%	14.18%	12.56%
Russell 2000 Index	13.45%	8.24%	11.52%	9.57%
Small Cap Growth (06/30/88)	14.07%	8.90%	13.81%	13.20%
Fortaleza (11/30/06)	17.83%	8.77%	-	5.68%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	6.18%
Fortaleza - Net (11/30/06)	17.22%	8.21%	-	5.16%
Frontier (07/31/88)	12.77%	9.86%	13.08%	13.18%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	7.38%
Frontier - Net (12/31/04)	12.11%	9.07%	-	7.99%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	7.01%
Pyramis (07/31/88)	14.95%	9.28%	15.22%	13.88%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	7.38%
Pyramis - Net (12/31/04)	14.32%	8.67%	-	10.09%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	7.01%
Small Cap Value (08/31/89)	13.81%	8.95%	13.42%	12.29%
Channing (06/30/11)	-	-	-	13.81%
Russell 2000 Value Index	12.12%	7.29%	11.29%	10.98%
Channing - Net (06/30/11)	-	-	-	12.99%
DFA Small Cap Value (01/31/96)	15.68%	9.97%	14.95%	13.00%
Russell 2000 Value Index	12.12%	7.29%	11.29%	9.85%
DFA Small Cap Value - Net (12/31/04)	15.14%	9.43%	-	7.05%
Russell 2000 Value Index	12.12%	7.29%	11.29%	5.70%
Inv. Counselors of Maryland (04/30/99)	12.74%	8.35%	12.73%	12.30%
Russell 2000 Value Index	12.12%	7.29%	11.29%	9.89%
Inv. Couns. of Maryland - Net (12/31/04)	12.27%	7.81%	-	7.14%
Russell 2000 Value Index	12.12%	7.29%	11.29%	5.70%
Lombardia (05/31/11)	-	-	-	9.11%
Russell 2000 Value Index	12.12%	7.29%	11.29%	8.97%
Lombardia - Net (05/31/11)	-	-	-	8.45%
Micro Cap (06/30/84)	16.40%	8.47%	13.38%	12.19%
Ariel (10/31/10)	-	-	-	16.13%
Russell 2000 Value Index	12.12%	7.29%	11.29%	14.36%
Russell 2000 Index	13.45%	8.24%	11.52%	14.92%
Russell Microcap Index	12.80%	6.68%	9.99%	14.34%
Ariel - Net (10/31/10)	-	-	-	15.25%
Ativo (09/30/10)	-	-	-	14.76%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	16.82%
Russell 2000 Index	13.45%	8.24%	11.52%	16.24%
Russell Microcap Index	12.80%	6.68%	9.99%	16.36%
Ativo - Net (09/30/10)	-	-	-	13.93%
DFA Micro Cap (07/31/87)	15.88%	9.33%	13.09%	11.28%
Russell 2000 Value Index	12.12%	7.29%	11.29%	10.26%
Russell 2000 Index	13.45%	8.24%	11.52%	8.66%
DFA Micro Cap - Net (12/31/04)	15.34%	8.80%	-	5.99%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	7.01%
Russell 2000 Index	13.45%	8.24%	11.52%	6.41%
Wall Street (07/31/90)	17.24%	8.42%	13.92%	14.25%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	7.19%
Russell 2000 Index	13.45%	8.24%	11.52%	9.44%
Wall Street - Net (12/31/04)	16.38%	7.58%	-	6.16%
Russell 2000 Growth Index	14.75%	9.04%	11.61%	7.01%
Russell 2000 Index	13.45%	8.24%	11.52%	6.41%

International Equity Returns

The table below details the rates of return for the fund's international large cap growth and international large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Intl Large Cap Equity (08/31/86)	1.03%	4.98%	11.57%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
Intl Large Cap Growth (08/31/02)	0.11%	3.95%	12.49%
EARNEST Partners (09/30/04)	(0.87%)	2.79%	10.70%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
MSCI ACWI ex-US Growth	0.80%	4.58%	9.46%
EARNEST Partners - Net (12/31/04)	(0.87%)	2.74%	10.15%
William Blair (09/30/02)	1.06%	5.08%	14.25%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
MSCI ACWI ex-US Growth	0.80%	4.58%	9.46%
William Blair - Net (12/31/04)	1.06%	4.99%	13.77%
Intl Large Cap Value (09/30/95)	1.95%	4.69%	7.67%
Brandes (12/31/95)	2.23%	5.10%	5.91%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
MSCI ACWI ex-US Value	(0.31%)	1.94%	8.23%
Brandes - Net (12/31/04)	2.23%	5.04%	5.65%
Lombardia (3/31/12)	0.18%	2.83%	13.37%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
MSCI ACWI ex-US Value	(0.31%)	1.94%	8.23%
Lombardia - Net (3/31/12)	0.18%	2.79%	12.98%
Mondrian (3/31/12)	1.99%	4.30%	8.18%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
MSCI ACWI ex-US Value	(0.31%)	1.94%	8.23%
Mondrian - Net (3/31/12)	1.99%	4.17%	7.75%
Lazard (3/31/12)	0.90%	5.21%	14.47%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
MSCI ACWI ex-US Value	(0.31%)	1.94%	8.23%
Lazard - Net (3/31/12)	0.90%	5.15%	14.26%

International Equity Returns

The table below details the rates of return for the fund's international large cap growth and international large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Intl Large Cap Equity (08/31/86)	6.33%	0.16%	11.14%	8.14%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	-
Intl Large Cap Growth (08/31/02)	8.14%	0.56%	12.06%	10.04%
EARNEST Partners (09/30/04)	7.94%	4.82%	-	12.89%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	7.28%
MSCI ACWI ex-US Growth	5.81%	0.13%	10.67%	7.89%
EARNEST Partners - Net (12/31/04)	7.46%	4.32%	-	10.42%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	5.81%
MSCI ACWI ex-US Growth	5.81%	0.13%	10.67%	6.47%
William Blair (09/30/02)	10.10%	1.37%	12.33%	10.38%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	9.03%
MSCI ACWI ex-US Growth	5.81%	0.13%	10.67%	9.01%
William Blair - Net (12/31/04)	9.69%	0.97%	-	6.47%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	5.81%
MSCI ACWI ex-US Growth	5.81%	0.13%	10.67%	6.47%
Intl Large Cap Value (09/30/95)	3.42%	(0.54%)	11.04%	9.76%
Brandes (12/31/95)	3.07%	(0.75%)	10.92%	9.75%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	5.52%
MSCI ACWI ex-US Value	3.90%	(0.02%)	12.10%	-
Brandes - Net (12/31/04)	2.84%	(1.00%)	-	3.07%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	5.81%
MSCI ACWI ex-US Value	3.90%	(0.02%)	12.10%	6.03%
Lombardia (3/31/12)	-	-	-	13.37%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	8.36%
MSCI ACWI ex-US Value	3.90%	(0.02%)	12.10%	8.23%
Lombardia - Net (3/31/12)	-	-	-	12.98%
Mondrian (3/31/12)	-	-	-	8.18%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	8.36%
MSCI ACWI ex-US Value	3.90%	(0.02%)	12.10%	8.23%
Mondrian - Net (3/31/12)	-	-	-	7.75%
Lazard (3/31/12)	-	-	-	14.47%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	8.36%
MSCI ACWI ex-US Value	3.90%	(0.02%)	12.10%	8.23%
Lazard - Net (3/31/12)	-	-	-	14.26%

International Equity Returns

The table below details the rates of return for the fund's international large cap core, international small cap, and emerging markets managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Intl Large Cap Active Core (01/31/08)	1.34%	5.82%	13.92%
Arrowstreet (02/29/08)	0.43%	4.69%	12.36%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
Arrowstreet - Net (02/29/08)	0.43%	4.58%	11.83%
Brown (09/30/04)	3.54%	9.60%	17.37%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
Brown - Net (12/31/04)	3.54%	9.53%	16.87%
GlobeFlex (02/28/06)	1.18%	5.13%	13.82%
MSCI ACWI ex-US Index	0.20%	3.17%	8.36%
GlobeFlex - Net (02/28/06)	1.18%	5.03%	13.33%
Intl Large Cap Pass. Core (12/31/99)	0.88%	5.21%	11.74%
NTGI MSCI EAFE Idx (01/31/00)	0.88%	5.21%	11.74%
MSCI EAFE Index	0.82%	5.13%	11.25%
NTGI EAFE Idx - Net (12/31/04)	0.88%	4.26%	10.72%
International Small Cap (11/30/05)	2.51%	8.72%	17.42%
Franklin Templeton (07/31/11)	1.52%	8.81%	17.89%
ACWI Small Cap ex US	1.58%	6.54%	10.48%
Franklin Templeton - Net (07/31/11)	1.52%	8.62%	17.01%
William Blair (08/31/10)	3.37%	8.64%	17.02%
ACWI Small Cap ex US	1.58%	6.54%	10.48%
Intl SC Blended Benchmark	1.58%	6.54%	10.48%
William Blair - Net (08/31/10)	3.37%	8.43%	16.08%
Emerging Markets (01/31/92)	(1.29%)	0.41%	7.71%
Genesis (04/30/04)	(1.29%)	0.41%	7.71%
MSCI Emerging Markets Index	(1.70%)	(1.57%)	2.30%
Genesis - Net (12/31/04)	(1.29%)	0.41%	7.22%

Brown and GlobeFlex moved to International Large Cap Active Core April 1, 2011.

Intl SC Blended Benchmark consists of the S&P Developed Ex-U.S. Small Cap Index through May 31, 2011 and the MSCI ACWI Ex-U.S. Small Cap Index thereafter.

International Equity Returns

The table below details the rates of return for the fund's international large cap core, international small cap, and emerging markets managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Intl Large Cap Active Core (01/31/08)	8.11%	2.58%	-	1.89%
Arrowstreet (02/29/08)	7.56%	2.27%	-	1.62%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	(0.26%)
Arrowstreet - Net (02/29/08)	7.04%	1.79%	-	1.15%
Brown (09/30/04)	6.61%	3.02%	-	8.50%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	7.28%
Brown - Net (12/31/04)	6.12%	2.63%	-	5.95%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	5.81%
GlobeFlex (02/28/06)	8.50%	(0.10%)	-	3.51%
MSCI ACWI ex-US Index	4.41%	(0.39%)	10.93%	2.94%
GlobeFlex - Net (02/28/06)	8.03%	(0.54%)	-	3.05%
Intl Large Cap Pass. Core (12/31/99)	5.39%	(0.48%)	10.09%	2.44%
NTGI MSCI EAFE Idx (01/31/00)	5.39%	(0.50%)	10.08%	2.45%
MSCI EAFE Index	5.00%	(0.89%)	9.69%	2.07%
NTGI EAFE Idx - Net (12/31/04)	5.07%	(0.68%)	-	4.28%
MSCI EAFE Index	5.00%	(0.89%)	9.69%	4.56%
International Small Cap (11/30/05)	9.60%	(0.33%)	-	3.21%
Franklin Templeton (07/31/11)	-	-	-	5.49%
ACWI Small Cap ex US	6.95%	2.54%	14.28%	0.82%
Franklin Templeton - Net (07/31/11)	-	-	-	4.81%
William Blair (08/31/10)	-	-	-	15.33%
ACWI Small Cap ex US	6.95%	2.54%	14.28%	10.09%
Intl SC Blended Benchmark	7.52%	1.15%	13.24%	11.40%
William Blair - Net (08/31/10)	-	-	-	12.37%
Emerging Markets (01/31/92)	7.41%	6.57%	20.20%	10.43%
Genesis (04/30/04)	7.41%	6.57%	-	15.37%
MSCI Emerging Markets Index	3.59%	1.39%	17.41%	11.82%
Genesis - Net (12/31/04)	6.81%	5.95%	-	13.36%
MSCI Emerging Markets Index	3.59%	1.39%	17.41%	11.59%

Brown and GlobeFlex moved to International Large Cap Active Core April 1, 2011.

Intl SC Blended Benchmark consists of the S&P Developed Ex-U.S. Small Cap Index through May 31, 2011 and the MSCI ACWI Ex-U.S. Small Cap Index thereafter.

Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Dom. Fixed Active Core (03/31/01)	0.15%	0.41%	5.41%
EARNEST Partners (04/30/05)	0.17%	0.59%	5.29%
BC Aggregate Index	0.08%	(0.12%)	3.77%
EARNEST Partners - Net (04/30/05)	0.17%	0.54%	5.07%
Piedmont (05/31/05)	0.12%	0.22%	5.54%
BC Aggregate Index	0.08%	(0.12%)	3.77%
Piedmont - Net (05/31/05)	0.12%	0.14%	5.32%
Dom. Fixed Enhanced Core (03/31/00)	0.05%	(0.15%)	4.67%
BlackRock Enhanced (04/30/00)	0.05%	(0.15%)	4.67%
BC Aggregate Index	0.08%	(0.12%)	3.77%
BlackRock Enhanced - Net (12/31/04)	0.05%	(0.15%)	4.60%
Dom. Fixed Passive Core (12/31/89)	0.06%	(0.14%)	3.82%
NTGI BC Agg. Index (01/31/90)	0.06%	(0.14%)	3.82%
BC Aggregate Index	0.08%	(0.12%)	3.77%
NTGI BC Agg. Index - Net (12/31/04)	0.06%	(0.14%)	3.82%

Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Dom. Fixed Active Core (03/31/01)	6.76%	6.60%	4.85%	5.38%
EARNEST Partners (04/30/05)	6.72%	6.52%	-	5.95%
BC Aggregate Index	5.52%	5.47%	5.02%	5.47%
EARNEST Partners - Net (04/30/05)	6.51%	6.30%	-	5.75%
Piedmont (05/31/05)	6.73%	6.10%	-	5.47%
BC Aggregate Index	5.52%	5.47%	5.02%	5.35%
Piedmont - Net (05/31/05)	6.54%	5.91%	-	5.26%
Dom. Fixed Enhanced Core (03/31/00)	5.81%	5.66%	5.09%	6.16%
BlackRock Enhanced (04/30/00)	5.81%	5.66%	5.09%	6.20%
BC Aggregate Index	5.52%	5.47%	5.02%	6.11%
BlackRock Enhanced - Net (12/31/04)	5.74%	5.59%	-	5.16%
BC Aggregate Index	5.52%	5.47%	5.02%	5.30%
Dom. Fixed Passive Core (12/31/89)	5.49%	5.34%	4.98%	6.80%
NTGI BC Agg. Index (01/31/90)	5.49%	5.34%	4.98%	6.83%
BC Aggregate Index	5.52%	5.47%	5.02%	6.82%
NTGI BC Agg. Index - Net (12/31/04)	5.48%	5.33%	-	5.12%
BC Aggregate Index	5.52%	5.47%	5.02%	5.30%

Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core plus and high yield managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last Month	Last 3 Months	Last 12 Months
Domestic Fixed Core Plus (12/31/81)	0.17%	0.28%	6.36%
BlackRock Core Plus (03/31/07)	0.03%	(0.11%)	4.90%
BC Aggregate Index	0.08%	(0.12%)	3.77%
BlackRock Core Plus - Net (03/31/07)	0.03%	(0.32%)	4.65%
LM Capital (04/30/05)	0.20%	0.13%	6.00%
BC Aggregate Index	0.08%	(0.12%)	3.77%
LM Capital - Net (04/30/05)	0.20%	0.09%	5.83%
Progress Fixed Income (12/31/05)	0.17%	0.44%	5.91%
BC Aggregate Index	0.08%	(0.12%)	3.77%
Progress Fixed Inc. - Net (12/31/05)	0.17%	0.35%	5.54%
Taplin, Canida, Habacht (04/30/05)	0.09%	0.12%	7.32%
BC Aggregate Index	0.08%	(0.12%)	3.77%
Taplin, Canida, Hab. - Net (04/30/05)	0.09%	0.08%	7.18%
Western (10/31/01)	0.31%	0.70%	7.04%
BC Aggregate Index	0.08%	(0.12%)	3.77%
Western - Net (12/31/04)	0.31%	0.67%	6.89%
High Yield (03/31/86)	0.92%	2.80%	12.45%
MackKay Shields (10/31/00)	0.89%	2.82%	12.29%
ML High Yield Cash Pay Index	1.03%	2.87%	13.05%
MackKay Shields - Net (12/31/04)	0.81%	2.73%	11.82%
Pyramis (07/31/86)	0.95%	2.78%	12.59%
ML High Yield Cash Pay Index	1.03%	2.87%	13.05%
Pyramis - Net (12/31/04)	0.95%	2.72%	12.26%

Taplin, Canida, & Habacht moved to Core Plus October 1, 2010.

Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core plus and high yield managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended March 31, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Fixed Core Plus (12/31/81)	7.31%	6.98%	5.91%	9.02%
BlackRock Core Plus (03/31/07)	6.59%	6.25%	-	6.22%
BC Aggregate Index	5.52%	5.47%	5.02%	5.75%
BlackRock Core Plus - Net (03/31/07)	6.44%	6.14%	-	6.12%
LM Capital (04/30/05)	6.81%	6.77%	-	6.34%
BC Aggregate Index	5.52%	5.47%	5.02%	5.47%
LM Capital - Net (04/30/05)	6.64%	6.60%	-	6.17%
Progress Fixed Income (12/31/05)	6.56%	6.37%	-	6.46%
BC Aggregate Index	5.52%	5.47%	5.02%	5.70%
Progress Fixed Inc. - Net (12/31/05)	6.19%	6.00%	-	6.12%
Taplin, Canida, Habacht (04/30/05)	7.71%	7.38%	-	6.05%
BC Aggregate Index	5.52%	5.47%	5.02%	5.47%
Taplin, Canida, Hab. - Net (04/30/05)	7.57%	7.25%	-	5.95%
Western (10/31/01)	8.07%	7.75%	6.35%	6.63%
BC Aggregate Index	5.52%	5.47%	5.02%	5.38%
Western - Net (12/31/04)	7.92%	7.59%	-	5.82%
BC Aggregate Index	5.52%	5.47%	5.02%	5.30%
High Yield (03/31/86)	10.94%	11.46%	10.91%	10.38%
Mackay Shields (10/31/00)	11.21%	10.47%	10.91%	10.16%
ML High Yield Cash Pay Index	10.90%	11.19%	9.81%	8.43%
Mackay Shields - Net (12/31/04)	10.81%	10.07%	-	7.78%
ML High Yield Cash Pay Index	10.90%	11.19%	9.81%	8.43%
Pyramis (07/31/86)	10.67%	12.49%	10.92%	10.15%
ML High Yield Cash Pay Index	10.90%	11.19%	9.81%	8.96%
Pyramis - Net (12/31/04)	10.00%	12.05%	-	8.69%
ML High Yield Cash Pay Index	10.90%	11.19%	9.81%	8.43%

Taplin, Canida, & Habacht moved to Core Plus October 1, 2010.

Manager Summary

Five Best Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Outperformance (in % points)	Since Inception Outperformance (in % points)	
Brown	6.43	1.22	(09/30/04)
Ativo	5.92	-2.06	(09/30/10)
Ariel	4.16	1.77	(10/31/10)
Wall Street	2.64	7.06	(07/31/90)
Franklin Templeton	2.27	4.67	(07/31/11)

Five Worst Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Underperformance (in % points)	Since Inception Underperformance (in % points)	
BlackRock LCG	-3.12	-6.83	(07/31/11)
Sands	-2.31	3.34	(10/31/03)
Frontier	-2.23	5.80	(07/31/88)
Piedmont LC	-1.80	-2.78	(05/31/11)
Dodge & Cox	-0.40	0.66	(08/31/03)

Five Highest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
Ativo	19.13	14.76	(09/30/10)
Wall Street	15.85	14.25	(07/31/90)
Ariel	15.79	16.13	(10/31/10)
Pyramis SC	14.02	13.88	(07/31/88)
Dimensional Fund Advisors SCV	13.73	13.00	(01/31/96)

Five Lowest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
BlackRock Enhanced	-0.15	6.20	(04/30/00)
NT Barclays Agg	-0.14	6.83	(01/31/90)
BlackRock Core Plus	-0.11	6.22	(03/31/07)
Taplin, Canida, & Habacht	0.12	6.05	(04/30/05)
LM Capital	0.13	6.34	(04/30/05)

Returns are shown gross of investment management fees.

Excludes Real Estate and Alternative Investments portfolios.

The report was followed by questions and discussion from Board Members.

(13-04-02) (Consent Agenda) The Chair presented an agenda consisting of a Consent Agenda. The following items remained on the Consent Agenda since no Board member asked for their removal.

Approval of Minutes

Regular Meeting #13-03-22

Schedules - Dated April 26, 2013

- Schedule A - Benefit award listing of retirement, temporary disability, death benefits, and refund of employee contributions processed during the preceding calendar month under Article 7 of the Illinois Pension Code.
- Schedule B - Adjustment of Benefit Awards showing adjustments required in benefit awards and the reasons therefore.
- Schedule C - Benefit Cancellations.
- Schedule D - Expiration of Temporary Disability Benefits terminated under the provisions of Section 7-147 of the Illinois Pension Code.
- Schedule E - Total and Permanent Disability Benefit Awards recommended by the Fund's medical consultants as provided by Section 7-150 of the Illinois Pension Code.
- Schedule F - Benefits Terminated.
- Schedule G - Administrative Benefit Denials.
- Schedule P - Administrative Denial of Application for Past Service Credit.

Administration - Master Trustee Report

The Master Trustee Report for the month of February was prepared by The Northern Trust Company.

Bids (3)

VMWare Licenses, Upgrades and Associated Maintenance

Approved Bidder: Software House, Inc.

Approved Bid: \$36,833.00

Two Apple Mac Pro Systems

Approved Bidder: Software House, Inc.

Approved Bid: \$6,996.00

Replacement of Two Air Conditioning Units

Approved Bidder: Midwest Mechanical Systems

Approved Bid: \$27,784.00

After questions and discussion, it was moved by Ms. Henry, seconded by Ms. Thompson to approve the items on the Consent Agenda.

Vote: Unanimous Voice Vote
Absent: None

(13-04-03) (Financial Report) The Chair presented the following financial report for approval.

- Review of April Reporting Package
- February Interim Financial Statements
- Impact of 2013 Year-To-Date Investment Income on Employer Reserves, Funding Status and Average Employer Contribution Rates
- Schedule T - Report of Expenditures

It was moved by Mr. Nannini, seconded by Ms. Copper, to approve the Financial Report as presented.

Vote: Unanimous Voice Vote
Absent: None

(13-04-04) (Report of the Benefit Review Committee) The Chair of the Benefit Review Committee reported on the meeting held on April 25, 2013.

It was moved by Ms. Copper, seconded by Ms. Thompson, to approve the following recommendations of the Benefit Review Committee:

To adopt the following revised Benefit Oversight Committee Charter:

BENEFIT OVERSIGHT COMMITTEE CHARTER

PURPOSE

The purpose of the Committee is to 1) review staff decisions in extraordinary situations which negatively impact a member's service credit or benefit payment, including termination of benefits, in order to achieve a substantial equality of treatment between members and fairness of treatment to a specific member given the unique circumstances of his or her claim; and 2) review certain Board hearing requests on non-disability claims to insure such claims are appropriate for a Board hearing.

The Committee is not intended to review routine staff decisions which a member or employer wishes to challenge unless there are unusual circumstances. These latter challenges are most appropriately handled by the department manager and in rare cases by the department director.

COMPOSITION

Chairperson: Executive Director
Members: Deputy Executive Director, Benefits Manager, General Counsel

RESPONSIBILITY

The Legal Department will prepare the files on non-disability Board hearing requests for the Committee. The appropriate department will prepare other

files and bring the extraordinary situation cases to the Committee. It is staff and management's responsibility to identify extraordinary situation cases.

For Board hearing request case reviews, the Committee will either send cases on to the Board's Benefit Review Committee or back to the appropriate department for further action. For extraordinary situation cases, the Committee will either direct that the benefit be paid, service credit allowed, or other appropriate staff action be taken or direct that an adverse staff decision letter be sent the member or employer.

MEETINGS

Meetings of the Committee will be held on an as-needed basis.

To adopt the following revised Non-Disability Appeals Procedures:

ILLINOIS MUNICIPAL RETIREMENT FUND - BOARD OF TRUSTEES

APPEAL PROCEDURES (NON-DISABILITY)

I. Administrative Staff Determination

1. Staff Determination The IMRF administrative staff is responsible for the daily claims-processing function of the Fund, including processing of all claims for benefits or service credit or any other claims against or relating to the Fund.
2. Benefit Oversight Committee The purpose of the Committee is to 1) review staff decisions in extraordinary situations which negatively impact a member's service credit or benefit payment, including termination of benefits, in order to achieve a substantial equality of treatment between members and fairness of treatment to a specific member given the unique circumstances of his or her claim; and 2) review certain Board hearing requests on non-disability claims to insure such claims are appropriate for a Board hearing. Decisions of the Committee shall be considered administrative staff decisions. The Committee shall be composed of the Executive Director, the Deputy Executive Director, the General Counsel, and the Benefits Manager.

II. Hearing

1. Petition Any person or employer adversely affected by an administrative staff determination not involving a disability claim may petition for a hearing before the Board of Trustees Benefit Review Committee. The petition must be in writing but may be in any format and need merely inform the Fund of the petitioner's desire for a hearing.

The petition should be directed to the Associate General Counsel in the IMRF Oak Brook office and must be received by IMRF no later than sixty-three (63) days after the date of the administrative staff determination

letter. Failure to timely file an appeal petition shall result in the administrative staff determination becoming a final administrative decision, for purposes of the Administrative Review Law, on the sixty-fourth (64th) day after the date of the staff determination letter.

2. Acknowledgment of Petition; Statement of Claim Upon the filing of a petition for a hearing, the Associate General Counsel shall send an acknowledgment of the petition informing the claimant that he/she is required to file a Statement of Claim within ninety-one (91) days of the date of the appeal acknowledgement letter. The Statement of Claim shall include:

- the petitioner's name, MID, and address
- the name and address of the petitioner's authorized representative, if any
- a statement of the facts forming the basis for the appeal, which may include any new or additional evidence
- any documents or other materials the petitioner wishes to be considered in conjunction with the appeal
- an explanation of the relief sought

The Statement of Claim shall be limited to 20 pages, excluding exhibits. If typewritten, the pages must be 8-1/2" x 11", paginated, one-sided with 12-point font, double-spaced text. Exhibits shall be marked in a manner to allow electronic scanning. The petitioner shall file at least one unbound copy of the Statement of Claim with the Associate General Counsel. The Statement of Claim may be filed electronically with the Associate General Counsel.

Should the petitioner choose not to submit a Statement of Claim, as required by these procedures, the Benefit Review Committee will consider the appeal at the first available meeting occurring after the expiration of ninety-one (91) days from the date of the appeal acknowledgement letter.

In the event that a petitioner fails to submit a Statement of Claim, the Benefit Review Committee's consideration of the appeal will be based solely upon the written materials that are already in the IMRF file on the due date for the Statement of Claim.

3. Scheduling of Hearing Upon receipt of the Statement of Claim, the Associate General Counsel shall add the petitioner's claim to the agenda of the next available Benefit Review Committee Meeting. However, if the Statement of Claim reveals that the appeal only concerns legal, as opposed to factual issues, or if no Statement of Claim is filed and it appears from the staff determination that the appeal only concerns legal, as opposed to factual issues, a formal hearing before the Benefit Review Committee will not be held, and the Board of Trustees will decide the appeal based solely upon the written record. In that case, the Board of Trustees will decide the appeal via Board Schedule H.
4. Notification Upon scheduling of a hearing before the Benefit Review Committee, a petitioner shall be provided with written notice of the date and place of the hearing and the subject matter of the hearing. Upon

request, the petitioner or his/her representative will be provided with all documentation and other materials to be presented to the Benefit Review Committee by the administrative staff.

5. Continuances and Extensions of Time Continuances of the hearing date and other extensions of time may be granted to the petitioner upon request.

The Benefit Review Committee will normally consider an appeal at the first available meeting after the receipt of the petitioner's Statement of Claim.

However, no more than one continuance or extension shall be granted. IMRF will not grant requests for continuance if received less than fourteen (14) days prior to the hearing date.

6. Late Submissions Any documents or other materials that are submitted in addition to a Statement of Claim must be received by IMRF no later than twenty (20) days prior to the scheduled hearing date. Any additional materials received less than twenty (20) days before the hearing date will be considered a "late submission". Whenever a petitioner makes a "late submission," the Benefit Review Committee will offer the petitioner the following alternatives:

- The petitioner can proceed with the hearing as scheduled; however, the Benefit Review Committee **will not** consider the "late submission"
- The petitioner can request, and receive, a postponement of the hearing until the earliest available future date in order to allow for consideration of the "late submission".

If a hearing is postponed in order to allow for consideration of the "late submission", any additional materials submitted within twenty (20) days of the re-scheduled hearing date **WILL NOT** be considered by the Benefit Review Committee or by the full Board of Trustees.

7. In the event that a petitioner fails to appear on the scheduled hearing date, the Benefit Review Committee's consideration of the appeal will be based solely upon the written materials that are already in the IMRF file. The Committee will make a final recommendation to the Board of Trustees at that time.

8. Representation The petitioner may be represented by counsel or a designated spokesperson at the hearing. The Associate General Counsel or his/her designated representative shall present the IMRF administrative staff position.

9. Conduct of the Hearing

- a. Appearance The petitioner is not required to personally appear at the hearing and may be represented solely by the Statement of Claim on file. In the alternative, at the petitioner's discretion, the petitioner or his/her representative may appear in person or the hearing may be conducted via telephone or video conference.

- b. Procedures The Chairman of the Benefit Review Committee shall conduct a full and fair hearing; maintain order and make a sufficient record for a full and true disclosure of the facts and issues. Three members of the Benefit Review Committee shall constitute a quorum and a quorum is needed for all hearings. The hearing shall be informal and the rules of evidence shall not apply. The petitioner shall be limited to no more than 30 minutes to present their appeal.

The Committee shall be provided with a copy of the Statement of Claim, a statement of the position of the administrative staff, which shall include the administrative staff determination, and such other documentation as is available.

Members of the Benefit Review Committee may ask questions necessary for better understanding of the facts or law. The hearing shall be open to the public, unless the chair, for good cause shown and pursuant to the applicable provisions of the Open Meetings Act, shall determine otherwise.

- c. Record of Proceedings A record of proceedings shall be kept which shall be in the form of a non-verbatim summary report. The petitioner may obtain a verbatim record of the hearing by arranging for a court reporter. The petitioner is responsible for paying the actual costs entailed. The Associate General Counsel shall be the custodian of the documents and the record of proceedings.
- d. Determination Upon conclusion of all evidence and arguments, the Benefit Review Committee shall deliberate and make its decision as to the disposition of the claim. The vote of at least a majority of a quorum shall be required for any decision of the Benefit Review Committee.

The Benefit Review Committee shall render one of the following recommendations to the full Board of Trustees:

- affirmance of the administrative staff determination
- reversal of the administrative staff determination
- remand of the proceedings to the administrative staff for further investigation
- request the development of an alternative resolution
- in the case of deadlock, continuation of the claim for consideration by the full Board of Trustees.

Where an appeal is to be decided via Schedule H, any one member of the Committee can request that the matter be removed from said Schedule and placed on a future Committee agenda for hearing and recommendation.

III. Final Administrative Decision

1. Decision of the Full Board of Trustees The full Board of Trustees will consider the recommendation of the Benefit Review Committee in making the decision for the Fund as to the disposition of the appeal. At least five (5) affirmative votes shall be required for any decision of

the Board of Trustees. The Board of Trustees shall render one of the following decisions:

- affirmance of the administrative staff determination
- reversal of the administrative staff determination
- remand of the proceedings to the administrative staff for further investigation
- request the development of an alternative resolution.

The Board of Trustees will normally consider an appeal at the first available meeting following receipt of the Benefit Review Committee's recommendation or, if the appeal only concerns legal, as opposed to factual issues, after expiration of the aforementioned ninety-one (91) day period.

2. Final Administrative Decision A decision of the Board of Trustees either affirming or reversing the determination of the administrative staff shall be a final administrative decision for purposes of review under the Illinois Administrative Review Act (735 ILCS 5/3-101 et seq.). Remand of the proceedings to the administrative staff by the Board of Trustees shall not be considered a final decision, nor shall requesting the development of an alternative resolution be considered a final decision.
3. Remand for Further Investigation In the case of a remand of the proceedings to the administrative staff for further investigation, the administrative staff, upon completion of the directed investigation, shall present its recommendation to the full Board of Trustees at the next regularly scheduled meeting, and the Board of Trustees shall make a final administrative decision either affirming or reversing that recommendation.
4. Notice of Decision IMRF Staff shall send written notice of the decision of the Board of Trustees to the petitioner and, if applicable, the petitioner's representative

To uphold staff's determination to allow the transfer of Mr. Sheahan's service to IMRF.

Vote: Unanimous Voice Vote
Absent: None

(13-04-05) (Report of the Policy Review Committee) The Chair of the Policy Review Committee presented a report on the Committee Meeting that was held on April 25, 2013.

The Committee approved the Minutes of the March 21, 2013 Policy Review Committee Meeting.

Next, the Committee reviewed Tabs 11 through 17 of the Governance Manual. Staff is to provide a final draft of the recommended changes to the Committee at its next meeting.

(13-04-06) (2014 Employer Contribution Rates for Elected County Officials Plan) The Chief Financial Officer recommended the Board adopt the ARC as calculated under provisions of GASB No. 27 as the required rate for ECO employers in 2014. Staff also recommends that ECO employers be given the option of phasing-in this change over a two-year period. He stated that under the phase-in approach, an employer would be offered a lower rate for calendar year 2014 which would limit the increase to 50% of the total increase which would result from adopting the ARC rate.

He noted if the Board adopts staff's recommendations, staff would draft a special memorandum for impacted employers explaining the nature of the change and the phase-in option for 2014 rates.

After questions and discussion, it was moved by Mr. Kuehne, seconded by Mr. Nannini, to approve staff's recommendations to adopt the ARC as calculated under provisions of GASB No. 27 as the required rate.

Vote: Unanimous Voice Vote
Absent: None

(13-04-07) (Rule for Compliance with the federal HEART Act) General Counsel presented a resolution to the Board for approval.

She stated in 2011, section 1-118 of the Illinois Pension Code was amended to conform to the requirements of the federal Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act).

General Counsel reported since section 1-118 is a generic provision applicable to all the Illinois public retirement systems, IMRF's tax advisors suggested adopting a Board Rule to clearly define how section 1-118 will be administered by IMRF.

It was moved by Ms. Thompson, seconded by Ms. Copper, to adopt the following resolution:

WHEREAS, section 7-198 of the Illinois Pension Code authorizes the Board of Trustees of the Illinois Municipal Retirement Fund (IMRF) to establish rules necessary or desirable for the efficient administration of the Fund; and

WHEREAS, section 1-118 of the Pension Code provides that IMRF will comply with the provisions of the federal Heroes Earnings Assistance and Relief Tax Act of 2008 (P.L. 110-245); and

WHEREAS, it is necessary to adopt rules for the efficient administration of section 1-118.

THEREFORE BE IT RESOLVED that the following administrative rule be and is hereby adopted by the Board of Trustees:

RULE ON MILITARY SERVICE

1. Compliance with Code Section 414(u) for Reemployed Veterans

Effective December 12, 1994, pursuant to 40 ILCS 5/1-118 and, notwithstanding any other provision of the Pension Code, contributions, benefits and service credit with respect to qualified military service are governed by section 414(u) of the Internal Revenue Code and the Uniformed Services Employment and Reemployment Rights Act of 1994.

2 Compliance with Code Section 401(a)(37) and the HEART Act

Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent required by section 401(a)(37) of the Internal Revenue Code, survivors of an IMRF member are entitled to any additional benefits that the system would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's death while employed. In any event, a deceased member's period of qualified military service must be counted for vesting purposes.

Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent permitted by section 414(u)(9) of the Internal Revenue Code, for benefit accrual and vesting purposes, the member will be treated as having earned years of service for the period of qualified military service, having returned to employment on the day before the death, and then having terminated on the date of death. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

Beginning January 1, 2009, to the extent required by section 414(u)(12) of the Internal Revenue Code, an individual receiving differential wage payments (as defined under section 3401(h)(2) of the Internal Revenue Code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the Internal Revenue Code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

Vote: Unanimous Voice Vote
Absent: None

(13-04-08) (Legislative Update) The Legislative Liaison updated the Board on current legislative activity.

She reported that since the March Board Meeting, three of IMRF's four bills which contain six of the eight proposals from the Board's legislative agenda are still active and have passed the full House and are in the Senate (HB 1351 - includes the retiree return to work provision, HB 1444 - contains four of the technical provisions in the Board's legislative agenda and HB 2656 - requires IMRF to calculate the cost for transfers of police pension fund service by police chiefs who participate in SLEP on an actuarial basis).

She further reported HB 1296, requiring all Illinois pension funds to divest from any gun or ammunition manufacturer, which the Board opposes, passed the House Personnel & Pensions Committee, but failed to pass the full House.

Lastly, she stated there has been activity on various "pension reform" bills in both chambers.

Questions and discussion followed.

(13-04-09) (Litigation Status Update) The following is an update of the currently pending litigation:

STEVENS vs. VILLAGE OF OAK BROOK, et al.

Summary: An IMRF annuitant has filed suit against his former employer seeking a determination that he is entitled to Omitted Service credits for the years 1980 through 2000. The employer had previously determined that the member was not entitled to establish such credits for the period in question.

Status: The Circuit Court found in favor of the Plaintiff regarding the omitted service but declined to award attorneys fees. The parties cross appealed. Case has been fully briefed before the Second District Appellate Court and will be decided without an oral argument.

VRAKAS, et al. v. COUNTY OF WILL, et al.

Summary: Fifty-eight (58) full-time correctional deputies, sergeants and lieutenants have sued Will County seeking a determination that they were "sheriff's law enforcement employees" with respect to their pre-December 1, 2005 enrollments, as such, in IMRF.

Status: On February 7, 2013, the parties appeared before the Court where the County indicated that it had changed its mind and was no longer interested in settling the case. The Plaintiffs have filed a motion to enforce the settlement agreement. A hearing on that motion is set for April 2, 2013.

JOSEPH PRAZEN v. IMRF

Summary: This is an administrative review action involving an ERI return to work situation. The IMRF Board determined that Plaintiff's creation of a corporation was a guise to avoid the ERI forfeiture provisions contained in 7-141.1(g).

Status: Petition for Leave to appeal granted on November 28, 2012. IMRF's brief was filed on January 2, 2013. Oral argument will be scheduled for the May term of the Illinois Supreme Court.

IN RE TRIBUNE CO, ET AL. , THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF TRIBUNE CO, ET AL. VS. FITZSIMONS, ET AL.

Summary: The unsecured creditors in the Tribune bankruptcy have sued investors who sold their Tribune stock at the time of the buyout.

Status: IMRF has joined with other public plans and is using a shared counsel (Ice Miller LLP). A motion to dismiss is being briefed.

BURGER v. IMRF (12 MR 127)

Summary: Appeal of denial of total and permanent disability.

Status: Briefing schedule has been entered. Hearing set for May 8, 2013.

DIEHL V. BOARD OF TRUSTEES 912 MR 1282 Dupage)

Summary: Appeal of denial of total and permanent disability based on a voluntary resignation.

Status: Briefing schedule entered. Hearing scheduled for April 29, 2013.

LEHMAN BROS. SPECIAL FINANCING, INC. V. BANK OF AMERICA NATIONAL ASSOC., ET AL.

Summary: This case was filed in the Lehman Bros. Bankruptcy matter. IMRF owned a bond, purchased by one of the Progress managers, for which we were paid in full at the time Lehman became insolvent. In this case, certain of the parties in the Lehman bankruptcy are attempting to recoup the proceeds of our bond, as well as others.

Status: The adversary proceeding in the bankruptcy matter is currently stayed (on hold) while proper defendants are determined.

ANEGELINA TELLONE V. IMRF (2012 MR 1617 - DUPAGE CO.)

Summary: Closure of temporary disability claim due to failure to provide requested documentation.

Status: Appearance and answer have been filed, benefits is working with member to obtain additional documentation. Status set for April 29, 2013. Member allowed to bring additional documentation to IMRF.

(13-04-10) (Preliminary 2014 Employer Contribution Rates) The Chief Financial Officer reported the preliminary 2014 employer contribution rates were made available to IMRF employers on March 29, 2013.

He also presented an analysis of the 2014 rate choices to the Board.

Discussion followed.

(13-04-11) (Media Relations Update) Mr. Reynolds from Sikich, LLP. presented a review of IMRF 2012 media initiatives that included a look at our Public Relations objectives; challenges; strategies; tactics; and, results.

The presentation was followed by discussion.

(13-04-12) (Website Replacement Project) The Communications Manager gave a presentation on IMRF's website replacement project that included background information; a review of the goals for replacing the website; anticipated improvements; a timeline of the replacement plan; and, the next steps.

Questions and discussion followed.

(13-04-13) (Report of Executive Director)

Quarterly Strategic Objectives Report

The Executive Director updated the Board on the first Quarter 2013 Strategic Objectives.

Quarterly Compliance Certification

The Executive Director stated IMRF has been in compliance with the applicable Statutes and Regulations and the IMRF Ethics Code and Travel Policy during the 1st Quarter 2013.

He reported during the 1st Quarter 2013, IMRF staff has not had any other non-material irregularities or instances of non-compliance with the Illinois Pension Code or other applicable statutes and regulations, except as identified in the April 10, 2013 memorandum from the Deputy Executive Director.

Representation of IMRF

The Executive Director reviewed the meetings and conferences that he attended, as a representative of IMRF, since his March report.

Regional Manager Meeting

The Executive Director and Chief Investment Officer reviewed a draft of the agenda for the June 20-21, 2013 Regional Manager Meeting to be held in Chicago.

(13-04-14) (Adjournment) It was moved by Mr. Nannini, seconded by Mr. Piechocinski, to adjourn the Board Meeting at 10:20 a.m., to reconvene in the Fund offices, 2211 York Road, Suite 400, Oak Brook, Illinois, at 9:30 a.m. on May 31, 2013.

Vote: Unanimous Voice Vote
Absent: None

President

Date

Secretary

Date

Schedules A, B, C, D, E, F, G, and P are omitted from this copy of Minutes. These schedules are identical to schedules attached to Minutes distributed to Board of Trustees prior to meeting.