

**Callan Associates Inc.
Investment Measurement Service
Monthly Review**

**Illinois Municipal Retirement Fund
Monthly Performance Report
December 31, 2011**

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Returns
for Periods Ended December 31, 2011

	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	0.82	1.08	1.08	15.15	0.24	3.86
Russell:1000 Index	0.84	1.50	1.50	14.81	(0.02)	3.34
Russell:Midcap Index	(0.12)	(1.55)	(1.55)	20.17	1.41	6.99
Russell:2000 Index	0.66	(4.18)	(4.18)	15.63	0.15	5.62
MSCI:ACWI ex US	(1.10)	(13.33)	(13.33)	11.20	(2.48)	6.76
MSCI:EAFE US\$	(0.95)	(12.14)	(12.14)	7.65	(4.72)	4.67
MSCI:Emer Markets	(1.20)	(18.17)	(18.17)	20.42	2.70	14.20
BC:Aggr Bd	1.10	7.84	7.84	6.77	6.50	5.78
NCREIF Property Index	1.09	14.64	14.64	2.54	3.16	8.09
NAREIT Equity Index	4.67	8.29	8.29	21.05	(1.42)	10.21

December was a relatively calm month compared to the rest of 2011. Domestic equities were marginally positive (DJ US Total Stock Market Index: +0.8%) and international equities fell only slightly (MSCI ACW ex-US Index: -1.1%). While third quarter GDP was revised lower from 2.0% to 1.8%, unemployment continued to show a downward trend (8.5% in December). Year-over-year inflation in November came in at 3.4%, where it has been since May but up over 2% from November 2010. Although no clear cut solution has been found for the European debt crisis, investors seemed somewhat satisfied with the progress made in December.

Domestic bonds performed well again as the BC Aggregate Bond Index rose 1.1%. This brought the full year return 7.8%. While this return is higher than its annualized 10-year return of 5.8%, it is lower than the 30-year return of almost 9.0%.

The public real estate market, as measured by the NAREIT Equity Index, rebounded in December, rising 4.7%. The year-to-date return is now 8.3%.

*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.

Returns
for Periods Ended December 31, 2011

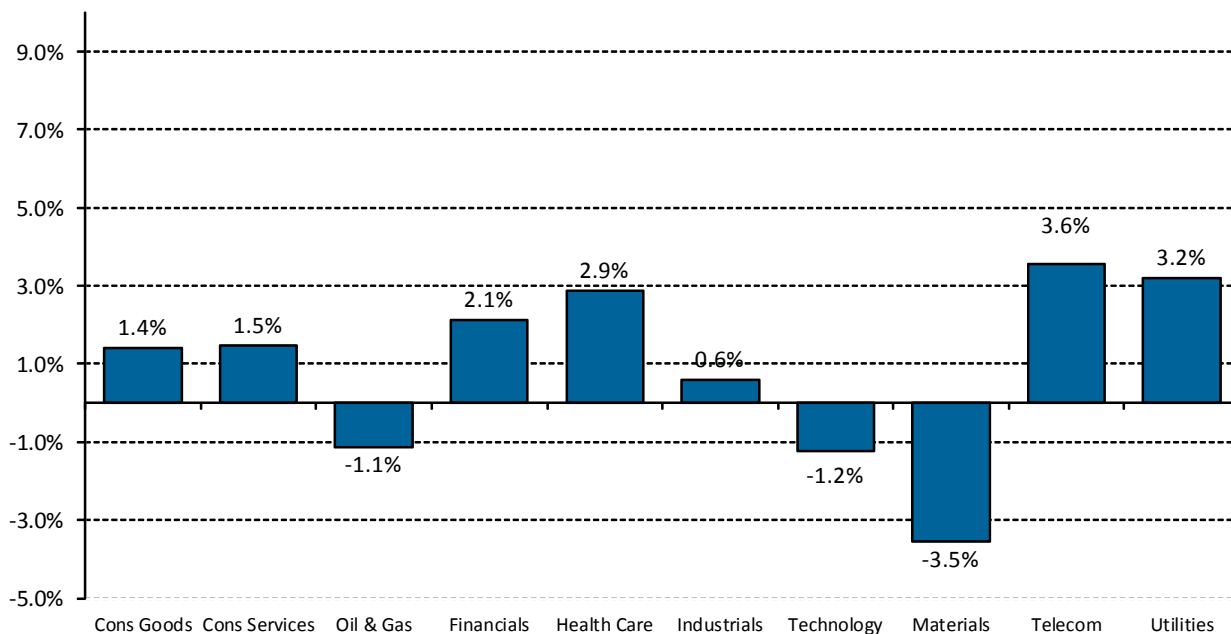
	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	0.82	1.08	1.08	15.15	0.24	3.86
Russell:1000 Index	0.84	1.50	1.50	14.81	(0.02)	3.34
Russell:1000 Growth	(0.32)	2.64	2.64	18.02	2.50	2.60
Russell:1000 Value	2.02	0.39	0.39	11.55	(2.64)	3.89
Russell:Midcap Index	(0.12)	(1.55)	(1.55)	20.17	1.41	6.99
Russell:2000 Index	0.66	(4.18)	(4.18)	15.63	0.15	5.62
Russell:2000 Growth	(0.22)	(2.91)	(2.91)	19.00	2.09	4.48
Russell:2000 Value	1.57	(5.50)	(5.50)	12.36	(1.87)	6.40

For the month, domestic equities were slightly positive in each major market segment, except mid caps. Large caps outperformed mid and small caps but the margin was narrow. The Russell 1000 Index was up 0.8%, followed by the Russell 2000 (+0.7%) and the Russell Midcap Index (-0.1%).

Value stocks outpaced growth stocks for the month (Russell 1000 Value: +2.0%; Russell 1000 Growth: -0.3%; Russell 2000 Value: +1.6%; Russell 2000 Growth: -0.2%).

In terms of sector performance, the Telecom, Utilities, and Health Care sectors all performed well (+3.6%, +3.2%, +2.9%, respectively) and the Materials sector fell the most (-3.5%).

DJ US Total Stock Market Sector Returns



Returns
for Periods Ended December 31, 2011

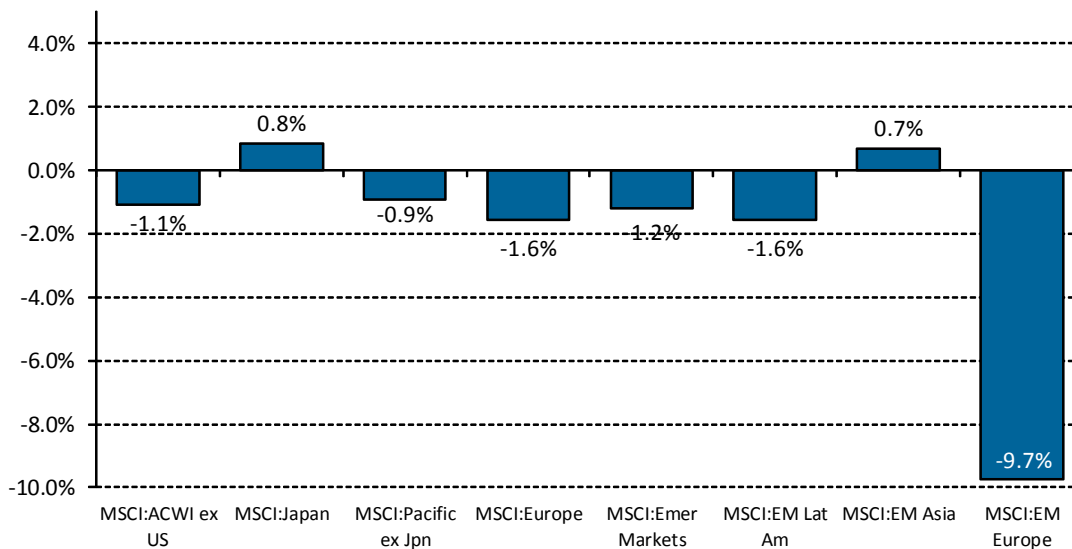
	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
MSCI:ACWI ex US	(1.10)	(13.33)	(13.33)	11.20	(2.48)	6.76
MSCI:ACWI ex US Gr	(1.60)	(13.93)	(13.93)	11.21	(1.84)	5.94
MSCI:ACW ex US Val	(0.60)	(12.71)	(12.71)	11.16	(3.17)	7.52
MSCI:EAFE US\$	(0.95)	(12.14)	(12.14)	7.65	(4.72)	4.67
MSCI:EAFE Hedged	0.40	(14.76)	(14.76)	2.20	(8.53)	(1.53)
MSCI:Emer Markets	(1.20)	(18.17)	(18.17)	20.42	2.70	14.20
S&P:Dev x US Sm Cap	(1.93)	(14.49)	(14.49)	14.80	(3.21)	9.44

International stocks continued to pull back in December, which marked the seventh month of negative returns out of the last eight. Emerging Markets Europe was by far the worst performing region, falling 9.7%. The next worst region was Emerging Markets Latin America, which was down 1.6%. The best performing region was Japan, returning +0.8%.

Developed country stocks, as measured by the MSCI EAFE Index, were down 1.0%. The U.S. dollar strengthened again in December so U.S. dollar based investors fared worse than local currency based investors; the MSCI EAFE-Hedged Index was up 0.4%. The MSCI Emerging Markets Index fell a little more than its developed country counterpart (-1.2%).

Outside the United States, value stocks outperformed growth stocks. The MSCI ACW ex-US Value Index fell 0.6% and the MSCI ACW ex-US Growth Index lost 1.6%.

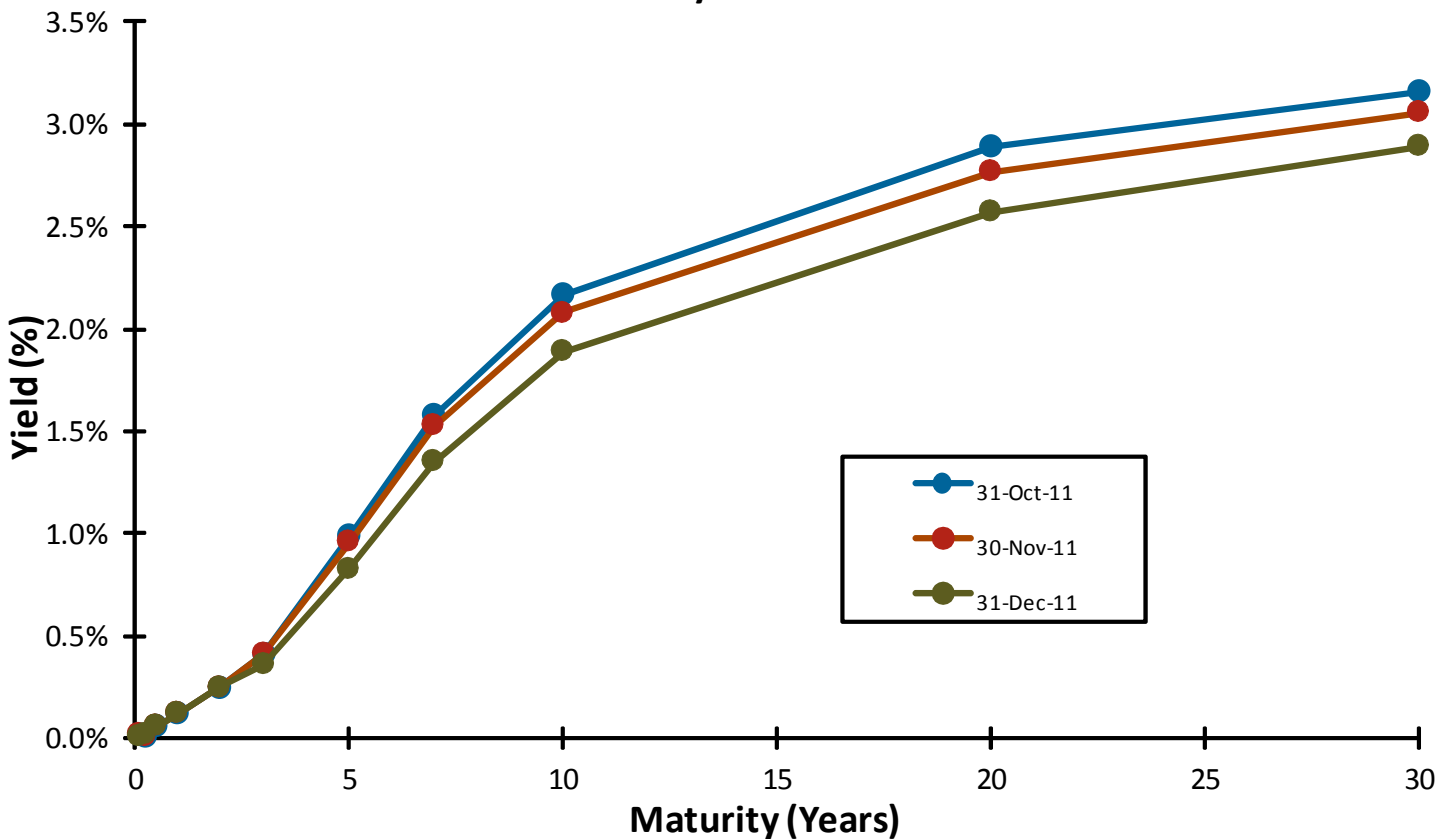
Monthly Regional Returns



Returns
for Periods Ended December 31, 2011

	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
BC:Aggr Bd	1.10	7.84	7.84	6.77	6.50	5.78
BC:Govt Index	0.89	9.02	9.02	4.01	6.56	5.59
BC:Credit	1.94	8.35	8.35	10.90	6.80	6.35
BC:Mortgage Idx	0.70	6.23	6.23	5.83	6.54	5.69
BC:US TIPS Index	0.04	13.56	13.56	10.38	7.95	7.57
ML:High Yield CP Idx	2.49	4.50	4.50	23.46	7.25	8.54
3 Month T-Bill	0.00	0.10	0.10	0.14	1.48	1.95

Treasury Yield Curve



The fixed income market benefited from falling yields across most maturities. All major segments of the domestic bond market provided investors with positive returns in December. The overall bond market, as represented by the BC Aggregate Bond Index, rose 1.1%. Both the credit and high yield markets performed very well (BC Credit Index: +1.9%; ML High Yield Cash Pay Index: +2.5%). Cash continues to give investors almost no return; the 3 Month T-Bill returned 0.1% for all of 2011.

Callan met with the following IMRF investment managers during the month:

Arrowstreet Capital, Limited Partnership
BlackRock Granite
Brandes Investment Partners
Franklin Templeton
Pyramis Management Trust Co.
Sands Capital Management, Inc.
Security Capital
Sentinel Real Estate Corporation

Total Fund

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 December 31st, all allocations were within the allowable range.

The Total Fund returned 0.52% during December, meeting the Total Fund Benchmark. Over the trailing year, the Fund was down 0.29%, lagging the benchmark by 1.77%. International Equity, Absolute Return, and Private Equity exceeded their target benchmarks over this period.

US Equity

Large Cap: Large Cap Growth underperformed Value for the month and quarter ending December. The Fund's Large Cap Growth managers returned -0.71%, trailing the Russell 1000 Growth Index by 0.39%. All of the large cap growth managers underperformed their benchmark. The Large Cap Value managers returned 2.04%, essentially equaling the Russell 1000 Value Index. BMO was the best performing manager in the group with a return of 2.80%. The Large Cap Core managers underperformed with an aggregate return of -0.01%.

Small Cap: The Small Cap portfolio returned 0.97% during the month. Small Cap Growth and Value managers were up 0.33% and 1.30% respectively. The Micro Cap segment gained 1.58% during the month with strong relative performance from Ariel and Wall Street.

International Equity

Large Cap: International Large Cap managers returned -1.14%, essentially flat to the MSCI ACW ex-US Index. EARNEST turned in the best International Growth performance with a return of 0.02%. Brandes, the sole International Value manager returned -0.89%. The International Large Cap Active Core group returned -1.15% during December.

International Small Cap and Emerging Markets: The international small cap managers returned -1.57% versus their benchmark return of -1.81%. Outperformance came from Franklin Templeton. The emerging markets portfolio managed by Genesis lost 1.46% during December, lagging the MSCI Emerging Markets Index by 0.26%.

Domestic Fixed Income

Active Core: The active core fixed income component returned 1.26%, outperforming the BC Aggregate Index by 16 basis points. The enhanced core portfolio also returned 1.26%.

Core Plus: The core plus managers posted a gain of 1.46%, beating the BC Aggregate by 36 basis points. Taplin had the best monthly performance at 1.84%.

High Yield: It was a good month for high yield. MacKay Shields and Pyramis collectively returned 2.31%, trailing the ML High Yield index return of 2.49%.

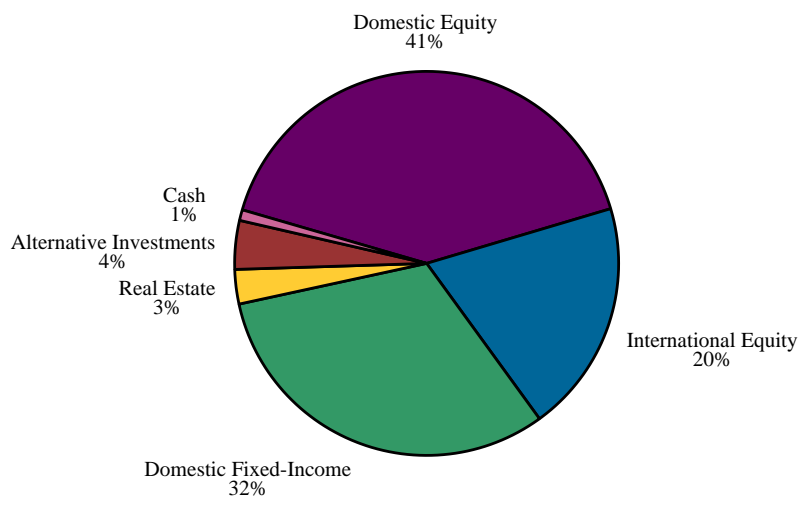
Alternatives

Performance for real estate, absolute return, private equity, agriculture and timberland are incomplete and/or lagged in the monthly reports so are not representative of current returns.

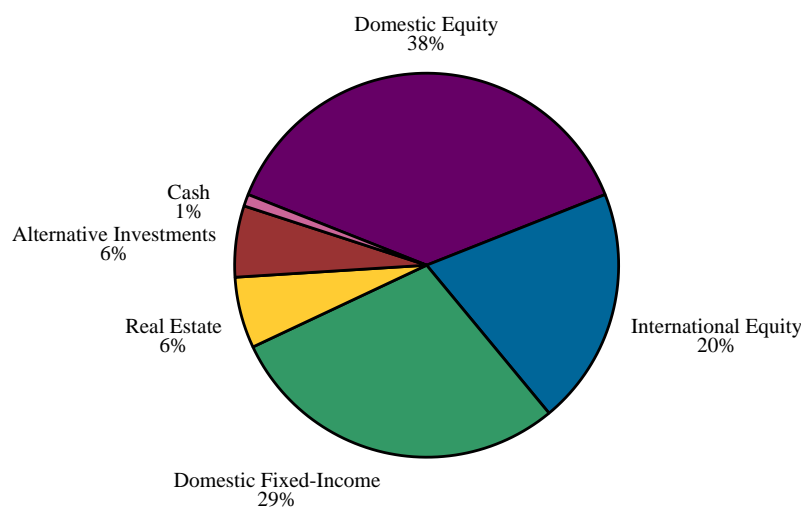
Actual vs Target Asset Allocation

The first chart below shows the Funds asset allocation as of December 31, 2011. The second chart shows the Funds 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	10,123	40.9%	38.0%	2.9%	726
International Equity	4,846	19.6%	20.0%	(0.4%)	(100)
Domestic Fixed-Income	7,808	31.6%	29.0%	2.6%	637
Real Estate	712	2.9%	6.0%	(3.1%)	(771)
Alternative Investments	1,006	4.1%	6.0%	(1.9%)	(478)
Cash	234	0.9%	1.0%	(0.1%)	(13)
Total	24,729	100.0%	100.0%		

* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% BC Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NCREIF Total Index+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 December 31, 2011, with the distribution as of November 30, 2011.

Asset Distribution Across Investment Managers

	December 31, 2011		November 30, 2011	
	Market Value	Percent	Market Value	Percent
Domestic Equity	\$10,122,722,660	40.94%	\$10,050,738,473	40.71%
Large Cap Growth				
BlackRock LCG	525,362,057	2.12%	531,470,005	2.15%
Holland	673,173,367	2.72%	684,088,541	2.77%
NTGI S&P 500 Growth Idx	752,584,904	3.04%	749,961,979	3.04%
Sands	668,668,374	2.70%	672,945,067	2.73%
Vision	48,970,796	0.20%	49,266,435	0.20%
Large Cap Value				
Dodge & Cox	602,074,340	2.43%	593,781,621	2.40%
BMO	673,111,775	2.72%	654,770,565	2.65%
LSV	642,862,491	2.60%	629,655,845	2.55%
NTGI S&P 500 Value Idx	684,658,724	2.77%	672,533,613	2.72%
Large Cap Core				
Piedmont	120,254,548	0.49%	118,871,811	0.48%
Progress	388,656,977	1.57%	390,078,268	1.58%
NTGI MarketCap Index	1,878,956,916	7.60%	1,863,537,145	7.55%
Small Cap Growth				
Buford	28,575,369	0.12%	28,741,039	0.12%
Fortaleza	29,737,599	0.12%	29,590,407	0.12%
Frontier	452,692,402	1.83%	451,775,293	1.83%
Pyramis	469,352,541	1.90%	466,991,879	1.89%
Small Cap Value				
Channing	46,851,114	0.19%	45,746,702	0.19%
Dimensional Small Cap Value	384,427,066	1.55%	380,617,385	1.54%
Inv. Counselors of Maryland	455,235,138	1.84%	450,470,956	1.82%
Lombardia	100,812,634	0.41%	97,862,235	0.40%
Micro Cap				
Ariel	53,356,116	0.22%	52,124,154	0.21%
Ativo	26,714,118	0.11%	26,333,259	0.11%
Dimensional Micro Cap	171,008,363	0.69%	169,406,868	0.69%
Wall Street	244,624,933	0.99%	240,117,404	0.97%
International Equity	\$4,845,651,094	19.60%	\$4,904,314,932	19.86%
International Large Cap Growth				
EARNEST Partners	274,624,018	1.11%	274,576,163	1.11%
McKinley	254,575,621	1.03%	259,819,781	1.05%
William Blair	670,804,457	2.71%	684,202,344	2.77%
International Large Cap Value				
Brandes	573,193,260	2.32%	578,322,943	2.34%
International Large Cap Core				
Arrowstreet	345,668,020	1.40%	350,907,206	1.42%
Brown	164,271,468	0.66%	167,380,926	0.68%
GlobeFlex	345,647,601	1.40%	347,250,003	1.41%
NTGI MSCI EAFE Index	1,542,220,647	6.24%	1,556,907,790	6.31%
International Small Cap				
AXA Rosenberg	195,150	0.00%	200,056	0.00%
Franklin Templeton	119,531,676	0.48%	120,170,637	0.49%
William Blair	143,095,295	0.58%	146,640,469	0.59%

Franklin Templeton Intl SC was funded 07/27/2011. BlackRock LCG was funded 07/12/2011. Vision was funded 06/17/2011. Channing and Lombardia were funded 05/26/2011. Piedmont LC was funded 05/19/2011. Brown and GlobeFlex moved to International Large Cap Active Core April 1, 2011.



Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of December 31, 2011, with the distribution as of November 30, 2011.

Asset Distribution Across Investment Managers

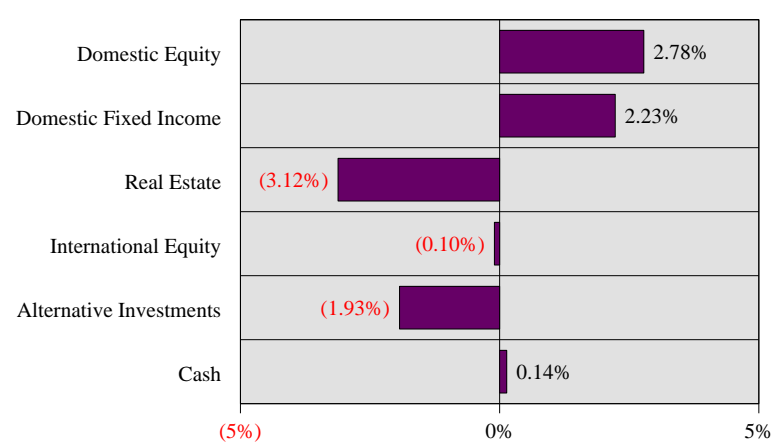
	December 31, 2011		November 30, 2011	
	Market Value	Percent	Market Value	Percent
Emerging Markets				
Genesis	411,823,881	1.67%	417,936,613	1.69%
Domestic Fixed-Income	\$7,807,850,890	31.57%	\$7,696,912,842	31.17%
Domestic Fixed Core				
EARNEST Partners	508,731,916	2.06%	502,540,900	2.04%
Piedmont	499,501,658	2.02%	493,102,740	2.00%
BlackRock Enhanced	916,803,782	3.71%	905,365,517	3.67%
NTGI BC Aggregate Index	1,349,189,814	5.46%	1,334,778,429	5.41%
Domestic Fixed Core Plus				
BlackRock Core Plus	676,781,470	2.74%	668,584,912	2.71%
LM Capital	779,887,443	3.15%	768,870,607	3.11%
Progress Fixed Income	401,957,364	1.63%	396,507,992	1.61%
Taplin, Canida, & Habacht	756,637,546	3.06%	742,933,927	3.01%
Western	1,019,443,049	4.12%	1,005,508,675	4.07%
High Yield				
MacKay Shields	442,560,541	1.79%	433,420,075	1.76%
Pyramis High Yield	456,356,308	1.85%	445,299,067	1.80%
Real Estate	\$712,413,275	2.88%	\$710,350,934	2.88%
Real Estate Opportunistic				
Franklin Templeton EMREFF	10,453,937	0.04%	9,281,574	0.04%
Lazard Freres	27,281,603	0.11%	27,281,603	0.11%
Olympus Real Estate Fund II	1,099,218	0.00%	1,155,858	0.00%
Security	48,491,780	0.20%	48,048,582	0.19%
Dune Real Estate Fund II	28,183,754	0.11%	28,183,754	0.11%
Real Estate Core				
BlackRock Granite Fund	65,396,873	0.26%	65,396,873	0.26%
Buckhead	226,868,054	0.92%	226,868,054	0.92%
Cornerstone	77,552,715	0.31%	77,552,715	0.31%
INVESCO	79,879,464	0.32%	78,117,823	0.32%
Sentinel	30,457,528	0.12%	30,457,785	0.12%
Real Estate Value Added				
Cornerstone Fund VIII	16,678,114	0.07%	16,678,113	0.07%
Rockwood	20,506,405	0.08%	20,506,405	0.08%
Almanac Realty	31,948,336	0.13%	30,694,768	0.12%
TA Fund IX	47,615,494	0.19%	50,127,027	0.20%
Alternative Investments	\$1,005,704,918	4.07%	\$1,002,631,774	4.06%
Absolute Return				
Aurora	132,781,432	0.54%	133,258,490	0.54%
Grosvenor	114,877,656	0.46%	115,435,106	0.47%
Mesirow	113,742,437	0.46%	114,952,401	0.47%
Private Equity				
Abbott	281,969,191	1.14%	286,424,799	1.16%
Muller & Monroe ILPEFF	13,722,465	0.06%	13,555,811	0.05%
Muller & Monroe MPEFF	15,773,541	0.06%	15,514,576	0.06%
Pantheon	159,387,154	0.64%	159,630,329	0.65%
Agriculture				
Cozad/Westchester	107,885,521	0.44%	98,294,742	0.40%
Timberland				
Forest Investment Assoc.	65,521,782	0.26%	65,521,782	0.27%
Cash	\$234,163,097	0.95%	\$326,479,261	1.32%
Total Fund	\$24,728,505,934	100.0%	\$24,691,428,217	100.0%
Illinois Municipal Retirement Fund				



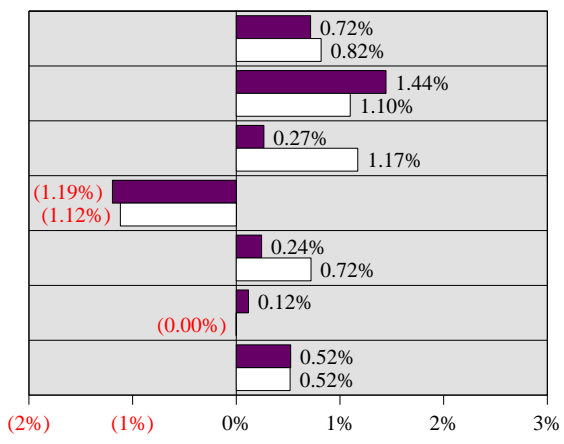
Monthly Total Fund Relative Attribution - December 31, 2011

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.

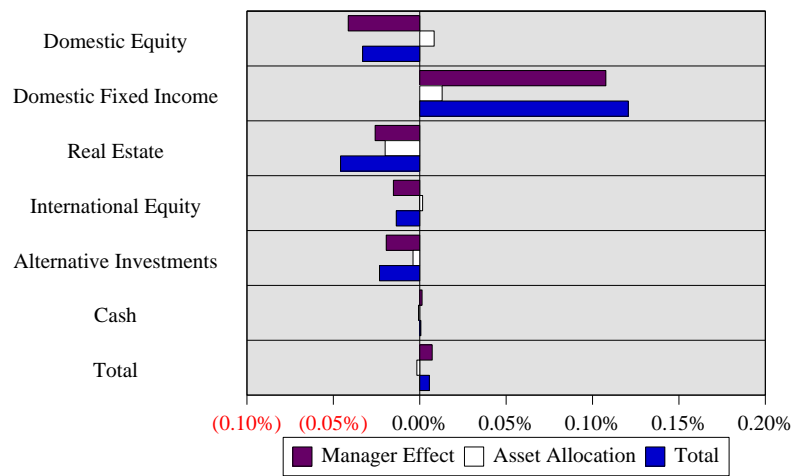
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Month ended December 31, 2011

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	41%	38%	0.72%	0.82%	(0.04%)	0.01%	(0.03%)
Domestic Fixed Income	31%	29%	1.44%	1.10%	0.11%	0.01%	0.12%
Real Estate	3%	6%	0.27%	1.17%	(0.03%)	(0.02%)	(0.05%)
International Equity	20%	20%	(1.19%)	(1.12%)	(0.02%)	0.00%	(0.01%)
Alternative Investments	4%	6%	0.24%	0.72%	(0.02%)	(0.00%)	(0.02%)
Cash	1%	1%	0.12%	(0.00%)	0.00%	(0.00%)	0.00%
Total			0.52%	0.52%	0.01%	(0.00%)	0.01%

* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% BC Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NCREIF Total Index+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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Domestic Equity (12/31/81)	0.72%	12.53%	(0.74%)
DJ U.S. Total Stock Market Index	0.82%	12.11%	1.08%
Domestic Equity - Net (12/31/04)	0.72%	12.45%	(0.99%)
International Equity (08/31/86)	(1.19%)	3.62%	(12.28%)
MSCI ACWI x US (Net)	(1.12%)	3.72%	(13.71%)
International Equity - Net (12/31/04)	(1.19%)	3.56%	(12.50%)
Domestic Fixed-Income (12/31/81)	1.44%	2.03%	7.60%
BC Aggregate Index	1.10%	1.12%	7.84%
Domestic Fixed-Inc. - Net (12/31/04)	1.43%	1.99%	7.44%
Real Estate (04/30/85)	0.27%	2.99%	12.06%
Blended Benchmark**	1.17%	3.55%	15.64%
Real Estate - Net (12/31/04)	0.27%	2.99%	12.06%
Alternative Investments (01/31/86)	0.24%	(0.85%)	5.10%
Alternatives Custom Benchmark***	0.72%	2.18%	9.00%
Alternative Investments - Net (12/31/04)	0.24%	(0.90%)	4.90%
Absolute Return (12/31/01)	(0.62%)	(0.21%)	(4.28%)
HFR Fund-of-Funds Index	(0.31%)	(0.26%)	(5.51%)
Private Equity (01/31/86)	(1.03%)	(3.62%)	12.33%
Alternatives Custom Benchmark***	0.72%	2.18%	9.00%
Agriculture (09/30/97)	9.76%	9.64%	9.70%
Blended Benchmark**	1.17%	3.55%	15.64%
Timberland (09/30/92)	0.00%	0.52%	4.08%
Blended Benchmark**	1.17%	3.55%	15.64%
Total Fund (12/31/81)	0.52%	6.28%	(0.29%)
Total Fund Benchmark	0.52%	6.07%	1.48%
Total Fund - Net (12/31/04)	0.52%	6.22%	(0.50%)

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

** The Blended Benchmark is currently NPI + 1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%. As the returns of the NPI are updated quarterly, an approximation of the Index is used during the first two months of each quarter.

*** 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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Equity (12/31/81)	15.75%	0.39%	4.24%	10.95%
DJ U.S. Total Stock Market Index	15.15%	0.24%	3.86%	10.58%
Domestic Equity - Net (12/31/04)	15.48%	0.15%	-	3.14%
International Equity (08/31/86)	11.41%	(3.15%)	6.54%	7.64%
MSCI ACWI x US (Net)	10.70%	(2.92%)	6.31%	-
International Equity - Net (12/31/04)	11.09%	(3.45%)	-	3.26%
Domestic Fixed-Income (12/31/81)	10.45%	6.91%	6.51%	9.33%
BC Aggregate Index	6.77%	6.50%	5.78%	8.81%
Domestic Fixed-Inc. - Net (12/31/04)	10.31%	6.78%	-	5.92%
Real Estate (04/30/85)	(3.40%)	(1.06%)	4.94%	4.02%
Blended Benchmark**	3.54%	4.16%	5.91%	7.20%
Real Estate - Net (12/31/04)	(3.40%)	(1.06%)	-	3.86%
Alternative Investments (01/31/86)	4.59%	4.58%	6.46%	11.07%
Alternatives Custom Benchmark***	10.49%	11.09%	11.94%	13.81%
Alternative Investments - Net (12/31/04)	4.29%	4.29%	-	7.48%
Absolute Return (12/31/01)	5.41%	0.95%	4.35%	4.32%
HFR Fund-of-Funds Index	3.64%	(0.71%)	3.27%	3.35%
Private Equity (01/31/86)	4.40%	7.58%	7.93%	13.27%
Alternatives Custom Benchmark***	10.49%	11.09%	11.94%	13.81%
Agriculture (09/30/97)	5.06%	4.01%	6.88%	6.08%
Blended Benchmark**	3.54%	4.16%	5.91%	6.27%
Timberland (09/30/92)	1.42%	7.09%	4.66%	9.45%
Blended Benchmark**	3.54%	4.16%	5.91%	6.62%
Total Fund (12/31/81)	12.15%	2.85%	6.00%	9.92%
Total Fund Benchmark	11.13%	3.24%	5.82%	-
Total Fund - Net (12/31/04)	11.92%	2.64%	-	4.90%

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

** The Blended Benchmark is currently NPI + 1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%. As the returns of the NPI are updated quarterly, an approximation of the Index is used during the first two months of each quarter.

*** 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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Large Cap Equity (12/31/81)	0.64%	11.52%	0.65%
Russell 1000 Index	0.84%	11.84%	1.50%
Large Cap Growth (12/31/81)	(0.71%)	9.40%	1.62%
BlackRock LCG (07/31/11)	(1.15%)	7.37%	-
LCG Blended Benchmark*	(0.32%)	10.61%	2.64%
Russell 1000 Growth Index	(0.32%)	10.61%	2.64%
BlackRock LCG - Net (07/31/11)	(1.15%)	7.37%	-
Holland (10/31/94)	(1.60%)	10.13%	4.81%
LCG Blended Benchmark*	(0.32%)	10.61%	2.64%
Russell 1000 Growth Index	(0.32%)	10.61%	2.64%
Holland - Net (12/31/04)	(1.60%)	10.08%	4.51%
NTGI S&P 500 Growth Idx (07/31/01)	0.35%	10.84%	4.63%
S&P/Citi 500 Growth Index	0.33%	10.81%	4.65%
NTGI S&P 500 Growth Idx - Net (12/31/04)	0.35%	10.84%	4.61%
Sands (10/31/03)	(0.64%)	8.66%	2.98%
LCG Blended Benchmark*	(0.32%)	10.61%	2.64%
Russell 1000 Growth Index	(0.32%)	10.61%	2.64%
Sands - Net (12/31/04)	(0.64%)	8.59%	2.72%
Vision (06/30/2011)	(0.60%)	10.27%	-
LCG Blended Benchmark*	(0.32%)	10.61%	2.64%
Russell 1000 Growth Index	(0.32%)	10.61%	2.64%
Vision - Net (06/30/2011)	(0.60%)	10.11%	-
Large Cap Value (09/30/82)	2.04%	13.27%	(0.08%)
Dodge & Cox (08/31/03)	1.41%	11.65%	(3.04%)
LCV Blended Benchmark**	2.02%	13.11%	0.39%
Russell 1000 Value Index	2.02%	13.11%	0.39%
Dodge & Cox - Net (12/31/04)	1.41%	11.59%	(3.25%)
BMO (01/31/01)	2.80%	14.03%	3.75%
LCV Blended Benchmark**	2.02%	13.11%	0.39%
Russell 1000 Value Index	2.02%	13.11%	0.39%
BMO - Net (12/31/04)	2.80%	13.96%	3.51%
LSV (01/31/03)	2.10%	14.36%	0.39%
LCV Blended Benchmark**	2.02%	13.11%	0.39%
Russell 1000 Value Index	2.02%	13.11%	0.39%
LSV - Net (12/31/04)	2.10%	14.28%	0.13%
NTGI S&P 500 Value Idx (07/31/99)	1.80%	12.95%	(0.46%)
S&P/Citi 500 Value Index	1.82%	12.98%	(0.48%)
NTGI S&P 500 Value Idx - Net (12/31/04)	1.80%	12.95%	(0.47%)

* 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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Large Cap Equity (12/31/81)	14.91%	0.05%	3.26%	10.42%
Russell 1000 Index	14.81%	(0.02%)	3.34%	10.78%
Large Cap Growth (12/31/81)	18.33%	2.78%	2.85%	10.96%
BlackRock LCG (07/31/11)	-	-	-	(9.46%)
LCG Blended Benchmark*	18.02%	2.50%	2.72%	(2.95%)
Russell 1000 Growth Index	18.02%	2.50%	2.60%	(2.95%)
BlackRock LCG - Net (07/31/11)	-	-	-	(9.46%)
Holland (10/31/94)	19.42%	4.43%	4.40%	9.09%
LCG Blended Benchmark*	18.02%	2.50%	2.72%	8.07%
Russell 1000 Growth Index	18.02%	2.50%	2.60%	7.11%
Holland - Net (12/31/04)	19.05%	4.14%	-	3.84%
NTGI S&P 500 Growth Idx (07/31/01)	16.62%	2.38%	2.89%	2.56%
S&P/Citi 500 Growth Index	16.57%	2.38%	2.84%	2.52%
NTGI S&P 500 Growth Idx - Net (12/31/04)	16.61%	2.37%	-	3.78%
Sands (10/31/03)	31.12%	6.55%	-	8.05%
LCG Blended Benchmark*	18.02%	2.50%	2.72%	5.02%
Russell 1000 Growth Index	18.02%	2.50%	2.60%	5.25%
Sands - Net (12/31/04)	30.77%	6.26%	-	5.08%
Vision (06/30/2011)	-	-	-	(5.01%)
LCG Blended Benchmark*	18.02%	2.50%	2.72%	(3.92%)
Russell 1000 Growth Index	18.02%	2.50%	2.60%	(3.92%)
Vision - Net (06/30/2011)	-	-	-	(5.17%)
Large Cap Value (09/30/82)	11.75%	(2.39%)	3.57%	9.44%
Dodge & Cox (08/31/03)	12.99%	(3.26%)	-	5.24%
LCV Blended Benchmark**	11.55%	(2.64%)	3.17%	4.97%
Russell 1000 Value Index	11.55%	(2.64%)	3.89%	5.20%
Dodge & Cox - Net (12/31/04)	12.74%	(3.48%)	-	1.21%
BMO (01/31/01)	11.53%	(0.66%)	5.18%	4.82%
LCV Blended Benchmark**	11.55%	(2.64%)	3.17%	1.72%
Russell 1000 Value Index	11.55%	(2.64%)	3.89%	2.99%
BMO - Net (12/31/04)	11.26%	(0.90%)	-	3.31%
LSV (01/31/03)	12.73%	(1.89%)	-	7.94%
LCV Blended Benchmark**	11.55%	(2.64%)	3.17%	6.25%
Russell 1000 Value Index	11.55%	(2.64%)	3.89%	6.31%
LSV - Net (12/31/04)	12.42%	(2.17%)	-	2.62%
NTGI S&P 500 Value Idx (07/31/99)	11.60%	(2.92%)	2.90%	1.67%
S&P/Citi 500 Value Index	11.55%	(2.96%)	2.87%	1.67%
NTGI S&P 500 Value Idx - Net (12/31/04)	11.60%	(2.93%)	-	1.39%

* 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 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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Large Cap Active Core (12/31/04)	(0.01%)	11.76%	(0.51%)
Piedmont (05/31/11)	1.16%	10.71%	-
Russell 1000 Index	0.84%	11.84%	1.50%
Piedmont - Net (05/31/11)	1.16%	10.60%	-
Progress (01/31/05)	(0.36%)	12.09%	(0.67%)
DJ U.S. Total Stock Market Index	0.82%	12.11%	1.08%
Progress - Net (01/31/05)	(0.36%)	11.93%	(1.25%)
Large Cap Passive Core (12/31/84)	0.83%	12.15%	1.14%
NTGI MarketCap Idx (01/31/85)	0.83%	12.15%	1.14%
DJ U.S. Total Stock Market Index	0.82%	12.11%	1.08%
NTGI MarketCap Idx - Net (12/31/04)	0.83%	12.15%	1.14%



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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Large Cap Active Core (12/31/04)	13.87%	0.19%	-	3.04%
Piedmont (05/31/11)	-	-	-	(8.72%)
Russell 1000 Index	14.81%	(0.02%)	3.34%	(6.25%)
Piedmont - Net (05/31/11)	-	-	-	(8.89%)
Progress (01/31/05)	13.81%	0.16%	-	3.06%
DJ U.S. Total Stock Market Index	15.15%	0.24%	3.86%	3.20%
Progress - Net (01/31/05)	13.14%	(0.44%)	-	2.46%
Large Cap Passive Core (12/31/84)	15.34%	0.02%	3.71%	10.28%
NTGI MarketCap Idx (01/31/85)	15.38%	0.04%	3.72%	10.32%
DJ U.S. Total Stock Market Index	15.15%	0.24%	3.86%	10.28%
NTGI MarketCap Idx - Net (12/31/04)	5.38%	0.03%	-	3.00%

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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Small Cap Equity (06/30/88)	0.97%	15.77%	(5.21%)
Russell 2000 Index	0.66%	15.47%	(4.18%)
Small Cap Growth (06/30/88)	0.33%	14.47%	(6.24%)
Buford (10/31/06)	(0.58%)	14.63%	(4.91%)
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Buford - Net (10/31/06)	(0.58%)	14.51%	(5.29%)
Fortaleza (11/30/06)	0.50%	14.02%	2.92%
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Fortaleza - Net (11/30/06)	0.50%	13.88%	2.44%
Frontier (07/31/88)	0.20%	13.33%	(7.34%)
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Frontier - Net (12/31/04)	0.20%	13.18%	(8.07%)
Pyramis (07/31/88)	0.51%	15.63%	(5.97%)
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Pyramis - Net (12/31/04)	0.51%	15.16%	(6.71%)
Small Cap Value (08/31/89)	1.30%	16.98%	(4.59%)
Channing (06/30/11)	2.41%	15.67%	-
Russell 2000 Value Index	1.57%	15.97%	(5.50%)
Channing - Net (06/30/11)	2.41%	15.43%	-
DFA Small Cap Value (01/31/96)	1.00%	15.92%	(6.75%)
Russell 2000 Value Index	1.57%	15.97%	(5.50%)
DFA Small Cap Value - Net (12/31/04)	1.00%	15.79%	(7.17%)
Inv. Counselors of Maryland (04/30/99)	1.06%	17.21%	(3.50%)
Russell 2000 Value Index	1.57%	15.97%	(5.50%)
Inv. Couns. of Maryland - Net (12/31/04)	1.06%	17.09%	(3.91%)
Lombardia (05/31/11)	3.02%	20.74%	-
Russell 2000 Value Index	1.57%	15.97%	(5.50%)
Lombardia - Net (05/31/11)	3.02%	20.53%	-
Micro Cap (06/30/84)	1.58%	15.97%	(5.14%)
Ariel (10/31/2010)	2.36%	15.12%	(4.00%)
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Russell 2000 Index	0.66%	15.47%	(4.18%)
Russell Microcap Index	1.39%	13.83%	(9.27%)
Ariel - Net (10/31/10)	2.36%	14.85%	(4.83%)
Ativo (09/30/10)	1.44%	12.88%	(7.79%)
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Russell 2000 Index	0.66%	15.47%	(4.18%)
Russell Microcap Index	1.39%	13.83%	(9.27%)
Ativo - Net (09/30/10)	1.44%	12.65%	(8.55%)
DFA Micro Cap (07/31/87)	0.95%	14.61%	(2.70%)
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Russell 2000 Index	0.66%	15.47%	(4.18%)
DFA Micro Cap - Net (12/31/04)	0.95%	14.48%	(3.15%)
Wall Street (07/31/90)	1.87%	17.50%	(6.78%)
Russell 2000 Growth Index	(0.22%)	14.99%	(2.91%)
Russell 2000 Index	0.66%	15.47%	(4.18%)
Wall Street - Net (12/31/04)	1.87%	17.27%	(7.53%)

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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Small Cap Equity (06/30/88)	19.84%	2.83%	8.64%	11.93%
Russell 2000 Index	15.63%	0.15%	5.62%	8.86%
Small Cap Growth (06/30/88)	20.15%	3.66%	8.31%	12.69%
Buford (10/31/06)	13.40%	0.97%	-	1.75%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	2.44%
Buford - Net (10/31/06)	12.95%	0.57%	-	1.35%
Fortaleza (11/30/06)	17.46%	2.16%	-	1.83%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	2.44%
Fortaleza - Net (11/30/06)	16.90%	1.67%	-	1.36%
Frontier (07/31/88)	20.86%	5.03%	7.66%	12.76%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	6.60%
Frontier - Net (12/31/04)	19.82%	4.18%	-	5.89%
Pyramis (07/31/88)	21.30%	4.32%	9.75%	13.31%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	6.60%
Pyramis - Net (12/31/04)	20.54%	3.69%	-	7.71%
Small Cap Value (08/31/89)	18.21%	1.07%	8.94%	11.55%
Channing (06/30/11)	-	-	-	(9.00%)
Russell 2000 Value Index	12.36%	(1.87%)	6.40%	(8.94%)
Channing - Net (06/30/11)	-	-	-	(9.27%)
DFA Small Cap Value (01/31/96)	19.69%	(0.54%)	9.41%	11.74%
Russell 2000 Value Index	12.36%	(1.87%)	6.40%	8.77%
DFA Small Cap Value - Net (12/31/04)	19.12%	(1.06%)	-	3.49%
Inv. Counselors of Maryland (04/30/99)	17.51%	1.94%	8.69%	11.21%
Russell 2000 Value Index	12.36%	(1.87%)	6.40%	8.54%
Inv. Couns. of Maryland - Net (12/31/04)	16.91%	1.41%	-	4.47%
Lombardia (05/31/11)	-	-	-	(6.98%)
Russell 2000 Value Index	12.36%	(1.87%)	6.40%	(11.17%)
Lombardia - Net (05/31/11)	-	-	-	(7.22%)
Micro Cap (06/30/84)	21.47%	(0.86%)	5.44%	11.59%
Ariel (10/31/10)	-	-	-	3.71%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	10.82%
Russell 2000 Index	15.63%	0.15%	5.62%	9.02%
Russell Microcap Index	14.23%	(3.75%)	4.63%	6.61%
Ariel - Net (10/31/10)	-	-	-	2.97%
Ativo (09/30/10)	-	-	-	5.10%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	21.61%
Russell 2000 Index	15.63%	0.15%	5.62%	18.42%
Russell Microcap Index	14.23%	(3.75%)	4.63%	15.53%
Ativo - Net (09/30/10)	-	-	-	4.46%
DFA Micro Cap (07/31/87)	18.42%	0.26%	8.17%	10.60%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	5.82%
Russell 2000 Index	15.63%	0.15%	5.62%	7.93%
DFA Micro Cap - Net (12/31/04)	17.87%	(0.23%)	-	2.96%
Wall Street (07/31/90)	24.21%	(0.79%)	3.79%	13.63%
Russell 2000 Growth Index	19.00%	2.09%	4.48%	6.33%
Russell 2000 Index	15.63%	0.15%	5.62%	8.65%
Wall Street - Net (12/31/04)	23.27%	(1.58%)	-	3.21%



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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Intl Large Cap Equity (08/31/86)	(1.14%)	3.60%	(11.92%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
Intl Large Cap Growth (08/31/02)	(1.52%)	4.32%	(12.57%)
EARNEST Partners (09/30/04)	0.02%	5.42%	(10.12%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
MSCI ACWI ex-US Growth	(1.60%)	4.16%	(13.93%)
EARNEST Partners - Net (12/31/04)	0.02%	5.36%	(10.29%)
McKinley (02/28/06)	(2.02%)	3.05%	(14.76%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
MSCI ACWI ex-US Growth	(1.60%)	4.16%	(13.93%)
McKinley - Net (02/28/06)	(2.02%)	2.90%	(15.20%)
William Blair (09/30/02)	(1.96%)	4.36%	(13.14%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
MSCI ACWI ex-US Growth	(1.60%)	4.16%	(13.93%)
William Blair - Net (12/31/04)	(1.96%)	4.36%	(13.37%)
Intl Large Cap Value (09/30/95)	(0.89%)	2.76%	(10.30%)
Brandes (12/31/95)	(0.89%)	2.76%	(10.30%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
MSCI ACWI ex-US Value	(0.60%)	3.40%	(12.71%)
Brandes - Net (12/31/04)	(0.89%)	2.71%	(10.50%)

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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Intl Large Cap Equity (08/31/86)	10.50%	(3.74%)	5.68%	7.62%
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	-
Intl Large Cap Growth (08/31/02)	13.25%	(2.83%)	-	8.67%
EARNEST Partners (09/30/04)	18.63%	3.91%	-	12.13%
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	5.84%
MSCI ACWI ex-US Growth	11.21%	(1.84%)	5.94%	6.32%
EARNEST Partners - Net (12/31/04)	18.16%	3.50%	-	9.38%
McKinley (02/28/06)	7.14%	(5.84%)	-	(2.10%)
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	0.35%
MSCI ACWI ex-US Growth	11.21%	(1.84%)	5.94%	0.89%
McKinley - Net (02/28/06)	6.60%	(6.32%)	-	(2.57%)
William Blair (09/30/02)	15.37%	(2.86%)	-	8.65%
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	8.11%
MSCI ACWI ex-US Growth	11.21%	(1.84%)	5.94%	7.91%
William Blair - Net (12/31/04)	14.98%	(3.21%)	-	3.71%
Intl Large Cap Value (09/30/95)	5.74%	(4.71%)	6.41%	9.45%
Brandes (12/31/95)	5.74%	(4.71%)	6.41%	9.50%
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	4.74%
MSCI ACWI ex-US Value	11.16%	(3.17%)	7.52%	-
Brandes - Net (12/31/04)	5.45%	(4.94%)	-	1.45%

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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Intl Large Cap Active Core (01/31/08)	(1.15%)	3.54%	(12.13%)
Arrowstreet (02/29/08)	(1.49%)	2.43%	(11.74%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
Arrowstreet - Net (02/29/08)	(1.49%)	2.30%	(12.17%)
Brown (09/30/04)	(1.85%)	3.73%	(14.03%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
Brown - Net (12/31/04)	(1.85%)	3.45%	(14.41%)
GlobeFlex (02/28/06)	(0.46%)	4.58%	(11.08%)
MSCI ACWI ex-US Index	(1.12%)	3.72%	(13.71%)
GlobeFlex - Net (02/28/06)	(0.46%)	4.46%	(11.47%)
Intl Large Cap Pass. Core (12/31/99)	(0.94%)	3.40%	(11.76%)
NTGI MSCI EAFE Idx (01/31/00)	(0.94%)	3.40%	(11.76%)
MSCI EAFE Index	(0.95%)	3.33%	(12.14%)
NTGI EAFE Idx - Net (12/31/04)	(0.94%)	3.40%	(11.77%)
International Small Cap (11/30/05)	(1.57%)	2.18%	(12.65%)
Franklin Templeton (07/31/11)	(0.53%)	2.56%	-
ACWI Small Cap ex US	(1.81%)	0.40%	(18.50%)
Franklin Templeton - Net (07/31/11)	(0.53%)	2.41%	-
William Blair (08/31/10)	(2.41%)	1.88%	(10.50%)
ACWI Small Cap ex US	(1.81%)	0.40%	(18.50%)
Intl SC Blended Benchmark	(1.81%)	0.40%	(15.71%)
William Blair - Net (08/31/10)	(2.41%)	1.65%	(11.23%)
Emerging Markets (01/31/92)	(1.46%)	4.76%	(15.04%)
Genesis (04/30/04)	(1.46%)	4.76%	(15.04%)
MSCI Emerging Markets Index	(1.20%)	4.45%	(18.17%)
Genesis - Net (12/31/04)	(1.46%)	4.66%	(15.51%)

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.

Illinois Municipal Retirement Fund

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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Intl Large Cap Active Core (01/31/08)	14.16%	-	-	(3.74%)
Arrowstreet (02/29/08)	14.34%	-	-	(3.70%)
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	(4.99%)
Arrowstreet - Net (02/29/08)	13.79%	-	-	(4.14%)
Brown (09/30/04)	11.35%	(3.73%)	-	5.68%
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	5.84%
Brown - Net (12/31/04)	10.91%	(4.04%)	-	2.74%
GlobeFlex (02/28/06)	11.84%	(3.61%)	-	(0.02%)
MSCI ACWI ex-US Index	10.70%	(2.92%)	6.31%	0.35%
GlobeFlex - Net (02/28/06)	11.38%	(4.05%)	-	(0.47%)
Intl Large Cap Pass. Core (12/31/99)	8.13%	(4.31%)	5.03%	0.88%
NTGI MSCI EAFE Idx (01/31/00)	8.10%	(4.33%)	5.02%	0.88%
MSCI EAFE Index	7.65%	(4.72%)	4.67%	0.52%
NTGI EAFE Idx - Net (12/31/04)	8.09%	(4.33%)	-	2.04%
International Small Cap (11/30/05)	10.31%	(7.00%)	-	(0.96%)
Franklin Templeton (07/31/11)	-	-	-	(19.89%)
ACWI Small Cap ex US	18.46%	(1.74%)	10.61%	(19.72%)
Franklin Templeton - Net (07/31/11)	-	-	-	(20.01%)
William Blair (08/31/10)	-	-	-	6.87%
ACWI Small Cap ex US	18.46%	(1.74%)	10.61%	1.13%
Intl SC Blended Benchmark	14.25%	(3.48%)	9.28%	3.49%
William Blair - Net (08/31/10)	-	-	-	2.95%
Emerging Markets (01/31/92)	26.87%	6.37%	15.81%	9.99%
Genesis (04/30/04)	26.87%	6.41%	-	14.99%
MSCI Emerging Markets Index	20.42%	2.70%	14.20%	11.59%
Genesis - Net (12/31/04)	26.11%	5.77%	-	12.71%

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.

Illinois Municipal Retirement Fund



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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Dom. Fixed Active Core (03/31/01)	1.26%	1.80%	8.27%
EARNEST Partners (04/30/05)	1.23%	1.70%	8.76%
BC Aggregate Index	1.10%	1.12%	7.84%
EARNEST Partners - Net (04/30/05)	1.23%	1.64%	8.56%
Piedmont (05/31/05)	1.30%	1.91%	7.61%
BC Aggregate Index	1.10%	1.12%	7.84%
Piedmont - Net (05/31/05)	1.30%	1.87%	7.44%
Dom. Fixed Enhanced Core (03/31/00)	1.26%	1.61%	8.10%
BlackRock Enhanced (04/30/00)	1.26%	1.61%	8.10%
BC Aggregate Index	1.10%	1.12%	7.84%
BlackRock Enhanced - Net (12/31/04)	1.26%	1.61%	8.04%
Dom. Fixed Passive Core (12/31/89)	1.08%	1.11%	7.82%
NTGI BC Agg. Index (01/31/90)	1.08%	1.11%	7.82%
BC Aggregate Index	1.10%	1.12%	7.84%
NTGI BC Agg. Index - Net (12/31/04)	1.08%	1.11%	7.81%



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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Dom. Fixed Active Core (03/31/01)	9.00%	6.47%	5.18%	5.40%
EARNEST Partners (04/30/05)	8.76%	6.70%	-	6.11%
BC Aggregate Index	6.77%	6.50%	5.78%	5.89%
EARNEST Partners - Net (04/30/05)	8.55%	6.49%	-	5.90%
Piedmont (05/31/05)	8.59%	6.20%	-	5.49%
BC Aggregate Index	6.77%	6.50%	5.78%	5.75%
Piedmont - Net (05/31/05)	8.40%	6.02%	-	5.28%
Dom. Fixed Enhanced Core (03/31/00)	8.31%	6.32%	5.77%	6.40%
BlackRock Enhanced (04/30/00)	8.31%	6.32%	5.77%	6.44%
BC Aggregate Index	6.77%	6.50%	5.78%	6.42%
BlackRock Enhanced - Net (12/31/04)	8.23%	6.25%	-	5.39%
Dom. Fixed Passive Core (12/31/89)	7.02%	6.38%	5.73%	7.00%
NTGI BC Agg. Index (01/31/90)	7.02%	6.38%	5.73%	7.03%
BC Aggregate Index	6.77%	6.50%	5.78%	7.03%
NTGI BC Agg. Index - Net (12/31/04)	7.01%	6.37%	-	5.44%

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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Domestic Fixed Core Plus (12/31/81)	1.46%	1.83%	7.92%
BlackRock Core Plus (03/31/07)	1.23%	1.99%	8.36%
BC Aggregate Index	1.10%	1.12%	7.84%
BlackRock Core Plus - Net (03/31/07)	1.12%	1.88%	8.21%
LM Capital (04/30/05)	1.44%	2.04%	7.84%
BC Aggregate Index	1.10%	1.12%	7.84%
LM Capital - Net (04/30/05)	1.44%	2.00%	7.67%
Progress Fixed Income (12/31/05)	1.37%	1.31%	7.39%
BC Aggregate Index	1.10%	1.12%	7.84%
Progress Fixed Inc. - Net (12/31/05)	1.37%	1.22%	7.02%
Taplin, Canida, Habacht (04/30/05)	1.84%	2.08%	7.85%
BC Aggregate Index	1.10%	1.12%	7.84%
Taplin, Canida, Hab. - Net (04/30/05)	1.84%	2.05%	7.71%
Western (10/31/01)	1.39%	1.57%	7.96%
BC Aggregate Index	1.10%	1.12%	7.84%
Western - Net (12/31/04)	1.39%	1.53%	7.81%
High Yield (03/31/86)	2.31%	5.05%	5.02%
MacKay Shields (10/31/00)	2.11%	5.40%	7.11%
ML High Yield Cash Pay Index	2.49%	6.17%	4.50%
MacKay Shields - Net (12/31/04)	2.11%	5.40%	6.84%
Pyramis (07/31/86)	2.50%	4.71%	3.07%
ML High Yield Cash Pay Index	2.49%	6.17%	4.50%
Pyramis - Net (12/31/04)	2.50%	4.63%	2.59%



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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Fixed Core Plus (12/31/81)	10.57%	6.39%	6.17%	9.14%
BlackRock Core Plus (03/31/07)	9.92%	-	-	6.67%
BC Aggregate Index	6.77%	6.50%	5.78%	6.40%
BlackRock Core Plus - Net (03/31/07)	9.83%	-	-	6.60%
LM Capital (04/30/05)	9.29%	7.08%	-	6.43%
BC Aggregate Index	6.77%	6.50%	5.78%	5.89%
LM Capital - Net (04/30/05)	9.11%	6.91%	-	6.26%
Progress Fixed Income (12/31/05)	8.21%	6.84%	-	6.67%
BC Aggregate Index	6.77%	6.50%	5.78%	6.21%
Progress Fixed Inc. - Net (12/31/05)	7.83%	6.46%	-	6.33%
Taplin, Canida, Habacht (04/30/05)	9.21%	6.43%	-	5.77%
BC Aggregate Index	6.77%	6.50%	5.78%	5.89%
Taplin, Canida, Hab. - Net (04/30/05)	9.08%	6.30%	-	5.68%
Western (10/31/01)	12.74%	6.08%	6.66%	6.57%
BC Aggregate Index	6.77%	6.50%	5.78%	5.64%
Western - Net (12/31/04)	12.58%	5.93%	-	5.62%
High Yield (03/31/86)	23.98%	7.57%	10.17%	10.20%
MacKay Shields (10/31/00)	21.17%	6.94%	10.31%	9.76%
ML High Yield Cash Pay Index	23.46%	7.25%	8.54%	7.75%
MacKay Shields - Net (12/31/04)	20.79%	6.59%	-	6.84%
Pyramis (07/31/86)	27.02%	8.23%	10.06%	9.93%
ML High Yield Cash Pay Index	23.46%	7.25%	8.54%	8.69%
Pyramis - Net (12/31/04)	26.55%	7.80%	-	7.70%

Real Estate Returns

The table below details the rates of return for the fund's real estate opportunistic, real estate core, and real estate value added 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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Real Estate Opportunistic (03/31/99)	0.33%	0.27%	3.52%
F. Templeton EMREFF (08/31/11)	(0.01%)	(5.94%)	-
Blended Benchmark*	1.17%	3.55%	15.64%
Lazard Freres (07/31/98)	0.00%	(5.37%)	(2.12%)
Blended Benchmark*	1.17%	3.55%	15.64%
Olympus RE Fund II (05/31/98)	(4.90%)	(1.52%)	(7.05%)
Blended Benchmark*	1.17%	3.55%	15.64%
Security (10/31/97)	0.92%	2.68%	2.43%
Blended Benchmark*	1.17%	3.55%	15.64%
Dune Real Estate Fund II (01/31/09)	0.00%	4.07%	18.29%
Blended Benchmark*	1.17%	3.55%	15.64%
Real Estate Core (03/31/99)	0.37%	3.90%	13.97%
BlackRock Granite Fund (07/31/07)	0.00%	0.90%	14.23%
Blended Benchmark*	1.17%	3.55%	15.64%
Buckhead (07/31/95)	0.00%	4.02%	13.78%
Blended Benchmark*	1.17%	3.55%	15.64%
Cornerstone (06/30/11)	0.00%	3.40%	-
Blended Benchmark*	1.17%	3.55%	15.64%
INVESCO (04/30/2011)	2.26%	2.26%	-
RE Blended Benchmark	1.17%	3.55%	15.64%
Sentinel (09/30/85)	0.00%	9.57%	22.42%
Blended Benchmark*	1.17%	3.55%	15.64%
Real Estate Value Added (09/30/08)	(0.21%)	1.80%	12.03%
Cornerstone Fund VIII (09/30/11)	0.00%	(1.30%)	-
Blended Benchmark*	1.17%	3.55%	15.64%
Rockwood (03/31/09)	0.00%	3.06%	25.91%
Blended Benchmark*	1.17%	3.55%	15.64%
Almanac Realty (09/30/08)	(0.82%)	1.66%	2.75%
Blended Benchmark*	1.17%	3.55%	15.64%
TA - Fund IX (04/30/10)	0.00%	2.43%	14.06%
Blended Benchmark*	1.17%	3.55%	15.64%

Returns are reported net of fee for all real estate managers. Returns are derived from incomplete data.

* The Blended Benchmark is currently NPI + 1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%. As the returns of the NPI are updated quarterly, an approximation of the Index is used during the first two months of each quarter.

Real Estate Returns

The table below details the rates of return for the fund's real estate opportunistic, real estate core, and real estate value added 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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Real Estate Opportunistic (03/31/99)	13.26%	(0.31%)	8.81%	8.42%
F. Templeton EMREFF (08/31/11)	-	-	-	(5.94%)
Blended Benchmark*	3.54%	4.16%	5.91%	4.76%
Lazard Freres (07/31/98)	0.75%	5.17%	6.49%	(0.01%)
Blended Benchmark*	3.54%	4.16%	5.91%	6.26%
Olympus RE Fund II (05/31/98)	(19.82%)	(15.24%)	(10.93%)	(7.82%)
Blended Benchmark*	3.54%	4.16%	5.91%	6.28%
Security (10/31/97)	28.03%	0.57%	13.53%	13.40%
Blended Benchmark*	3.54%	4.16%	5.91%	6.26%
Dune Real Estate Fund II (01/31/09)	(11.14%)	-	-	(11.14%)
Blended Benchmark*	3.54%	4.16%	5.91%	3.54%
Real Estate Core (03/31/99)	(5.80%)	(0.51%)	4.07%	5.61%
BlackRock Granite Fund (07/31/07)	(15.50%)	-	-	(9.43%)
Blended Benchmark*	3.54%	4.16%	5.91%	2.68%
Buckhead (07/31/95)	(1.47%)	4.61%	7.93%	10.14%
Blended Benchmark*	3.54%	4.16%	5.91%	6.42%
Cornerstone (06/30/11)	-	-	-	3.40%
Blended Benchmark*	3.54%	4.16%	5.91%	7.21%
INVESCO (04/30/2011)	-	-	-	10.60%
Blended Benchmark*	3.54%	4.16%	5.91%	11.66%
Sentinel (09/30/85)	(4.75%)	(2.78%)	3.03%	4.42%
Blended Benchmark*	3.54%	4.16%	5.91%	7.18%
Real Estate Value Added (09/30/08)	0.57%	-	-	(7.71%)
Cornerstone Fund VIII (09/30/11)	-	-	-	(1.30%)
Blended Benchmark*	3.54%	4.16%	5.91%	4.76%
Rockwood (03/31/09)	-	-	-	(65.17%)
Blended Benchmark*	3.54%	4.16%	5.91%	5.54%
Almanac Realty (09/30/08)	7.46%	-	-	(2.04%)
Blended Benchmark*	3.54%	4.16%	5.91%	0.64%
TA - Fund IX (04/30/10)	-	-	-	5.29%
Blended Benchmark*	3.54%	4.16%	5.91%	16.50%

Returns are reported net of fee for all real estate managers. Returns are derived from incomplete data.

* The Blended Benchmark is currently NPI + 1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%. As the returns of the NPI are updated quarterly, an approximation of the Index is used during the first two months of each quarter.

Alternative Investments Return

The table below details the rates of return for the fund's absolute return, private equity, agriculture, and timberland 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 December 31, 2011

	Last Month	Last 3 Months	Year to Date
Absolute Return (12/31/01)	(0.62%)	(0.21%)	(4.28%)
Aurora (10/31/01)	(0.36%)	0.42%	(5.43%)
Alternatives Custom Benchmark*	0.72%	2.18%	9.00%
HFR Fund-of-Funds Index	(0.31%)	(0.26%)	(5.51%)
Grosvenor (01/31/02)	(0.48%)	0.51%	(3.24%)
Alternatives Custom Benchmark*	0.72%	2.18%	9.00%
HFR Fund-of-Funds Index	(0.31%)	(0.26%)	(5.51%)
Mesirow (01/31/02)	(1.05%)	(1.64%)	(3.95%)
Alternatives Custom Benchmark*	0.72%	2.18%	9.00%
HFR Fund-of-Funds Index	(0.31%)	(0.26%)	(5.51%)
Private Equity (01/31/86)	(1.03%)	(3.62%)	12.33%
Abbott (06/30/87)	(1.56%)	(4.05%)	13.43%
Alternatives Custom Benchmark*	0.72%	2.18%	9.00%
Abbott - Net (12/31/04)	(1.56%)	(4.17%)	12.90%
Muller & Monroe ILPEFF (06/30/05)	0.00%	(0.58%)	2.26%
Alternatives Custom Benchmark*	0.72%	2.18%	9.00%
Muller & Monroe MPEFF (04/30/08)	(0.02%)	(4.69%)	11.10%
Alternatives Custom Benchmark*	0.72%	2.18%	9.00%
Pantheon (10/31/00)	(0.27%)	(3.00%)	11.33%
Alternatives Custom Benchmark*	0.72%	2.18%	9.00%
Pantheon - Net (12/31/04)	(0.27%)	(3.13%)	10.90%
Agriculture (09/30/97)	9.76%	9.64%	9.70%
Cozad/Westchester (09/30/97)	9.76%	9.64%	9.70%
Blended Benchmark**	1.17%	3.55%	15.64%
Timberland (09/30/92)	0.00%	0.52%	4.08%
Forest Investment Assoc. (09/30/92)	0.00%	0.52%	4.08%
Blended Benchmark**	1.17%	3.55%	15.64%

Returns are reported net of fee ex Abbott and Pantheon. Returns are derived from incomplete data.

* 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%.

** The Blended Benchmark is currently NPI + 1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%. As the returns of the NPI are quarterly, an estimate is used during the first two months of each quarter.

Alternative Investments Return

The table below details the rates of return for the fund's absolute return, private equity, agriculture, and timberland 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 December 31, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Absolute Return (12/31/01)	5.41%	0.95%	4.35%	4.32%
Aurora (10/31/01)	6.19%	1.98%	5.67%	5.74%
Alternatives Custom Benchmark*	10.49%	11.09%	11.94%	12.01%
HFR Fund-of-Funds Index	3.64%	(0.71%)	3.27%	3.43%
Grosvenor (01/31/02)	5.54%	0.90%	4.24%	4.24%
Alternatives Custom Benchmark*	10.49%	11.09%	11.94%	11.94%
HFR Fund-of-Funds Index	3.64%	(0.71%)	3.27%	3.27%
Mesirow (01/31/02)	4.41%	(0.15%)	4.15%	4.15%
Alternatives Custom Benchmark*	10.49%	11.09%	11.94%	11.94%
HFR Fund-of-Funds Index	3.64%	(0.71%)	3.27%	3.27%
Private Equity (01/31/86)	4.40%	7.58%	7.93%	13.27%
Abbott (06/30/87)	3.89%	7.22%	7.95%	14.36%
Alternatives Custom Benchmark*	10.49%	11.09%	11.94%	13.75%
Abbott - Net (12/31/04)	3.38%	6.74%	-	10.76%
Muller & Monroe ILPEFF (06/30/05)	0.94%	(2.63%)	-	(11.40%)
Alternatives Custom Benchmark*	10.49%	11.09%	11.94%	11.31%
Muller & Monroe MPEFF (04/30/08)	3.40%	-	-	(2.59%)
Alternatives Custom Benchmark*	10.49%	11.09%	11.94%	10.79%
Pantheon (10/31/00)	5.70%	8.62%	10.31%	8.35%
Alternatives Custom Benchmark*	10.49%	11.09%	11.94%	12.28%
Pantheon - Net (12/31/04)	5.25%	8.14%	-	13.59%
Agriculture (09/30/97)	5.06%	4.01%	6.88%	6.08%
Cozad/Westchester (09/30/97)	5.06%	4.01%	6.88%	6.08%
Blended Benchmark**	3.54%	4.16%	5.91%	6.27%
Timberland (09/30/92)	1.42%	7.09%	4.66%	9.45%
Forest Investment Assoc. (09/30/92)	1.42%	7.09%	4.66%	9.45%
Blended Benchmark**	3.54%	4.16%	5.91%	6.62%

Returns are reported net of fee ex Abbott and Pantheon. Returns are derived from incomplete data.

* 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%.

** The Blended Benchmark is currently NPI + 1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%. As the returns of the NPI are quarterly, an estimate is used during the first two months of each quarter.

Illinois Municipal Retirement Fund Manager Summary For Month Ending December 31, 2011

Five Best Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Outperformance (in % points)	Since Inception Outperformance (in % points)	
Rockwood	10.27	-70.71	(03/31/09)
William Blair Intl SC	8.00	5.74	(08/31/10)
Sentinel Real Estate	6.78	-2.76	(09/30/85)
Fortaleza	5.83	-0.61	(11/30/06)
Abbot	4.42	0.61	(06/30/87)

Five Worst Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Underperformance (in % points)	Since Inception Underperformance (in % points)	
Lazard Freres	-17.76	-6.27	(07/31/98)
Aurora	-14.43	-14.43	(10/31/01)
Security	-13.21	-13.21	(10/31/97)
Mesirow	-12.95	-7.79	(01/31/02)
Almanac Realty	-12.89	-2.68	(09/30/08)

Five Highest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
Rockwood	25.91	-65.17	(03/31/09)
Sentinel Real Estate	22.42	4.42	(09/30/85)
Dune	18.29	-11.14	(01/31/09)
BlackRock Granite	14.23	-9.43	(07/31/07)
TA Associates - Fund IX	14.06	5.29	(04/30/10)

Five Lowest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
Genesis	-15.04	14.99	(04/30/04)
McKinley Capital	-14.76	-2.10	(02/28/06)
Brown	-14.03	5.68	(09/30/04)
William Blair Intl LC	-13.14	8.65	(09/30/02)
NTGI - MSCI EAFE	-11.76	0.88	(01/31/00)

Returns are shown gross of investment management fees with the exception of Real Estate and Alternative Investments (ex Abbott and Pantheon)