

**ILLINOIS MUNICIPAL RETIREMENT FUND  
MINUTES OF  
REGULAR MEETING NO. 11-10  
OCTOBER 28, 2011**



ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 11-10

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m., October 28, 2011, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

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

Ms. Enright called the roll:

Present: Faklis, Henry, Piechocinski, Shoop, Stafford, Thompson

Absent: Copper, Rademacher

Ms. Becker-Wold and Mr. Dickinson from Callan Associates, Ms. Widlus from Seyfarth Shaw LLP., and representatives from Loop Capital and Cabrera Capital were also present.

Ms. Rademacher entered the Board Meeting at 9:03 a.m.

(11-10-01) (Investment Manager Activities - Callan and Associates)

Ms. Becker-Wold of Callan and Associates gave the following report to the Board on the activities of IMRF's investment managers for the month ending September 30, 2011:

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

**Illinois Municipal Retirement Fund  
Monthly Performance Report  
September 30, 2011**

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The following report was prepared by Callan Associates Inc. ("CAI") using information from sources that include the following: fund trustee(s); fund custodian(s); investment manager(s); CAI computer software; CAI investment manager and fund sponsor database; third party data vendors; and other outside sources as directed by the client. CAI assumes no responsibility for the accuracy or completeness of the information provided, or methodologies employed, by any information providers external to CAI. Reasonable care has been taken to assure the accuracy of the CAI database and computer software. In preparing the following report, CAI has not reviewed the risks of individual security holdings or the compliance/non-compliance of individual security holdings with investment policies and guidelines of a fund sponsor, nor has it assumed any responsibility to do so. Copyright 2011 by Callan Associates Inc.

Returns for Periods Ended September 30, 2011						
	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	(7.75)	(9.84)	0.68	1.66	(0.65)	3.89
Russell 1000	(7.46)	(9.25)	0.91	1.61	(0.91)	3.28
Russell:Midcap Index	(9.63)	(12.34)	(0.88)	3.96	0.56	7.45
Russell 2000	(11.21)	(17.02)	(3.53)	(0.37)	(1.02)	6.12
MSCI:ACWI ex US	(11.09)	(16.48)	(10.42)	0.98	(1.12)	7.27
MSCI:EAFE US\$	(9.53)	(14.98)	(9.36)	(1.13)	(3.46)	5.03
MSCI:Emer Markets	(14.56)	(21.66)	(15.89)	6.59	5.17	16.41
BC:Aggr Bd	0.73	6.65	5.26	7.97	6.53	5.66
NCREIF:Total Index	1.30	11.67	16.82	(1.25)	3.53	7.88
NAREIT Composite Idx	(10.44)	(5.92)	1.30	(1.06)	(3.04)	8.56

The slide in the equity markets not only continued in September, but picked up steam. An almost daily stream of negative economic news, mostly originating in Europe, kept pushing the markets lower while raising volatility. The European Central Bank faced mounting pressure to bail out both Greece and its own banking system. Even though the U.S. was not immune from this ugly market, domestic equities held up better than international equities.

The Dow Jones U.S. Total Stock Market Index decreased more than 7.7%. Developed international equity markets (as measure by the MSCI EAFE Index) and emerging markets got hammered, losing 9.5% and 14.6%, respectively.

The domestic bond market was place of comfort to those invested in fixed income. The BC Aggregate Bond Index gained 0.7% bringing its year-to-date return to +6.7%.

The public real estate market, as measured by the NAREIT Composite Index, also performed terribly, falling 10.4% in September. Its year-to-date return has now fallen into negative territory, down 5.9%.

\*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.

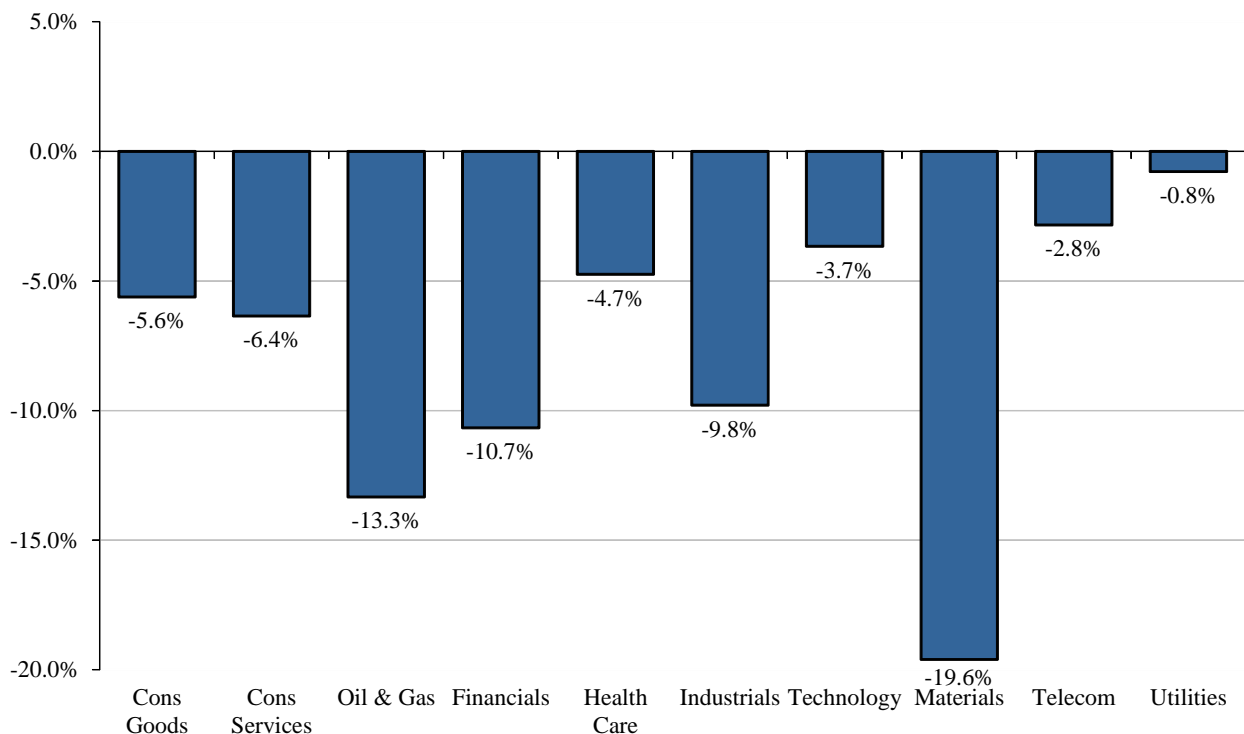
Returns  
for Periods Ended September 30, 2011

	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	(7.75)	(9.84)	0.68	1.66	(0.65)	3.89
Russell 1000	(7.46)	(9.25)	0.91	1.61	(0.91)	3.28
Russell:1000 Growth	(7.37)	(7.20)	3.78	4.69	1.62	3.01
Russell 1000 Value	(7.56)	(11.24)	(1.89)	(1.52)	(3.53)	3.36
Russell:Midcap Index	(9.63)	(12.34)	(0.88)	3.96	0.56	7.45
Russell 2000	(11.21)	(17.02)	(3.53)	(0.37)	(1.02)	6.12
Russell:2000 Growth	(11.50)	(15.57)	(1.12)	2.07	0.96	5.45
Russell:2000 Value	(10.92)	(18.51)	(5.99)	(2.78)	(3.08)	6.47

As was the case in August, large cap stocks outperformed the other size segments, but still lost 7.5% (Russell 1000). Mid cap stocks outperformed small caps for the month by 1.6% (Russell Mid Cap: -9.6%; Russell 2000: -11.2%). The difference between growth stocks and value stocks was small. The Russell 1000 Growth Index returned -7.4% compared to the Russell 1000 Value's return of -7.6%.

All sectors were negative for the month of September. The Materials sector was the biggest loser, down 19.6%. For the second month in a row, Utilities was the best performing sector, losing only 0.8%.

DJ US Total Stock Market Sector Returns



Returns  
for Periods Ended September 30, 2011

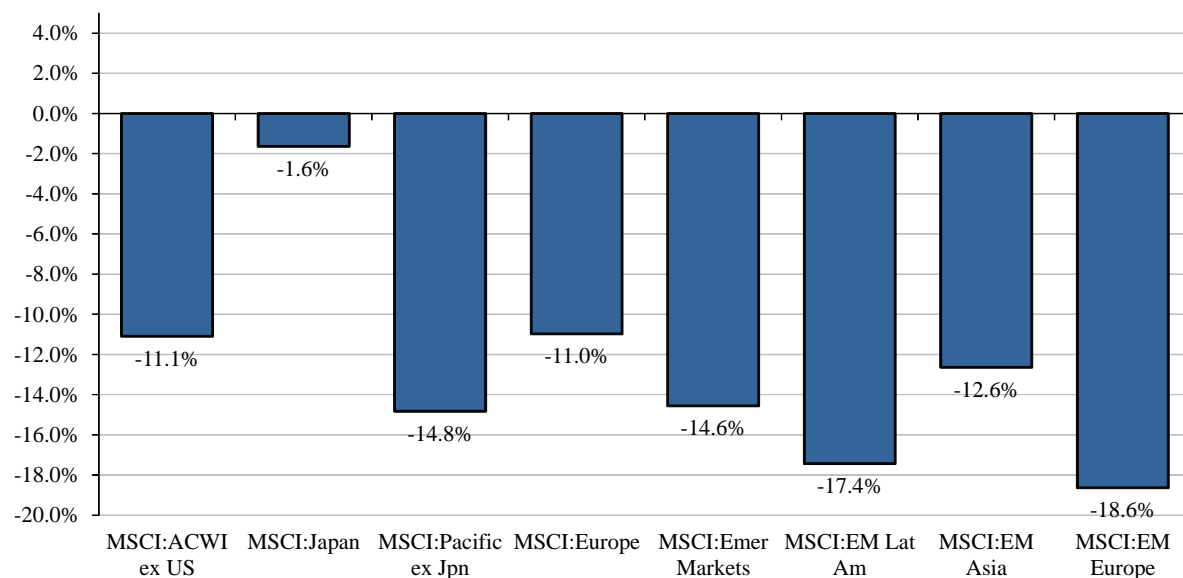
	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
MSCI:ACWI ex US	(11.09)	(16.48)	(10.42)	0.98	(1.12)	7.27
MSCI:ACWI ex US Gr	(12.43)	(17.36)	(10.61)	0.81	(0.65)	6.73
MSCI:ACW ex US Val	(9.73)	(15.57)	(10.28)	1.12	(1.64)	7.77
MSCI:EAFE US\$	(9.53)	(14.98)	(9.36)	(1.13)	(3.46)	5.03
MSCI:EAFE Hedged	(4.57)	(17.93)	(13.53)	(5.43)	(7.93)	(0.96)
MSCI:Emer Markets	(14.56)	(21.66)	(15.89)	6.59	5.17	16.41
S&P:Dev x US Sm Cap	(12.31)	(15.49)	(5.83)	4.43	(1.10)	10.18

The onslaught of bad news continued to pound international equity markets, which showed awful returns in every region except Japan. The worst sector was again emerging markets in Europe, falling 18.6% followed by Latin American emerging markets (-17.4%). Japan was the anchor of international markets and was only down a mild 1.6%.

Developed country stocks, as measured by the MSCI EAFE Index, lost 9.5%. The U.S. dollar strengthened in September so U.S. based investors who hedged their foreign currency exposure fared better; the MSCI EAFE-Hedged Index was only down 4.6%. As is expected in markets that are sharply negative, the MSCI Emerging Markets Index fell more than their developed counterparts (-14.6%).

Outside the United States, value stocks performed significantly better than growth stocks. The MSCI ACW ex-US Value Index declined 9.7% and the MSCI ACW ex-US Growth Index lost 12.4%.

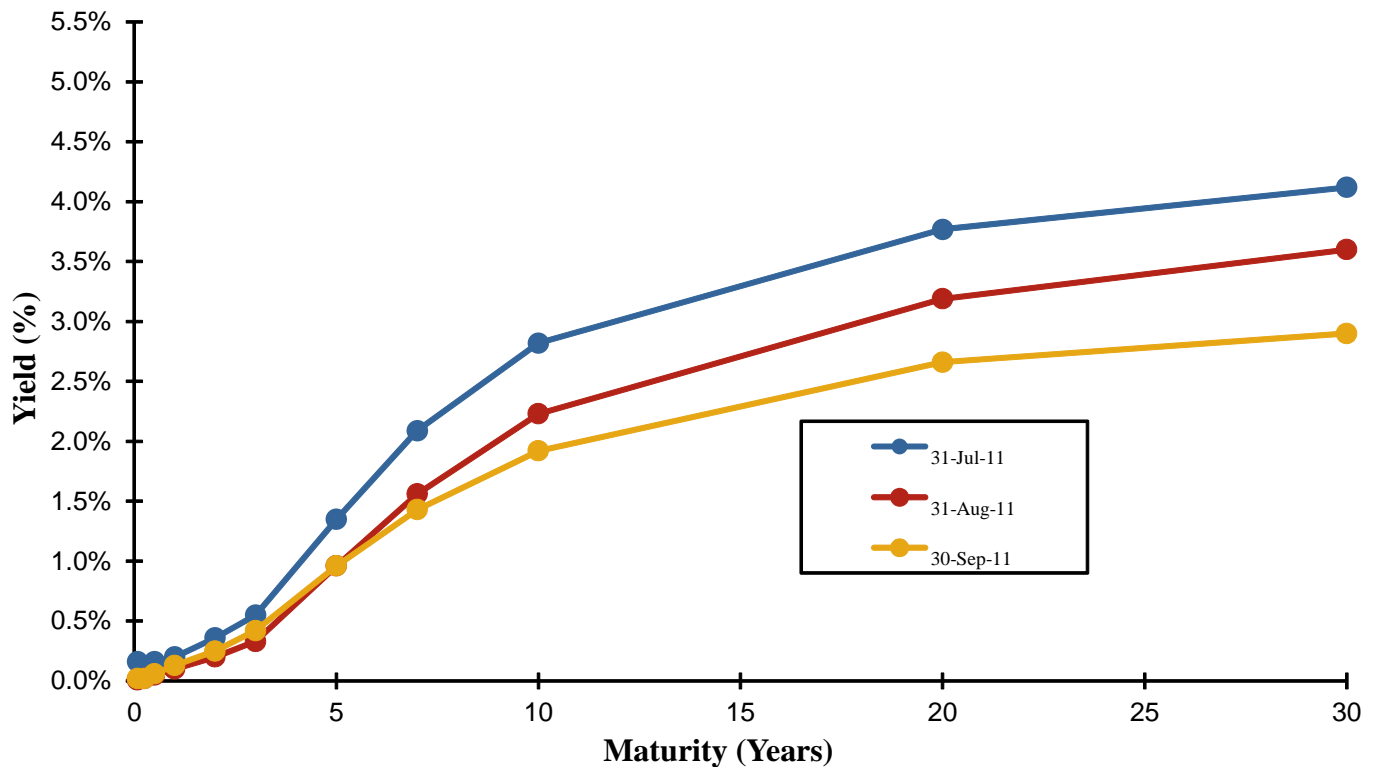
Monthly Regional Returns



Returns  
for Periods Ended September 30, 2011

	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
BC:Aggr Bd	0.73	6.65	5.26	7.97	6.53	5.66
BC:Govt Index	1.53	8.11	5.58	6.43	6.56	5.44
BC:Credit	0.25	6.54	4.56	11.74	6.72	6.26
BC:Mortgage Idx	0.17	5.30	5.56	7.02	6.69	5.61
BC:US TIPS Index	(0.24)	10.59	9.87	8.13	7.10	7.17
ML:High Yield CP Idx	(3.53)	(1.57)	1.36	13.52	6.84	8.48
3 Month T-Bill	0.00	0.10	0.14	0.22	1.74	2.02

**Treasury Yield Curve**



September was one of those months that helped investors understand the value of the fixed income market. While equities plummeted, bonds provided positive returns, except for a slight dip in U.S. TIPS and a large dip high yield bonds. The BC Aggregate Bond Index gained 0.7%, bringing its year-to-date return to 6.7%. The best performing fixed income index in this report was the BC Government Index, which returned a positive 1.5%. However, the best year-to-date performer is still the BC U.S. TIPS Index, up almost 10.6%. As is to be expected in a down equity market, high yield bonds were negative (Merrill Lynch High Yield Cash Pay Index: -3.5%).



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

Adams Street Partners, LLC  
Alliance Bernstein  
BlackRock Financial Management, Inc.  
BlackRock Granite  
Cornerstone Real Estate  
Dimensional Fund Advisors  
Forest Investment Associates  
Investment Counselors of Maryland  
Lazard Freres  
Mackay Shields  
McKinley Capital Management, Inc.  
Prudential SVI  
Pyramis Management Trust Co.  
Western Asset Management  
William Blair & Company, LLC

## ***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 September 30, fixed income was 4.4% above its target, which is 0.4% above the allowable range. Total Fund assets were \$23.2 billion down from \$24.7 billion in August.

Following on the negative return in August, the Total Fund returned -5.62% during September, behind the Total Fund Benchmark by 0.79%. For the trailing year, the Fund was up 0.28%, lagging the benchmark by 1.07%. The Domestic Equity and Fixed Income composites lagged their respective targets while International Equity was ahead.

## ***US Equity***

Large Cap: The Fund's Large Cap Growth managers returned -7.35%, essentially flat to the Russell 1000 Growth Index (-7.37%). The Large Cap Growth composite return was negatively impacted by BlackRock, Sands, and Vision. In aggregate, the Large Cap Value managers returned -8.19%, trailing the Russell 1000 Value Index return by 0.63%. BMO (formerly Harris) was the best performing manager in the group with a return of -7.68%. The Large Cap Core managers, Piedmont and Progress, returned -8.35% lagging the return of the DJ TSMI for the month.

Small Cap: The Small Cap portfolio fell hard, down 11.19% in September. Small Cap Growth managers declined 11.39% while Small Cap Value managers were down 11.45%. Fortaleza, Frontier and Lombardia managed to beat their benchmarks in a very difficult month for small caps. The Micro Cap segment lost 10.26%.

## ***International Equity***

Large Cap: International Large Cap managers returned -9.87% ahead of the MSCI ACW ex-US Index by 1.26%. William Blair turned in the best International Growth performance with a return of -10.06%. Brandes, the sole International Value manager, had a strong month on a relative basis returning -6.25% compared to the MSCI ACWI ex-US Value Index return of -9.73%. The International Large Cap Active Core group returned -10.85% during September with strong relative performance from Arrowstreet.

International Small Cap and Emerging Markets: William Blair posted a loss of 11.54% exceeding the index by 0.94%. The emerging markets portfolio managed by Genesis returned -12.30% during September, exceeding the MSCI Emerging Markets Index by 2.26% in a brutal month for emerging market equities.

### ***Domestic Fixed Income***

Active Core: The active core fixed income component returned 0.35%, trailing the BC Aggregate Index by 38 basis points. The enhanced core portfolio returned 0.51% underperforming its index by 22 basis points.

Core Plus: The core plus managers posted a loss of 0.07%, trailing the BC Aggregate by 80 basis points. BlackRock had the best monthly performance at 0.77%.

High Yield: MacKay Shields and Pyramis collectively returned -2.75%, beating the ML High Yield index return of -3.53% by 78 basis points.

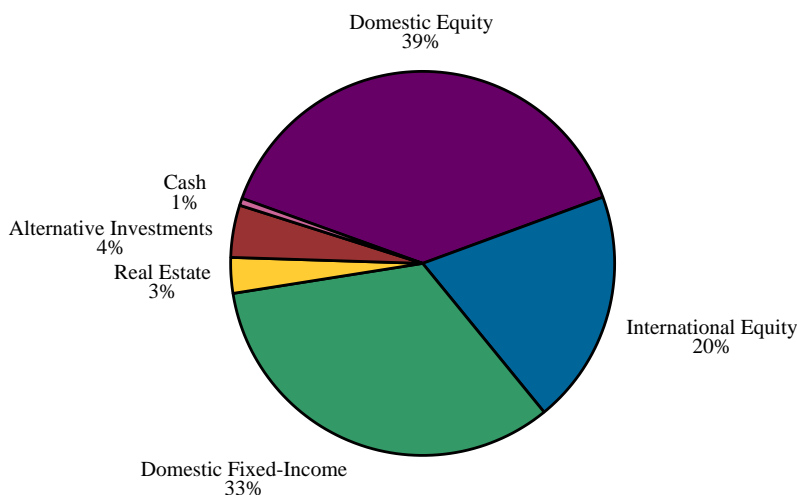
### ***Absolute Return, Alternatives and Real Estate***

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

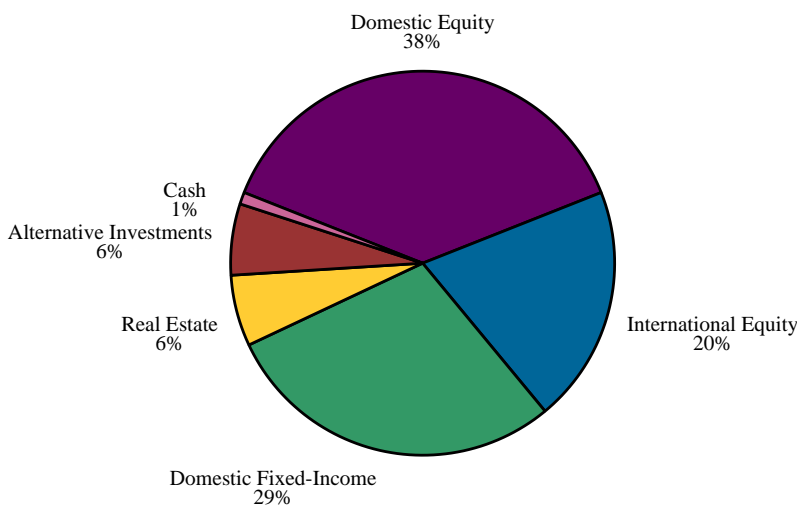
### Actual vs Target Asset Allocation

The first chart below shows the Funds asset allocation as of September 30, 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	8,996	38.9%	38.0%	0.9%	198
International Equity	4,560	19.7%	20.0%	(0.3%)	(70)
Domestic Fixed-Income	7,744	33.4%	29.0%	4.4%	1,030
Real Estate	692	3.0%	6.0%	(3.0%)	(697)
Alternative Investments	1,014	4.4%	6.0%	(1.6%)	(375)
Cash	145	0.6%	1.0%	(0.4%)	(86)
<b>Total</b>	<b>23,151</b>	<b>100.0%</b>	<b>100.0%</b>		

\* 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 September 30, 2011, with the distribution as of August 31, 2011.

#### Asset Distribution Across Investment Managers

	September 30, 2011		August 31, 2011	
	Market Value	Percent	Market Value	Percent
<b>Domestic Equity</b>	<b>\$8,995,799,650</b>	<b>38.86%</b>	<b>\$9,844,722,810</b>	<b>39.90%</b>
<b>Equity Transition Account</b>	-	-	\$3	0.00%
<b>Large Cap Growth</b>				
Alliance Bernstein	-	-	18	0.00%
BlackRock LCG	489,312,280	2.11%	532,065,155	2.16%
Holland	611,234,887	2.64%	654,740,277	2.65%
NTGI S&P 500 Growth Idx	678,994,276	2.93%	727,130,366	2.95%
Sands	615,401,312	2.66%	670,923,729	2.72%
Vision	44,410,722	0.19%	48,136,061	0.20%
<b>Large Cap Value</b>				
Dodge & Cox	539,269,151	2.33%	591,798,861	2.40%
BMO	590,294,868	2.55%	639,375,024	2.59%
LSV	562,130,328	2.43%	616,334,338	2.50%
NTGI S&P 500 Value Idx	606,172,056	2.62%	655,218,310	2.66%
<b>Large Cap Core</b>				
Piedmont	108,620,364	0.47%	116,787,609	0.47%
Progress	346,727,000	1.50%	380,023,364	1.54%
NTGI MarketCap Index	1,675,391,568	7.24%	1,816,180,775	7.36%
<b>Small Cap Growth</b>				
Buford	24,929,102	0.11%	28,532,081	0.12%
Fortaleza	26,082,334	0.11%	29,093,585	0.12%
Frontier	399,483,876	1.73%	442,440,691	1.79%
Pyramis	405,909,732	1.75%	466,463,836	1.89%
<b>Small Cap Value</b>				
Channing	40,503,117	0.17%	45,612,670	0.18%
Dimensional Small Cap Value	331,637,158	1.43%	377,460,513	1.53%
Inv. Counselors of Maryland	388,396,754	1.68%	437,228,341	1.77%
Lombardia	83,496,455	0.36%	92,847,708	0.38%
<b>Micro Cap</b>				
Ariel	46,330,138	0.20%	51,462,225	0.21%
Ativo	23,665,552	0.10%	26,594,332	0.11%
Dimensional Micro Cap	149,212,890	0.64%	165,016,475	0.67%
Wall Street	208,193,730	0.90%	233,256,465	0.95%
<b>International Equity</b>	<b>\$4,560,231,800</b>	<b>19.70%</b>	<b>\$5,074,795,396</b>	<b>20.57%</b>
<b>International Large Cap Growth</b>				
EARNEST Partners	260,530,107	1.13%	295,688,530	1.20%
McKinley	247,048,203	1.07%	287,213,270	1.16%
William Blair	642,816,214	2.78%	714,755,701	2.90%
<b>International Large Cap Value</b>				
Brandes	557,796,797	2.41%	595,009,559	2.41%
<b>International Large Cap Core</b>				
Arrowstreet	337,473,962	1.46%	370,736,857	1.50%
Brown	158,364,516	0.68%	180,575,340	0.73%
GlobeFlex	330,517,966	1.43%	375,652,562	1.52%
NTGI MSCI EAFE Index	1,491,526,465	6.44%	1,647,487,921	6.68%
<b>International Small Cap</b>				
William Blair	140,465,093	0.61%	158,792,020	0.64%
AXA Rosenberg	194,693	0.00%	213,002	0.00%

Vision was funded 06/17/2011. Piedmont LC was funded 05/19/2011. Channing and Lombardia were funded 05/26/2011. BlackRock LCG was funded 07/12/2011. Brown and GlobeFlex moved to International Large Cap Active Core April 1, 2011. 10/28/2011



### Investment Manager Asset Allocation

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

#### Asset Distribution Across Investment Managers

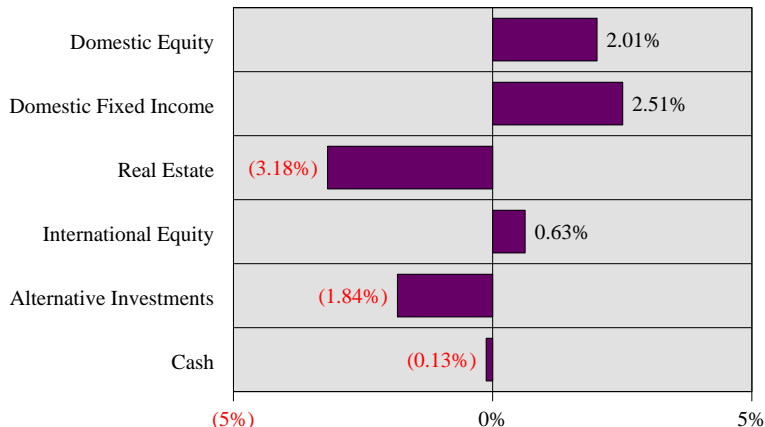
	September 30, 2011		August 31, 2011	
	Market Value	Percent	Market Value	Percent
<b>Emerging Markets</b>				
Genesis	393,497,783	1.70%	448,670,637	1.82%
<b>Domestic Fixed-Income</b>	<b>\$7,744,064,828</b>	<b>33.45%</b>	<b>\$7,752,105,189</b>	<b>31.42%</b>
<b>Domestic Fixed Core</b>				
EARNEST Partners	500,250,907	2.16%	495,714,126	2.01%
Piedmont	490,124,766	2.12%	491,208,825	1.99%
BlackRock Enhanced	902,255,856	3.90%	897,721,776	3.64%
NTGI BC Aggregate Index	1,434,163,432	6.19%	1,423,602,799	5.77%
<b>Domestic Fixed Core Plus</b>				
BlackRock Core Plus	663,806,783	2.87%	658,706,962	2.67%
LM Capital	764,320,682	3.30%	767,931,875	3.11%
Progress Fixed Income	389,020,907	1.68%	394,887,113	1.60%
Taplin, Canida, & Habacht	741,208,282	3.20%	743,433,922	3.01%
Western	1,003,687,702	4.34%	999,456,940	4.05%
<b>High Yield</b>				
MacKay Shields	419,895,944	1.81%	426,895,375	1.73%
Pyramis High Yield	435,329,567	1.88%	452,545,477	1.83%
<b>Real Estate</b>	<b>\$691,907,481</b>	<b>2.99%</b>	<b>\$691,251,988</b>	<b>2.80%</b>
<b>Real Estate Opportunistic</b>				
Lazard Freres	29,048,110	0.13%	29,048,110	0.12%
Olympus Real Estate Fund II	1,116,186	0.00%	1,116,186	0.00%
Security	47,577,315	0.21%	49,607,531	0.20%
Dune Real Estate Fund II	20,632,628	0.09%	20,632,628	0.08%
<b>Real Estate Core</b>				
BlackRock Granite Fund	62,444,824	0.27%	62,444,824	0.25%
Buckhead	221,417,886	0.96%	221,417,886	0.90%
Cornerstone	75,000,000	0.32%	75,000,000	0.30%
INVESCO	76,470,669	0.33%	76,470,669	0.31%
Sentinel	56,335,712	0.24%	56,335,712	0.23%
<b>Real Estate Value Added</b>				
Rockwood	23,707,924	0.10%	19,402,275	0.08%
Rothschild	29,216,047	0.13%	30,501,067	0.12%
TA Fund IX	48,940,180	0.21%	49,275,099	0.20%
<b>Alternative Investments</b>	<b>\$1,014,151,931</b>	<b>4.38%</b>	<b>\$1,024,319,481</b>	<b>4.15%</b>
<b>Absolute Return</b>				
Aurora	132,228,930	0.57%	136,159,063	0.55%
Grosvenor	117,314,176	0.51%	117,314,176	0.48%
Mesirow	115,639,759	0.50%	122,426,292	0.50%
<b>Private Equity</b>				
Abbott	292,185,229	1.26%	292,274,468	1.18%
Muller & Monroe ILPEFF	13,737,563	0.06%	13,795,508	0.06%
Muller & Monroe MPEFF	16,015,608	0.07%	15,938,334	0.06%
Pantheon	164,115,012	0.71%	164,049,923	0.66%
<b>Agriculture</b>				
Cozad/Westchester	98,264,899	0.42%	98,051,402	0.40%
<b>Timberland</b>				
Forest Investment Assoc.	64,521,783	0.28%	64,177,488	0.26%
<b>Cash</b>	<b>\$145,268,574</b>	<b>0.63%</b>	<b>\$285,225,486</b>	<b>1.16%</b>
<b>Total</b>	<b>\$23,151,424,263</b>	<b>100.0%</b>	<b>\$24,672,420,351</b>	<b>100.0%</b>



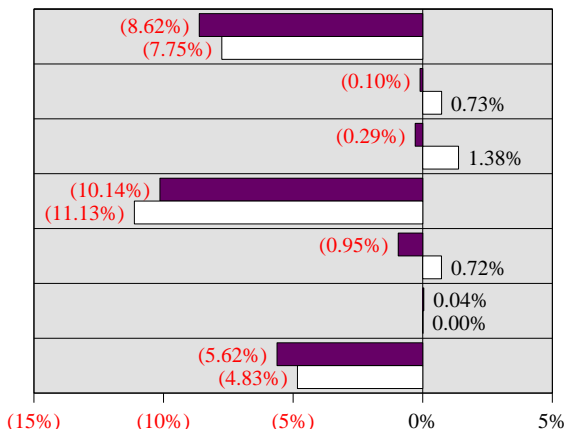
### Monthly Total Fund Relative Attribution - September 30, 2011

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.

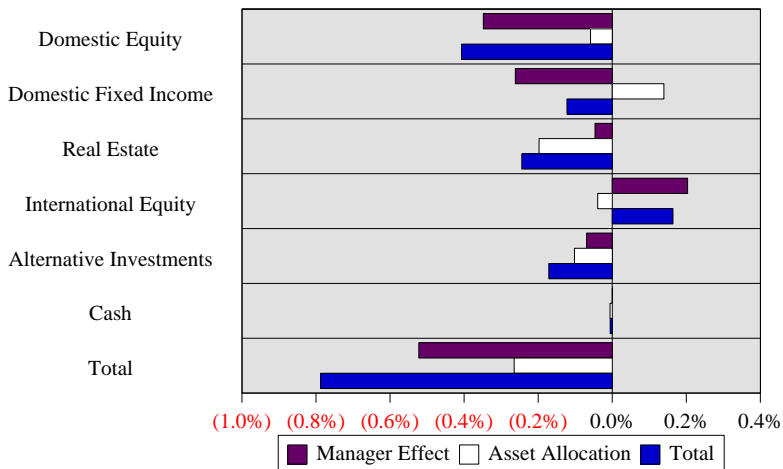
#### Asset Class Under or Overweighting



#### Actual vs Target Returns



#### Relative Attribution by Asset Class



#### Relative Attribution Effects for Month ended September 30, 2011

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	40%	38%	(8.62%)	(7.75%)	(0.35%)	(0.06%)	(0.41%)
Domestic Fixed Income	32%	29%	(0.10%)	0.73%	(0.26%)	0.14%	(0.12%)
Real Estate	3%	6%	(0.29%)	1.38%	(0.05%)	(0.20%)	(0.24%)
International Equity	21%	20%	(10.14%)	(11.13%)	0.20%	(0.04%)	0.16%
Alternative Investments	4%	6%	(0.95%)	0.72%	(0.07%)	(0.10%)	(0.17%)
Cash	1%	1%	0.04%	0.00%	0.00%	(0.01%)	(0.01%)

**Total** (5.62%) = (4.83%) + (0.52%) + (0.26%) (0.79%)

\* 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Domestic Equity (12/31/81)	(8.62%)	(17.20%)	(11.79%)	(0.21%)
DJ U.S. Total Stock Market Index	(7.75%)	(15.23%)	(9.84%)	0.68%
Domestic Equity - Net (12/31/04)	(8.62%)	(17.25%)	(11.95%)	(0.44%)
International Equity (08/31/86)	(10.14%)	(18.99%)	(15.24%)	(9.30%)
MSCI ACWI x US (Net)	(11.13%)	(19.85%)	(16.80%)	(10.81%)
International Equity - Net (12/31/04)	(10.14%)	(19.05%)	(15.40%)	(9.54%)
Domestic Fixed-Income (12/31/81)	(0.10%)	1.86%	5.35%	4.96%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
Domestic Fixed-Inc. - Net (12/31/04)	(0.10%)	1.82%	5.23%	4.81%
Real Estate (04/30/85)	(0.29%)	1.65%	8.17%	13.72%
Blended Benchmark**	1.38%	4.19%	12.42%	17.82%
Real Estate - Net (12/31/04)	(0.29%)	1.65%	8.17%	13.72%
Alternative Investments (01/31/86)	(0.95%)	(0.62%)	5.57%	10.68%
Alternatives Custom Benchmark***	0.72%	2.18%	6.68%	9.00%
Alternative Investments - Net (12/31/04)	(0.95%)	(0.67%)	5.42%	10.47%
Absolute Return (12/31/01)	(2.85%)	(5.37%)	(3.28%)	0.28%
HFR Fund-of-Funds Index	(2.56%)	(4.73%)	(5.02%)	(1.59%)
Private Equity (01/31/86)	(0.01%)	2.88%	14.96%	21.27%
Alternatives Custom Benchmark***	0.72%	2.18%	6.68%	9.00%
Agriculture (09/30/97)	0.22%	0.11%	0.05%	7.82%
Blended Benchmark**	1.38%	4.19%	12.42%	17.82%
Timberland (09/30/92)	1.32%	1.07%	2.75%	6.03%
Blended Benchmark**	1.38%	4.19%	12.42%	17.82%
<b>Total Fund (12/31/81)</b>	<b>(5.62%)</b>	<b>(10.73%)</b>	<b>(6.18%)</b>	<b>0.28%</b>
Total Fund Benchmark	(4.83%)	(8.61%)	(4.28%)	1.35%
Total Fund - Net (12/31/04)	(5.62%)	(10.78%)	(6.33%)	0.08%

\* 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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Equity (12/31/81)	1.63%	(0.62%)	4.46%	10.61%
DJ U.S. Total Stock Market Index	1.66%	(0.65%)	3.89%	10.25%
Domestic Equity - Net (12/31/04)	1.39%	(0.86%)	-	1.50%
International Equity (08/31/86)	1.21%	(1.68%)	7.20%	7.57%
MSCI ACWI x US (Net)	0.52%	(1.57%)	6.83%	-
International Equity - Net (12/31/04)	0.91%	(2.00%)	-	2.87%
Domestic Fixed-Income (12/31/81)	10.02%	6.82%	6.42%	9.34%
BC Aggregate Index	7.97%	6.53%	5.66%	8.85%
Domestic Fixed-Inc. - Net (12/31/04)	9.88%	6.70%	-	5.82%
Real Estate (04/30/85)	(6.07%)	(0.69%)	4.72%	3.92%
Blended Benchmark**	(0.25%)	3.69%	5.63%	7.16%
Real Estate - Net (12/31/04)	(6.07%)	(0.69%)	-	3.47%
Alternative Investments (01/31/86)	3.05%	5.54%	5.64%	11.20%
Alternatives Custom Benchmark***	10.74%	11.24%	12.09%	13.86%
Alternative Investments - Net (12/31/04)	2.76%	5.25%	-	7.84%
Absolute Return (12/31/01)	2.33%	2.09%	-	4.54%
HFR Fund-of-Funds Index	0.22%	0.44%	3.57%	3.49%
Private Equity (01/31/86)	3.68%	8.89%	6.87%	13.51%
Alternatives Custom Benchmark***	10.74%	11.24%	12.09%	13.86%
Agriculture (09/30/97)	2.95%	4.07%	5.92%	5.50%
Blended Benchmark**	(0.25%)	3.69%	5.63%	6.18%
Timberland (09/30/92)	4.81%	6.36%	4.45%	9.51%
Blended Benchmark**	(0.25%)	3.69%	5.63%	6.55%
<b>Total Fund (12/31/81)</b>	<b>5.30%</b>	<b>2.76%</b>	<b>6.16%</b>	<b>9.78%</b>
Total Fund Benchmark	4.76%	3.05%	5.92%	-
Total Fund - Net (12/31/04)	5.09%	2.55%	-	4.16%

\* 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Large Cap Equity (12/31/81)</b>	<b>(7.35%)</b>	<b>(14.95%)</b>	<b>(9.32%)</b>	<b>1.15%</b>
Russell 1000 Index	(7.46%)	(14.68%)	(9.25%)	0.91%
<b>Large Cap Growth (12/31/81)</b>	<b>(7.35%)</b>	<b>(13.14%)</b>	<b>(7.12%)</b>	<b>4.27%</b>
BlackRock LCG (07/31/11)	(8.04%)	-	-	-
LCG Blended Benchmark*	(7.37%)	(13.14%)	(7.20%)	3.78%
Russell 1000 Growth Index	(7.37%)	(13.14%)	(7.20%)	3.78%
BlackRock LCG - Net (07/31/11)	(8.04%)	-	-	-
Holland (10/31/94)	(6.64%)	(11.93%)	(4.83%)	4.58%
LCG Blended Benchmark*	(7.37%)	(13.14%)	(7.20%)	3.78%
Russell 1000 Growth Index	(7.37%)	(13.14%)	(7.20%)	3.78%
Holland - Net (12/31/04)	(6.64%)	(12.05%)	(5.06%)	4.28%
NTGI S&P 500 Growth Idx (07/31/01)	(6.62%)	(11.61%)	(5.60%)	4.80%
S&P/Citi 500 Growth Index	(6.61%)	(11.56%)	(5.56%)	4.85%
NTGI S&P 500 Growth Idx - Net (12/31/04)	(6.62%)	(11.62%)	(5.62%)	4.78%
Sands (10/31/03)	(8.28%)	(12.51%)	(5.22%)	9.67%
LCG Blended Benchmark*	(7.37%)	(13.14%)	(7.20%)	3.78%
Russell 1000 Growth Index	(7.37%)	(13.14%)	(7.20%)	3.78%
Sands - Net (12/31/04)	(8.28%)	(12.57%)	(5.40%)	9.40%
Vision (06/30/2011)	(7.74%)	(13.86%)	-	-
LCG Blended Benchmark*	(7.37%)	(13.14%)	(7.20%)	3.78%
Russell 1000 Growth Index	(7.37%)	(13.14%)	(7.20%)	3.78%
Vision - Net (06/30/2011)	(7.74%)	(13.87%)	-	-
<b>Large Cap Value (09/30/82)</b>	<b>(8.19%)</b>	<b>(17.48%)</b>	<b>(11.79%)</b>	<b>(2.47%)</b>
Dodge & Cox (08/31/03)	(8.87%)	(18.41%)	(13.16%)	(3.49%)
LCV Blended Benchmark**	(7.56%)	(16.20%)	(11.24%)	(1.89%)
Russell 1000 Value Index	(7.56%)	(16.20%)	(11.24%)	(1.89%)
Dodge & Cox - Net (12/31/04)	(8.87%)	(18.45%)	(13.29%)	(3.70%)
BMO (01/31/01)	(7.68%)	(16.47%)	(9.01%)	1.40%
LCV Blended Benchmark**	(7.56%)	(16.20%)	(11.24%)	(1.89%)
Russell 1000 Value Index	(7.56%)	(16.20%)	(11.24%)	(1.89%)
BMO - Net (12/31/04)	(7.68%)	(16.53%)	(9.17%)	1.16%
LSV (01/31/03)	(8.80%)	(18.87%)	(12.22%)	(4.03%)
LCV Blended Benchmark**	(7.56%)	(16.20%)	(11.24%)	(1.89%)
Russell 1000 Value Index	(7.56%)	(16.20%)	(11.24%)	(1.89%)
LSV - Net (12/31/04)	(8.80%)	(18.93%)	(12.39%)	(4.28%)
NTGI S&P 500 Value Idx (07/31/99)	(7.49%)	(16.27%)	(11.87%)	(2.60%)
S&P/Citi 500 Value Index	(7.49%)	(16.30%)	(11.92%)	(2.66%)
NTGI S&P 500 Value Idx - Net (12/31/04)	(7.49%)	(16.28%)	(11.88%)	(2.61%)

\* 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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Large Cap Equity (12/31/81)</b>	<b>1.85%</b>	<b>(0.78%)</b>	<b>3.41%</b>	<b>10.12%</b>
Russell 1000 Index	1.61%	(0.91%)	3.28%	10.46%
<b>Large Cap Growth (12/31/81)</b>	<b>5.58%</b>	<b>1.89%</b>	<b>3.57%</b>	<b>10.72%</b>
BlackRock LCG (07/31/11)	-	-	-	(15.67%)
LCG Blended Benchmark*	4.69%	1.62%	2.94%	(12.26%)
Russell 1000 Growth Index	4.69%	1.62%	3.01%	(12.26%)
BlackRock LCG - Net (07/31/11)	-	-	-	(15.67%)
Holland (10/31/94)	6.91%	3.03%	4.94%	8.61%
LCG Blended Benchmark*	4.69%	1.62%	2.94%	7.56%
Russell 1000 Growth Index	4.69%	1.62%	3.01%	6.58%
Holland - Net (12/31/04)	6.56%	2.74%	-	2.53%
NTGI S&P 500 Growth Idx (07/31/01)	4.50%	1.40%	3.09%	1.60%
S&P/Citi 500 Growth Index	4.47%	1.41%	3.05%	1.56%
NTGI S&P 500 Growth Idx - Net (12/31/04)	4.49%	1.39%	-	2.36%
Sands (10/31/03)	12.89%	5.44%	-	7.20%
LCG Blended Benchmark*	4.69%	1.62%	2.94%	3.86%
Russell 1000 Growth Index	4.69%	1.62%	3.01%	4.09%
Sands - Net (12/31/04)	12.59%	5.15%	-	4.01%
Vision (06/30/2011)	-	-	-	(13.86%)
LCG Blended Benchmark*	4.69%	1.62%	2.94%	(13.14%)
Russell 1000 Growth Index	4.69%	1.62%	3.01%	(13.14%)
Vision - Net (06/30/2011)	-	-	-	(13.87%)
<b>Large Cap Value (09/30/82)</b>	<b>(1.76%)</b>	<b>(3.37%)</b>	<b>3.08%</b>	<b>9.06%</b>
Dodge & Cox (08/31/03)	(0.12%)	(4.14%)	-	3.99%
LCV Blended Benchmark**	(1.52%)	(3.53%)	2.69%	3.55%
Russell 1000 Value Index	(1.52%)	(3.53%)	3.36%	3.78%
Dodge & Cox - Net (12/31/04)	(0.35%)	(4.37%)	-	(0.35%)
BMO (01/31/01)	(1.65%)	(1.87%)	4.66%	3.66%
LCV Blended Benchmark**	(1.52%)	(3.53%)	2.69%	0.60%
Russell 1000 Value Index	(1.52%)	(3.53%)	3.36%	1.89%
BMO - Net (12/31/04)	(1.89%)	(2.10%)	-	1.47%
LSV (01/31/03)	(1.08%)	(2.87%)	-	6.53%
LCV Blended Benchmark**	(1.52%)	(3.53%)	2.69%	4.95%
Russell 1000 Value Index	(1.52%)	(3.53%)	3.36%	5.01%
LSV - Net (12/31/04)	(1.37%)	(3.15%)	-	0.73%
NTGI S&P 500 Value Idx (07/31/99)	(2.13%)	(3.84%)	2.45%	0.70%
S&P/Citi 500 Value Index	(2.19%)	(3.88%)	2.41%	0.69%
NTGI S&P 500 Value Idx - Net (12/31/04)	(2.14%)	(3.85%)	-	(0.35%)

\* 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Large Cap Active Core (12/31/04)</b>	<b>(8.35%)</b>	<b>(16.83%)</b>	<b>(10.98%)</b>	<b>(0.25%)</b>
Piedmont (05/31/11)	(6.99%)	(16.03%)	-	-
Russell 1000 Index	(7.46%)	(14.68%)	(9.25%)	0.91%
Piedmont - Net (05/31/11)	(6.99%)	(16.10%)	-	-
Progress (01/31/05)	(8.76%)	(17.07%)	(11.39%)	(0.71%)
DJ U.S. Total Stock Market Index	(7.75%)	(15.23%)	(9.84%)	0.68%
Progress - Net (01/31/05)	(8.76%)	(17.21%)	(11.78%)	(1.28%)
<b>Large Cap Passive Core (12/31/84)</b>	<b>(7.75%)</b>	<b>(15.20%)</b>	<b>(9.81%)</b>	<b>0.70%</b>
NTGI MarketCap Idx (01/31/85)	(7.75%)	(15.20%)	(9.81%)	0.70%
DJ U.S. Total Stock Market Index	(7.75%)	(15.23%)	(9.84%)	0.68%
NTGI MarketCap Idx - Net (12/31/04)	(7.75%)	(15.20%)	(9.82%)	0.70%



### 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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Large Cap Active Core (12/31/04)</b>	<b>0.81%</b>	<b>(0.57%)</b>	-	<b>1.49%</b>
Piedmont (05/31/11)	-	-	-	(17.55%)
Russell 1000 Index	1.61%	(0.91%)	3.28%	(16.17%)
Piedmont - Net (05/31/11)	-	-	-	(17.62%)
Progress (01/31/05)	0.66%	(0.66%)	-	1.44%
DJ U.S. Total Stock Market Index	1.66%	(0.65%)	3.89%	1.59%
Progress - Net (01/31/05)	0.05%	(1.26%)	-	0.85%
<b>Large Cap Passive Core (12/31/84)</b>	<b>1.73%</b>	<b>(0.89%)</b>	<b>3.74%</b>	<b>9.91%</b>
NTGI MarketCap Idx (01/31/85)	1.76%	(0.87%)	3.75%	9.95%
DJ U.S. Total Stock Market Index	1.66%	(0.65%)	3.89%	9.91%
NTGI MarketCap Idx - Net (12/31/04)	1.76%	(0.87%)	-	1.40%

### 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Small Cap Equity (06/30/88)</b>	<b>(11.19%)</b>	<b>(22.57%)</b>	<b>(18.12%)</b>	<b>(2.31%)</b>
Russell 2000 Index	(11.21%)	(21.87%)	(17.02%)	(3.53%)
<b>Small Cap Growth (06/30/88)</b>	<b>(11.39%)</b>	<b>(23.03%)</b>	<b>(18.10%)</b>	<b>(1.31%)</b>
Buford (10/31/06)	(12.63%)	(23.12%)	(17.05%)	(3.44%)
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Buford - Net (10/31/06)	(12.63%)	(23.19%)	(17.29%)	(3.82%)
Fortaleza (11/30/06)	(10.35%)	(18.99%)	(9.74%)	7.24%
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Fortaleza - Net (11/30/06)	(10.35%)	(19.11%)	(10.05%)	6.75%
Frontier (07/31/88)	(9.71%)	(22.80%)	(18.23%)	(1.77%)
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Frontier - Net (12/31/04)	(9.71%)	(22.89%)	(18.78%)	(2.54%)
Pyramis (07/31/88)	(12.98%)	(23.51%)	(18.68%)	(1.57%)
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Pyramis - Net (12/31/04)	(12.98%)	(23.61%)	(18.99%)	(2.10%)
<b>Small Cap Value (08/31/89)</b>	<b>(11.45%)</b>	<b>(22.25%)</b>	<b>(18.44%)</b>	<b>(4.07%)</b>
Channing (06/30/2011)	(11.20%)	(21.33%)	-	-
Russell 2000 Value Index	(10.92%)	(21.47%)	(18.51%)	(5.99%)
Channing - Net (06/30/2011)	(11.20%)	(21.40%)	-	-
DFA Small Cap Value (01/31/96)	(12.14%)	(23.38%)	(19.55%)	(3.99%)
Russell 2000 Value Index	(10.92%)	(21.47%)	(18.51%)	(5.99%)
DFA Small Cap Value - Net (12/31/04)	(12.14%)	(23.45%)	(19.83%)	(4.44%)
Inv. Counselors of Maryland (04/30/99)	(11.17%)	(21.70%)	(17.67%)	(3.88%)
Russell 2000 Value Index	(10.92%)	(21.47%)	(18.51%)	(5.99%)
Inv. Couns. of Maryland - Net (12/31/04)	(11.17%)	(21.80%)	(17.93%)	(4.27%)
Lombardia (05/31/11)	(10.07%)	(20.61%)	-	-
Russell 2000 Value Index	(10.92%)	(21.47%)	(18.51%)	(5.99%)
Lombardia - Net (05/31/11)	(10.07%)	(20.68%)	-	-
<b>Micro Cap (06/30/84)</b>	<b>(10.26%)</b>	<b>(22.28%)</b>	<b>(18.20%)</b>	<b>(2.36%)</b>
Ariel (10/31/2010)	(9.97%)	(18.63%)	(16.65%)	(9.12%)
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Russell 2000 Index	(11.21%)	(21.87%)	(17.02%)	(3.53%)
Russell Microcap Index	(11.06%)	(22.68%)	(20.30%)	(4.83%)
Ariel - Net (10/31/10)	(9.97%)	(18.81%)	(17.17%)	(9.72%)
Ativo (09/30/10)	(10.92%)	(20.61%)	(18.23%)	(7.86%)
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Russell 2000 Index	(11.21%)	(21.87%)	(17.02%)	(3.53%)
Russell Microcap Index	(11.06%)	(22.68%)	(20.30%)	(4.83%)
Ativo - Net (09/30/10)	(10.92%)	(20.77%)	(18.73%)	(8.43%)
DFA Micro Cap (07/31/87)	(9.58%)	(19.38%)	(15.10%)	(0.25%)
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Russell 2000 Index	(11.21%)	(21.87%)	(17.02%)	(3.53%)
DFA Micro Cap - Net (12/31/04)	(9.58%)	(19.47%)	(15.40%)	(0.73%)
Wall Street (07/31/90)	(10.73%)	(25.13%)	(20.65%)	(2.10%)
Russell 2000 Growth Index	(11.50%)	(22.25%)	(15.57%)	(1.12%)
Russell 2000 Index	(11.21%)	(21.87%)	(17.02%)	(3.53%)
Wall Street - Net (12/31/04)	(10.73%)	(25.32%)	(21.13%)	(2.86%)

## 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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Small Cap Equity (06/30/88)</b>	<b>2.57%</b>	<b>1.54%</b>	<b>9.31%</b>	<b>11.36%</b>
Russell 2000 Index	(0.37%)	(1.02%)	6.12%	8.29%
<b>Small Cap Growth (06/30/88)</b>	<b>3.57%</b>	<b>2.46%</b>	<b>9.31%</b>	<b>12.18%</b>
Buford (10/31/06)	(4.21%)	-	-	(0.95%)
Russell 2000 Growth Index	2.07%	0.96%	5.45%	(0.31%)
Buford - Net (10/31/06)	(4.60%)	(1.29%)	-	(1.29%)
Fortaleza (11/30/06)	1.37%	-	-	(0.76%)
Russell 2000 Growth Index	2.07%	0.96%	5.45%	(0.31%)
Fortaleza - Net (11/30/06)	0.88%	-	-	(1.22%)
Frontier (07/31/88)	4.38%	3.66%	9.12%	12.30%
Russell 2000 Growth Index	2.07%	0.96%	5.45%	6.03%
Frontier - Net (12/31/04)	3.46%	2.83%	-	4.21%
Pyramis (07/31/88)	4.29%	3.10%	10.30%	12.76%
Russell 2000 Growth Index	2.07%	0.96%	5.45%	6.03%
Pyramis - Net (12/31/04)	3.75%	2.48%	-	5.80%
<b>Small Cap Value (08/31/89)</b>	<b>0.32%</b>	<b>(0.23%)</b>	<b>9.03%</b>	<b>10.90%</b>
Channing (06/30/2011)	-	-	-	(21.33%)
Russell 2000 Value Index	(2.78%)	(3.08%)	6.47%	(21.47%)
Channing - Net (06/30/2011)	-	-	-	(21.40%)
DFA Small Cap Value (01/31/96)	1.95%	(1.52%)	9.74%	10.90%
Russell 2000 Value Index	(2.78%)	(3.08%)	6.47%	7.90%
DFA Small Cap Value - Net (12/31/04)	1.44%	(2.05%)	-	1.42%
Inv. Counselors of Maryland (04/30/99)	(0.36%)	0.51%	8.69%	10.04%
Russell 2000 Value Index	(2.78%)	(3.08%)	6.47%	7.43%
Inv. Couns. of Maryland - Net (12/31/04)	(0.89%)	(0.02%)	-	2.25%
Lombardia (05/31/11)	-	-	-	(22.96%)
Russell 2000 Value Index	(2.78%)	(3.08%)	6.47%	(23.41%)
Lombardia - Net (05/31/11)	-	-	-	(23.03%)
<b>Micro Cap (06/30/84)</b>	<b>2.77%</b>	<b>(1.97%)</b>	<b>6.65%</b>	<b>11.10%</b>
Ariel (10/31/10)	-	-	-	(9.12%)
Russell 2000 Growth Index	2.07%	0.96%	5.45%	(1.12%)
Russell 2000 Index	(0.37%)	(1.02%)	6.12%	(3.53%)
Russell Microcap Index	(2.00%)	(4.36%)	5.28%	(4.83%)
Ariel - Net (10/31/10)	-	-	-	(9.72%)
Ativo (09/30/10)	-	-	-	(4.85%)
Russell 2000 Growth Index	2.07%	0.96%	5.45%	11.83%
Russell 2000 Index	(0.37%)	(1.02%)	6.12%	7.81%
Russell Microcap Index	(2.00%)	(4.36%)	5.28%	5.98%
Ativo - Net (09/30/10)	-	-	-	(5.39%)
DFA Micro Cap (07/31/87)	2.03%	(0.59%)	8.80%	10.09%
Russell 2000 Growth Index	2.07%	0.96%	5.45%	5.28%
Russell 2000 Index	(0.37%)	(1.02%)	6.12%	7.38%
DFA Micro Cap - Net (12/31/04)	1.54%	(1.08%)	-	1.05%
Wall Street (07/31/90)	3.88%	(2.17%)	5.30%	12.94%
Russell 2000 Growth Index	2.07%	0.96%	5.45%	5.71%
Russell 2000 Index	(0.37%)	(1.02%)	6.12%	8.02%
Wall Street - Net (12/31/04)	3.05%	(2.94%)	-	0.95%

### 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Intl Large Cap Equity (08/31/86)</b>	<b>(9.87%)</b>	<b>(18.94%)</b>	<b>(14.98%)</b>	<b>(9.15%)</b>
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
<b>Intl Large Cap Growth (08/31/02)</b>	<b>(11.35%)</b>	<b>(19.60%)</b>	<b>(16.19%)</b>	<b>(9.81%)</b>
EARNEST Partners (09/30/04)	(11.89%)	(20.31%)	(14.74%)	(9.28%)
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
MSCI ACWI ex-US Growth	(12.43%)	(20.10%)	(17.36%)	(10.61%)
EARNEST Partners - Net (12/31/04)	(11.89%)	(20.35%)	(14.85%)	(9.45%)
McKinley (02/28/06)	(13.98%)	(21.08%)	(17.29%)	(9.60%)
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
MSCI ACWI ex-US Growth	(12.43%)	(20.10%)	(17.36%)	(10.61%)
McKinley - Net (02/28/06)	(13.98%)	(21.19%)	(17.60%)	(10.05%)
William Blair (09/30/02)	(10.06%)	(18.72%)	(16.76%)	(10.31%)
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
MSCI ACWI ex-US Growth	(12.43%)	(20.10%)	(17.36%)	(10.61%)
William Blair - Net (12/31/04)	(10.06%)	(18.80%)	(16.99%)	(10.62%)
<b>Intl Large Cap Value (09/30/95)</b>	<b>(6.25%)</b>	<b>(16.40%)</b>	<b>(12.71%)</b>	<b>(8.46%)</b>
Brandes (12/31/95)	(6.25%)	(16.40%)	(12.71%)	(8.46%)
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
MSCI ACWI ex-US Value	(9.73%)	(19.45%)	(15.57%)	(10.28%)
Brandes - Net (12/31/04)	(6.25%)	(16.45%)	(12.85%)	(8.66%)



### 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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Intl Large Cap Equity (08/31/86)</b>	<b>0.65%</b>	<b>(2.35%)</b>	<b>6.18%</b>	<b>7.55%</b>
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	-
<b>Intl Large Cap Growth (08/31/02)</b>	<b>1.80%</b>	<b>(1.53%)</b>	-	<b>8.42%</b>
EARNEST Partners (09/30/04)	6.25%	5.71%	-	11.75%
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	5.50%
MSCI ACWI ex-US Growth	0.81%	(0.65%)	6.73%	5.94%
EARNEST Partners - Net (12/31/04)	5.83%	5.20%	-	8.90%
McKinley (02/28/06)	(2.33%)	(4.65%)	-	(2.71%)
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	(0.28%)
MSCI ACWI ex-US Growth	0.81%	(0.65%)	6.73%	0.21%
McKinley - Net (02/28/06)	(2.84%)	(5.14%)	-	(3.18%)
William Blair (09/30/02)	3.04%	(1.59%)	-	8.39%
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	7.91%
MSCI ACWI ex-US Growth	0.81%	(0.65%)	6.73%	7.65%
William Blair - Net (12/31/04)	2.64%	(1.96%)	-	3.20%
<b>Intl Large Cap Value (09/30/95)</b>	<b>(1.71%)</b>	<b>(3.34%)</b>	<b>7.01%</b>	<b>9.42%</b>
Brandes (12/31/95)	(1.71%)	(3.34%)	7.01%	9.47%
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	4.58%
MSCI ACWI ex-US Value	1.12%	(1.64%)	7.77%	-
Brandes - Net (12/31/04)	(1.98%)	(3.58%)	-	1.11%

### 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Intl Large Cap Active Core (01/31/08)</b>	<b>(10.85%)</b>	<b>(19.75%)</b>	<b>(15.14%)</b>	<b>(8.89%)</b>
Arrowstreet (02/29/08)	(8.97%)	(18.64%)	(13.83%)	(7.49%)
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
Arrowstreet - Net (02/29/08)	(8.97%)	(18.75%)	(14.14%)	(7.93%)
Brown (09/30/04)	(12.30%)	(20.75%)	(17.13%)	(13.13%)
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
Brown - Net (12/31/04)	(12.30%)	(20.80%)	(17.27%)	(13.56%)
GlobeFlex (02/28/06)	(12.01%)	(20.38%)	(14.97%)	(8.23%)
MSCI ACWI ex-US Index	(11.13%)	(19.85%)	(16.80%)	(10.81%)
GlobeFlex - Net (02/28/06)	(12.01%)	(20.47%)	(15.25%)	(8.62%)
<b>Intl Large Cap Pass. Core (12/31/99)</b>	<b>(9.47%)</b>	<b>(18.95%)</b>	<b>(14.66%)</b>	<b>(8.95%)</b>
NTGI MSCI EAFE Idx (01/31/00)	(9.47%)	(18.95%)	(14.66%)	(8.93%)
MSCI EAFE Index	(9.53%)	(19.01%)	(14.98%)	(9.36%)
NTGI EAFE Idx - Net (12/31/04)	(9.47%)	(18.95%)	(14.67%)	(8.94%)
<b>International Small Cap (11/30/05)</b>	<b>(11.54%)</b>	<b>(17.25%)</b>	<b>(11.87%)</b>	<b>(2.51%)</b>
William Blair (08/31/2010)	(11.54%)	(17.26%)	(12.15%)	(2.80%)
ACWI Small Cap ex US	(12.48%)	(20.04%)	(18.83%)	(9.36%)
Intl SC Blended Benchmark	(12.48%)	(20.04%)	(16.05%)	(6.45%)
William Blair - Net (08/31/2010)	(11.54%)	(17.45%)	(12.68%)	(3.49%)
<b>Emerging Markets (01/31/92)</b>	<b>(12.30%)</b>	<b>(20.07%)</b>	<b>(18.94%)</b>	<b>(12.97%)</b>
Genesis (04/30/04)	(12.30%)	(20.07%)	(18.94%)	(12.97%)
MSCI Emerging Markets Index	(14.56%)	(22.46%)	(21.66%)	(15.89%)
Genesis - Net (12/31/04)	(12.30%)	(20.15%)	(19.27%)	(13.46%)

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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Intl Large Cap Active Core (01/31/08)</b>	<b>4.67%</b>	-	-	<b>(4.87%)</b>
Arrowstreet (02/29/08)	5.21%	-	-	(4.58%)
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	(6.26%)
Arrowstreet - Net (02/29/08)	4.69%	-	-	(5.01%)
Brown (09/30/04)	1.77%	(2.03%)	-	5.34%
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	5.50%
Brown - Net (12/31/04)	1.44%	(2.31%)	-	2.33%
GlobeFlex (02/28/06)	0.40%	(2.21%)	-	(0.81%)
MSCI ACWI ex-US Index	0.52%	(1.57%)	6.83%	(0.28%)
GlobeFlex - Net (02/28/06)	(0.04%)	(2.67%)	-	(1.25%)
<b>Intl Large Cap Pass. Core (12/31/99)</b>	<b>(0.70%)</b>	<b>(3.06%)</b>	<b>5.40%</b>	<b>0.62%</b>
NTGI MSCI EAFE Idx (01/31/00)	(0.73%)	(3.08%)	5.39%	0.62%
MSCI EAFE Index	(1.13%)	(3.46%)	5.03%	0.25%
NTGI EAFE Idx - Net (12/31/04)	(0.74%)	(3.09%)	-	1.62%
<b>International Small Cap (11/30/05)</b>	<b>(0.26%)</b>	<b>(4.55%)</b>	-	<b>(0.85%)</b>
William Blair (08/31/2010)	-	-	-	2.77%
ACWI Small Cap ex US	7.97%	0.71%	11.42%	(0.70%)
Intl SC Blended Benchmark	4.20%	(1.23%)	10.10%	1.15%
William Blair - Net (08/31/2010)	-	-	-	2.15%
<b>Emerging Markets (01/31/92)</b>	<b>11.36%</b>	<b>8.35%</b>	<b>18.32%</b>	<b>9.86%</b>
Genesis (04/30/04)	11.36%	8.39%	-	14.80%
MSCI Emerging Markets Index	6.59%	5.17%	16.41%	11.35%
Genesis - Net (12/31/04)	10.70%	7.74%	-	12.45%

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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Dom. Fixed Active Core (03/31/01)</b>	<b>0.35%</b>	<b>3.20%</b>	<b>6.35%</b>	<b>5.46%</b>
EARNEST Partners (04/30/05)	0.92%	4.00%	6.94%	5.69%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
EARNEST Partners - Net (04/30/05)	0.92%	3.95%	6.81%	5.49%
Piedmont (05/31/05)	(0.22%)	2.39%	5.59%	5.04%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
Piedmont - Net (05/31/05)	(0.22%)	2.36%	5.46%	4.87%
<b>Dom. Fixed Enhanced Core (03/31/00)</b>	<b>0.51%</b>	<b>2.96%</b>	<b>6.38%</b>	<b>4.97%</b>
BlackRock Enhanced (04/30/00)	0.51%	2.96%	6.38%	4.97%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
BlackRock Enhanced - Net (12/31/04)	0.51%	2.94%	6.32%	4.89%
<b>Dom. Fixed Passive Core (12/31/89)</b>	<b>0.74%</b>	<b>3.86%</b>	<b>6.63%</b>	<b>5.26%</b>
NTGI BC Agg. Index (01/31/90)	0.74%	3.86%	6.63%	5.26%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
NTGI BC Agg. Index - Net (12/31/04)	0.74%	3.86%	6.62%	5.26%



### 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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Dom. Fixed Active Core (03/31/01)</b>	<b>9.18%</b>	<b>6.38%</b>	<b>4.99%</b>	<b>5.35%</b>
EARNEST Partners (04/30/05)	8.48%	6.64%	-	6.07%
BC Aggregate Index	7.97%	6.53%	5.66%	5.94%
EARNEST Partners - Net (04/30/05)	8.26%	6.43%	-	5.87%
Piedmont (05/31/05)	8.15%	6.12%	-	5.40%
BC Aggregate Index	7.97%	6.53%	5.66%	5.80%
Piedmont - Net (05/31/05)	7.96%	5.93%	-	5.19%
<b>Dom. Fixed Enhanced Core (03/31/00)</b>	<b>8.66%</b>	<b>6.22%</b>	<b>5.59%</b>	<b>6.39%</b>
BlackRock Enhanced (04/30/00)	8.66%	6.22%	5.59%	6.44%
BC Aggregate Index	7.97%	6.53%	5.66%	6.46%
BlackRock Enhanced - Net (12/31/04)	8.58%	6.15%	-	5.35%
<b>Dom. Fixed Passive Core (12/31/89)</b>	<b>8.21%</b>	<b>6.40%</b>	<b>5.62%</b>	<b>7.03%</b>
NTGI BC Agg. Index (01/31/90)	8.21%	6.40%	5.62%	7.06%
BC Aggregate Index	7.97%	6.53%	5.66%	7.06%
NTGI BC Agg. Index - Net (12/31/04)	8.19%	6.39%	-	5.48%

### 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Domestic Fixed Core Plus (12/31/81)</b>	<b>(0.07%)</b>	<b>2.21%</b>	<b>5.76%</b>	<b>5.14%</b>
BlackRock Core Plus (03/31/07)	0.77%	2.96%	6.28%	5.39%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
BlackRock Core Plus - Net (03/31/07)	0.77%	2.95%	6.26%	5.35%
LM Capital (04/30/05)	(0.47%)	2.03%	5.68%	4.83%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
LM Capital - Net (04/30/05)	(0.47%)	1.99%	5.55%	4.66%
Progress Fixed Income (12/31/05)	(1.49%)	0.94%	3.93%	3.06%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
Progress Fixed Inc. - Net (12/31/05)	(1.49%)	0.85%	3.66%	2.70%
Taplin, Canida, Habacht (04/30/05)	(0.30%)	1.75%	5.65%	5.11%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
Taplin, Canida, Hab. - Net (04/30/05)	(0.30%)	1.72%	5.54%	4.97%
Western (10/31/01)	0.42%	2.70%	6.29%	6.06%
BC Aggregate Index	0.73%	3.82%	6.65%	5.26%
Western - Net (12/31/04)	0.42%	2.67%	6.18%	5.91%
<b>High Yield (03/31/86)</b>	<b>(2.75%)</b>	<b>(5.09%)</b>	<b>(0.09%)</b>	<b>3.70%</b>
MacKay Shields (10/31/00)	(1.64%)	(3.05%)	1.62%	4.70%
ML High Yield Cash Pay Index	(3.53%)	(6.16%)	(1.57%)	1.37%
MacKay Shields - Net (12/31/04)	(1.64%)	(3.13%)	1.36%	4.34%
Pyramis (07/31/86)	(3.80%)	(6.99%)	(1.70%)	2.76%
ML High Yield Cash Pay Index	(3.53%)	(6.16%)	(1.57%)	1.37%
Pyramis - Net (12/31/04)	(3.80%)	(7.06%)	(2.08%)	2.28%



### 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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Domestic Fixed Core Plus (12/31/81)</b>	<b>10.16%</b>	<b>6.31%</b>	<b>6.04%</b>	<b>9.14%</b>
BlackRock Core Plus (03/31/07)	9.56%	-	-	6.60%
BC Aggregate Index	7.97%	6.53%	5.66%	6.51%
BlackRock Core Plus - Net (03/31/07)	9.51%	-	-	6.55%
LM Capital (04/30/05)	10.36%	7.07%	-	6.35%
BC Aggregate Index	7.97%	6.53%	5.66%	5.94%
LM Capital - Net (04/30/05)	10.19%	6.89%	-	6.18%
Progress Fixed Income (12/31/05)	8.00%	6.50%	-	6.37%
BC Aggregate Index	7.97%	6.53%	5.66%	6.29%
Progress Fixed Inc. - Net (12/31/05)	7.63%	6.15%	-	6.03%
Taplin, Canida, Habacht (04/30/05)	9.72%	6.27%	-	5.66%
BC Aggregate Index	7.97%	6.53%	5.66%	5.94%
Taplin, Canida, Hab. - Net (04/30/05)	9.59%	6.14%	-	5.58%
Western (10/31/01)	11.38%	6.18%	6.58%	6.58%
BC Aggregate Index	7.97%	6.53%	5.66%	5.66%
Western - Net (12/31/04)	11.22%	6.03%	-	5.59%
<b>High Yield (03/31/86)</b>	<b>13.18%</b>	<b>7.49%</b>	<b>10.33%</b>	<b>10.09%</b>
MacKay Shields (10/31/00)	11.43%	6.86%	10.56%	9.47%
ML High Yield Cash Pay Index	13.52%	6.84%	8.48%	7.35%
MacKay Shields - Net (12/31/04)	11.04%	6.52%	-	6.28%
Pyramis (07/31/86)	15.02%	8.16%	10.16%	9.82%
ML High Yield Cash Pay Index	13.52%	6.84%	8.48%	8.52%
Pyramis - Net (12/31/04)	14.59%	7.71%	-	7.26%

### 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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Real Estate Opportunistic (03/31/99)</b>	<b>(2.02%)</b>	<b>(4.35%)</b>	<b>3.11%</b>	<b>14.02%</b>
Lazard Freres (07/31/98)	0.00%	(8.53%)	3.44%	25.69%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
Olympus RE Fund II (05/31/98)	0.00%	(1.83%)	(5.61%)	(6.32%)
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
Security (10/31/97)	(4.09%)	(5.42%)	(0.43%)	5.55%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
Dune Real Estate Fund II (01/31/09)	0.00%	5.04%	13.67%	15.24%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
<b>Real Estate Core (03/31/99)</b>	<b>0.00%</b>	<b>2.14%</b>	<b>8.79%</b>	<b>13.11%</b>
BlackRock Granite Fund (07/31/07)	0.00%	0.92%	9.07%	13.74%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
Buckhead (07/31/95)	0.00%	2.76%	9.39%	13.02%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
Cornerstone (06/30/2011)	0.00%	0.00%	-	-
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
INVESCO (04/30/2011)	0.00%	0.00%	-	-
RE Blended Benchmark	1.38%	4.19%	12.42%	17.82%
Sentinel (09/30/85)	0.00%	6.96%	11.73%	18.63%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
<b>Real Estate Value Added (09/30/08)</b>	<b>0.00%</b>	<b>5.76%</b>	<b>10.06%</b>	<b>13.25%</b>
Rockwood (03/31/09)	0.00%	17.75%	22.17%	34.24%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
Rothschild (09/30/08)	0.00%	2.14%	1.07%	5.03%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%
TA - Fund IX (04/30/10)	0.00%	3.99%	11.36%	11.76%
Blended Benchmark*	1.38%	4.19%	12.42%	17.82%

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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Real Estate Opportunistic (03/31/99)</b>	<b>3.85%</b>	<b>0.61%</b>	<b>8.92%</b>	<b>8.56%</b>
Lazard Freres (07/31/98) Blended Benchmark*	2.72% (0.25%)	6.05% 3.69%	6.77% 5.63%	0.41% 6.16%
Olympus RE Fund II (05/31/98) Blended Benchmark*	(19.32%) (0.25%)	(15.30%) 3.69%	(10.73%) 5.63%	(7.86%) 6.18%
Security (10/31/97) Blended Benchmark*	9.00% (0.25%)	1.44% 3.69%	13.89% 5.63%	13.42% 6.16%
Dune Real Estate Fund II (01/31/09) Blended Benchmark*	- (0.25%)	- 3.69%	- 5.63%	(13.36%) 2.79%
<b>Real Estate Core (03/31/99)</b>	<b>(7.70%)</b>	<b>(0.29%)</b>	<b>3.83%</b>	<b>5.33%</b>
BlackRock Granite Fund (07/31/07) Blended Benchmark*	(16.53%) (0.25%)	- 3.69%	- 5.63%	(10.93%) 2.15%
Buckhead (07/31/95) Blended Benchmark*	(2.27%) (0.25%)	4.14% 3.69%	7.72% 5.63%	10.03% 6.34%
Cornerstone (06/30/2011) Blended Benchmark*	- (0.25%)	- 3.69%	- 5.63%	0.00% 4.19%
INVESCO (04/30/2011) Blended Benchmark*	- (0.25%)	- 3.69%	- 5.63%	5.88% 8.54%
Sentinel (09/30/85) Blended Benchmark*	(9.26%) (0.25%)	(4.13%) 3.69%	2.31% 5.63%	4.10% 7.14%
<b>Real Estate Value Added (09/30/08)</b>	<b>(9.07%)</b>	<b>-</b>	<b>-</b>	<b>(8.83%)</b>
Rockwood (03/31/09) Blended Benchmark*	- (0.25%)	- 3.69%	- 5.63%	(68.91%) 4.93%
Rothschild (09/30/08) Blended Benchmark*	(2.80%) (0.25%)	- 3.69%	- 5.63%	(2.72%) (0.23%)
TA - Fund IX (04/30/10) Blended Benchmark*	- (0.25%)	- 3.69%	- 5.63%	4.51% 17.26%

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 September 30, 2011

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Absolute Return (12/31/01)</b>	<b>(2.85%)</b>	<b>(5.37%)</b>	<b>(3.28%)</b>	<b>0.28%</b>
Aurora (10/31/01)	(2.89%)	(6.01%)	(5.82%)	(2.07%)
Alternatives Custom Benchmark*	0.72%	2.18%	6.68%	9.00%
HFR Fund-of-Funds Index	(2.56%)	(4.73%)	(5.02%)	(1.59%)
Grosvenor (01/31/02)	0.00%	(2.96%)	(1.19%)	2.07%
Alternatives Custom Benchmark*	0.72%	2.18%	6.68%	9.00%
HFR Fund-of-Funds Index	(2.56%)	(4.73%)	(5.02%)	(1.59%)
Mesirow (01/31/02)	(5.54%)	(6.99%)	(2.35%)	1.26%
Alternatives Custom Benchmark*	0.72%	2.18%	6.68%	9.00%
HFR Fund-of-Funds Index	(2.56%)	(4.73%)	(5.02%)	(1.59%)
<b>Private Equity (01/31/86)</b>	<b>(0.01%)</b>	<b>2.88%</b>	<b>14.96%</b>	<b>21.27%</b>
Abbott (06/30/87)	(0.03%)	2.75%	15.57%	22.26%
Alternatives Custom Benchmark*	0.72%	2.18%	6.68%	9.00%
Abbott - Net (12/31/04)	(0.03%)	2.63%	15.16%	21.69%
Muller & Monroe ILPEFF (06/30/05)	0.00%	0.68%	2.85%	3.80%
Alternatives Custom Benchmark*	0.72%	2.18%	6.68%	9.00%
Muller & Monroe MPEFF (04/30/08)	(0.04%)	(0.60%)	16.56%	24.55%
Alternatives Custom Benchmark*	0.72%	2.18%	6.68%	9.00%
Pantheon (10/31/00)	0.04%	3.66%	14.77%	20.78%
Alternatives Custom Benchmark*	0.72%	2.18%	6.68%	9.00%
Pantheon - Net (12/31/04)	0.04%	3.53%	14.48%	20.32%
<b>Agriculture (09/30/97)</b>	<b>0.22%</b>	<b>0.11%</b>	<b>0.05%</b>	<b>7.82%</b>
Cozad/Westchester (09/30/97)	0.22%	0.11%	0.05%	7.82%
Blended Benchmark**	1.38%	4.19%	12.42%	17.82%
<b>Timberland (09/30/92)</b>	<b>1.32%</b>	<b>1.07%</b>	<b>2.75%</b>	<b>6.03%</b>
Forest Investment Assoc. (09/30/92)	1.32%	1.07%	2.75%	6.03%
Blended Benchmark**	1.38%	4.19%	12.42%	17.82%

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 September 30, 2011

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Absolute Return (12/31/01)</b>	<b>2.33%</b>	<b>2.09%</b>	<b>-</b>	<b>4.54%</b>
Aurora (10/31/01)	2.93%	2.87%	5.84%	5.84%
Alternatives Custom Benchmark*	10.74%	11.24%	12.09%	12.09%
HFR Fund-of-Funds Index	0.22%	0.44%	3.57%	3.57%
Grosvenor (01/31/02)	2.58%	2.20%	-	4.58%
Alternatives Custom Benchmark*	10.74%	11.24%	12.09%	12.02%
HFR Fund-of-Funds Index	0.22%	0.44%	3.57%	3.41%
Mesirow (01/31/02)	1.43%	1.15%	-	4.43%
Alternatives Custom Benchmark*	10.74%	11.24%	12.09%	12.02%
HFR Fund-of-Funds Index	0.22%	0.44%	3.57%	3.41%
<b>Private Equity (01/31/86)</b>	<b>3.68%</b>	<b>8.89%</b>	<b>6.87%</b>	<b>13.51%</b>
Abbott (06/30/87)	2.36%	8.32%	6.81%	14.61%
Alternatives Custom Benchmark*	10.74%	11.24%	12.09%	13.79%
Abbott - Net (12/31/04)	1.86%	7.83%	-	11.50%
Muller & Monroe ILPEFF (06/30/05)	(0.34%)	(2.61%)	-	(11.74%)
Alternatives Custom Benchmark*	10.74%	11.24%	12.09%	11.40%
Muller & Monroe MPEFF (04/30/08)	5.34%	-	-	(1.43%)
Alternatives Custom Benchmark*	10.74%	11.24%	12.09%	10.92%
Pantheon (10/31/00)	6.60%	10.46%	10.34%	8.85%
Alternatives Custom Benchmark*	10.74%	11.24%	12.09%	12.35%
Pantheon - Net (12/31/04)	6.15%	9.97%	-	14.65%
<b>Agriculture (09/30/97)</b>	<b>2.95%</b>	<b>4.07%</b>	<b>5.92%</b>	<b>5.50%</b>
Cozad/Westchester (09/30/97)	2.94%	4.07%	5.92%	5.50%
Blended Benchmark**	(0.25%)	3.69%	5.63%	6.18%
<b>Timberland (09/30/92)</b>	<b>4.81%</b>	<b>6.36%</b>	<b>4.45%</b>	<b>9.51%</b>
Forest Investment Assoc. (09/30/92)	4.81%	6.36%	4.45%	9.51%
Blended Benchmark**	(0.25%)	3.69%	5.63%	6.55%

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 September 30, 2011

### Five Best Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Outperformance (in % points)
Muller and Monroe MPEFF	9.88
Rockwood	9.75
Abbot	8.88
Pantheon	8.09
William Blair Intl SC	6.68

### Five Worst Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Underperformance (in % points)
Security	-12.85
Aurora	-12.50
Cozad/Westchester	-12.37
Permira	-11.89
Rothschild	-11.35

### Five Highest Returning Portfolios

Manager	Year-to-Date Return (in % points)
Rockwood	22.17
Muller and Monroe MPEFF	16.56
Abbot	15.56
Pantheon	14.77
Dune	13.67

### Five Lowest Returning Portfolios

Manager	Year-to-Date Return (in % points)
Wall Street	-20.65
Dimensional Fund Advisors SCV	-19.55
Genesis	-18.94
Pyramis SC Equity	-18.68
Frontier	-18.23

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

(11-10-02) (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

Board Roundtable Minutes #11-22-09R  
Regular Meeting Minutes #11-23-09

Schedules - Dated October 28, 2011

- 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 H - Final Administrative Action (Denial)
- Schedule P - Administrative Denial of Application for Past Service Credit.
- Schedule R - Prior Service - New Governmental Units

Administration - Master Trustee Report

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

Bids (5)

Deployment of Remote Desktop Services (RDS) System  
Approved Bidder: Peters & Associates  
Approved Bid: \$18,000.00

Office Furniture  
Approved Bidder: OEC Business Interiors  
Approved Bid: \$6,513.52

Addition of a Fiber Internet Connection  
Approved Bidder: AT&T  
Approved Bid: \$1,763.00/mo. \$63,468.00/36 mos.

RSA envision Annual Maintenance  
Approved Bidder: Software House Inc.  
Approved Bid: \$16,460.22

Adobe LiveCycle Annual Maintenance  
Approved Bidder: PC Mall.Gov.  
Approved Bid: \$22,700.00

Participation of New Unit of Government (1)  
Village of Lakemoor  
County: McHenry  
2011 Rate: 6.75%  
Effective Participation Date: November 1, 2011  
Number of Employees: 8

It was moved by Ms. Rademacher, seconded by Ms. Faklis, to approve the items on the Consent Agenda.

Vote: Unanimous Voice Vote  
Absent: Copper

(11-10-03) (Financial Reports) The Chair presented the following financial reports for approval.

- Review of September Financial Reporting Package
- July Interim Financial Statements
- Impact of 2011 Year-To-Date Investment Income on Employer Reserves, Funding Status and Average Employer Contribution Rates
- Schedule T - Report of Expenditures

It was moved by Thompson, seconded by Ms. Henry, to approve the Financial Reports as presented.

Vote: Unanimous Voice Vote  
Absent: Copper

(11-10-04) (Report of the Benefit Review Committee) The Chair of the Benefit Review Committee reported on the meeting held on October 27, 2011.

After questions and discussion, it was moved by Ms. Rademacher, seconded by Ms. Henry, to accept the following recommendations of the Benefit Review Committee:

- To defer making a recommendation regarding the application for total and permanent disability benefits filed by Patricia Burger.
- Furthermore, to request that Patricia burger undergo an independent Functional Capacity Examination (FCE).

- Furthermore, to request that staff, and if necessary the IMRF Medical Consultant, review the FCE report and refer this matter back to the Committee if such review(s) do not change staff's original determination.
- To recommend that temporary disability benefits for Vezira Marevac be terminated effective August 17, 2010.
- To deny the application for total and permanent disability benefits filed by Tara Gillim.
- To terminate the temporary disability benefits for Bruce Carter effective November 19, 2010.

Vote: Unanimous Voice Vote  
Absent: Copper

(11-10-05) (Report of the Legislative Committee) The Chair of the Legislative Committee reported on the meeting held on October 27, 2011.

She reported that it was the consensus of the Legislative Committee to recommend the Board support (only) the IMRF-related provisions of H.B. 3827 - which would require Board and staff of all funds and the State Board of Investments to report any reasonable suspicion of fraudulent statements or records being filed with the fund.

The Chair of the Legislative Committee stated it was the consensus of the Committee to oppose the IMRF-related provisions of S.B. 2499 - which would close participation in IMRF as an employee of the Illinois Municipal League and the Will County Governmental League as of the effective date of the bill.

Lastly, it was the consensus of the Legislative Committee that the 2012 IMRF Board of Trustees Legislative Agenda consist only of the following technical corrections remaining from its 2011 Legislative Agenda:

- Correct a syntax error in Section 7-220
- Clarify the language in Section 7-171(h) regarding employer tax levies

After questions and discussion, it was moved by Ms. Thompson, seconded by Ms. Henry, to approve the recommendations of the Legislative Committee.

Vote: Unanimous Voice Vote  
Absent: Copper

(11-10-06) (2012 Employer Contribution Rates) The Chief Financial Officer presented the 2012 Employer Contribution Rates to the Board.

After discussion, it was moved by Ms. Rademacher, seconded by Ms. Henry, to approve the 2012 Employer Contribution Rates.

Vote: Unanimous Voice Vote  
Absent: Copper

(11-10-07) (2012 Staff Compensation Report) The Executive Director presented the proposed 2012 Staff Compensation Report for Board approval.

After questions and discussion, it was moved by Ms. Rademacher, seconded by Ms. Thompson to approve the following recommendations:

- Renew health insurance coverage with Blue Cross/Blue Shield of Illinois with no changes to the benefits structure resulting in a premium decrease of 2.9%;
- Renew dental insurance coverage with Delta Dental of Illinois with a premium increase of 3.2% for one year; no changes to benefit structure;
- Continue with the current split between employee-paid and employer-paid insurance premiums in 2012;
- Increase base salary of all eligible employees in good standing by 1.5%, effective January 1, 2012;
- Grant discretionary increase not to exceed 2%;
- Retain current salary ranges; and
- Retain current position grades

Vote: Unanimous Voice Vote

Absent: Copper

(11-10-08) (Legislative Update) The Legislative Liaison updated the Board on legislative activity during the fall veto session.

She reported the main focus of the legislature was regarding the participation in some systems by union employees and employees of other outside groups while on a leave of absence from the unit of government that participates in the pension system. Two bills addressing this issue passed through the House, and only one provision in one of the bills affects IMRF.

Discussion followed.

(11-10-09) (Litigation 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:** IMRF statement regarding limitation on retroactive service filed on Oct 14, 2011. Oral arguments set for December 13, 2011.



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 August 31, plaintiffs filed a fourth amended Complaint. Cause is set for status on December 1, 2011.

WABASH COUNTY, ILLINOIS vs. IMRF, et al.

**Summary:** Board dismissed an employer's "Request for Correction of Records".

**Status:** BRC hearing on remaining procedural issues on December 15, 2011.

BOARD OF ED. OF JOLIET TOWNSHIP H.S. DIST. 204, et. al. v. IMRF, et.al.

**Summary:** This is an administrative review of a return to work case regarding three administrative employees of the District who went back to work for the District after their respective retirements.

**Status:** Hearing set for Motion to Dismiss on October 27, 2011.

IMRF v. DIANE WILLIAMS-EASTERN, et al.

**Summary:** This is an interpleader action filed by IMRF asking the court to determine to whom and in what amounts the death benefits of Robert Eastern Jr. should be paid.

**Status:** Hearing on motion to transfer venue set for November 29, 2011.

JOSEPH PRAZEN v. IMRF

**Summary:** This is an administrative review action involving an ERI return to work situation.

**Status:** Motion to Stay denied on September 17, 2011. Briefing schedule to be set.

LIARAKOS V. IMRF

**Summary:** Appeal of denial of total and permanent disability.

**Status:** Answer and appearance due on November 8, 2011

(11-10-10) (Report of Executive Director)

**Investments**

The market value of the Fund's investment portfolio, including short-term investments, but excluding disposition costs, totaled \$24.8 billion on August 31, 2011. This was a decrease of \$1,225.6 million from the market value as of July 31, 2011.

Fixed income investments of \$1,915.5 million were made in August. The market value of fixed income investment managers totaled \$6,753.1 million.

Domestic equity investments of \$217.4 million were made in August. The market value of domestic equity investment managers totaled \$9,844.4 million.

International equity investments of \$839.3 million, net of repurchase transactions of \$50.7 million, were made in August. The market value of international equity investment managers totaled \$6,205.1 million.

The market value of real estate investment managers totaled \$693.5 million.

The market value of alternative investment managers totaled \$1,024.3 million.

The market value of cash equivalents totaled \$286.0 million.

**2011-2013 Strategic Objectives and Key Strategies: One-Year Update**

The Executive Director updated the Board on staff's progress toward implementing the actions plans that support the 2011-2013 Strategic Objectives and Key Strategies.

**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 3rd Quarter 2011.

**Representation of IMRF**

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

**2012 Board Meeting Dates**

The Executive Director reviewed a list of proposed Board Meetings dates with Board Members.

**Senate Committee on Pensions and Investments**

The Executive Director discussed a questionnaire IMRF received from Senator Raoul, the Chairman of the Senate Committee on Pensions and Investments, requesting IMRF's 2010 emerging money manager report along with written responses to questions.

He reported staff has completed the request, and will send the report out the week of October 31<sup>st</sup>.

(11-10-11) (Adjournment) It was moved by Ms. Rademacher, seconded by Ms. Thompson, to adjourn the Board Meeting at 10:25 a.m., to reconvene in the Fund offices, 2211 York Road, Suite 400, Oak Brook, Illinois, at 9:00 a.m. on November 18, 2011.

Vote: Unanimous Voice Vote  
Absent: Copper

\_\_\_\_\_  
President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

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