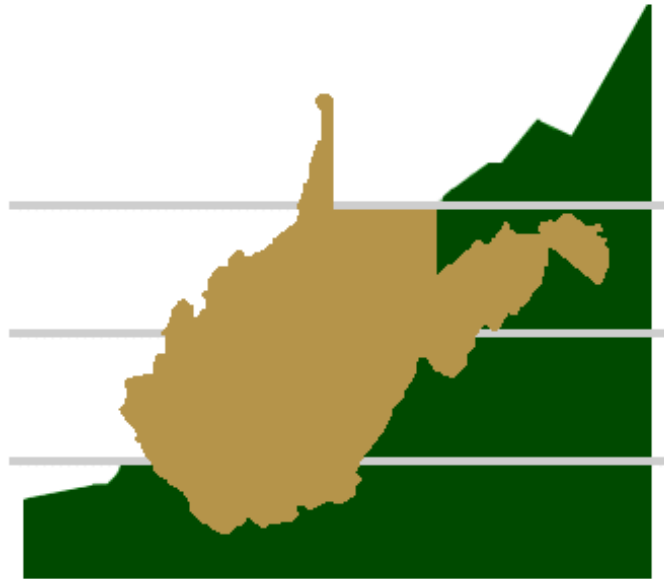


# **West Virginia Investment Management Board**

---



Financial Statements  
September 30, 2009



# West Virginia Investment Management Board

---

## **Financial Statements—Unaudited**

September 30, 2009

### **ORDER OF PRESENTATION**

Large Cap Domestic Equity

Non-Large Cap Domestic Equity

International Qualified

International Nonqualified

International Equity

Short-Term Fixed Income

Total Return Fixed Income

Core Fixed Income

TRS Annuity

Private Equity

Private Real Estate

Hedge Fund



**Financial Statements - Unaudited**

**September 30, 2009**



# Large Cap Domestic Equity Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	11
Statement of Changes in Net Assets	12
Notes to Financial Statements	13

# Large Cap Domestic Equity Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,810,514
Cash		7
Collateral for securities loaned at fair value (Note 4)		74,099
Receivables:		
Investments sold		480,028
Dividends		2,278
Securities lending income		17
		<u>17</u>
<b>Total assets</b>		<b>2,366,943</b>

### Liabilities

Accrued expenses		396
Payable for investments purchased		412,847
Payable upon return of securities loaned (Note 4)		77,854
		<u>77,854</u>
<b>Total liabilities</b>		<b>491,097</b>

**Net assets** \$ 1,875,846

### Analysis of net assets

Paid-in capital	\$	1,728,200
Accumulated undistributed net investment income		235,522
Accumulated undistributed net realized loss from investments		(124,234)
Unrealized net appreciation of investments		36,358
		<u>36,358</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,875,846</u></u></b>

### Unit data

Units outstanding		187,517,012
Net asset value, unit price	\$	<u><u>10.00</u></u>

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Air Products and Chemicals Inc	28,400	\$ 2,119	\$ 2,203
Airgas Inc	14,000	677	677
Alcoa Inc	103,100	1,359	1,353
Allegheny Technologies Inc	53,300	1,583	1,865
Ball Corporation	60,400	2,738	2,972
Bemis Company Inc	67,300	1,564	1,744
CF Industries Holdings Inc	9,000	834	776
CONSOL Energy Inc	45,900	1,880	2,071
Dow Chemical Company	121,000	3,130	3,154
DuPont El de Nemours Co	103,200	2,153	3,317
Eastman Chemical Company	7,700	304	412
Ecolab Inc	42,900	1,837	1,983
FMC Corporation	11,100	589	624
Freeport-McMoRan Copper & Gold	68,349	4,603	4,689
International Paper Company	47,300	891	1,051
Intl Flavors & Fragrances Inc	18,100	618	687
Massey Energy Company	47,300	1,362	1,319
MeadWestvaco Corp	18,100	328	404
Monsanto Company	89,190	7,432	6,903
Newmont Mining Corp	69,600	2,992	3,064
Nucor Corporation	72,900	3,338	3,427
Owens-Illinois Inc	44,300	1,313	1,635
Pactiv Corporation	22,100	391	576
Peabody Energy Corp	65,300	2,225	2,430
PPG Industries Inc	44,100	1,992	2,567
Praxair Inc	52,700	4,306	4,305
Sealed Air Corporation	51,700	1,009	1,015
Sigma-Aldrich Corporation	18,200	994	982
Titanium Metals Corp	9,000	86	86
United States Steel Corp	23,800	1,200	1,056
Vulcan Materials	19,800	1,054	1,071
Weyerhaeuser Company	26,700	980	979
<i>Total Basic Materials - 3.3%</i>		57,881	61,397
<i>Capital Goods</i>			
3M Co	103,800	7,179	7,660
AK Steel Holding Corporation	26,900	554	531
Apollo Group	13,500	962	995
Avery Dennison Corp	11,900	320	429
Block H&R Inc	157,800	2,996	2,900
Boeing Company	109,400	6,343	5,924
Burlington Northern Santa Fe	55,900	4,500	4,462
C H Robinson Worldwide Inc	47,900	2,602	2,766
Caterpillar Inc	66,500	3,398	3,413
Cintas Corp	49,800	1,285	1,509
CSX Corp	54,800	2,048	2,294
Cummins Engine Company Inc	35,300	1,203	1,582
Danaher Corp	27,400	1,845	1,845
Deere & Company	86,200	3,656	3,700
Donnelley & Sons	21,700	365	461
Dover Corp	50,900	1,657	1,973
Dun & Bradstreet Corp	16,800	1,260	1,265
Eaton Corporation	17,500	990	990
Emerson Electric Co	92,300	3,688	3,699
Equifax Inc	17,100	485	498
Expeditors Intl of Washington	41,000	1,377	1,441
Fastenal Company	29,800	1,106	1,153
FedEx Corp	33,100	2,345	2,490
Flowserve Corp	9,300	712	916
Fluor Corporation	52,300	3,037	2,659
General Dynamics Corp	46,700	2,694	3,017

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
General Electric Company	1,958,675	49,034	32,161
Goodrich BF Company	71,000	3,737	3,858
Grainger WW Inc	43,000	3,330	3,842
Honeywell International Inc	105,400	4,181	3,916
Illinois Tool Works Inc	58,400	2,336	2,494
Iron Mountain Inc	98,400	2,707	2,623
ITT Industries Inc	23,900	1,179	1,246
Jacobs Engineering Group Inc	38,500	1,880	1,769
L-3 Communications Hlds Inc	12,700	1,023	1,020
Lockheed Martin Corp	72,900	5,669	5,692
Masco Corporation	48,600	595	628
Monster Worldwide Inc	61,800	969	1,080
Norfolk Southern Corp	60,800	2,543	2,621
Northrop Grumman Corp	33,700	1,748	1,744
PACCAR Inc	50,500	1,880	1,904
Pall Corporation	12,500	384	404
Parker-Hannifin Corporation	21,000	1,092	1,089
Pitney Bowes Inc	30,100	668	748
Precision Castparts Corp	24,800	2,587	2,526
Raytheon Company	48,700	2,227	2,336
Republic Services Inc	34,100	902	906
Robert Half International Inc	24,800	574	620
Rockwell Automation Inc	46,200	1,766	1,968
Rockwell Collins	48,900	2,232	2,484
Ryder System Inc	5,900	201	230
Southwest Airlines Co	78,500	753	754
Textron Inc	44,000	712	835
Union Pacific Corp	89,400	5,048	5,216
United Parcel Service Inc	136,000	7,602	7,680
United Technologies Corp	136,700	8,381	8,329
Waste Management Inc	153,700	4,457	4,583
<i>Total Capital Goods - 8.9%</i>		181,004	167,878
<i>Communication Services</i>			
American Tower Corporation	41,800	1,515	1,522
AT&T Inc	1,437,329	43,538	38,822
CenturyTel Inc	125,105	3,567	4,204
Frontier Communications Corp	73,700	557	556
Metropcs Communications Inc	30,200	302	283
Qwest Communications Intl Inc	567,100	2,245	2,161
Sprint Nextel Corporation	414,800	2,059	1,638
Verizon Communications	650,949	22,553	19,704
Windstream Corp	66,221	640	671
<i>Total Communication Services - 3.7%</i>		76,976	69,561
<i>Consumer Discretionary</i>			
Abercrombie & Fitch Co	16,500	538	543
Amazon.com Inc	63,600	5,268	5,938
AutoNation Inc	56,300	991	1,018
AutoZone Inc	27,200	3,736	3,977
Bed Bath & Beyond Inc	60,600	2,135	2,275
Best Buy Co Inc	80,800	3,086	3,032
Big Lots Inc	8,700	215	218
Black & Decker Corporation	6,400	296	296
Carnival Corp	73,000	2,230	2,429
CBS Corp	90,000	1,004	1,085
Coach Inc	69,800	2,072	2,298
Comcast Corp	627,350	10,864	10,590
CVS Caremark Corp	219,676	6,734	7,851
Darden Restaurants Inc	75,500	2,073	2,577
DeVry Inc	6,600	364	365
DIRECTV Group Inc	165,000	4,024	4,551
Disney Walt Company	303,200	7,722	8,326

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
DR Horton Inc	87,700	920	1,001
Eastman Kodak Co	28,400	142	136
Expedia Inc	95,300	1,896	2,282
Family Dollar Stores	42,100	1,099	1,111
Ford Motor Company	536,200	3,705	3,866
Fortune Brands Inc	15,900	683	683
GameStop Corp	19,100	516	506
Gannett Co Inc	24,800	308	310
Gap Inc	81,400	1,376	1,742
Genuine Parts Company	46,800	1,544	1,781
Goodyear Tire & Rubber Co	138,300	2,031	2,355
Harley-Davidson Inc	27,600	603	635
Harman Intl Industries Inc	22,400	522	759
Hasbro Inc	13,300	415	369
Home Depot Inc	346,400	8,808	9,228
International Game Technology	157,000	3,001	3,372
Interpublic Group of Co Inc	51,500	391	387
Johnson Controls Inc	114,900	2,960	2,937
KB Home	49,600	803	824
Kohl's Corporation	73,500	3,520	4,193
Leggett & Platt Inc	30,400	429	590
Lennar Corporation	94,000	949	1,340
Limited Inc	50,500	662	858
Lowe's Corp Inc	273,800	5,710	5,733
Macy's Inc	78,000	945	1,427
Marriott International Inc	72,659	1,750	2,005
Mattel Inc	38,100	697	703
McDonald's Corporation	269,300	14,979	15,369
McGraw-Hill Companies Inc	79,400	2,014	1,996
Meredith Corp	28,900	752	865
New York Times Company	12,200	99	99
Newell Rubbermaid Inc	34,300	346	538
News Corp	323,900	3,691	3,874
Nike Inc	95,700	5,699	6,192
Nordstrom Inc	43,100	1,155	1,316
Office Depot Inc	213,900	949	1,416
Omnicom Group Inc	37,900	1,404	1,400
O'Reilly Automotive Inc	95,600	3,587	3,455
Penney JC & Company	44,300	1,113	1,495
Polo Ralph Lauren Corporation	9,000	606	690
Pulte Corporation	133,817	1,436	1,471
RadioShack Corp	34,700	397	575
Sears Holding Corp	5,300	343	346
Sherwin-Williams Co	34,400	1,822	2,070
Snap-On Inc	6,100	212	212
Stanley Works	20,300	754	867
Staples Inc	137,500	3,006	3,193
Starbucks Corp	183,800	3,060	3,795
Starwood Hotels & Resorts Inc	33,500	1,061	1,107
Target Corp	103,800	4,926	4,845
Tiffany & Co	16,900	683	651
Time Warner Cable Inc	53,712	2,235	2,314
Time Warner Inc	171,666	4,550	4,941
TJX Companies Inc	85,500	2,441	3,176
VF Corp	24,700	1,801	1,789
Viacom Inc	148,500	3,882	4,164
Washington Post Company	700	325	328
Whirlpool Corporation	7,800	525	546
Wyndham Worldwide Corporation	74,800	895	1,221
Wynn Resorts Limited	20,200	1,032	1,432
Yum Brands Inc	94,100	3,127	3,177
<i>Total Consumer Discretionary - 10.1%</i>		174,644	189,427

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Consumer Staples</i>			
Altria Group Inc	329,220	6,243	5,863
Archer-Daniels-Midland Co	97,300	2,569	2,843
Avon Products Inc	49,300	1,638	1,674
Brown Forman Corp	27,275	1,324	1,315
Campbell Soup Co	52,200	1,540	1,703
Clorox Company	47,900	2,680	2,817
Coca-Cola Company	424,600	22,137	22,801
Coca-Cola Enterprises	156,800	3,085	3,357
Colgate-Palmolive Co	99,200	7,141	7,567
ConAgra Foods Inc	46,800	996	1,015
Constellation Brands Inc	26,400	384	400
Costco Wholesale Corp	47,300	2,685	2,667
Dean Foods Company	23,100	444	411
Dr Pepper Snapple Group	30,700	442	883
Estee Lauder Companies Inc	12,500	462	464
General Mills Inc	83,600	4,831	5,382
Heinz HJ Company	105,100	4,113	4,178
Hershey Foods Corp	113,800	4,190	4,422
Hormel Foods Corp	42,300	1,552	1,502
Kellogg Company	93,400	4,166	4,598
Kimberly Clark Corporation	77,600	4,252	4,577
Kraft Foods Inc	268,600	6,947	7,056
Kroger Co	209,600	5,139	4,326
Lorillard, Inc	29,300	2,031	2,177
McCormick & Company Inc	15,200	511	516
Molson Coors Brewing Co	16,600	803	808
Pepsi Bottling Group Inc	50,100	1,582	1,826
Pepsico Inc	278,900	16,193	16,360
Philip Morris International	329,820	14,999	16,075
Proctor & Gamble Company	602,932	35,212	34,922
Reynolds American Inc	22,800	971	1,015
Safeway Inc	53,100	1,129	1,047
Sara Lee Corp	73,600	694	820
Smucker JM Company	55,000	2,358	2,916
Supervalu Inc	34,300	516	517
Sysco Corp	98,600	2,176	2,450
Tyson Foods, Inc	92,900	1,056	1,173
Walgreen Co	129,400	4,586	4,849
Wal-Mart Stores	456,400	23,987	22,405
Whole Foods Market Inc	57,400	1,522	1,750
<i>Total Consumer Staples - 10.8%</i>		199,286	203,447
<i>Energy</i>			
Anadarko Petroleum Corp	81,800	3,987	5,131
Apache Corporation	51,600	5,092	4,738
Baker Hughes Inc	32,800	1,400	1,399
BJ Services Company	49,200	840	956
Cabot Oil & Gas Corporation	61,000	2,161	2,181
Cameron International Corp	34,500	994	1,305
Chesapeake Energy Corp	104,300	2,936	2,962
ChevronTexaco Corp	430,555	32,774	30,324
ConocoPhillips	263,080	15,374	11,881
Denbury Resources Inc	122,800	1,922	1,858
Devon Energy Corporation	65,500	4,547	4,410
Diamond Offshore Drilling Inc	10,300	881	984
El Paso Corporation	94,300	711	973
ENSCO International Inc	15,100	698	642
EOG Resources Inc	42,600	3,503	3,558
Exxon Mobil Corporation	1,034,940	73,496	71,007
FMC Technologies Inc	19,500	948	1,019
Halliburton Company	97,900	2,020	2,655
Hess Corp	52,500	3,328	2,807

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Marathon Oil Corp	153,642	5,164	4,901
Murphy Oil Corporation	34,100	2,039	1,963
Nabors Industries Ltd	43,300	842	905
National-Oilwell Varco Inc	84,900	3,835	3,662
Noble Energy Inc	41,900	2,657	2,764
Occidental Petroleum Corp	135,300	9,689	10,608
Pioneer Natural Resources Co	28,300	784	1,027
Range Resources Corporation	41,200	1,981	2,034
Rowan Companies Inc	12,000	277	277
Schlumberger Ltd	189,900	12,032	11,318
Smith International Inc	28,300	845	812
Spectra Energy Corp	68,400	1,055	1,295
Sunoco Inc	32,500	861	925
Tesoro Petroleum Corporation	89,900	1,275	1,347
Valero Energy Corporation	99,000	1,877	1,920
Williams Companies Inc	86,000	1,462	1,537
XTO Energy Inc	103,775	4,223	4,288
<i>Total Energy - 10.8%</i>		208,510	202,373
<i>Financial Services</i>			
AFLAC Inc	75,700	3,302	3,235
Allstate Corp	62,100	1,918	1,902
American Express	182,500	5,256	6,187
American International Group	27,700	928	1,222
Ameriprise Financial Inc	75,800	1,896	2,754
Aon Corporation	36,900	1,507	1,501
Apartment Investment & Mgmt Co	12,400	124	183
Assurant Inc	20,200	698	648
Avalonbay Communities Inc	9,413	695	685
Bank of America Corporation	1,191,577	27,011	20,161
Bank of New York Mellon Corp	236,500	8,279	6,856
BB&T Corp	154,600	4,004	4,211
Boston Properties Inc	20,400	1,350	1,337
Capital One Financial Corp	95,500	2,819	3,412
CB Richard Ellis Grp Inc	130,800	1,164	1,536
Chubb Corp	69,500	3,288	3,503
Cincinnati Financial Corp	113,100	2,709	2,939
Citigroup Inc	1,629,107	14,335	7,885
CME Group Inc	12,700	3,712	3,914
Comerica Inc	64,200	1,693	1,905
Discover Financial Services	137,000	1,508	2,224
E*Trade Group Inc	98,100	171	172
Equity Residential Prop Trust	36,600	1,143	1,124
Federated Investors Inc	71,300	1,801	1,880
Fifth Third Bancorp	208,300	1,720	2,110
First Horizon National Corp	94,373	1,010	1,249
Franklin Resources Inc	23,700	1,723	2,384
Genworth Financial Inc	106,600	1,045	1,274
Goldman Sachs Group Inc	79,300	10,734	14,619
Hartford Financial Services Gp	85,100	1,574	2,255
HCP Inc	89,700	2,645	2,578
Health Care Inc	12,700	535	529
Host Hotels & Resorts Inc	144,500	1,408	1,701
Hudson City Bancorp Inc	219,100	3,453	2,881
Huntington Bancshares Inc	282,400	1,154	1,330
Intercontinental Exchange Inc	24,200	2,271	2,352
Invesco Limited	105,100	1,858	2,392
Janus Capital Group Inc	19,300	270	274
JPMorgan Chase & Co	587,953	21,642	25,764
KeyCorp	277,000	1,821	1,801
Kimco Realty Corporation	39,800	440	519
Legg Mason Inc	43,900	1,114	1,362
Leucadia National Corporation	26,600	741	658

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Lincoln National Corp	93,100	1,540	2,412
Loews Corp	135,000	4,627	4,624
M & T Bank Corporation	23,200	1,454	1,446
Marsh & McLennan Co Inc	71,800	1,777	1,776
Marshall & Ilsley Corporation	196,700	1,225	1,587
MasterCard Inc	15,500	3,213	3,133
MBIA Inc	38,600	245	300
MetLife Inc	151,100	5,237	5,752
Moody's Corp	108,000	2,555	2,210
Morgan Stanley Dean Witter Co	204,400	6,313	6,312
Nasdaq Stock Market Inc	69,400	1,486	1,461
Northern Trust Corp	61,900	3,837	3,600
NYSE Euronext	106,900	2,845	3,088
People's United Financial Inc	163,900	2,628	2,550
Plum Creek Timber Co Inc	20,100	649	616
PNC Financial Services Group	111,200	5,369	5,403
Principal Financial Group Inc	80,000	1,817	2,191
Progressive Corp	200,100	3,059	3,318
ProLogis Trust	46,900	559	559
Prudential Financial Inc	104,900	4,124	5,236
Public Storage Inc	47,200	3,684	3,551
Regions Financial Corp	199,100	1,029	1,236
Schwab Charles Corp	190,100	3,428	3,640
Simon Property Group	40,324	2,716	2,800
SLM Corp	133,100	1,030	1,161
State Street Corp	114,300	5,819	6,012
SunTrust Banks Inc	62,800	1,564	1,416
T Rowe Price Associates Inc	44,300	2,124	2,025
Torchmark Corporation	29,500	1,219	1,281
Travelers Cos Inc	140,400	6,191	6,912
UnumProvident Corp	117,400	2,253	2,517
US Bancorp	322,700	7,373	7,054
Ventas Inc	26,400	938	1,016
Vornado Realty Trust	18,740	1,177	1,207
Wells Fargo & Company	685,800	17,762	19,326
XL Capital Ltd	107,400	1,233	1,875
Zions Bancorporation	83,500	1,297	1,500
<i>Total Financial Services - 14.5%</i>		263,865	271,511
<i>Health Care</i>			
Abbott Laboratories	280,300	14,262	13,866
Aetna Inc	66,100	1,947	1,840
Allergan Inc	59,300	3,193	3,366
AmerisourceBergen Corp	65,400	1,332	1,464
Amgen Inc	168,200	8,927	10,131
Bard CR Inc	12,400	1,001	975
Baxter International Inc	132,700	7,361	7,565
Becton Dickinson & Company	30,500	2,133	2,127
Biogen Idec Inc	49,000	2,464	2,475
Boston Scientific Corp	223,200	2,137	2,364
Bristol-Myers Squibb Company	526,600	10,956	11,859
Cardinal Health Inc	38,100	1,020	1,021
CareFusion Corporation	19,100	414	416
Celgene Corporation	82,900	4,414	4,634
Cephalon Inc	15,000	960	874
CIGNA Corporation	79,500	2,168	2,233
Coventry Health Care Inc	44,200	874	882
DaVita Inc	34,400	1,710	1,948
DENTSPLY International Inc	15,700	522	542
Express Scripts Inc	41,200	2,983	3,196
Forest Laboratories Inc	62,700	1,817	1,846
Genzyme Corporation	36,800	2,132	2,088
Gilead Sciences Inc	148,600	6,781	6,910

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Hospira Inc	17,100	493	763
Humana Inc	48,000	1,526	1,790
IMS Health Inc	34,700	518	533
Intuitive Surgical Inc	4,000	1,028	1,049
Johnson & Johnson	577,500	35,123	35,164
King Pharmaceuticals Inc	73,300	632	789
Laboratory Corp of Amer Hldgs	11,900	779	782
Life Technologies Corp	18,700	852	870
Lilly Eli and Company	134,300	5,165	4,436
McKesson HBOC Inc	28,200	1,678	1,679
Medco Health Solutions Inc	111,300	5,037	6,156
Medtronic Inc	128,000	4,958	4,710
Merck & Co Inc	416,500	13,913	13,174
Millipore Corp	5,900	395	415
Mylan Laboratories Inc	154,700	2,092	2,477
Patterson Companies Inc	9,800	267	267
PerkinElmer Inc	12,400	237	239
Pfizer Inc	1,317,744	25,237	21,809
Quest Diagnostics Inc	92,000	4,520	4,801
Schering-Plough Corporation	328,400	7,367	9,277
St Jude Medical Inc	39,400	1,534	1,537
Stericycle Inc	13,000	637	630
Stryker Corporation	49,800	2,426	2,262
Tenet Healthcare Corporation	45,800	270	269
Thermo Electron Corporation	54,400	2,365	2,376
UnitedHealth Group Inc	224,000	6,237	5,609
Varian Medical Systems Inc	17,300	735	729
Waters Corporation	10,100	561	564
Watson Pharmaceuticals Inc	34,000	1,137	1,246
WellPoint Inc	113,200	5,524	5,361
Wyeth	244,000	10,265	11,854
Zimmer Holdings Inc	24,800	1,357	1,326
<i>Total Health Care - 12.2%</i>		226,373	229,565
<i>Technology</i>			
Adobe Systems Inc	60,400	1,938	1,996
Advanced Micro Devices Inc	193,600	860	1,096
Affiliated Computer Svcs Inc	39,100	1,773	2,118
Agilent Technologies Inc	36,500	1,020	1,016
Akamai Technologies Inc	103,300	1,970	2,033
Altera Corporation	101,500	1,766	2,082
Amphenol Corp	18,100	679	682
Analog Devices Inc	49,100	1,270	1,354
Apple Computer Inc	138,800	19,199	25,727
Applied Materials Inc	142,900	1,911	1,912
Autodesk Inc	29,700	681	707
Automatic Data Processing Inc	155,000	5,782	6,092
BMC Software Inc	97,100	3,406	3,644
Broadcom Corp	121,500	2,759	3,729
CA Inc	62,800	1,195	1,381
CIENA Corporation	56,700	627	923
Cisco Systems Inc	1,058,090	21,724	24,907
Citrix Systems Inc	40,400	1,392	1,585
Cognizant Tech Solutions Corp	71,300	2,209	2,756
Computer Sciences Corp	39,200	1,650	2,066
Compuware Corporation	25,100	184	184
Convergys Corp	60,000	647	596
Corning Inc	293,400	4,950	4,492
Dell Inc	182,200	2,778	2,780
eBay Inc	162,000	3,742	3,823
Electronic Arts Inc	34,200	655	652
EMC Corporation	356,800	4,728	6,080
Fidelity Ntl Information Svcs	41,000	995	1,046

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Fiserv Inc	37,900	1,815	1,827
FLIR Systems Inc	16,000	447	448
Google Inc	39,500	18,443	19,586
Harris Corporation	13,900	435	523
Hewlett-Packard Company	419,000	16,844	19,781
Intel Corporation	869,900	17,689	17,024
International Business Machs	260,400	25,874	31,146
Intuit Inc	96,100	2,542	2,739
Jabil Circuit Inc	45,100	401	605
JDS Uniphase Corporation	157,000	828	1,116
Juniper Networks Inc	113,500	2,833	3,067
KLA-Tencor Corporation	39,600	1,301	1,420
Lexmark International Inc	9,200	203	198
Linear Technology Corp	59,900	1,461	1,655
LSI Logic Corporation	69,000	355	379
McAfee, Inc	38,000	1,512	1,664
MEMC Electronic Materials Inc	99,700	1,648	1,658
Microchip Technology Inc	31,900	800	845
Micron Technology Inc	197,500	1,190	1,620
Microsoft Corporation	1,345,902	33,552	34,617
Molex Inc	40,300	570	841
Motorola Inc	385,100	2,854	3,308
National Semiconductor Corp	24,800	353	354
NetApp Inc.	75,900	1,642	2,025
Novell Inc	36,700	148	166
Novellus Systems Inc	64,800	1,194	1,360
NVIDIA Corporation	185,900	1,875	2,794
Oracle Corporation	763,244	14,864	15,906
Paychex Inc	68,200	1,873	1,981
QLogic Corporation	13,400	229	230
Qualcomm Inc	278,000	11,607	12,504
Red Hat Inc	37,500	947	1,037
Salesforce.com Inc	17,200	973	979
SanDisk Corporation	57,100	827	1,239
Scripps Networks Interactive	9,400	269	347
Sun Microsystems Inc	200,800	1,403	1,825
Symantec Corporation	204,800	3,175	3,373
Tellabs Inc	158,500	806	1,097
Teradata Corporation	26,400	713	727
Teradyne Inc	86,600	758	801
Texas Instruments Inc	141,500	3,592	3,352
Total System Services Inc	93,400	1,452	1,505
VeriSign Inc	25,700	548	609
Western Digital Corp	63,600	1,873	2,323
Western Union Company	101,700	1,598	1,924
Xerox Corporation	92,000	860	712
Xilinx Inc	75,700	1,534	1,773
Yahoo! Inc	188,000	3,430	3,348
<i>Total Technology - 16.9%</i>		284,630	317,817
<i>Utilities</i>			
AES Corporation	128,900	1,761	1,910
Allegheny Energy Inc	17,900	467	475
Ameren Corporation	45,100	1,089	1,140
American Electric Power Co Inc	80,000	2,423	2,479
CenterPoint Energy Inc	40,900	479	508
CMS Energy Corporation	155,600	1,991	2,085
Consolidated Edison Inc	142,800	5,611	5,846
Constellation Energy Group	42,500	1,382	1,376
Dominion Resources Inc	67,300	2,324	2,322
DTE Energy Company	79,800	2,395	2,804
Duke Energy Corp	201,800	3,398	3,176
Dynegy Inc	53,700	134	137

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Edison International	35,000	1,180	1,175
Entergy Corporation	35,200	3,132	2,811
EQT Corp	69,700	2,794	2,969
Exelon Corp	73,200	3,709	3,632
FirstEnergy Corp	44,500	2,146	2,035
FPL Group Inc	134,400	7,547	7,423
Integrus Energy Group Inc	10,200	350	366
NICOR Inc	8,600	299	315
NiSource Inc	29,100	397	404
Northeast Utilities	121,600	2,736	2,887
PEPCO Holdings	23,400	340	348
PG&E Corp	116,900	4,590	4,733
Pinnacle West Capital Corp	83,200	2,361	2,731
PPL Corporation	101,200	3,799	3,070
Progress Energy Inc	100,300	3,717	3,918
Public Service Enterprise Grp	102,800	3,760	3,232
Quanta Services Inc	23,400	510	518
Questar Corporation	36,200	1,394	1,360
SCANA Corporation	62,700	2,113	2,188
Sempra Energy	76,200	3,888	3,796
Southern Company	151,800	4,791	4,808
Southwestern Energy Company	81,300	3,259	3,470
TECO Energy Inc	34,500	475	486
Wisconsin Energy Corporation	61,300	2,626	2,769
Xcel Energy Inc	234,300	4,536	4,507
<i>Total Utilities - 4.8%</i>		89,903	90,209
Total Equity Securities - 96.0%		1,763,072	1,803,185
 <b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund	7,328,765	7,329	7,329
Total Short-term Issues - 0.4%		7,329	7,329
Total Investment Securities - 96.4%		\$ 1,770,401	\$ 1,810,514

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividend	\$ 2,953	\$ 10,553
Securities lending	25	99
Shareholder litigation proceeds	51	243
Commission recapture	1	58
<b>Total investment income</b>	3,030	10,953
<b>Expenses</b>		
Investment advisor fees	(66)	(255)
Trustee fees	(1)	(3)
Custodian bank fees	(6)	(22)
Management fees	(65)	(205)
Fiduciary bond fees	(1)	(3)
Professional service fees	(13)	(40)
Securities lending agent fees	(5)	(50)
Securities lending borrower rebates	(4)	149
<b>Total expenses</b>	(161)	(429)
<b>Investment income, net</b>	2,869	10,524
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	34,536	50,746
Net increase in the fair value of investments	21,643	201,257
<b>Net gain from investments</b>	56,179	252,003
<b>Net increase in net assets from operations</b>	\$ 59,048	\$ 262,527

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Large Cap Domestic Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,869	\$ 10,524
Net realized gain from investments	34,536	50,746
Net increase in the fair value of investments	21,643	201,257
<b>Net increase in net assets from operations</b>	59,048	262,527
<b>Unit transactions</b>		
Proceeds from sale of units	107	8,181
Amount paid for repurchase of units	(144,427)	(169,581)
<b>Net decrease in net assets from unit transactions</b>	(144,320)	(161,400)
<b>Increase (decrease) in net assets</b>	(85,272)	101,127
Net assets, beginning of period	1,961,118	1,774,719
<b>Net assets, end of period</b>	\$ 1,875,846	\$ 1,875,846
<b>Unit data</b>		
Units sold	3,595,155	890,563
Units repurchased	(17,611,351)	(17,611,351)
<b>Net decrease in units</b>	(14,016,196)	(16,720,788)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool's objective is to exceed, net of external investment management fees, the S&P 500 Stock Index over three- to five-year periods. Assets are managed by Intech Investment Management, LLC, and State Street Global Advisors.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to

# Large Cap Domestic Equity Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker for the fluctuations of the underlying securities or index. The IMB records the cash received or paid for the variation margin as a realized gain or loss.

Interest rate futures may be used to enhance portfolio yields, to hedge an existing position, or as an alternative investment of cash. Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Hedging risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Equity Securities	\$1,803,185,285	\$ -	\$ -	\$1,803,185,285
Regulated Investment Companies	-	7,328,765	-	7,328,765
Securities Lending Collateral Funds	-	74,098,631	-	74,098,631
Total	<u>\$1,803,185,285</u>	<u>\$ 81,427,396</u>	<u>\$ -</u>	<u>\$1,884,612,681</u>

### NOTE 4. SECURITIES LENDING

At September 30, 2009, the fair value of securities on loan was \$76,488,372, the initial collateral received was \$78,916,279, and the fair value of reinvested collateral held was \$75,085,386. Of the collateral held, \$77,853,589 was received as cash and invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on

# Large Cap Domestic Equity Pool

---

## Notes to Financial Statements

### NOTE 4. SECURITIES LENDING (Continued)

September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool was \$3,247,638.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At September 30, 2009 the accumulated undistributed securities lending income was \$1,596,117.

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	8.69
Income from investment operations:		
Net investment income		0.05
Net realized and unrealized gain on investment transactions		1.26
Total from investment operations		<u>1.31</u>
Net asset value at September 30, 2009	\$	<u>10.00</u>

**Time-weighted Total Return \*** 15.1%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	1,875,846
Ratio to average net assets:		
Expenses **		0.11%
Net investment income **		2.24%
Portfolio turnover rate		44.91%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# Large Cap Domestic Equity Pool

---

## Notes to Financial Statements

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 768,615,830
Public Employees' Retirement System	711,200,660
Workers' Compensation Old Fund	86,341,135
State Police Death, Disability and Retirement Fund	83,808,862
Revenue Shortfall Reserve Fund B	60,314,147
Revenue Shortfall Reserve Fund	43,304,403
Coal Workers' Pneumoconiosis Fund	20,830,787
Judges' Retirement System	20,616,153
Prepaid Tuition Trust Fund	18,948,708
Deputy Sheriff's Retirement System	18,433,075
State Police Retirement System	9,769,354
Board of Risk and Insurance Management	9,762,663
Public Employees' Insurance Agency	8,063,869
Wildlife Endowment Fund	7,388,500
Retiree Health Benefit Trust	4,293,343
Emergency Medical Services Retirement System	4,154,440
Total	<u>\$ 1,875,845,929</u>



**Financial Statements - Unaudited**

**September 30, 2009**



# Non-Large Cap Domestic Equity Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	7
Statement of Changes in Net Assets	8
Notes to Financial Statements	9

# Non-Large Cap Domestic Equity Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	394,454
Collateral for securities loaned at fair value (Note 4)		69,688
Receivables:		
Investments sold		3,105
Dividends		162
Securities lending income		25
Other		865
		<hr/>
<b>Total assets</b>		468,299

### Liabilities

Accrued expenses		69
Payable for investments purchased		3,111
Payable upon return of securities loaned (Note 4)		72,413
		<hr/>
<b>Total liabilities</b>		75,593
		<hr/>
<b>Net assets</b>	\$	<u>392,706</u>

### Analysis of net assets

Paid-in capital	\$	391,658
Accumulated undistributed net investment income		18,449
Accumulated undistributed net realized loss from investments		(51,451)
Accumulated undistributed net realized loss from foreign currency transactions		(506)
Unrealized net depreciation of investments		34,556
		<hr/>
<b>Net assets</b>	\$	<u>392,706</u>

### Unit data

Units outstanding		32,525,419
Net asset value, unit price	\$	<u>12.07</u>

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Ball Corporation	29,700	\$ 994	\$ 1,461
Bemis Company Inc	68,200	1,672	1,767
Cabot Corporation	55,400	1,156	1,280
Celanese Corp	116,200	2,642	2,905
CONSOL Energy Inc	99,500	2,809	4,488
Crown Holdings Inc	140,000	3,185	3,808
Fuller HB Company	37,100	761	775
LSB Industries Inc	37,900	613	590
Lubrizol Corporation	29,800	1,515	2,130
Massey Energy Company	215,400	4,913	6,008
NewMarket Corporation	17,200	1,129	1,600
OM Group Inc	30,200	553	918
Schulman A Inc	64,100	1,383	1,278
Schweitzer-Mauduit Intl Inc	15,500	716	843
Worthington Industries Inc	70,600	1,166	981
<i>Total Basic Materials - 7.9%</i>		25,207	30,832
<i>Capital Goods</i>			
AAON Inc	48,300	1,019	970
Alliant Techsystems Inc	15,200	1,208	1,183
Ametek Inc	95,600	2,772	3,337
Apogee Enterprises Inc	73,200	845	1,099
BE Aerospace Inc	245,475	4,571	4,944
Chart Industries Inc	39,600	818	855
Corporate Executive Board Co	37,300	1,640	929
Cubic Corporation	16,100	637	635
Diana Shipping Inc	72,900	775	948
Dycem Industries Inc	112,200	789	1,380
Enpro Industries, Inc.	35,300	764	807
Gardner Denver Inc	57,500	1,259	2,006
Genco Shipping & Trading Ltd	50,700	1,062	1,054
Hewitt Associates Inc	20,000	772	729
IDEX Corporation	127,450	3,310	3,562
Joy Global Inc	83,500	2,019	4,086
Kaiser Aluminum Corp	24,000	840	873
KBR Inc	93,900	1,903	2,187
L B Foster Company	20,400	619	624
Landstar System Inc	18,900	714	719
Lennox International Inc	30,900	1,127	1,116
Michael Baker Corporation	5,400	195	196
Owens Corning Inc	10,800	177	242
PHH Corp	81,300	1,353	1,613
Republic Airways Holdings Inc	110,500	2,393	1,031
SkyWest Inc	54,500	1,372	904
SPX Corporation	23,500	1,061	1,440
Teletch Holdings Inc	56,100	944	957
Toro Company	25,000	703	994
Triumph Group Inc	23,900	1,272	1,147
WESCO International Inc	166,300	5,440	4,789
<i>Total Capital Goods - 12.1%</i>		44,373	47,356
<i>Communication Services</i>			
j2 Global Communications Inc	49,400	1,176	1,137
NII Holdings Inc	156,500	3,097	4,704
Telephone & Data Systems	75,000	2,037	2,326
<i>Total Communication Services - 2.1%</i>		6,310	8,167
<i>Consumer Discretionary</i>			
Abercrombie & Fitch Co	31,100	961	1,023
American Eagle Outfitters Inc	226,733	2,436	3,823

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
AnnTaylor Stores Corporation	54,300	465	863
ATC Technology Corporation	68,600	1,083	1,356
Bob Evans Farms Inc	51,900	1,514	1,508
California Pizza Kitchen Inc	70,600	713	1,103
Cash America International Inc	51,800	1,751	1,562
Charlotte Russe Holding Inc	91,000	1,097	1,593
Citrip.com International Ltd	55,550	2,710	3,266
Darling International Inc	125,500	1,839	922
Deckers Outdoor Corporation	11,400	676	967
DeVry Inc	52,900	2,769	2,926
Dillard's Inc	67,900	634	957
Discovery Communications Inc	83,700	1,584	2,418
Helen of Troy Ltd	60,700	1,252	1,179
Hibbett Sports Inc	139,900	2,599	2,550
Jo-Ann Stores Inc	28,200	759	757
Navigant Consulting Inc	212,400	3,438	2,867
NetFlix.com Inc	18,000	481	831
O'Reilly Automotive Inc	75,000	2,195	2,711
PF Changs China Bistro Inc	37,900	1,154	1,287
Rent-A-Center Inc	54,500	983	1,029
Scholastic Corporation	47,200	1,092	1,149
Scientific Games Corporation	161,100	2,555	2,550
Steven Madden Ltd	37,000	953	1,362
Tempur-Pedic International	64,300	727	1,218
WABCO Holdings Inc	34,000	506	714
<i>Total Consumer Discretionary - 11.3%</i>		38,926	44,491
<i>Consumer Staples</i>			
BJ's Wholesale Club Inc	21,400	607	775
Cheesecake Factory Inc	37,900	615	702
Church & Dwight Company Inc	56,850	2,898	3,226
Fresh Del Monte Produce Inc	33,200	720	751
Lancaster Colony Corp	24,300	950	1,246
Ralcorp Holdings Inc	59,450	3,671	3,476
Supervalu Inc	57,900	673	872
<i>Total Consumer Staples - 2.8%</i>		10,134	11,048
<i>Energy</i>			
Cal Drive International Inc	143,200	1,338	1,416
CVR Energy Inc	115,900	1,386	1,442
Denbury Resources Inc	244,900	2,633	3,705
ENSCO International Inc	82,150	2,885	3,495
Exterran Holdings Inc	249,600	7,847	5,926
Getty Realty Corporation	40,600	1,034	996
Helix Energy Solutions Group	59,900	763	897
Hercules Offshore Inc	256,000	874	1,257
Holly Corporation	46,800	1,041	1,199
Oil States International Inc	34,800	836	1,223
Patterson-UTI Energy Inc	83,300	1,686	1,258
SEACOR SMIT Inc	18,000	1,132	1,469
Sunoco Inc	33,500	976	953
Tsakos Energy Navigation Ltd	59,100	939	925
<i>Total Energy - 6.7%</i>		25,370	26,161
<i>Financial Services</i>			
American Financial Group	70,000	1,741	1,785
American Physicians Capital	26,533	752	764
AmTrust Financial Services Inc	83,600	699	954
Assurant Inc	34,400	822	1,103
Axis Capital Hldgs Ltd	59,900	2,121	1,808
Banco Latinoamericano Export	102,700	1,936	1,460
Bank of the Ozarks Inc	34,900	809	926

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

### Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
BOK Financial Corporation	15,600	640	723
City Holding Company	20,000	851	596
Delphi Financial Group Inc	54,800	1,000	1,240
DuPont Fabros Technology Inc	112,000	1,180	1,493
Endurance Specialty Hldg Ltd	45,300	1,676	1,652
Federated Investors Inc	54,600	1,055	1,440
First Cash Financial Services	49,700	774	851
First Horizon National Corp	280,998	3,428	3,718
FPIC Insurance Group Inc	25,000	908	839
GFI Group Inc	107,700	770	779
HCC Insurance Holdings Inc	25,300	641	692
Horace Mann Educators Corp	106,300	1,131	1,485
HRPT Properties Trust	272,400	1,606	2,048
Infinity Property & Casualty	25,300	1,013	1,075
International Bancshares Corp	99,700	1,506	1,626
Investment Technology Grp Inc	66,100	2,517	1,846
Knight Capital Group Inc	68,900	1,132	1,499
LTC Properties Inc.	36,500	734	877
Montpelier Re Hldgs Ltd	105,600	1,651	1,723
National Financial Partners	41,500	355	362
National Health Investors Inc	45,900	1,445	1,453
NewAlliance Bancshares Inc	113,000	1,678	1,209
Ocwen Financial Corporation	104,300	1,026	1,181
Odyssey Re Holdings Corp	26,400	1,161	1,711
optionsXpress Holdings Inc	68,200	1,830	1,178
Oriental Financial Group Inc	113,800	2,042	1,445
Park National Corporation	20,800	959	1,213
Platinum Underwriters Hldg Ltd	42,000	1,367	1,505
PrivateBancorp Inc	118,700	2,812	2,903
PS Business Parks Inc	27,100	1,259	1,391
Safety Insurance Group Inc	27,500	1,153	905
StanCorp Financial Group Inc	42,700	2,217	1,724
SWS Group Inc	28,400	527	409
Taubman Centers Inc	55,400	1,472	1,999
Torchmark Corporation	39,300	770	1,707
United Bankshares Inc	60,300	1,319	1,181
Unitrin Inc	89,700	1,497	1,748
Waddell & Reed Financial Inc	115,600	2,502	3,289
World Acceptance Corporation	47,700	1,402	1,203
<i>Total Financial Services - 16.5%</i>		61,886	64,718
<i>Health Care</i>			
Alexion Pharmaceuticals Inc	155,488	4,167	6,925
AMN Healthcare Srvcs Inc	100,600	1,717	957
DaVita Inc	91,200	4,213	5,166
Elan Corporation PLC	319,400	3,040	2,271
Emergency Medical Services	31,100	1,244	1,446
Endo Pharmaceutical Holdings	47,400	1,413	1,073
Health Net Inc	102,500	1,590	1,579
Healthspring Inc	53,900	723	660
Herbalife Ltd	45,700	1,813	1,496
Hill-Rom Holdings Inc	74,700	1,714	1,627
IDEXX Laboratories Inc	88,700	2,968	4,435
Illumina Inc	118,900	4,153	5,053
Invacare Corp	49,900	766	1,112
Life Technologies Corp	79,300	2,284	3,691
Magellan Health Services Inc	41,800	1,388	1,298
Mednax Inc	51,900	2,149	2,850
Orthofix International NV	44,500	648	1,308
OSI Pharmaceuticals Inc	127,450	4,088	4,499
Santarus Inc	309,800	2,085	1,019
Shire PLC	103,400	5,186	5,407

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

### Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Skilled Healthcare Group Inc	174,300	1,451	1,400
Stericycle Inc	56,881	2,736	2,755
Wellcare Health Plans Inc	51,700	1,207	1,274
<i>Total Health Care - 15.1%</i>		52,743	59,301
<i>Technology</i>			
ACI Worldwide Inc	63,250	1,211	957
Alcatel	500,900	1,283	2,249
Amkor Technology Inc	156,800	635	1,079
Arris Group Inc	91,200	1,010	1,187
Avnet Inc	39,200	793	1,018
BMC Software Inc	86,200	2,686	3,235
Celestica Inc	110,800	666	1,050
Check Point Software	193,700	4,529	5,491
Citrix Systems Inc	52,500	1,300	2,060
Compuware Corporation	89,700	934	658
Converse Technology Inc	343,200	4,194	3,003
DynCorp International Inc	84,800	1,099	1,526
EarthLink Inc	169,400	1,396	1,425
Ingram Micro Inc	105,600	1,628	1,779
Insight Enterprises Inc	40,800	659	498
Integrated Device Technology	226,500	1,492	1,531
Jabil Circuit Inc	107,200	1,344	1,438
Lexmark International Inc	79,000	1,393	1,702
Maxim Integrated Products Inc	211,850	3,112	3,843
Mettler-Toledo International	63,700	5,638	5,771
MSCI Inc	62,450	1,137	1,850
Novellus Systems Inc	140,850	2,752	2,955
Nuance Communications Inc	337,300	5,069	5,046
Plantronics Inc	31,800	749	853
Polycom Inc	164,350	2,953	4,396
Salesforce.com Inc	39,350	1,216	2,240
Shanda Games Ltd	54,800	685	641
Synnex Corporation	29,400	587	896
Tech Data Corporation	50,600	1,636	2,105
Tessera Technologies Inc	24,200	639	675
USA Mobility Inc	81,000	1,990	1,043
ValueClick, Inc	95,500	762	1,260
VeriFone Holdings Inc	180,700	1,709	2,871
VeriSign Inc	108,700	2,845	2,575
Wright Express Corp	48,400	1,120	1,428
Zebra Technologies Corp	32,400	560	840
<i>Total Technology - 18.6%</i>		63,411	73,174
<i>Utilities</i>			
AGL Resources Inc	22,200	757	783
Alliant Energy Corp	78,300	2,265	2,181
Energen Corporation	46,500	1,338	2,004
EQT Corp	46,800	2,068	1,994
IDACORP Inc	35,300	974	1,016
Mirant Corporation	123,100	2,177	2,023
National Fuel Gas Company	49,700	1,420	2,277
NeuStar Inc	57,700	1,110	1,304
NiSource Inc	98,600	1,414	1,370
NorthWestern Corporation	45,000	1,188	1,099
NV Energy Inc	125,500	1,937	1,455
OGE Energy Corp	46,400	1,537	1,535
ONEOK Inc	27,300	1,371	1,000
PNM Resources	80,300	1,030	938
<i>Total Utilities - 5.3%</i>		20,586	20,979
<i>Total Equity Securities - 98.4%</i>		348,946	386,227

See accompanying notes to financial statements.



# Non-Large Cap Domestic Equity Pool

---

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 2.1%	8,227,058	8,227	8,227
Total Investment Securities - 100.5%		<u>\$ 357,173</u>	<u>\$ 394,454</u>

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividend	\$ 317	\$ 860
Securities lending	27	87
Shareholder litigation proceeds	2	72
Commission recapture	9	16
<b>Total investment income</b>	355	1,035
<b>Expenses</b>		
Investment advisor fees	1,206	795
Trustee fees	(1)	(1)
Custodian bank fees	(1)	(6)
Management fees	(13)	(39)
Professional service fees	(3)	(8)
Securities lending agent fees	(6)	(23)
Securities lending borrower rebates	5	30
<b>Total expenses</b>	1,187	748
<b>Investment income, net</b>	1,542	1,783
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain (loss) from investments	786	(2,337)
Net increase in the fair value of investments	23,160	60,452
<b>Net gain from investments</b>	23,946	58,115
<b>Net increase in net assets from operations</b>	\$ 25,488	\$ 59,898

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Non-Large Cap Domestic Equity Pool

### Statement of Changes in Net Assets - Unaudited

**Period Ended September 30, 2009\***

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 1,542	\$ 1,783
Net realized gain (loss) from investments	786	(2,337)
Net increase in the fair value of investments	23,160	60,452
<b>Net increase in net assets from operations</b>	25,488	59,898
<b>Unit transactions</b>		
Proceeds from sale of units	900	21,646
Amount paid for repurchase of units	(847)	(1,302)
<b>Net increase in net assets from unit transactions</b>	53	20,344
<b>Increase in net assets</b>	25,541	80,242
Net assets, beginning of period	367,165	312,464
<b>Net assets, end of period</b>	\$ 392,706	\$ 392,706
<b>Unit data</b>		
Units sold	79,581	1,959,603
Units repurchased	(74,960)	(119,670)
<b>Net increase in units</b>	4,621	1,839,933

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Non-Large Cap Domestic Equity Pool

---

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment-related operations of the IMB's Non-Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool invests in the equities of small- to mid-sized companies and its objective is to exceed, net of external investment management fees, the Russell 2500 Index over three- to five-year periods. Assets are managed by Aronson + Johnson + Ortiz, LP and Westfield Capital Management.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives

# Non-Large Cap Domestic Equity Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Equity Securities	\$ 386,226,479	\$ -	\$ -	\$ 386,226,479
Regulated Investment Companies	-	8,227,058	-	8,227,058
Securities Lending Collateral Funds	-	69,688,232	-	69,688,232
Total	<u>\$ 386,226,479</u>	<u>\$ 77,915,290</u>	<u>\$ -</u>	<u>\$ 464,141,769</u>

### NOTE 4. SECURITIES LENDING

At September 30, 2009, the fair value of securities on loan is \$70,355,441, initial collateral received is \$72,412,749, and the fair value of reinvested collateral held is \$69,688,232. All of the collateral was received as cash and is invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool is \$2,247,392.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At September 30, 2009, the accumulated undistributed securities lending income is \$756,346.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 5. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$	10.18
Income from investment operations:		
Net investment income		0.05
Net realized and unrealized gain on investment transactions		1.84
Total from investment operations		1.89
Net asset value at September, 2009	\$	12.07

**Time-weighted Total Return \*** 18.1%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$	392,706
Ratio to average net assets:		
Expenses **		-0.84%
Net investment income **		2.02%
Portfolio turnover rate		21.71%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 164,972,530
Public Employees' Retirement System	152,883,122
Workers' Compensation Old Fund	18,165,870
State Police Death, Disability and Retirement Fund	16,606,019
Revenue Shortfall Reserve Fund B	9,270,865
Revenue Shortfall Reserve Fund	6,670,497
Judges' Retirement System	4,060,710
Coal Workers' Pneumoconiosis Fund	4,050,513
Prepaid Tuition Trust Fund	3,902,877
Deputy Sheriff's Retirement System	3,583,650
Board of Risk and Insurance Management	1,920,029
State Police Retirement System	1,898,867
Public Employees' Insurance Agency	1,567,535
Wildlife Endowment Fund	1,437,285
Retiree Health Benefit Trust	907,863
Emergency Medical Services Retirement System	808,018
Total	\$ 392,706,250





**Financial Statements - Unaudited**

**September 30, 2009**



# International Qualified Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# International Qualified Pool

---

## Statement of Assets and Liabilities - Unaudited

September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value \$ 709,125

### Liabilities

Accrued expenses 369

**Net assets** \$ 708,756

### Analysis of net assets

Paid-in capital \$ 378,921

Accumulated undistributed net investment loss (19,600)

Accumulated undistributed net realized gain from investments 20,133

Unrealized net appreciation of investments 329,302

**Net assets** \$ 708,756

### Unit data

Units outstanding 20,603,153

Net asset value, unit price \$ 34.40

See accompanying notes to financial statements.

# International Qualified Pool

---

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Group Trust	1,233,237,898	\$ 379,823	\$ 709,125
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
Total Investments in Other Funds - 100.1%		<u>\$ 379,823</u>	<u>\$ 709,125</u>

See accompanying notes to financial statements.

## International Qualified Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(307)	(896)
Trustee fee	(1)	(1)
Management fees	(25)	(73)
Fiduciary bond fees	(1)	(1)
Professional service fees	(4)	(14)
	<u>(338)</u>	<u>(985)</u>
<b>Total expenses</b>		
	(338)	(985)
<b>Investment loss, net</b>		
	(338)	(985)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	132	357
Net increase in the fair value of investments	26,128	96,949
	<u>26,260</u>	<u>97,306</u>
<b>Net gain from investments</b>		
	26,260	97,306
<b>Net increase in net assets from operations</b>	<u>\$ 25,922</u>	<u>\$ 96,321</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Qualified Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (338)	\$ (985)
Net realized gain from investments	132	357
Net increase in the fair value of investments	26,128	96,949
<b>Net increase in net assets from operations</b>	25,922	96,321
<b>Unit transactions</b>		
Proceeds from sale of units	29	1,453
Amount paid for repurchase of units	-	(1,400)
<b>Net increase in net assets from unit transactions</b>	29	53
<b>Increase in net assets</b>	25,951	96,374
Net assets, beginning of period	682,805	612,382
<b>Net assets, end of period</b>	\$ 708,756	\$ 708,756
<b>Unit data</b>		
Units sold	886	45,272
Units repurchased	-	(43,616)
<b>Increase in units</b>	886	1,656

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Qualified Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 25,922	\$ 96,321
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	298	855
Net realized gain from investments	(132)	(357)
Increase in accrued expenses	11	77
Net increase in the fair value of investments	(26,128)	(96,949)
<b>Net cash used in operating activities</b>	<b>(29)</b>	<b>(53)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	29	1,453
Paid for repurchase of units	-	(1,400)
<b>Net cash provided by financing activities</b>	<b>29</b>	<b>53</b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.



# International Qualified Pool

---

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Qualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Group Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's Europe Australasia Far East (EAFE) index by 200 basis points on an annualized basis over three to five-year periods, net of external investment management fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in the Pool.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

# International Qualified Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Investments in Other Funds	\$ -	\$ 709,124,848	\$ -	\$ 709,124,848

# International Qualified Pool

---

## Notes to Financial Statements

### NOTE 4. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2009	\$ 29.73
Income from investment operations:	
Net investment loss	(0.05)
Net realized and unrealized loss on investment transactions	<u>4.72</u>
Total from investment operations	<u>4.67</u>
Net asset value at September 30, 2009	<u>\$ 34.40</u>
<b>Time-weighted Total Return *</b>	15.7%
<b>Supplemental Data:</b>	
Net assets, end of period (\$000's)	\$ 708,756
Ratio to average net assets:	
Expenses **	0.59%
Net investment income **	-0.59%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 333,275,492
Public Employees' Retirement System	316,383,087
State Police Death, Disability and Retirement Fund	36,615,038
Judges' Retirement System	8,930,709
Deputy Sheriff's Retirement System	7,826,260
State Police Retirement System	4,048,448
Emergency Medical Services Retirement System	<u>1,676,900</u>
Total	<u>\$ 708,755,934</u>



**Financial Statements - Unaudited**

**September 30, 2009**



# International Nonqualified Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# International Nonqualified Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	117,010
-------------------------------------	----	---------

### Liabilities

Accrued expenses		<u>10</u>
------------------	--	-----------

<b>Net assets</b>	<b>\$</b>	<b><u>117,000</u></b>
-------------------	-----------	-----------------------

### Net assets

Paid-in capital	\$	74,978
Accumulated undistributed net investment loss		(2,631)
Accumulated undistributed net realized gain from investments		9,642
Unrealized net appreciation of investments		<u>35,011</u>

<b>Net assets</b>	<b>\$</b>	<b><u>117,000</u></b>
-------------------	-----------	-----------------------

### Unit data

Units outstanding		3,637,414
Net asset value, unit price	\$	<u>32.17</u>

See accompanying notes to financial statements.



# International Nonqualified Pool

---

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Trust	193,182,155	\$ 81,999	\$ 117,010
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
Total Investments in Other Funds - 100.0%		<u>\$ 81,999</u>	<u>\$ 117,010</u>

See accompanying notes to financial statements.

## International Nonqualified Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(63)	(182)
Management fees	(4)	(12)
Professional service fees	-	(2)
	<u>(67)</u>	<u>(196)</u>
<b>Total expenses</b>	<u>(67)</u>	<u>(196)</u>
<b>Investment loss, net</b>	(67)	(196)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	18	49
Net increase in the fair value of investments	<u>4,260</u>	<u>15,896</u>
<b>Net gain from investments</b>	<u>4,278</u>	<u>15,945</u>
<b>Net increase in net assets from operations</b>	<u>\$ 4,211</u>	<u>\$ 15,749</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Nonqualified Pool

---

### Statement of Changes in Net Assets - Unaudited

Period Ended September 30, 2009\*

(Amounts in thousands, except unit data)

	<u>Month</u>	<u>Year To Date</u>
<b>Operations</b>		
Investment loss, net	\$ (67)	\$ (196)
Net realized gain from investments	18	49
Net increase in the fair value of investments	<u>4,260</u>	<u>15,896</u>
<b>Net increase in net assets from operations</b>	4,211	15,749
<b>Unit transactions</b>		
Proceeds from sale of units	<u>5</u>	<u>9</u>
<b>Increase in net assets from unit transactions</b>	<u>5</u>	<u>9</u>
<b>Increase in net assets</b>	4,216	15,758
Net assets, beginning of period	<u>112,784</u>	<u>101,242</u>
<b>Net assets, end of period</b>	<u>\$ 117,000</u>	<u>\$ 117,000</u>
<b>Unit data</b>		
Units sold	<u>157</u>	<u>293</u>
<b>Increase in units</b>	<u>157</u>	<u>293</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.

## International Nonqualified Pool

---

**Statement of Cash Flows - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 4,211	\$ 15,749
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	62	181
Net realized gain from investments	(18)	(49)
Increase in accrued expenses	-	6
Net increase in the fair value of investments	<u>(4,260)</u>	<u>(15,896)</u>
<b>Net cash used in operating activities</b>	(5)	(9)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	<u>5</u>	<u>9</u>
<b>Cash provided by financing activities</b>	<u>5</u>	<u>9</u>
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	<u>-</u>	<u>-</u>
Ending balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Nonqualified Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Nonqualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's EAFE index by 200 basis points on an annualized basis over three- to five-year periods, net of external investment management fees. The Pool exists for participants who are not "qualified" (as defined by the *Internal Revenue Code*).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

# International Nonqualified Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Investments in Other Funds	\$ -	\$ 117,010,037	\$ -	\$ 117,010,037

# International Nonqualified Pool

## Notes to Financial Statements

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	27.84
Income from investment operations:		
Net investment loss		(0.05)
Net realized and unrealized loss on investment transactions		4.38
Total from investment operations		4.33
Net asset value at September 30, 2009	\$	32.17

**Time-weighted Total Return \*** 15.6%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	117,000
Ratio to average net assets:		
Expenses **		0.71%
Net investment income **		-0.71%
Portfolio turnover rate		0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	39,877,259
Revenue Shortfall Reserve Fund B	27,510,034
Revenue Shortfall Reserve Fund	19,074,894
Coal Workers' Pneumoconiosis Fund	9,424,593
Prepaid Tuition Trust Fund	8,296,037
Board of Risk and Insurance Management	4,387,406
Public Employees' Insurance Agency	3,528,590
Wildlife Endowment Fund	2,903,559
Retiree Health Benefit Trust	1,997,732
Total	\$ 117,000,104





**Financial Statements - Unaudited**

**September 30, 2009**



# International Equity Pool

---

## **Financial Statements - Unaudited September 30, 2009**

### **Table of Contents**

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	22
Statement of Changes in Net Assets	23
Notes to Financial Statements	24

# International Equity Pool

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,800,096
Cash		(5)
Cash denominated in foreign currencies (cost \$8,585)		8,808
Collateral for securities loaned at fair value (Note 4)		111,721
Receivables:		
Investments sold		4,503
Dividends		6,789
Securities lending income		119
Foreign tax withholding		765
		<u>765</u>
<b>Total assets</b>		<b>1,932,796</b>

### Liabilities

Accrued expenses		1,887
Payable for investments purchased		8,390
Payable upon return of securities loaned (Note 4)		115,972
Unrealized loss on foreign currency exchange contracts (Note 5)		1
		<u>1</u>
<b>Total liabilities</b>		<b>126,250</b>
<b>Net assets</b>	<b>\$</b>	<b>1,806,546</b>

### Analysis of net assets

Paid-in capital	\$	1,310,156
Accumulated undistributed net investment income		189,383
Accumulated undistributed net realized gain from investments		99,330
Accumulated undistributed net realized gain from foreign currency transactions		38,702
Unrealized net appreciation of investments		125,811
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		43,164
		<u>43,164</u>
<b>Net assets</b>	<b>\$</b>	<b>1,806,546</b>

### Unit data

Units outstanding		97,299,944
Net asset value, unit price	\$	<u>18.57</u>

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Argentina</i>			
Telecom Argentina SA - 0.5%	516,468	\$ 7,441	\$ 8,258
<i>Australia</i>			
Amalgamated Holdings Inc	41,069	140	181
Amcor Ltd	807,589	3,783	3,906
ARB Corporation Ltd	4,229	9	19
ASG Group Ltd	76,500	65	65
Austereo Group Ltd	69,000	70	89
Australian Worldwide Explora	795,000	1,178	1,908
AWB Ltd	52,891	82	60
Bank of Queensland Ltd	2,300	15	24
Beach Petroleum Ltd	448,800	485	297
Biota Holdings Ltd	70,700	116	170
BlueScope Steel Ltd	1,000,400	3,920	2,587
Brickworks Ltd	300	3	4
Bunnings Warehouse Prop Trust	16,500	21	25
Cabcharge Australia Ltd	2,800	14	14
Campbell Brothers Ltd	3,589	74	94
Carnarvon Petroleum Ltd	47,311	31	23
Cash Converters International	90,200	44	50
Centamin Egypt Ltd	3,700	5	5
Centennial Coal Company Ltd	703,700	776	2,000
Coffey International Ltd	1,982	3	4
Corporate Express Australia	30,300	89	109
Crane Group Ltd	2,800	19	27
David Jones Ltd	28,600	72	147
Dominion Mining Ltd	24,195	83	79
Downer EDI Ltd	812,337	2,850	5,872
DUET Group	1,037,300	1,331	1,552
Emeco Holdings Ltd	241,100	100	186
Extract Resources Ltd	8,980	52	72
Flight Centre Ltd	3,200	21	42
Goodman Fielder Ltd	2,329,900	3,574	3,434
GrainCorp Ltd	2,700	17	22
GUD Holdings Ltd	700	5	5
Gunns Ltd	152,100	78	162
GWA International Ltd	16,700	31	41
Healthscope Ltd	43,500	124	184
IBA Health Group Ltd	265,045	125	195
IINET Limited	64,800	121	118
Independence Group NL	3,300	14	13
ING Office Fund	274,300	231	136
Iress Market Technology Ltd	44,800	232	336
JB Hi-Fi Ltd	44,300	335	776
Kingsgate Consolidated Ltd	26,100	133	188
Macquarie Group Ltd	160,300	3,164	8,317
Macquarie Media Group Ltd	1,039,000	3,217	1,751
Macquarie Office Trust	42,400	19	11
Mermaid Marine Australia Ltd	32,700	85	79
Metcash Ltd	510,100	1,900	2,026
Mincor Resources NL	104,300	218	228
Monadelphous Group Ltd	16,500	151	195
Navitas Ltd	92,300	137	297
Neptune Marine Services Ltd	76,600	33	54
OrotonGroup Ltd	2,000	6	10
OZ Minerals	1,405,900	1,353	1,414
Pan Pacific Petroleum NL	248,100	59	122
Premier Investment Ltd	126,500	737	969
Primary Health Care Ltd	64,781	210	355
Qantas Airways Ltd	1,593,700	5,067	4,023
Ramsay Health Care Ltd	23,400	157	227
REA Group Ltd	3,600	10	24
Reject Shop Ltd	11,500	77	135

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
RHG Limited	16,000	5	9
Sally Malay Mining Ltd	54,400	115	120
Salmat Ltd	40,600	92	143
Sigma Pharmaceuticals Ltd	3,939,910	3,846	3,703
Sino Gold Mining Ltd	160,594	552	956
SMS Management Technology Ltd	24,800	72	117
SP Telemedia Ltd	37,892	27	42
Specialty Fashion Group Ltd	48,700	38	42
Spotless Group Ltd	82,151	125	182
Super Cheap Auto Group Ltd	20,939	89	109
Telstra Corporation Ltd	1,229,600	3,655	3,549
United Group Ltd	28,300	197	370
Whitehaven Coal Ltd	47,100	118	155
Wotif.com Holdings Ltd	2,280	8	11
<i>Total Australia - 3.0%</i>		46,010	54,966
<i>Austria</i>			
Conwert Immobilien Invest AG	27,348	194	375
Vienna Insurance Group	26,100	766	1,488
Voestalpine AG	124,000	4,517	4,421
<i>Total Austria - 0.3%</i>		5,477	6,284
<i>Belgium</i>			
Agfa Gevaert NV	161,220	670	886
Banque Nationale de Belgique	63	284	310
Barco NV	31,019	2,080	1,351
Cofinimmo	1,891	221	264
Delhaize Le Lion SA	47,100	3,206	3,266
D'leteren SA NV	1,216	376	448
Fortis Rights	134,400	-	-
Immobel	3,114	181	88
Omega Pharma SA	27,581	880	1,216
Solvay SA	39,400	3,990	4,086
Telenet Group Holding NV	103,235	1,772	2,722
Tessenderlo Chemie NV	96,570	3,946	3,718
<i>Total Belgium - 1.0%</i>		17,606	18,355
<i>Bermuda</i>			
China Green Holdings Ltd	1,316,086	1,166	1,117
Giordano International Ltd	2,137,000	707	532
Great Eagle Holdings Ltd	115,000	168	284
Hardy Underwriting Bermuda Ltd	72,309	378	354
Hi Sun Technology China Ltd	46,000	7	12
Hiscox Ltd	526,100	2,407	2,899
Huabao International Holdings	1,265,000	918	1,356
Mandarin Oriental Intl.	13,000	17	17
Orient Overseas Int'l Ltd	243,100	789	1,242
Public Financial Holdings Ltd	38,000	9	18
Star Cruises Ltd	610,000	85	148
Texwinca Holdings Ltd	312,000	183	246
Yue Yuen Industrial Holdings	2,356,000	4,748	6,536
<i>Total Bermuda - 0.8%</i>		11,582	14,761
<i>Brazil</i>			
Braskem SA Pref A	3,787,495	23,838	23,938
Brazil Telecom Participacoes	169,156	8,077	9,016
Centrais Eletricas Brasileiras	325,190	7,753	11,320
Cetrais Elect de Santa Catarina	155,600	4,108	2,983
CIA Paranaense De Energia	523,590	6,615	9,073
Companhia de Saneamento	945,578	12,128	18,098
Contax Participacoes SA	42,243	1,878	1,896
Eletropaulo Metropolitana SA	239,300	4,360	4,869
Empresa Brasileira	652,370	12,056	14,965
Redecard SA	386,476	4,228	5,911
Sul America SA	464,705	8,379	9,909

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Tele Norte Lest Participacoes	432,040	6,790	9,700
TIM Participacoes SA	642,870	12,703	15,815
Vivo Participacoes SA	524,527	8,145	13,218
<i>Total Brazil - 8.3%</i>		121,058	150,711
<i>Canada</i>			
Advantage Oil & Gas Ltd	20,800	114	147
Alamos Gold Inc	8,096	67	71
Alimentation Couche-Tard Inc	207,676	2,164	3,628
Astral Media Inc	9,845	250	304
ATCO Ltd	26,401	831	1,033
AtlaGas Income Trust	12,500	187	206
BCE Inc	40,443	894	994
Biovail Corporation	281,103	3,491	4,327
Bombardier	1,078,600	3,495	4,995
BPO Properties Ltd	300	13	14
Calloway Real Estate Inv Trust	15,528	216	275
Canadian Imperial Bank	79,900	4,731	4,860
Canadian Western Bank	100	1	2
Canfor Corporation	38,780	287	220
Celestica Inc	635,520	4,151	6,040
CGI Group	17,208	147	201
Corby Distilleries Ltd	12,400	238	181
Corriente Resources Inc	4,957	32	31
Corus Entertainment Inc	699	8	12
Dorel Industries Inc	1,199	26	33
Fairfax Financial Holdings Inc	15,500	3,578	5,744
Finning International Inc	12,500	181	186
First Quantum Minerals	500	22	33
Gammon Gold Inc	34,559	244	295
Golden Star Resources Ltd	17,900	35	61
Home Capital Group Inc	2,395	66	85
HudBay Minerals Inc	32,900	227	395
IESI - BFC Ltd	19,100	233	247
Imagold Corporation	40,100	257	565
Inmet Mining Corporation	3,800	144	212
Iteration Energy Ltd	33,100	33	37
Keystone North America Inc	400	13	13
Laurentian Bank of Canada	90,049	2,720	3,219
Lundin Mining Corporation	11,830	44	40
MacDonald, Dettwiler & Assoc	9,021	222	264
Manitoba Telecom Services	120,600	4,695	3,744
Maple Leaf Foods Inc	24,964	189	221
MDS Inc	34,070	338	278
Methanex Corporation	2,200	32	38
Metro Inc	1,180	38	38
MI Developments Inc	17,739	371	238
Mullen Group Ltd	12,515	203	184
National Bank of Canada	124,600	5,253	6,912
New Gold Inc	27,300	79	104
Northgate Minerals Corp	21,300	43	57
Nuvista Energy Ltd	8,200	76	95
Open Text Corporation	4,611	100	172
Pan American Silver Corp	5,200	99	119
Paramount Resources Ltd	14,470	128	195
Progress Energy Resources Corp	12,900	115	166
Provident Energy Trust	220	1	1
Quebecor Inc	12,120	246	276
Queenston Mining Inc	4,400	23	25
Reitmans (Canada) Ltd	8,902	112	131
Rona Inc	21,518	251	301
SEAMFO Inc	1,502	3	4
Sears Canada Inc	450	8	9
ShawCor Ltd	900	21	24
Sherritt International Company	26,800	137	191

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Silver Standard Resources Inc	800	15	17
Sino-Forest Corporation	13,050	148	206
Stantec Inc	10,343	179	258
Superior Plus Corp	8,038	76	88
SXC Health Solutions Corp	5,910	252	276
Toromont Industries Ltd	700	16	15
Transcontinental Inc	250,530	3,762	2,876
Uranium One Inc	38,780	92	93
West Energy Ltd	2,000	4	5
West Fraser Timber Co	9,506	278	241
Yellow Pages Income Fund	25,400	123	128
<i>Total Canada - 3.1%</i>		46,868	56,696
<i>Cayman Islands</i>			
Ajisen China Holdings Ltd	2,102,845	1,325	1,872
Bosideng International Holding	45,686,000	4,177	7,369
China Digital TV Holding	170,326	1,384	1,226
China Shineway Pharmaceutical	75,000	55	80
Daphne International Holdings	38,000	6	28
Eagle Nice Holdings Ltd	45,000	10	13
Geely Automobile Holdings Ltd	25,000	5	7
HKR International Ltd	348,000	64	138
Lee & Man Paper Manufacturing	4,180,800	5,919	7,369
Shui On Land Ltd	2,050,500	1,341	1,177
Towngas China Company Ltd	390,000	78	136
<i>Total Cayman Islands - 1.1%</i>		14,364	19,415
<i>China</i>			
Bank of China Ltd	20,563,000	6,720	10,825
Dongfeng Motor Group Company	3,620,000	935	3,849
First Tractor Company Ltd	4,207,100	1,384	1,623
Sichuan Xinhua Winshare	6,391,000	1,553	2,342
Sinotrans Ltd	30,340,000	5,194	7,164
<i>Total China - 1.4%</i>		15,786	25,803
<i>Colombia</i>			
Bancolumbia SA - 0.2%	104,900	3,664	4,503
<i>Czech Republic</i>			
Telefonica O2 Czech Republic	351,970	8,252	8,679
Unipetrol	140,000	2,184	1,140
<i>Total Czech Republic - 0.5%</i>		10,436	9,819
<i>Denmark</i>			
Auriga Industries A/S	4,334	161	80
Danske Bank A/S	157,600	3,364	4,123
SimCorp A/S	13,302	1,318	2,724
Sydbank A/S	48,800	1,062	1,277
TK Development A/S	2,452	11	13
Trygvesta A/S	48,700	2,473	3,720
<i>Total Denmark - 0.7%</i>		8,389	11,937
<i>Finland</i>			
Citycon Oyj	204,000	605	865
Cramo Oyj	46,480	307	732
Elcoteq Network	14,525	269	24
Elisa Oyj	74,998	962	1,537
Finnair Oyj	10,160	61	61
HKScan OYJ	19,077	203	260
Huhtamaki	272,051	2,945	3,460
Kemira Oyj	61,941	464	990
Lemminkainen Oyj	1,555	34	60
TietoEnator Oyj	249,648	5,767	4,963
<i>Total Finland - 0.7%</i>		11,617	12,952

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>France</i>			
ABC Arbitrage	12,980	123	128
Air France-KLM	35,525	450	645
Altran Technologies SA	35,051	315	194
Arkema	550	12	19
Atos Origin	48,393	2,702	2,440
Axa	259,700	7,310	7,023
BioMerieux	15,444	1,184	1,696
BNP Paribas	58,900	4,720	4,701
BNP Paribas Rights	58,900	-	127
Bull SA	661,448	1,603	3,220
Casino Guichard Perrachon SA	52,000	3,859	4,120
Cegid Group	10,152	223	239
Compagnie Generale de Geophy	67,893	1,625	1,582
Credit Agricole SA	47,800	1,693	998
Eiffage SA	19,200	1,324	1,222
European Aeronautic Defence	439,300	6,178	9,853
Faurecia	66,796	1,162	1,448
Fonciere des Regions	700	73	81
France Telecom SA	210,000	6,791	5,588
Gascoigne	1,050	93	45
Gecina SA	103	10	12
GFI Informatique	38,233	147	212
Groupe Steria SCA	30,735	1,005	1,092
Havas Advertising SA	299,675	800	1,270
Jet Multimedia	4,000	77	58
Metropole Television	27,025	486	710
Netgem SA	2,066	8	10
Nexity	11,202	234	446
Oeneo	4,783	8	9
Pierre & Vacances	7,241	709	623
Publicis Groupe	72,412	2,182	2,901
Rallye SA	35,300	2,308	1,254
SA des Ciments Vicat	20,198	1,261	1,545
Sanofi-Synthelabo SA	175,200	11,939	12,843
SCOR SE	152,600	3,648	4,167
SEB SA	6,031	248	320
Sopra Group	1,147	60	76
Sword Group	1,047	27	34
Technip	7,590	489	484
Teleperformance	36,059	1,013	1,209
Total SA	143,200	10,475	8,499
Valeo SA	11,443	306	301
Virbac SA	20,899	1,435	2,138
Vivendi Universal	284,900	9,739	8,806
Zodiac SA	10,887	341	431
<i>Total France - 5.2%</i>		90,395	94,819
<i>Germany</i>			
Aareal Bank AG	1,418	33	34
Allianz AG	23,600	3,989	2,945
Amadeus Fire AG	5,903	100	110
BASF AG	118,600	5,065	6,277
Bechtle AG	28,957	821	728
Bijou Brigitte Accessoires AG	14,610	1,497	2,616
Bilfinger Berger AG	24,436	1,831	1,689
CeWe Color Holding AG	8,667	314	301
D Logistics AG	50,102	118	95
Daimler AG - Registered Shares	42,600	1,694	2,156
Deutsche Bank AG	44,900	4,484	3,476
Deutsche Lufthansa AG	182,311	4,730	3,227
Draegerwerk AG	1,677	149	64
E.On AG	267,200	8,100	11,319
Eckert & Ziegler AG	1,761	44	49
ELMOS Semiconductor AG	6,157	61	44

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Euromicron AG	4,127	91	82
Fuchs Petrolub AG	24,800	1,421	1,809
Gerresheimer AG	75,000	1,501	2,355
Gildemeister AG	5,565	79	77
Hannover Rueckversicherung AG	62,411	2,287	2,858
Hochtief AG	21,000	1,332	1,592
Jungheinrich AG	35,855	1,317	722
Koenig & Bauer AG	8,064	238	149
Kontron AG	184,299	1,660	2,271
Krones AG	22,307	973	1,188
Lanxess	101,200	3,996	3,484
Leoni AG	101,300	1,378	2,317
MorphoSys AG	51,913	1,149	1,298
Muehlbauer Holdings AG & Co	2,509	81	75
Muenchener Rueckversicherungs	38,700	6,977	6,168
MUT Aero Engines Holding AG	106,000	3,942	5,005
PC-Ware Information AG	347	8	7
Pfeiffer Vacuum Technology AG	29,595	1,565	2,410
Praktiker Bau-und Heimwerkerma	29,341	124	404
Rhoen-Klinikum AG	82,800	1,576	2,093
RWE AG	43,700	3,725	4,054
Shuler AG	2,756	36	11
Software AG	33,000	2,043	2,803
Suedzucker AG	190,917	3,391	3,865
ThyssenKrupp AG	146,200	3,770	5,028
TUI AG	106,888	961	1,106
<i>Total Germany - 4.9%</i>		78,651	88,361
<i>Greece</i>			
Alapis Holding Ind & Commer	1,859,100	1,132	1,630
Alpha Bak AE	137,500	4,361	2,532
Bank of Greece	86	10	6
Hellenic Petroleum SA	67,538	941	766
<i>Total Greece - 0.3%</i>		6,444	4,934
<i>Hong Kong</i>			
Allied Properties HK Ltd	646,000	94	103
Asia Financial Holdings Ltd	56,320	14	19
Champion Real Estate Inv Trust	255,000	73	106
Chaoda Modern Agricultures Ltd	20,636,000	11,944	12,461
China Agri-Industries Holdings	4,100,000	1,892	3,830
China Pet & Chem Cor (Sinopec)	3,544,000	3,207	3,014
Chow Sang Sang Holdings Intern	150,000	68	129
Citic 1616 Holdings Ltd	78,000	10	21
City Telecom (HK) Ltd	64,000	14	22
Dah Sing Banking Group	6,800	6	9
Dah Sing Financial Group	214,400	1,022	1,234
Dickson Concepts Ltd	1,766,000	1,231	864
Digital China Holdings Ltd	52,000	21	50
Far East Consortium Intl Ltd	135,000	30	37
First Pacific Company Ltd	22,138,000	8,863	14,825
Fountain Set (Holdings) Ltd	26,540,000	6,488	3,356
Glorious Sun Enterprises Ltd	44,000	10	14
Harbin Power Equipment Company	1,434,797	1,678	1,355
Hon Kwok Land Investment Co	40,000	10	12
Hopson Development Holdings	166,000	236	289
Inspur International Ltd	10,711,940	1,834	1,410
Johnson Electric Hldg Ltd	768,500	256	323
Kowloon Development Co Ltd	152,000	137	155
Liu Chong Hing Bank	6,000	7	12
Maanshan Iron & Steel Company	2,958,000	1,813	1,786
New World China Land Ltd	372,000	214	176
Pacific Andes Holdings Ltd	106,000	20	20
Pacific Century Premium Dev	439,000	110	117
Road King Infrastructure Ltd	167,000	178	126

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Sinolink Worldwide Holdings	818,000	111	206
SmarTone Telecommunications	6,498,000	6,464	5,014
Stella International	15,000	22	25
Sun Hung Kai & Company	10,000	6	8
Tan Chong International Ltd	723,000	205	155
TPV Technology Ltd	3,770,000	2,154	2,335
Transport International	51,200	261	147
Truly International Holdings	49,999	51	54
Varitronix International Ltd	783,000	784	236
Vitasoy International Holdings	10,000	4	6
VTech Holdings Ltd	32,000	147	276
Weiqiao Textile Company Ltd	14,811,500	17,831	9,174
Wheelock Properties Ltd	10,000	8	6
Wing On Company International	23,000	31	31
Xinyi Glass Holdings Co Ltd	248,000	178	174
Zhejiang Expressway Company	3,304,000	2,472	2,895
<i>Total Hong Kong - 3.7%</i>		72,209	66,617
<i>Hungary</i>			
Magyar Telekom	3,477,170	16,591	15,145
OTP Bank Nyrt	74,900	3,081	2,128
<i>Total Hungary - 1.0%</i>		19,672	17,273
<i>India</i>			
Gail India Ltd	66,800	2,347	3,006
State Bank of India	85,550	3,935	7,776
Tata Motors Ltd	348,200	3,382	4,513
<i>Total India - 0.8%</i>		9,664	15,295
<i>Ireland</i>			
Abbey PLC	5,051	71	37
C&C Group PLC	361,100	1,407	1,525
Irish Life & Permanent PLC	398,100	6,377	3,270
Smurfit Kappa Group PLC	44,000	254	347
Total Produce PLC	82,700	92	44
<i>Total Ireland - 0.3%</i>		8,201	5,223
<i>Israel</i>			
Bank Leumi Le-Israel	976,800	3,243	3,738
Bezeq Israeli Telecommunicatio	1,841,590	3,171	3,950
Makhteshim-Agan Industries Ltd	1,992,820	7,931	8,971
Syneron Medical Ltd	330,882	3,454	3,775
<i>Total Israel - 1.1%</i>		17,799	20,434
<i>Italy</i>			
Ansaldo STS Spa	147,082	1,913	3,008
Autogrill SPA	4,034	31	49
Autostrada Torino-Midland SPA	14,000	111	180
Banca Popolare di Milano Scarl	171,145	1,305	1,301
Benetton Group Spa	68,436	569	692
Buongiorno SPA	152,509	245	332
Buzzi Unicem SPA	98,292	1,371	1,695
CIR SpA	145,537	337	327
Credito Valtellinese Scarl	131,446	1,116	1,354
Danieli SPA	123,796	788	1,657
Davide Campari - Milano SPA	275,495	1,411	2,468
DiaSorin	65,544	1,313	2,204
El En SPA	327	12	6
Enel SpA	1,044,300	5,684	6,621
ENI SpA	271,500	8,677	6,778
Enia SPA	115,674	794	906
Exprivia SpA	64,916	100	123
Fastweb	11,164	263	313
Finmeccanica SpA	94,600	2,201	1,670
Immobiliare Grande Disbribuzio	40,108	51	79

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Immsi Spa	125,357	150	157
Iride SpA	358,400	676	701
KME Group	255,098	327	184
Milano Assicurazioni SPA	180,335	641	638
Mondadori (Arnoldo) Editore	52,503	221	262
Parmalat Spa	1,044,717	2,078	2,885
Permasteelisa SPA	3,353	55	65
Pirelli & Company Spa	3,000,952	1,362	1,605
Prysmian SPA	96,552	1,357	1,809
Societa Iniziative Autostradal	11,425	61	101
Unipol Gruppo Finanziario SPA	179,021	469	271
<i>Total Italy - 2.2%</i>		35,689	40,441
<i>Japan</i>			
77 Bank Ltd	57,000	333	326
Aderans Company Ltd	8,000	71	114
Aeon Delight Company Ltd	157,300	2,676	2,229
Aichi Bank Ltd	900	95	81
Aichi Electric Company Ltd	1,000	2	3
Aichi Toyota Motor Company Ltd	11,000	240	89
Aida Engineering Ltd	38,000	254	126
Aizawa Securities Company Ltd	10,400	78	24
Allied Hearts Holdings Co Ltd	2,000	4	5
Alpen Company Ltd	21,200	373	388
ALPS Logistics Company Ltd	10,900	90	105
Amuse Inc	1,200	13	14
Aoki International Co Ltd	26,500	463	299
Aoyama Trading Company Ltd	29,000	734	499
Argo Graphics Inc	700	8	8
Arokasie Company Ltd	5,000	18	21
Asahi Industries Compan Ltd	5	10	12
Asics Trading Company Ltd	100	1	1
Aska Pharmaceutical Company	7,000	54	68
Astellas Pharma Inc	206,700	7,370	8,519
Atlas Company Ltd	5,300	23	30
Axell Corporation	4,600	192	194
Bank of Nagoya Ltd	95,000	481	412
Bank of Saga Ltd	22,000	74	69
Best Denki Company, Ltd	12,000	36	57
Biwako Bank	6,000	10	6
BML Inc	11,700	219	340
Canon Finetech Inc	2,000	25	26
Canon Marketing Japan Inc	85,000	1,485	1,509
Cawachi Ltd	1,600	30	37
C-Cube Corporation	5,400	15	20
Central Glass Company Ltd	634,000	2,555	2,825
Charle Company Ltd	12,700	45	47
Chiba Kogyo Bank Ltd	26,100	275	213
Chimney Company Ltd	3,600	63	63
Chiyoda Integre Company	2,900	33	39
Chubu Steel Plate Company	26,200	330	202
Chubu-Nippon Broadcasting Co	1,600	19	13
Chudenko Corporation	13,200	221	218
Chuetsu Pulp & Paper Company	74,000	190	179
Circle K Sunkus Company Ltd	176,700	2,584	2,674
Cleanup Corp	300	2	2
Coca-Cola Central Japan Co Ltd	24,600	393	343
Cocokara Fine Holdings Inc	1,500	25	33
Computer Engineering & Consult	10,700	89	67
Corona Corporation	10,700	140	146
Cosmo Oil Company	782,000	2,769	2,184
Create S D Company Ltd	13,900	229	321
CTI Engineering Company Ltd	6,400	37	39
Daibiru Corporation	132,989	1,018	1,160
Daiichikosho Company Ltd	35,500	299	458

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Daiki Ataka Engineering Co Ltd	1,000	3	3
Daiko Clearing Services Corp	500	3	3
Daimei Telecom Engineering	25,000	227	247
Daishi Bank Ltd	29,000	118	118
DCM Japan Holdings Co Ltd	20,900	128	143
DDI Corporation	900	4,328	5,086
Denyo Company Ltd	5,800	47	48
Don Quijote Co Ltd	89,800	1,172	2,136
Duskin Company Ltd	3,900	71	73
DyDo Drinco Inc	700	18	23
EAccess	522	385	366
Eighteenth Bank Ltd	53,000	268	159
Eizo Nannao Corporation	51,700	1,645	1,236
Elpida Memory Inc	113,900	1,537	1,497
Enix Corporation	75,700	2,062	2,055
FamilyMart Company Ltd	7,600	226	245
Fancl Corporation	2,100	28	33
Fields Corporation	909	1,249	1,369
Fijitsu Broad Solution & Cons	7,700	64	70
Frente Company Ltd	2,400	44	59
Fuji Foods Inc	4,000	16	19
Fuji Heavy Industries Ltd	26,000	97	101
Fuji Oozx Ic	13,000	48	35
Fujikura Ltd	27,000	143	133
Fujishoji Company Ltd	3	4	4
Fujistaff Holdings Inc	13	1	2
Fujitec Company Ltd	60,000	288	342
Fukoku Company Ltd	100	1	1
Fukuda Denshi Company Ltd	1,400	44	40
Fukushima Industries Corp	6,100	42	59
Fukuvi Chemical Industry Co	10,000	50	36
Funai Electric Company Ltd	200	8	9
Furuno Electric Company	15,700	162	89
Furusato Industries Ltd	10,100	136	77
Futuba Corporation	7,900	135	129
Hagiwara Electric Company Ltd	4,400	29	29
Hakuhodo Dy Holdings Inc	80	4	4
Hankyu Department Stores Inc	54,000	338	340
Hanwa Company Ltd	600,000	3,094	2,171
HEIWADO Company Ltd	28,400	449	396
Higashi-Nippon Bank Ltd	105,000	350	220
Hikari Furniture Co Ltd	9,000	50	45
HI-LEX Corp	25,200	330	238
Himiko Company Ltd	1,500	14	15
Hiroshima Gas Company Ltd	1,000	3	3
Hitachi Cable Ltd	887,000	3,002	2,605
Hitachi Capital Corporation	67,400	608	830
Hitachi High-Technologies Corp	78,300	1,228	1,641
Hitachi Kiki Company Ltd	31,600	376	357
Hitachi Medical Corporation	9,000	112	86
Hogy Medical Company Ltd	51,600	2,765	2,899
Hokuriku Gas Co Ltd	15,000	46	45
Hokuto Corporation	83,000	1,590	1,924
H-One Company Ltd	300	3	1
Hoshi Iryo-Sanki Co	400	7	8
Hoshizaki Electric Company Ltd	115,464	1,545	1,667
Hosiden Corporation	26,900	367	366
House Foods Corporation	600	9	10
Hurxley Corporation	6,800	63	66
Hyakugo Bank Ltd	78,000	437	402
Ichikawa Company Ltd	17,000	58	38
Idemitsu Kosan Company Ltd	24,500	2,120	2,028
Infocom Corporation	78	39	45
Information Ser Internl Dent	4,600	30	33
I-O Date Device Inc	1,100	5	6

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Iriso Electronics Co Ltd	1,400	7	21
ITC Networks Corporation	4	9	9
Itochu Corp	499,000	3,527	3,316
Itochu Enex Company Ltd	47,900	331	280
Itochu Techno-Science Corp	12,900	375	398
Itochu-Shokuhin Company Ltd	7,900	269	281
Izumi Company Ltd	148,000	1,617	2,065
Izumiya Company Ltd	50,000	294	274
Japan Digital Laboratory Co	8,600	120	122
Japan Pile Corporation	10,800	39	35
Japan Pulp & Paper Company	68,000	254	261
Japan Wool Textile Company Ltd	25,000	191	190
JBCC Holdings Inc	100	1	1
JFE SHOJI Holdings, Inc.	115,000	311	421
JFE Systems Inc	4	3	4
JSP Corp	1,700	13	15
JSR Corporation	180,200	2,472	3,703
JTEKT Corporation	157,111	1,230	1,835
Kaken Pharmaceutical Co Ltd	262,000	2,400	2,467
Kamei Corporation	20,000	244	115
Kaneka Corporation	52,000	380	375
Kanto Auto Works Ltd	119,600	1,670	1,208
Katakura Industries Company	3,600	33	42
Kato Sangyo Company Ltd	21,300	341	366
Kawada Technologies Inc	200	4	3
Keihin Corporation	160,500	1,387	2,667
Keiyo Bank Ltd	345,000	1,654	1,769
Kikuchi Co Ltd	3,900	55	58
Kirindo Company Ltd	1,400	7	7
Kitagawa Industries Co Ltd	6,100	98	84
Kitamura Co Ltd	100	1	1
Kita-Nippon Bank Ltd	2,500	98	77
Kobayashi Pharmaceutical Co	40,759	1,425	1,862
Koei Chemical Company Ltd	10,000	37	31
Kokusai Kogyo Holdings Co Ltd	2,000	6	8
Kokuyo Company Ltd	46,900	323	430
Komai Tekko Inc	10,000	23	23
Komatsu Wall Industry Co Ltd	6,900	79	91
Konica Corporation	438,000	3,109	4,163
KOSE Corp	15,200	329	372
Kowa Spinning Co Ltd	2,000	9	8
KRS Corporation	7,600	77	82
Ku Holdings Company Ltd	11,900	56	47
Kurabo Industries Ltd	99,000	279	207
Kwang Dong Pharmaceutical Co.	1,930	5	5
Kyoei Steel Ltd	101,500	1,814	2,443
Kyorin Co Ltd	51,000	644	869
Kyowa Exeo Corporation	176,000	1,633	1,732
Kyowa Leather Cloth Co Ltd	900	4	4
Mac House Company Ltd	700	6	4
Maeda Corporation	105,000	366	339
Maeda Road Construction Co Ltd	6,000	48	54
Marubeni Corporation	654,800	2,948	3,313
Marudai Food Company Ltd	92,000	227	289
Marufuji Sheet Piling Co Ltd	16,000	34	28
Marui Company Ltd	42,100	217	302
Marukyo Corporation	7,000	42	42
Maruzen Co Ltd	8,000	34	39
Maxvalu Nishinohon Co Ltd	4,600	64	69
Maxvalu Tokai Company Ltd	10,600	125	149
Mazda Motor Corporation	56,000	140	126
McDonald's Holding Company	114,300	2,123	2,291
Medikit Company Ltd	10	2	2
Meiji Holdings Company Ltd	11,100	497	475
Mie Bank Ltd	79,000	396	261

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Mikuni Coca-Cola Bottling Co	15,100	169	131
Ministop Company Ltd	15,400	291	244
Miraca Holdings Inc	160,100	3,438	5,239
Mitani Corporation	12,500	167	89
Mitani Sekisan Co Ltd	100	1	1
Mitsubishi Steel Mfg Co Ltd	22,000	52	45
Mitsui & Company Ltd	230,000	4,638	3,016
Mitsui Chemicals Inc	67,000	258	239
Mitsui Mining & Smelting Co	514,000	1,913	1,320
Mitsuuroko Company Ltd	100	1	1
Mizuho Financial Grp Inc	1,008,100	2,678	2,004
Mizuno Corporation	9,000	37	43
Mochida Pharmaceutical Company	146,734	1,521	1,557
Monex Group Inc	3,258	1,476	1,183
Morinaga Milk Industry Company	106,000	398	530
NAFCO Company Ltd	17,400	251	326
Nagase & Company Ltd	28,000	299	347
Nagawa Company Ltd	10,000	69	57
Nakanishi Inc	1,600	101	141
Namco Bandai Holdings Inc	33,700	371	346
NE Chemcat Corporation	14,000	256	284
NEC Corporation	879,000	2,526	2,769
NEC Electronics Corp	167,558	1,704	1,493
NEC Fielding Ltd	25,900	310	405
NEC Networks & System Int	22,000	282	301
Net One Systems Co Ltd	227	302	342
NIC Corporation	8,700	38	49
Nichiban Company Ltd	17,000	58	62
Nidec-Read Corporation	300	3	4
Nifty Corporation	145	131	129
Nihon Plast Company Ltd	12,200	64	42
NIPPO Corporation	15,000	118	123
Nippon Antenna Company Ltd	9,900	59	66
Nippon Beet Sugar Manufact	87,000	212	238
Nippon Electric Glass Co Ltd	193,000	1,677	1,765
Nippon Flour Mills Company Ltd	57,000	285	311
Nippon Game Card Corporation	53	69	83
Nippon Konpo Unyu Soko Co	35,000	308	418
Nippon Meat Packers Inc	8,000	93	103
Nippon Mining Holdings Inc	686,000	4,110	3,387
Nippon Oil Corporation	254,600	2,036	1,433
Nippon Seiki Co Ltd	15,000	93	171
Nippon Shinyaku Company Ltd	33,000	325	468
Nippon Telegraph & Telephone	188,900	8,428	8,777
Nippon Unipac Holding	15,400	381	445
Nishi-Nippon City Bank	26,000	66	66
Nissan Shatai Company Ltd	46,000	348	370
Nissay Dowa General Insurance	6,000	29	31
Nisshin Oillio Group Ltd	21,000	108	114
Nissin Electric Company Ltd	99,000	537	610
Nissin Healthcare Food Serv	6,100	70	85
Nissin Sugar Manufacturing Co	36,000	79	78
Nittan Valve Co Ltd	15,100	59	56
Nitto FC Co Ltd	15,000	81	92
Nitto Kogyo Corporation	15,100	183	152
NOF Corporation	646,000	2,661	3,247
NOK Corporation	155,741	1,536	2,327
Noritz Corporation	29,400	311	395
NTT DoCoMo	5,500	8,422	8,809
Numura Real Estate Office Fund	327	1,715	2,180
OBIC Co Ltd	100	16	17
Okinawa Cellular Telephone Co	18	33	36
Okumura Corporation	55,000	214	208
Okuwa Company Ltd	16,000	190	177
Onoken Company Ltd	13,300	124	134

See accompanying notes to financial statements.

## International Equity Pool

### Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

*(Amounts in thousands, except share data)*

Security Name	Shares	Cost	Fair Value
Onward Kashiyama Company	406,000	3,969	3,029
Oriental Yeast Company Ltd	19,000	85	111
Osaka Steel Company Ltd	11,600	187	204
PCA Corporation	1,000	10	10
Q.P. Corporation	18,100	189	207
Rengo Co Ltd	31,000	191	190
Ricoh Leasing Company Ltd	300	6	7
Riso Kagaku Corporation	13,600	249	170
Rohto Pharmaceutical Company	28,000	360	383
Roland Corporation	14,200	375	162
Royal Holdings Company Ltd	6,800	75	77
Saison Information Systems Co	5,900	37	43
Sakai Chemical Industry Co	7,000	44	31
San-Ai Oil Co Ltd	12,000	54	60
Sanei-International Co Ltd	1,500	16	21
San-in Godo Bank Ltd	52,000	415	444
Sanki Engineering Company	26,000	214	219
Sankyo Company Ltd	48,400	2,199	3,038
Sankyo Frontier Company	5,000	13	15
Sansei Yusoki Company Ltd	12,000	55	64
Sanyo Engineering & Construct	7,000	26	26
Sato Shoji Corp	400	2	2
Sazaby Inc	13,900	299	209
Seibu Electric Industry Co Ltd	1,000	5	5
Seikagaku Corporation	18,100	193	263
Seiko Epson Corporation	164,500	2,456	2,473
Seiko PMC Corporation	100	-	-
Seino Holdings Corporation Ltd	417,000	2,277	3,619
Senshu Electric Co Ltd	7,000	99	83
Senshukai Company Ltd	20,300	162	145
Seven Bank Ltd	863	1,920	2,140
Shichie Company Ltd	1,100	6	5
Shidax Corporation	14,300	101	59
Shingakukai Company Ltd	9,600	47	36
Shinko Electric Industries	62,200	1,077	1,111
Shinko Plantech Company Ltd	141,100	803	1,385
ShinMaywa Industries Ltd	42,000	253	165
Sinanen Company Ltd	26,000	132	139
Sintokogio Ltd	12,400	135	95
SK Kaken Company Ltd	7,000	209	197
SNT Corporation	18,400	54	53
Soft99 Corporation	9,300	59	60
Sohgo Security Services Co Ltd	29,200	308	347
So-Net Entertainment Corp	4	8	8
SRI Sports Ltd	90	118	88
Sumco Corporation	82,700	1,134	1,884
Sumida Corporation	4,500	19	30
Sumikin Bussan Corp	80,000	179	182
Sumisho Computer Systems Corp	22,500	325	375
Sumitomo Corporation	363,800	5,694	3,758
Sumitomo Electric Industries	258,100	2,018	3,384
Sumitomo Heavy Industries	548,000	2,423	2,681
Sumitomo Mitsui Financial Grp	59,000	2,183	2,063
Sumitomo Pipe & Tube Company	6,300	34	37
Sumitomo Trust & Banking Co	694,000	3,451	3,697
Suncall Corporation	19,000	83	77
Sundrug Co Ltd	93,700	1,617	2,543
Sun-Wa Technos Corp	3,600	19	18
Suruga Co Ltd	2,000	23	35
Suzuken Company Ltd	13,700	360	474
Takashimaya Co Ltd	22,000	162	176
Takeda Pharmaceutical Co Ltd	219,900	9,889	9,186
Techno Associe Company Ltd	500	6	4
Techno Ryowa Ltd	2,400	14	14
Teijin Limited	98,000	300	306

*See accompanying notes to financial statements.*



# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Temp Holdings Co Ltd	5,100	29	46
Tenma Corporation	20,000	223	245
Terasaki Electric Company	8,400	33	41
Tigers Polymer Corporation	5,900	21	28
Toagosei Company Ltd	21,000	48	72
Tochigi Bank Ltd	63,000	406	307
Tohokushinsha Film Corporation	26,200	166	150
TOKAI Corp	3,900	48	62
Tokai Tokyo Securities Co Ltd	5,000	17	16
Tokyo Deric Company Ltd	10,400	38	37
Tokyo Style Co Ltd	20,000	148	173
Tokyo Tekko Company Ltd	34,000	113	118
Toppan Forms Co Ltd	6,800	89	94
Torii Pharmaceutical Co Ltd	12,000	251	230
Toshiba Plant Sys & Ser Corp	156,000	1,919	2,084
Toshiba Tec Corporation	115,000	440	539
Toyo Kohan Company Ltd	4,000	18	18
Toyo Tanso Company Ltd	32,679	1,759	1,697
Toyota Motor Corp	72,400	2,852	2,887
Trinity Industrial Corporation	6,000	28	32
Tsumura & Company	66,000	1,832	2,388
Tsurumi Manufacturing Co Ltd	17,000	136	128
Tsutsumi Jewelry Company	1,100	23	26
Tsuzuki Denki Company Ltd	13,000	44	53
TV Asahi Corporation	207	346	351
Unimat Life Corporation	700	6	8
Unipres Corporation	9,400	77	134
Univance Corporation	1,000	4	2
UNY Company Ltd	251,000	2,295	1,884
USC Corporation	300	2	4
Valor Company Ltd	27,100	206	248
Vital-KSK Holdings Inc	8,700	53	51
Wakita & Company Ltd	11,000	47	54
Yagi & Company Ltd	2,100	21	28
Yamaguchi Financial Group	180,099	1,775	1,873
Yamaha Motor Co Ltd	24,800	268	307
Yamato International Inc	12,200	62	55
Yambiko Corporation	5,800	155	78
Yodogawa Steel Works Ltd	565,000	2,451	2,385
Yokohama Rubber Company Ltd	569,000	2,379	2,803
Yorozu Corporation	10,800	117	145
Yoshinoya Holdings Company Ltd	197	230	238
Yuasa Funashoku Co Ltd	1,000	2	2
Yurtec Corporation	46,000	259	302
Zojirushi Corporation	24,000	56	53
Zuken Inc	5,000	41	39
<i>Total Japan - 13.2%</i>		226,955	238,398
<i>Korea</i>			
Boryung Pharmaceutical Company	450	16	17
Cheil Worldwide Inc	718	122	177
CJ Home Shopping Co Ltd	680	41	47
Daeduck Electronics Company	1,088,200	5,101	5,440
Daeduck GDS Company Ltd	10,970	74	107
Daekyo Company Ltd	15,280	119	74
Daesang Holdings Co Ltd	20,380	67	60
Daewoong Company Ltd	3,060	86	60
Daishin Securities Company	24,810	331	341
Dong Ah Tire & Rubber Company	7,720	45	51
Dongbu Corporation	8,320	60	60
Dongwon F&B Company	1,080	38	41
Doosan Engineering & Construc	20,510	116	128
E1 Corp	707	34	43
GS Home Shopping Inc	2,100	141	127
GwangjuShinsegae Company Ltd	507	35	52

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Halla Climate Control Corp	382,900	3,581	3,851
Handsome Company Ltd	750	4	9
Hanjin Heavy Indus & Const	11,990	266	241
Hanshin Construction Company	470	5	8
Hanssem Company Ltd	10,550	52	82
Hanwha Chemical Corporation	303,200	3,524	3,294
Hanwha Securities Co	24,250	201	198
Hyundai Mipo Dockyard Company	27,200	2,456	2,874
Hyundai Motor Company	517,140	16,796	17,359
Il Dong Pharmaceuticals Co	2,700	58	71
Ilshin Spinning Company Ltd	1,020	49	51
Industrial Bank of Korea (IBK)	305,000	5,052	3,741
Jeil Pharmaceutical Company	6,200	46	53
Jinheung Mutual Savings Bank	21,070	68	87
JS Cable Company Ltd	5,360	75	82
KB Financial Group Inc	217,324	9,476	11,159
KCC Engineering & Construction	2,272	65	81
KISCO Corp	1,450	64	58
Kiswire Ltd	4,008	92	143
Kolon Industries Inc	5,220	149	186
Korea Development Financing	952	57	26
Korea Electric Power Corp	312,040	10,130	9,481
Korea Exchange Bank	313,800	4,118	3,689
Korea Investment Holdings Co	6,080	179	181
Korea Zinc Company	24,760	2,740	3,688
KP Chemical Corp	13,620	55	87
KPX Holdings Corp	880	30	42
KT Corporation	87,400	4,009	3,000
Kyeryong Construction Indus	5,010	230	92
KyungDong City Gas Co Ltd	910	32	38
LG Dacom Corporation	17,140	219	291
LG Hausys Ltd	32,429	1,693	1,840
LIG Insurance Company	10,760	211	217
Lotte Chilsung Beverage Co	16,050	14,171	10,966
Lotte Samkang Co Ltd	780	84	131
Lotte Shopping Company Ltd	20,870	2,180	5,624
Moorim Paper Company Ltd	6,730	60	67
Muhak Company Ltd	4,940	21	20
Namyang Dairy Products Co Ltd	369	282	174
NH Investment & Securities Co	7,760	45	76
Ottogi Corporation	1,451	193	176
Pacific Corporation	2,179	303	289
People & Telecommunication	10,020	68	98
Pusan Bank	287,600	3,554	3,198
Sam Kwang Glass Ind Co Ltd	380	11	13
Samchully Co Ltd	578	76	71
Samsung Electronics Co Ltd	5,130	2,545	3,548
Samsung Fine Chemicals Co Ltd	370	15	17
Seah Holdings Corporation	955	48	49
Sebang Company Ltd	8,450	92	101
Sejong Industrial Company Ltd	11,430	62	59
Seoul City Gas Co Ltd	790	55	45
Shinyoung Securities Company	1,724	80	56
Sindo Ricoh Company Ltd	678	27	36
SK Chemicals Company Ltd	3,210	169	179
SK Gas Company Ltd	2,983	206	137
SK Holdings Co Ltd	31,100	2,711	2,969
SK Telecom Company Ltd.	15,200	2,844	2,354
Taegu Department Store Co	2,330	25	25
Taeyoung Engineering & Constru	1,140	6	6
Tong Yang Securities Inc	15,070	192	168
Unid Company Ltd	2,380	48	67
Woongjin Chemical Company Ltd	19,660	18	20
Yescro Company Ltd	480	16	11
Young Poong Corporation	430	166	201

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Youngone Corporation	17,860	148	159
<i>Total Korea - 5.8%</i>		102,729	104,235
<i>Luxembourg</i>			
Colt Telecom Group SA - 0.1%	691,061	2,291	1,312
<i>Malaysia</i>			
Proton Holdings Berhad	7,662,700	9,780	8,945
Tanjong Public Ltd Company	674,600	3,022	2,924
<i>Total Malaysia - 0.7%</i>		12,802	11,869
<i>Mexico</i>			
Alfa SA A Shares	733,400	4,355	3,543
Cemex SAGB de CV	968,256	6,009	12,510
Grupo Financiero Banorte	2,805,658	9,138	9,388
Grupo Televisa MM	2,562,560	9,689	9,504
Telefonos de Mexico SA ADR	292,510	5,133	5,101
Telefonos de Mexico SA	3,197,900	2,681	2,799
<i>Total Mexico - 2.4%</i>		37,005	42,845
<i>Netherlands</i>			
Accell Group NV	15,462	749	735
Aegon NV	274,100	3,714	2,324
ASM International NV	94,487	1,281	1,738
Ballast Nedam NV-CVA	11,394	402	257
CSM NV	242,095	3,237	6,104
Fornix Biosciences NV	16,819	352	191
Fugro NV	28,090	887	1,620
Gemalto NV	43,463	1,324	2,024
Koninklijke DSM NV	200,300	8,596	8,359
Macintosh Retail Group NV	1,017	11	21
Nutreco Holding NV	29,714	1,092	1,444
Qiagen NV	66,100	1,073	1,401
USG People NV	13,622	154	282
<i>Total Netherlands - 1.5%</i>		22,872	26,500
<i>New Zealand</i>			
Air New Zealand Ltd	411,500	245	360
Fletcher Building Ltd	272,700	1,034	1,647
Millennium & Copthorne Hotel	16,197	6	5
Sanford Ltd	3,955	12	14
Vector Ltd	172,300	266	236
<i>Total New Zealand - 0.1%</i>		1,563	2,262
<i>Norway</i>			
DnB Holding ASA	361,400	4,799	4,167
StatoilHydro ASA	125,700	4,074	2,814
Stolt-Nielsen SA	145,453	2,572	1,893
TGS Nopec Geophysical Company	124,101	993	1,850
Veidekke ASA	306,000	2,774	2,278
<i>Total Norway - 0.7%</i>		15,212	13,002
<i>Pakistan</i>			
Nishat Mills Ltd - 0.1%	2,952,500	3,340	2,361
<i>Panama</i>			
Banco Latinoamericano de Exp - 0.5%	604,261	9,560	8,593
<i>Philippines</i>			
First Philippine Holdings Corp	4,618,700	2,919	3,704
Universal Robina Corporation	13,112,600	3,162	3,044
<i>Total Philippines - 0.4%</i>		6,081	6,748

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Poland</i>			
Polski Koncern Naftowy Orlen	340,600	2,929	3,496
Telekomunikacja Polska SA	402,900	3,012	2,196
<i>Total Poland - 0.3%</i>		5,941	5,692
<i>Portugal</i>			
Banco Espirito Santo	349,800	2,449	2,480
Banif SGPS SA	248,012	417	497
Banif SGPS SA Rights	248,012	-	26
Ibersol SGPS SA	3,888	39	55
Novabase PL	17,343	113	122
Sonaecom SGPS SA	142,281	356	424
<i>Total Portugal - 0.2%</i>		3,374	3,604
<i>Russia</i>			
Gazprom	483,100	9,605	11,420
Lukoil	68,800	5,737	3,729
Magnitogorsk Iron & Steel Work	544,482	4,738	5,064
MMC Norilsk Nickel	296,596	4,759	3,678
Mobile TeleSystems	69,600	2,216	3,360
<i>Total Russia - 1.5%</i>		27,055	27,251
<i>Singapore</i>			
Cerebos Pacific Ltd	43,000	88	101
Chartered Semiconductor Manufa	410,000	665	757
ComfortDelGro Corporation	1,760,000	1,541	2,011
Del Monte Pacific Ltd	36,000	10	13
ECS Holdings Ltd	15,000	5	5
Flextronics International Ltd	2,396,080	12,252	17,899
Gallant Venture Ltd	72,000	13	19
Golden Agri-Resources Ltd	14,485,579	2,580	4,421
Guthrie GTS Ltd	1,000	-	-
Haw Par Corporation Ltd	106,000	412	434
Hi-P International Ltd	187,000	42	95
Hong Leong Asia Ltd	1,170,000	2,226	1,785
Hong Leong Finance Ltd	23,000	36	44
Kim Eng Holdings Ltd	158,000	128	224
Low Keng Huat (Singapore) Ltd	148,000	36	39
Mapletree Logistics Trust	155,000	41	85
Metro Holdings Ltd	139,000	75	72
MobileOne Ltd	9,689,300	10,776	12,171
Noble Group Ltd	3,577,000	2,999	6,220
Peoples Food Holdings Ltd	13,055,000	10,053	7,041
Singapore Airlines Ltd	275,466	2,501	2,694
Singapore Airport Terminal Svs	236,090	360	379
Singapore Land Ltd	2,000	7	8
Soilbuild Group Holdings Ltd	40,000	22	26
United Overseas Land Ltd	59,000	139	144
UOB-Kay Hian Holdings Ltd	255,000	175	273
Venture Corp Ltd	271,900	1,382	1,735
Zhogguo Jilong Ltd	25,810	1	2
<i>Total Singapore - 3.2%</i>		48,565	58,697
<i>South Africa</i>			
Astral Foods Ltd	161,900	2,256	2,222
Imperial Holdings Ltd	979,520	7,248	10,319
JD Group Ltd	297,371	1,805	1,750
Metropolitan Holdings Ltd	1,946,300	3,206	3,285
Nampak Ltd	1,627,100	3,444	3,567
<i>Total South Africa - 1.2%</i>		17,959	21,143
<i>Spain</i>			
Banco Santander Ctrl Hisp SA	763,400	8,451	12,274
Bankinter SA	95,292	1,143	1,201
Construcciones y Auxiliar	2,568	1,151	1,306

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Fomento de Construcciones	35,244	1,436	1,649
Grifols SA	174,180	2,737	3,314
Grupo Catalana Occidente SA	57,229	1,055	1,401
Miquel y Costas & Miquel SA	12,768	230	300
Repsol SA	323,400	9,400	8,788
Sol Melia SA	15,005	81	151
Tecnocom Telecommunications	31,980	161	158
Telefonica SA	390,400	8,353	10,760
<i>Total Spain - 2.3%</i>		34,198	41,302
<i>Sweden</i>			
Bilia AB	2,250	18	17
Biotage AB	63,828	74	63
Boliden AB	96,000	995	1,028
Cardo AB	37,827	866	922
Eniro AB	72,391	390	377
Industrial & Financial Systems	24,152	161	217
Intrum Justitia AB	195,700	1,175	2,183
KappAhl Holding AB	297,832	981	2,113
Klovern AB	23,164	60	74
Know IT AB	20,181	100	131
LBI International AB	956	4	2
NCC AB	253,340	4,170	3,849
Nolato AB	16,712	93	131
Oriflame Cosmetics SA	53,050	1,253	2,708
Proffice AB	3,000	3	9
Saab AB	74,667	473	892
SAS AB	25,461	15	18
SkiStar AB	2,102	29	38
Svenska Handelsbanken AB	188,700	2,901	4,803
Telefonaktiebolaget LM	424,600	3,220	4,250
<i>Total Sweden - 1.3%</i>		16,981	23,825
<i>Switzerland</i>			
Adecco SA	12,300	587	653
AFG Arbonia-Forster Holdi-BR	4,664	71	101
Ascom Holding AG	65,840	790	806
Baloise Holding Ltd	100,513	7,238	9,590
Banque Cantonale Vaudoise BCV	3,087	985	1,270
Berner Kantonalbank	139	33	31
Bossard Holding AG	2,515	133	151
Charles Voegelé Holding AG	627	19	27
Clariant AG	539,223	3,430	4,900
Compagnie Financiere Tradition	1,398	180	178
Credit Suisse Group	59,600	2,793	3,303
Forbo Holding AG	1,229	738	333
Helvetia Patria Holding	13,180	2,261	4,420
Inficon Holding AG	4,601	642	556
Kardex AG	11,180	632	382
Kudelski SA - BR	2,011	24	47
Kuoni Reisen Holding AG	1,604	415	595
Novartis AG	265,800	9,791	13,282
Pargesa Holding SA	30,100	2,224	2,596
Partners Group Holding AG	22,663	2,089	2,761
Petroplus Holdings AG	97,624	1,582	2,459
PSP Swiss Property AG	318	15	18
Sika AG	1,170	977	1,578
Swiss Life Holding	32,240	3,450	3,809
Swiss Re	133,700	7,115	6,028
Swisscom AG	8,300	2,855	2,966
Swisslog Holding AG	328,223	252	298
Temenos Group AG	133,436	1,049	3,125
Unaxis Holding AG	1,453	112	119

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Valora Holding AG	802	182	191
Zurich Financial Services AG	23,400	5,452	5,559
<i>Total Switzerland - 4.0%</i>		58,116	72,132
<i>Taiwan</i>			
Advanced Semiconductor Engr	250,649	136	206
Au Optronics Corp	2,084,102	3,089	2,026
Compal Electronics Inc	10,516,172	9,672	12,251
Far EasTone Telecommunications	8,390,931	10,364	9,814
Gigabyte Technology Company	2,968,000	2,206	2,511
HannStar Display Corporation	9,290,111	3,724	2,040
Quanta Computer Inc	3,412,456	4,800	7,165
Walsin Lihwa Corporation	29,379,000	9,271	10,098
Winbond Electronics Corp	34,590,000	8,350	7,015
Yageo Corporation	36,528,000	10,896	10,238
<i>Total Taiwan - 3.5%</i>		62,508	63,364
<i>Turkey</i>			
AkBank TAS	485,200	2,269	2,807
Arcelik AS	7,084,002	18,549	20,494
Selcuk Exza Deposu Ticaret AS	1,909,460	2,229	3,109
Trakya Cam Sanayii AS	3,506,605	2,342	4,294
Turkcell Iletisim Hizmet AS	778,500	5,109	5,552
Turkiye Vakiflar Bankasi T-D	7,239,500	8,367	16,560
<i>Total Turkey - 2.9%</i>		38,865	52,816
<i>United Kingdom</i>			
Aberdeen Asset Management PLC	780,200	1,546	1,872
Aegis Group PLC	570,703	798	1,022
Aggreko PLC	232,400	1,206	2,609
Alphameric PLC	14,851	7	9
Amlin PLC	337,860	1,753	2,072
Arriva PLC	144,171	1,881	1,154
Ashtead Group PLC	123,048	120	169
AstraZeneca Group PLC	201,300	8,100	9,027
Aviva PLC	347,700	4,071	2,492
Babcock International Group	253,500	1,677	2,305
Balfour Beatty PLC	312,000	1,550	1,607
Barclays PLC	1,178,654	9,498	6,975
Barratt Developments PLC	282,000	791	1,107
Berkeley Group Holdings plc	14,868	217	211
BP Amoco PLC	1,892,800	17,716	16,741
Bradford & Bingley PLC	202,000	1,045	-
Brit Insurance Holdings PLC	275,881	861	900
British Aerospace PLC	879,500	4,446	4,912
Britvic PLC	973,600	3,767	5,489
BT Group PLC	1,427,300	5,116	2,968
Carillion PLC	838,543	3,246	3,693
Centrica PLC	673,200	2,097	2,709
Charter International PLC	163,100	960	1,789
Chime Communications PLC	45,742	133	132
Clarkson PLC	25,148	365	345
Close Brothers Group PLC	36,134	272	460
Computacenter plc	929,432	3,458	4,760
Daily Mail & General Trust PLC	351,200	1,773	2,579
Dairy Crest Group PLC	78,000	248	478
Dana Petroleum PLC	89,500	2,148	2,007
Davis Service Group PLC	3,923	15	25
Debenhams PLC	866,399	1,230	1,052
Drax Group PLC	336,200	4,504	2,535
DS Smith PLC	595,739	681	1,022
DSG International	82,101	38	35
EasyJet PLC	100,676	483	611
Fiberweb PLC	132,824	87	157
FirstGroup PLC	295,319	1,393	1,954

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Galliford Try PLC	439,395	238	411
Game Group PLC	4,372	12	11
Games Workshop Group PLC	20,744	62	97
GlaxoSmithKline PLC	396,005	8,599	7,787
Greene King PLC	329,181	2,100	2,219
Halfords Group PLC	248,585	1,026	1,400
Hogg Robinson Group PLC	23,810	7	14
Home Retail Group	400,000	1,657	1,739
Hunting PLC	32,545	276	281
IG Group Holdings PLC	407,900	1,518	2,174
IMI PLC	525,900	3,980	3,765
Informa PLC	432,320	1,248	2,178
Investec PLC	228,220	996	1,672
Kier Group PLC	1,950	32	37
Legal & General Group PLC	1,431,600	3,410	2,010
Logica PLC	2,918,300	3,984	6,072
London Stock Exchange Group	144,600	1,891	1,980
Marston's PLC	893,188	2,333	1,391
Meggitt PLC	775,400	1,378	2,891
Micro focus International PLC	384,700	1,544	2,187
Millennium & Copthorne Hotels	58,746	314	350
Mitie Group PLC	537,909	1,369	2,171
Mondi PLC	117,666	495	581
Morgan Sindall PLC	72,000	809	765
Mouchel Group PLC	348,600	1,419	1,307
N Brown Group PLC	444,000	1,670	1,745
Next PLC	97,200	2,127	2,786
Northern Foods PLC	290,100	781	327
Novae Group PLC	4,786	27	26
Office2office PLC	54,514	134	132
Old Mutual PLC	2,141,000	4,842	3,424
Oxford Instruments PLC	951	4	3
Pace Micro Technology PLC	458,331	922	1,670
Paragon Group Companies PLC	7,321	17	18
Premier Oil PLC	189,390	2,771	3,665
Psion PLC	23,283	50	41
Qinetiq Plc	247,599	915	558
Royal & Sun Alliance Insurance	1,063,100	1,800	2,275
Royal Dutch Shell B Shares	664,600	18,801	18,452
RPS Group PLC	715,300	1,493	2,574
Sage Group PLC	25,883	76	97
Serco Group PLC	322,600	1,750	2,606
Spectris PLC	312,157	3,372	3,527
St. James Place PLC	398,832	1,015	1,663
Tate & Lyle PLC	402,600	3,556	2,722
Thomas Cook Group	1,367,500	4,569	5,081
Tomkins PLC	1,165,500	1,867	3,516
Travis Perkins PLC	5,823	50	78
Vislink PLC	17,095	8	7
Vodafone Group PLC	2,467,200	5,001	5,532
William Hill PLC	571,200	1,633	1,611
Woolworths Group PLC	1,940,874	442	-
<i>Total United Kingdom - 11.0%</i>		189,687	199,610
Total Equities - 98.2%		1,602,681	1,775,418
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 1.4%	24,678,003	24,678	24,678
Total Investment Securities - 99.6%		\$ 1,627,359	\$ 1,800,096

See accompanying notes to financial statements.

# International Equity Pool

---

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b>Foreign Currency Forward Contracts</b>			
<i>Long Positions</i>			
Japanese Yen, expiring 10/01/2009 - 10/02/2009		\$	8
Singapore Dollar, expiring 10/01/2009 - 10/02/2009			<u>1</u>
Total Long Positions			9
<i>Short Positions</i>			
British Pound, expiring 10/01/2009			(4)
Euro Currency, expiring 10/01/2009 - 10/02/2009			(5)
Swedish Krona, expiring 10/01/2009 - 10/02/2009			<u>(1)</u>
Total Short Positions			<u>(10)</u>
Total Foreign Currency Forward Contracts - 0.0%		\$	<u>(1)</u>

See accompanying notes to financial statements.



# International Equity Pool

**Statement of Operations - Unaudited**  
**Period September 30, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ -	\$ (2)
Dividend	6,222	13,530
Less withholding tax	(486)	(1,269)
Securities lending income	43	161
Shareholder litigation proceeds	7	104
Commission recapture	-	1
	<b>5,786</b>	<b>12,525</b>
<b>Expenses</b>		
Investment advisor fees	(786)	(2,355)
Trustee fees	(1)	(3)
Custodian bank fees	(73)	(214)
Management fees	(61)	(177)
Fiduciary bond fees	(1)	(2)
Professional service fees	(12)	(35)
Securities lending agent fees	(30)	(71)
Securities lending borrower rebates	106	195
	<b>(858)</b>	<b>(2,662)</b>
	<b>4,928</b>	<b>9,863</b>
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	25,427	40,458
Foreign currency transactions	(1,865)	368
Net increase in the fair value of:		
Investments	40,667	249,292
Translation of assets and liabilities in foreign currencies	32,659	61,702
	<b>96,888</b>	<b>351,820</b>
	<b>\$ 101,816</b>	<b>\$ 361,683</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 4,928	\$ 9,863
Net realized gain from investments	25,427	40,458
Net realized gain (loss) from foreign currency transactions	(1,865)	368
Net increase in the fair value of investments	40,667	249,292
Net increase in the translation of assets and liabilities in foreign currencies	32,659	61,702
<b>Net increase in net assets from operations</b>	101,816	361,683
<b>Unit transactions</b>		
Proceeds from sale of units	1,311	2,145
Amount paid for repurchase of units	(412)	(101,665)
<b>Net increase (decrease) in net assets from unit transactions</b>	899	(99,520)
<b>Increase in net assets</b>	102,715	262,163
Net assets, beginning of period	1,703,831	1,544,383
<b>Net assets, end of period</b>	\$ 1,806,546	\$ 1,806,546
<b>Unit data</b>		
Units sold	74,830	125,483
Units repurchased	(23,516)	(6,843,134)
<b>Net increase (decrease) in units</b>	51,314	(6,717,651)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Equity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

This Pool invests in the equities of international companies. Assets are managed by Brandes Investment Partners, LLC, LSV Asset Management, and Pictet Asset Management Limited. The objective of the Pool is to exceed, net of external investment management fees, Morgan Stanley Capital International's All Country World Free Ex US index over three- to five-year periods.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# International Equity Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Foreign Currency** – Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for international securities is secured by initial collateral of at least 105 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Foreign Exchange Forward Contracts** - A foreign exchange forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The managers enter into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

# International Equity Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Equity Securities	\$1,775,418,353	\$ -	\$ -	\$1,775,418,353
Regulated Investment Companies	-	24,678,003	-	24,678,003
Foreign Exchange Forward Contracts	-	(1,094)	-	(1,094)
Securities Lending Collateral Funds	-	111,720,861	-	111,720,861
Total	<u>\$1,775,418,353</u>	<u>\$ 136,397,770</u>	<u>\$ -</u>	<u>\$1,911,816,123</u>

# International Equity Pool

## Notes to Financial Statements

### NOTE 4. SECURITIES LENDING

At September 30, 2009, the fair value of securities on loan is \$109,663,623, initial collateral received is \$115,971,997, and the fair value of reinvested collateral held is \$111,720,861. All of the collateral was received as cash and is invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool is \$3,486,232.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At September 30, 2009 the accumulated undistributed securities lending income is \$2,122,232.

### NOTE 5. FOREIGN CURRENCY FORWARD CONTRACTS

At September 30, 2009, open foreign currency forward contracts are as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized appreciation (depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long/Cover	Hong Kong Dollar	9/30/2009	10/2/2009	856,896	\$ 110,566		\$ 110,563	\$ 3
Long/Cover	Japanese Yen	9/29/2009	10/1/2009	100,280,885	1,120,019		1,112,995	7,024
Long/Cover	Japanese Yen	9/30/2009	10/2/2009	70,034,355	782,201		781,721	480
Long/Cover	Singapore Dollar	9/29/2009	10/1/2009	288,148	204,498		203,207	1,291
Long/Cover	Singapore Dollar	9/30/2009	10/2/2009	45,523	32,307		32,285	22
Short/Cover	British Pound	9/28/2009	10/1/2009		518,380	326,663.32	522,449	(4,069)
Short/Cover	Euro Currency	9/29/2009	10/1/2009		912,176	627,141	916,692	(4,516)
Short/Cover	Euro Currency	9/30/2009	10/2/2009		598,682	409,972	599,256	(574)
Short/Cover	Israeli Shekel	9/29/2009	10/1/2009		280,382	1,059,842.33	280,641	(259)
Short/Cover	Norwegian Krone	9/29/2009	10/2/2009		7,008	40,986.49	7,064	(56)
Short/Cover	Swedish Krona	9/29/2009	10/2/2009		238,849	1,675,852.10	239,652	(803)
Short/Cover	Swedish Krona	9/30/2009	10/2/2009		115,914	807,319.29	115,449	465
Short/Cover	Swiss Franc	9/29/2009	10/1/2009		57,187	59,446	57,289	(102)
					<u>\$ 4,978,169</u>		<u>\$ 4,979,263</u>	<u>\$ (1,094)</u>

# International Equity Pool

## Notes to Financial Statements

### NOTE 6. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2009	\$ 14.85
Income from investment operations:	
Net investment income	0.10
Net realized and unrealized gain on investment transactions	2.99
Net increase in the translation of assets and liabilities in foreign currencies	0.63
Total from investment operations	3.72
Net asset value at September 30, 2009	\$ 18.57
 <b>Time-weighted Total Return *</b>	 25.0%
 <b>Supplemental Data:</b>	
Net assets, end of period (\$000's)	\$ 1,806,546
Ratio to average net assets:	
Expenses **	0.67%
Net investment income **	2.37%
Portfolio turnover rate	18.83%

\* Return data are net of fees for the fiscal year-to-date and are not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 744,750,503
Public Employees' Retirement System	696,330,468
Workers' Compensation Old Fund	85,560,663
State Police Death, Disability and Retirement Fund	73,704,389
Revenue Shortfall Reserve Fund B	57,442,616
Revenue Shortfall Reserve Fund	40,726,458
Prepaid Tuition Trust Fund	18,292,918
Coal Workers' Pneumoconiosis Fund	18,196,233
Judges' Retirement System	17,933,544
Deputy Sheriff's Retirement System	15,743,192
Board of Risk and Insurance Management	8,480,349
State Police Retirement System	8,264,261
Public Employees' Insurance Agency	7,077,409
Wildlife Endowment Fund	6,389,791
Retiree Health Benefit Trust	4,154,958
Emergency Medical Services Retirement System	3,497,825
Total	\$ 1,806,545,577





**Financial Statements - Unaudited**

**September 30, 2009**



# Short-Term Fixed Income Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Notes to Financial Statements	5

# Short-Term Fixed Income Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at amortized cost	\$	201,767
Accrued interest		<u>31</u>

**Total assets** 201,798

### Liabilities

Accrued expenses		<u>33</u>
------------------	--	-----------

**Net assets** \$ 201,765

### Analysis of net assets

Paid-in capital	\$	201,772
Accumulated undistributed net realized loss from investments		<u>(7)</u>

**Net assets** \$ 201,765

### Unit data

Units outstanding		201,772,312
Net asset value, unit price	\$	<u>1.00</u>

See accompanying notes to financial statements.

# Short-Term Fixed Income Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>U. S. Government Agency Issues</u></b>						
Federal Home Loan Bank	0.310	% 0.332 %	01/14/2010	2,000	\$ 2,000	\$ 2,000
Federal Home Loan Bank	0.870	0.961	01/26/2010	1,000	1,000	1,002
Federal Home Loan Bank	0.960	1.069	02/04/2010	1,500	1,499	1,504
Federal Home Loan Bank	1.050	1.166	02/23/2010	1,000	1,000	1,003
Federal Home Loan Bank	0.500	0.520	10/18/2010	2,000	2,000	2,000
Federal Home Loan Bank	0.300	0.285	12/06/2010	3,000	3,000	3,004
Federal Home Loan Mort Corp	0.580	0.580	01/08/2010	4,000	4,000	4,004
Federal Home Loan Mort Corp	0.410	0.410	07/12/2010	4,000	4,000	4,001
Federal National Mortgage	0.430	0.465	08/05/2010	3,000	2,999	3,001
Total U. S. Government Agency Issues - 10.7%					21,498	21,519
<b><u>Short-term Issues</u></b>						
Amsterdam Funding Corp	0.000	0.254	10/23/2009	4,000	3,999	3,999
Atlantic Asset Securitization	0.000	0.284	10/20/2009	4,000	3,999	3,999
Barton Capital Corp	0.000	0.213	11/03/2009	6,000	5,999	5,998
Calyon North America Inc	0.000	0.243	12/16/2009	5,000	4,997	4,997
Deutsche Bank Finl LLC	0.000	0.304	10/08/2009	5,000	5,000	5,000
Fairway Finance Corp	0.000	0.203	10/20/2009	5,000	4,999	4,999
Federal Home Loan Bank	0.000	0.467	10/09/2009	4,000	4,000	4,000
Federal Home Loan Bank	0.000	0.133	10/23/2009	8,000	7,999	7,999
Federal Home Loan Bank	0.000	1.145	12/04/2009	2,000	1,996	2,000
Federal Home Loan Bank	0.000	0.274	02/24/2010	2,000	1,998	1,999
Federal Home Loan Mort Corp	0.000	0.213	10/02/2009	5,000	5,000	5,000
Federal Home Loan Mort Corp	0.000	0.228	11/10/2009	4,000	3,999	3,999
Federal Home Loan Mort Corp	0.000	0.254	11/17/2009	6,000	5,998	5,998
Federal Home Loan Mort Corp	0.000	0.376	12/29/2009	6,000	5,995	5,999
Federal Home Loan Mort Corp	0.000	0.254	02/05/2010	2,000	1,998	1,999
Federal Home Loan Mort Corp	0.000	0.233	02/12/2010	10,000	9,991	9,995
Federal Home Loan Mort Corp	0.000	0.255	03/22/2010	2,500	2,497	2,498
Federal Home Loan Mort Corp	0.000	0.203	03/29/2010	2,000	1,998	1,998
Federal Home Loan Mort Corp	0.000	0.437	05/17/2010	3,000	2,992	2,996
Federal National Mortgage Assn	0.000	0.254	11/17/2009	3,000	2,999	2,999
Federal National Mortgage Assn	0.000	0.254	11/25/2009	4,000	3,998	3,998
Federal National Mortgage Assn	0.000	0.284	12/15/2009	2,000	1,999	2,000
Federal National Mortgage Assn	0.000	0.315	01/15/2010	3,000	2,997	2,999
General Electric Capital Corp	0.000	0.152	10/14/2009	7,000	7,000	7,000
ING Funding LLC	0.000	0.304	11/02/2009	3,000	2,999	2,999
Intesa Funding LLC	0.000	0.203	10/19/2009	5,000	4,999	4,999
Natixis Commercial Paper Corp	0.000	0.254	10/01/2009	5,000	5,000	5,000
Repurchase Agreement	0.030	0.030	10/01/2009	9,824	9,824	9,824
Sheffield Receivables	0.000	0.254	10/23/2009	4,000	3,999	3,999
Societe Generale NA	0.000	0.233	10/08/2009	5,000	5,000	5,000
UBS Finance (DE) LLC	0.000	0.569	10/09/2009	3,000	3,000	3,000
United States Treasury	0.000	0.094	10/08/2009	41,000	41,001	41,001
Total Short-Term Issues - 89.4%					180,269	180,290
Total Investment Securities - 100.0%					\$ 201,767	\$ 201,809

See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 14	\$ 47
Net accretion	34	107
	<hr/>	<hr/>
<b>Total investment income</b>	48	154
<b>Expenses</b>		
Investment advisor fees	(9)	(29)
Custodian bank fees	(1)	(3)
Management fees	(5)	(16)
Professional service fees	(1)	(3)
	<hr/>	<hr/>
<b>Total expenses</b>	(16)	(51)
<b>Investment income, net</b>	32	103
<b>Net realized gain from investments</b>	<hr/> 1	<hr/> 2
<b>Net increase in net assets from operations</b>	<hr/> <u>\$ 33</u>	<hr/> <u>\$ 105</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Short-Term Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 32	\$ 103
Net realized gain from investments	1	2
	33	105
<b>Net increase in net assets from operations</b>		
<b>Distributions to unitholders</b>		
Investment income, net	(31)	(102)
<b>Unit transactions</b>		
Proceeds from sale of units	102,164	281,658
Reinvestment of distributions	31	102
	102,196	281,761
Amount paid for repurchase of units	(107,330)	(344,553)
	(5,134)	(62,792)
<b>Net decrease in net assets from unit transactions</b>		
	(5,132)	(62,789)
<b>Decrease in net assets</b>		
Net assets, beginning of period	206,897	264,554
	\$ 201,765	\$ 201,765
<b>Net assets, end of period</b>		
<b>Unit data</b>		
Units sold	102,166,033	281,659,484
Units issued from reinvestment of distributions	31,200	102,402
	102,197,233	281,761,886
Units repurchased	(107,329,663)	(344,552,599)
	(5,132,430)	(62,790,713)
<b>Net decrease in units</b>		

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Short-Term Fixed Income Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Short-Term Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of the Pool is to maintain sufficient liquidity to fund withdrawals by the participant plans and to invest cash contributions until such time as the money can be transferred to other asset classes without sustaining capital losses. JP Morgan Investment Advisors, Inc. manages the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Salomon ninety-day T-bill index plus fifteen basis points.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at amortized cost. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Repurchase Agreements** - In connection with transactions in repurchase agreements, it is the IMB's policy that its designated custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the IMB may be delayed or limited.



# Short-Term Fixed Income Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Asset-Backed Securities** – The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The net investment income of the Pool is declared as a dividend and distributed daily to the participants based upon their pro rata participation in the Pool. The distributions of net investment income are credited to the participants' accounts in the form of dividend reinvestments in the Pool and are presented first as distributions to participants, and then as reinvestment of distributions on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

# Short-Term Fixed Income Pool

---

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Short-term Issues	\$ -	\$ 180,269,478	\$ -	\$ 180,269,478
U.S. Government Agency Issues	-	21,497,172	-	21,497,172
Total	<u>\$ -</u>	<u>\$ 201,766,650</u>	<u>\$ -</u>	<u>\$ 201,766,650</u>

# Short-Term Fixed Income Pool

## Notes to Financial Statements

### NOTE 4. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$ 1.00
Net asset value at September 30, 2009	\$ 1.00

Time-weighted Total Return *	0.0%
------------------------------	------

**Supplemental Data:**

Net assets, end of period (\$000's)	\$ 201,765
Ratio to average net assets:	
Expenses **	0.09%
Net investment income **	0.18%
Weighted average days to maturity	48
Maximum weighted average investment maturity per Board guidelines	60 days
Money market yield ***	0.16%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

\*\*\* The money market yield represents the rate of income, net of expenses, earned over the past month and is not intended to indicate future performance. The return is annualized over a 365-day year, assuming no reinvestment of earnings.

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

Participant	Account Value
Workers' Compensation Old Fund	\$ 69,372,375
Teachers' Retirement System	32,230,255
Teachers' Employers Contribution Collection Account	23,990,306
Revenue Shortfall Reserve Fund	16,900,471
Revenue Shortfall Reserve Fund B	15,219,150
Public Employees' Retirement System	14,457,009
Coal Workers' Pneumoconiosis Fund	10,827,852
Workers' Compensation Uninsured Employers Fund	8,694,447
Workers' Compensation Self-insured Employers Fund	7,179,690
Prepaid Tuition Trust Fund	1,006,051
State Police Retirement System	572,790
Deputy Sheriff's Retirement System	454,166
Emergency Medical Services Retirement System	384,421
Judges' Retirement System	238,843
State Police Death, Disability and Retirement Fund	173,096
Wildlife Endowment Fund	59,867
Retiree Health Benefit Trust	5,862
Public Employees' Insurance Agency	5,063
Board of Risk and Insurance Management	598
Total	\$ 201,772,312



**Financial Statements - Unaudited**

**September 30, 2009**



# Total Return Fixed Income Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Option Contracts Written	8
Statement of Operations	9
Statement of Changes in Net Assets	10
Notes to Financial Statements	11

# Total Return Fixed Income Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,667,387
Cash denominated in foreign currencies (cost \$3,324)		3,293
Collateral for securities loaned at fair value (Note 4)		2,914
Receivables:		
Accrued interest		9,775
Investments sold		196,109
Dividends		87
Securities lending income		6
Due from broker - variation margin		838
Unrealized gain on foreign currency exchange contracts (Note 8)		1,490
		<hr/>
<b>Total assets</b>		2,881,899

### Liabilities

Accrued expenses		879
Dividends payable		10,910
Payable for investments purchased		497,382
Payable upon return of securities loaned (Note 4)		4,637
Option contracts written		9,402
		<hr/>
<b>Total liabilities</b>		523,210
		<hr/>
<b>Net assets</b>	\$	<u>2,358,689</u>

### Analysis of net assets

Paid-in capital	\$	2,045,942
Accumulated undistributed net investment income		433
Accumulated undistributed net realized gain from investments		363,947
Accumulated undistributed net realized gain from foreign currency transactions		15,702
Unrealized net depreciation of investments		(69,046)
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		1,711
		<hr/>
<b>Net assets</b>	\$	<u>2,358,689</u>

### Unit data

Units outstanding		183,900,543
Net asset value, unit price	\$	<u>12.83</u>

See accompanying notes to financial statements.



# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b>Investments in Other Funds</b>						
Western Asset High Yield Portfolio				33,625	\$ 327,378	\$ 270,008
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset International Investment Grade Securities Portfolio				1,226	22,212	28,114
Investment Objective - To maximize total return by investing in fixed income securities that are rated investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Opportunistic US Dollar High Yield Securities Portfolio, LLC				4,131	62,233	72,997
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Floating Rate High Income Fund, LLC				16,744	199,996	219,048
Investment Objective - To maximize total return by investing in U.S. dollar-denominated loans, loan participations and below investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset US Enhanced Cash, LLC				8,423	80,975	75,703
Investment Objective - To maximize total return by investing in investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Asian Securities Portfolio, LLC				5,017	52,279	55,079
Investment Objective - To maximize total return by investing in debt and fixed income securities of Asian issuers.						
Redemption Provisions - Daily						
Western Asset Non-U.S. Inflation Linked Securities Portfolio, LLC				1,430	22,581	21,433
Investment Objective - To maximize total return by investing in inflation linked securities of non-U.S. issuers (70%) and U.S. issuers (30%).						
Redemption Provisions - Daily						
Western Asset Opportunistic Local Market Debt Securities Portfolio, LLC				2,707	33,811	39,660
Investment Objective - To maximize total return by investing in lower rated debt and other fixed income securities of non-U.S. issuers.						
Redemption Provisions - Daily						
Western Asset Opportunistic Structured Securities Portfolio, LLC				9,012	80,373	79,193
Investment Objective - To maximize total return by investing in primarily investment grade asset backed fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Developing Markets Corporate Credit Securities Portfolio, LLC				2,384	22,282	26,750
Investment Objective - To maximize total return by investing in U.S. dollar-denominated fixed income securities of non-U.S. issuers in developing markets.						
Redemption Provisions - Daily						
Total Investments in Other Funds - 37.6%					904,120	887,985
<b>U. S. Treasury Issues</b>						
United States Treasury	2.000 %	1.228 %	07/15/2014	1,360	1,610	1,617
United States Treasury	1.625	1.307	01/15/2015	1,500	1,720	1,726
United States Treasury	2.380	2.078	01/15/2025	37,070	44,006	44,495
United States Treasury	2.000	1.808	01/15/2026	26,670	29,022	28,937
United States Treasury	3.500	4.169	02/15/2039	504	447	457
United States Treasury	4.500	4.180	08/15/2039	1,270	1,339	1,370
Total U. S. Treasury Issues - 3.3%					78,144	78,602
<b>U. S. Government Agency Issues</b>						
<i>U. S. Government Agency Bonds</i>						
Federal National Mortgage Assn	5.250	0.000	08/1/2012	3,710	3,438	3,974
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Mortgage Pools	5.512	5.099	06/05/2038	69,040	71,056	72,400
FNMA Mortgage Pools	5.029	5.919	02/15/2038	393,978	397,822	408,369
GNMA Mortgage Pools	4.750	4.646	09/01/2039	26,100	26,734	26,968
Total U. S. Government Agency MBS					495,612	507,737

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding.

\* Denotes assets pledged for initial margin requirements on open futures and swap contracts.

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<i>U. S. Government Agency CMO</i>						
Federal Home Loan Mortgage	1.046 A	0.000	03/15/2034	444	-	436
Total U.S. Government Agency Issues - 21.7%					499,050	512,147
<b>Corporate Issues</b>						
<i>Corporate Bonds</i>						
AES Corporation	7.750	7.362	03/01/2014	120	122	121
AES Corporation	8.000	7.910	10/15/2015	4,150	4,175	4,176
AES Corporation	7.750	7.714	10/15/2017	2,970	2,976	2,985
AES Corporation	8.000	8.000	06/01/2020	10,400	10,400	10,322
Aiful Corporation	5.000	5.167	08/10/2010	2,610	2,592	1,396
Allstate Life Global Fn Trust	5.380	4.883	04/30/2013	2,280	2,315	2,427
American Express	6.800	6.550	08/28/2017	1,660	1,722	1,411
American Express	6.150	5.890	09/01/2066	4,500	4,574	4,727
American General Finance Corp	6.900	7.000	12/15/2017	1,580	1,569	1,105
American Intl Group	5.850	5.922	01/16/2018	910	905	660
Anadarko Finance Co	6.750	5.384	05/01/2011	100	108	106
Anadarko Finance Co	7.500	6.576	05/01/2031	1,720	1,910	1,903
Anadarko Petroleum Corp	6.450	6.378	09/15/2036	5,800	5,853	5,988
AOL Time Warner Inc	6.880	3.013	05/01/2012	2,010	2,203	2,213
ASIF Global Financing	4.900	4.777	01/17/2013	510	514	463
AT&T Corp Wireless Services	8.130	5.709	05/01/2012	480	557	548
AT&T Inc	5.500	5.340	09/15/2014	6,786	6,853	7,080
AT&T Inc	5.100	5.290	02/01/2018	1,220	1,204	1,315
BAC Capital Trust XIV	5.630	6.231	12/31/2049	570	519	373
Bank of America Corp	5.380	5.591	08/15/2011	270	268	281
Bank of America Corp	5.420	3.544	03/15/2017	600	696	573
Bank One Corporation	5.900	5.063	11/15/2011	3,235	3,264	3,459
Bear Stearns Companies Inc	7.250	6.657	02/01/2018	7,410	7,675	8,463
Caterpillar Financial Services	5.450	5.157	04/15/2018	2,700	2,758	2,805
Citigroup Inc	5.000	4.901	09/15/2014	6,750	6,801	6,423
Citigroup Inc	6.880	6.993	03/05/2038	6,860	6,760	6,881
Comcast Corp	6.500	5.248	01/15/2015	4,825	5,188	5,376
Comcast Corp	6.500	5.943	01/15/2017	9,255	9,566	10,158
Commonwealth Edison	6.150	4.172	03/15/2012	2,000	2,181	2,170
Conoco Inc	6.950	5.510	04/15/2029	700	820	821
Corp Bond Backed CTF-CCE	0.000	7.000	05/15/2018	5,000	2,175	1,678
Countrywide Financial Corp	6.250	7.950	06/07/2012	2,550	2,283	2,554
Countrywide Financial Corp	5.800	7.825	05/15/2016	40	37	42
CVS Pass-Through Trust	6.940	7.044	01/10/2030	5,508	5,508	5,564
Daimler Finance NA Holdings	7.300	3.640	01/15/2012	2,830	3,057	3,053
Delta Air Lines	6.820	6.823	08/10/2022	2,451	2,451	2,292
Detroit Edison Company	5.200	2.557	10/15/2012	630	679	679
Deutsche Telekom Int Fin	5.750	5.520	03/23/2016	2,195	2,216	2,327
Dominion Resources Inc	5.700	2.609	12/15/2009	6,906	7,514	7,544
Dominion Resources Inc	5.130	5.202	12/15/2010	900	896	907
Dominion Resources Inc	4.750	4.773	09/17/2012	280	280	290
Dr Pepper Snapple Group	6.820	6.295	05/01/2018	2,460	2,542	2,796
Duke Energy Corp	5.630	2.508	11/30/2012	2,200	2,408	2,429
Dynegy Holdings Inc	7.750	8.739	06/01/2019	2,290	2,124	1,952
Eastman Kodak Co	7.250	6.912	11/15/2013	2,785	2,847	2,284
El Paso Corporation	7.800	11.224	08/01/2031	469	331	430
El Paso Corporation	7.750	7.814	01/15/2032	222	220	203
El Paso Natural Gas	8.380	6.522	06/15/2032	1,470	1,790	1,765
El Paso Performance-Link	7.750	7.724	07/15/2011	6,890	6,897	7,038
Exelon Corp	4.750	4.187	10/01/2012	1,200	1,224	1,262
Export Import Bk Korea	5.250	4.248	02/10/2014	855	889	888
FirstEnergy Corp	6.450	6.603	11/15/2011	11	11	12
FirstEnergy Corp	7.380	6.711	11/15/2031	7,470	8,058	8,373
Ford Motor Credit Company	7.380	8.669	10/28/2009	2,885	2,759	2,886
Ford Motor Credit Company	8.000 A	8.798	06/15/2011	4,230	4,016	3,924
Ford Motor Credit Company	5.880	5.629	05/15/2015	5,800	5,780	5,539

*A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding.*

*\* Denotes assets pledged for initial margin requirements on open futures and swap contracts.*

*See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Ford Motor Credit Company	12.000	12.250	12/15/2016	8,360	8,263	9,212
Freeport-McMoRan Copper & Gold	8.380	6.916	04/01/2017	10,370	11,337	11,031
General Electric Capital Corp	6.380	3.915	01/15/2013	9,160	9,187	7,580
General Electric Capital Corp	5.450 A	4.769	11/15/2067	760	778	801
General Electric Company	5.000	4.413	02/01/2013	4,800	4,907	5,064
General Motors Corp	0.000 N	1.904	07/15/2033	3,900	3,559	634
Glitnir BankI HF	0.000 N	0.006	07/28/2011	5,000	4,997	1
Glitnir BankI HF	0.000 N	0.024	09/25/2012	600	594	-
Glitnir BankI HF	0.000 N	-	06/15/2016	2,530	2,530	620
Glitnir BankI HF	0.000 N	0.045	09/14/2049	3,390	3,382	831
GMAC LLC	0.000	8.026	12/31/2013	50	25	24
GMAC LLC	8.000	19.012	06/15/2015	529	272	399
GMAC LLC	7.500	14.913	12/31/2018	1,303	971	1,140
GMAC LLC	8.000	14.265	11/01/2031	5,753	3,337	4,631
Goldman Sachs Capital II	5.790 A	2.484	12/29/2049	3,960	3,254	2,851
Goldman Sachs Group Inc	6.600	5.507	01/15/2012	2,710	2,776	2,943
Goldman Sachs Group Inc	6.150	5.914	04/01/2018	4,950	5,026	5,207
Groupe BPCE	12.500	9.578	99/98/9999	5,317	6,939	5,875
Household Finance Corporation	8.000	2.095	07/15/2010	2,130	2,230	2,227
Household Finance Corporation	6.380	5.707	10/15/2011	120	125	127
Household Finance Corporation	7.000	5.660	05/15/2012	20	22	22
Household Finance Corporation	6.380	6.462	11/27/2012	440	437	473
Hypothekenbk In Essen	5.000	5.023	01/20/2012	2,060	2,058	2,176
ICICI Bank Limited	6.380 A	7.127	04/30/2022	3,798	3,254	3,147
ILFC E-Capital Trust II	6.250 A	3.271	12/21/2065	4,520	4,552	2,283
International Business Machs	4.750	2.099	11/29/2012	3,360	3,632	3,627
John Deere Capital Corp	5.350	5.035	04/03/2018	4,100	4,191	4,359
JPMorgan Chase & Co	5.750	5.268	01/02/2013	1,590	1,642	1,697
JPMorgan Chase & Co	5.130	5.030	09/15/2014	560	564	583
JPMorgan Chase & Co	5.150	5.329	10/01/2015	790	780	821
Kaupthing Bank HF	0.000 N	2.606	02/28/2015	7,930	6,641	1,685
Kerr-McGee Corporation	7.880	6.646	07/01/2024	4,805	5,520	5,437
Kerr-McGee Corporation	6.950	6.236	09/15/2031	330	355	353
Key Bank NA	5.500	5.371	09/17/2012	500	502	516
Key Bank NA	4.950	6.785	09/15/2015	1,440	1,312	1,317
Kinder Morgan Energy Partners	6.750	6.157	03/15/2011	560	573	594
Kinder Morgan Energy Partners	7.130	5.551	03/15/2012	910	965	994
Kinder Morgan Energy Partners	5.000	6.163	09/15/2012	940	876	983
Kinder Morgan Energy Partners	6.000	6.219	12/15/2013	1,610	1,585	1,683
Kinder Morgan Energy Partners	6.950	6.470	02/01/2017	610	648	655
Kinder Morgan Energy Partners	5.850	7.004	02/15/2018	150	144	162
Kinder Morgan Energy Partners	5.950	6.030	01/15/2038	2,800	2,783	2,929
Koninklijke KPN NV	8.000	4.627	10/01/2010	3,370	3,659	3,579
Koninklijke KPN NV	8.380	6.529	10/01/2030	2,835	3,455	3,653
Kroger Co	5.500	3.375	02/01/2013	2,200	2,347	2,350
Kroger Co	6.400	5.641	08/15/2017	220	232	243
Kroger Co	6.150	5.660	01/15/2020	320	332	354
L-3 Communications Corp	5.875	5.762	01/15/2015	1,680	1,688	1,672
L-3 Communications Corp	6.375	6.066	10/15/2015	3,830	3,889	3,868
L-3 Communications Corp	5.200	5.246	10/15/2019	6,370	6,347	6,347
Lehman Brothers Holdings	0.000 N	0.012	01/24/2013	1,690	1,689	287
Lehman Brothers Holdings	0.000 N	(0.053)	09/26/2014	3,040	3,048	536
Lehman Brothers Holdings Inc	0.000 N	0.007	07/19/2017	8,860	8,853	1
Lehman Brothers Holdings Inc	0.000 N	0.017	12/28/2017	110	110	-
Lehman Brothers Holdings Inc	0.000 N	0.114	11/29/2049	4,430	4,221	-
McDonalds Corp	5.350	4.936	03/01/2018	6,830	7,025	7,452
Merrill Lynch & Company Inc	6.880	6.605	04/25/2018	14,650	14,900	15,407
MetLife Inc	6.400	7.003	12/15/2066	4,870	4,458	4,115
Morgan Stanley Dean Witter Co	6.630	5.666	01/09/2012	4,750	5,055	5,023
Morgan Stanley Dean Witter Co	6.600	5.476	04/01/2012	3,615	3,912	3,927
Morgan Stanley Dean Witter Co	5.630	5.806	04/01/2018	2,450	2,433	2,596
MUFG Capital Fin 1 LTD	6.350 A	4.237	07/29/2049	2,090	2,090	1,931
Nelnet Student Loan Trust	1.980 A	1.984	04/25/2024	4,480	4,480	4,589

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding.

\* Denotes assets pledged for initial margin requirements on open futures and swap contracts.

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
News America Inc	6.650	6.763	11/15/2037	270	266	281
Oncor Electric Delivery	6.380	5.774	01/15/2015	110	113	122
Pacific Gas & Electric Corp	6.050	5.756	03/01/2034	2,830	2,940	3,148
Pacific Gas & Electric Corp	5.800	5.858	03/01/2037	1,400	1,387	1,516
Pacific Life Global Funding	5.150	4.812	04/15/2013	600	606	627
Pemex Proj Fdg Master Trust	6.630	6.938	06/15/2035	3,330	3,205	3,217
Petrobras Intl Fin Co	6.130	5.078	10/06/2016	4,130	4,383	4,409
Rabobank Nederland	11.000	10.092	99/98/9999	544	593	666
Resona PFD Global Securities	7.190 A	2.061	12/29/2049	750	753	623
Reynolds American Inc	6.750	6.567	06/15/2017	6,360	6,434	6,612
Royal Bank of Scotland Grp PLC	5.000	7.737	10/01/2014	7,310	6,482	6,571
Royal Bank of Scotland Grp PLC	7.640 A	7.640	99/98/9999	1,400	1,400	686
Russia Foreign Bond	7.500	(9.113)	03/31/2030	3,685	4,009	3,968
Santander US Debt SA UNI	0.550 A	0.581	07/23/2010	10,000	9,992	9,985
Seariver Maritime Inc	0.000	3.908	09/01/2012	3,180	2,230	2,953
Shinsei Fin Cayman Ltd	6.420 A	2.169	01/29/2049	5,560	5,378	2,919
Southern Natural Gas Co	8.000 A	8.395	04/01/2017	1,450	1,378	1,714
Southern Natural Gas Co	5.900	5.897	03/01/2032	570	570	587
Sprint Capital Corp	6.900	6.750	03/15/2012	120	121	107
Sprint Capital Corp	8.380	6.005	05/01/2019	3,690	4,100	3,810
Sprint Capital Corp	8.750	7.014	03/15/2032	680	819	643
Systems 2001 Asset Trust	6.660	5.341	09/15/2013	5,561	5,846	5,519
Telecom Italia Capital	5.250	4.918	11/15/2013	585	591	615
Telecom Italia Capital	4.950	4.771	09/30/2014	1,090	1,097	1,128
Telecom Italia Capital	5.250	5.126	10/01/2015	1,100	1,105	1,139
Tenet Healthcare Corporation	8.880	9.625	07/01/2019	250	238	264
Time Warner Entertainment Co	8.380	7.620	07/15/2033	4,080	4,419	4,904
TNK BP Finance	7.500	8.300	07/18/2016	995	954	968
TNK-BP Finance SA	7.880	8.692	03/13/2018	2,820	2,668	2,740
Travelers Cos Inc	6.250	4.604	03/15/2037	570	538	501
TXU Corp	5.550	7.064	11/15/2014	430	389	293
TXU Corp	6.500	8.559	11/15/2024	2,230	1,819	1,031
TXU Corp	6.550	8.063	11/15/2034	2,805	2,336	1,262
Tyco International Group SA	6.750	4.956	02/15/2011	1,090	1,156	1,148
Tyco International Group SA	6.380	2.556	10/15/2011	3,650	3,927	3,935
Tyco International Group SA	6.000	4.100	11/15/2013	5,800	6,215	6,220
Tyco/Tyco International Fin SA	6.880	5.817	01/15/2021	5,440	5,939	6,106
Union Pacific Corp	6.650	2.072	01/15/2011	1,530	1,620	1,618
Union Pacific Corp	6.500	2.313	04/15/2012	1,210	1,335	1,335
United Mexican States	7.500	6.002	04/08/2033	506	601	601
UnitedHealth Group Inc	5.250	4.986	03/15/2011	40	40	42
Vale Overseas Ltd	6.880	6.850	11/21/2036	4,212	4,223	4,357
Vedanta Resources PLC	8.750	8.857	01/15/2014	2,320	2,311	2,314
Verizon Communications	6.100	5.378	04/15/2018	2,300	2,419	2,484
Verizon Global Funding Corp	6.880	4.979	06/15/2012	90	102	100
Verizon Global Funding Corp	7.380	5.220	09/01/2012	1,180	1,356	1,341
VIP FIN (Vimpelcom)	8.380	7.170	04/30/2013	660	685	686
Wachovia Capital Trust	5.800 A	1.970	12/29/2049	2,540	2,542	1,753
Wachovia Corp	5.500	4.992	05/01/2013	13,200	13,408	14,124
Wachovia Corp	5.630	6.046	10/15/2016	4,150	4,027	4,333
Wal-Mart Stores	5.800	4.866	02/15/2018	810	865	910
Waste Management Inc	7.750	6.120	11/15/2012	50	60	61
Waste Management Inc	6.380	3.196	05/15/2032	1,730	1,893	1,893
WellPoint Inc	5.880	5.707	06/15/2017	350	353	369
Wells Fargo & Company	5.250	3.972	09/01/2012	140	145	149
Wells Fargo Capital X	5.950	6.337	12/15/2036	3,280	3,111	2,845
Weyerhaeuser Company	6.750	5.255	03/15/2012	3,880	4,013	4,042
Wisconsin Electric Power	5.700	5.705	12/01/2036	5,000	4,996	5,400
Wisconsin Power & Light	6.380	5.422	08/15/2037	1,220	1,386	1,390
WMX Technologies Inc	7.100	6.372	08/01/2026	2,110	2,267	2,319
Wyeth	5.950	5.797	04/01/2037	3,460	3,530	3,810
XTO Energy Inc	7.500	4.797	04/15/2012	625	739	693
XTO Energy Inc	5.650	5.683	04/01/2016	770	768	805

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding.

\* Denotes assets pledged for initial margin requirements on open futures and swap contracts.

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
XTO Energy Inc	5.500	5.528	06/15/2018	9,570	9,540	9,876
<i>Total Corporate Bonds</i>					532,519	493,651
<i>Corporate Asset Backed Issues</i>						
Pegasus Aviation Lease Sec	8.370	17.655	07/25/2017	500	285	128
Public Service New Hampshire	6.480	5.468	05/01/2015	461	481	502
<i>Total Corporate Asset Backed Issues</i>					766	630
<i>Corporate CMO</i>						
Asset Securitization Corp	6.910 A	3.232	02/14/2043	600	661	660
Banc of America Mortgage Sec	5.180 A	6.180	12/01/2034	6,812	6,514	5,804
Banc of America Mortgage Sec	4.710 A	5.217	04/25/2035	1,058	1,033	930
Bear Stearns Adj Rate Mortgage	5.000 A	2.334	12/25/2046	2,067	2,030	1,304
Commercial Mortgage Lease	0.620	4.882	06/20/2031	2,855	3,036	3,036
Countrywide Alternative Loan T	5.440 A	14.215	11/20/2035	2,966	1,691	1,599
Countrywide Alternative Loan T	5.680 A	5.551	12/25/2035	2,391	2,375	1,653
Countrywide Asset-Backed Cert	1.280 A	14.058	08/25/2047	2,662	1,931	1,352
Countrywide Home Loans	6.750 A	5.702	06/20/2036	1,414	1,413	928
GE Capital Commercial Mortgage	5.510 A	6.581	11/10/2045	5,740	5,460	5,479
GMAC Mortgage Corp Loan Trust	0.500 A	5.382	09/19/2035	1,092	1,075	880
Greenpoint Mtge Funding Trust	4.750 A	30.583	04/25/2036	2,324	1,232	1,095
Indymac Inda Mtg Loan Trust	0.500 A	6.123	09/25/2037	2,510	2,508	1,772
Indymac Indx Mortgage Ln Trust	6.110 A	25.527	04/25/2046	2,526	1,339	1,173
IndyMac Residential Asset Sec	4.960	4.509	02/25/2019	5,960	6,012	5,951
JPMorgan Chase Comm Mortgage	4.920	5.349	10/15/2042	3,600	3,529	3,540
JPMorgan Mortgage Trust	4.950 A	5.290	08/25/2035	2,260	2,221	1,893
LB-UBS Commercial Mortgage Tr	0.510	5.299	09/15/2040	13,600	13,147	13,187
Lehman XZ Trust	0.480 A	30.440	04/25/2046	5,716	2,972	2,706
Luminent Mortgage Trust	7.000 A	16.350	02/25/2046	4,979	2,738	2,373
MASTR ARM Trust	4.850 A	5.325	01/25/2036	1,670	1,636	1,343
MASTR Performing Loan Trust	4.230	6.277	08/25/2034	96	98	76
Merrill Lynch Mortgage Invest	4.830 A	4.301	12/25/2034	49	48	47
Morgan Stanley Mortgage Loan	6.420 A	3.622	10/25/2034	1,584	1,576	1,189
Morgan Stanley Mortgage Loan	5.810 A	6.218	06/25/2037	4,991	5,003	2,767
Residential Accredit Loans Inc	5.060 A	5.950	12/01/2035	13,010	12,930	5,788
Structured Asset Mortgage Inv	0.500 A	10.424	08/25/2036	8,749	4,812	4,288
Thornburg Mtg Securities Trust	6.190 A	6.278	09/25/2037	7,840	7,807	6,315
Thornburg Mtg Securities Trust	6.180 A	6.553	09/25/2037	7,676	7,567	6,251
Washington Mutual Mortgage	4.820 A	5.228	08/25/2035	1,544	1,523	1,259
Washington Mutual Mortgage	5.040 A	5.337	10/25/2035	2,431	2,393	1,855
Washington Mutual Mortgage	4.910 A	5.243	12/25/2035	2,147	2,109	1,845
Washington Mutual Mortgage	5.570 A	5.578	11/25/2036	953	952	672
Washington Mutual Mortgage	5.390 A	19.655	12/25/2036	760	419	488
Washington Mutual Mortgage	5.570 A	17.698	12/25/2036	770	424	495
Washington Mutual Mortgage	5.590 A	5.804	02/25/2037	279	276	176
Washington Mutual Mortgage	5.600 A	5.689	03/01/2037	243	242	174
Wells Fargo Mortgage Backed	4.570 A	12.030	12/25/2034	3,832	3,104	3,519
Wells Fargo Mortgage Backed	5.240 A	5.657	04/25/2036	771	762	595
<i>Total Corporate CMO</i>					116,598	96,457
<i>Corporate Preferred Securities</i>						
General Motors Corp				132	2,403	476
Preferred Blocker Inc				1	431	836
<i>Total Corporate Preferred Securities</i>					2,834	1,312
Total Corporate Issues - 25.1%					652,717	592,050
<b>Short-term Issues</b>						
Futures Cash Collateral				4,286	4,238	4,234
Swap Cash Collateral *				7,470	7,470	7,470
Dreyfus Cash Management				586,121	586,121	586,121
Total Short-term Issues - 25.3%					597,829	597,825

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding.

\* Denotes assets pledged for initial margin requirements on open futures and swap contracts.

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>Option Contracts Purchased</u></b>						
US Treasury Bond Option, expiring November 2009			11/20/2009	417	599	352
Euro 90 Day Future Option, expiring December 2009			12/14/2009	140	25	15
Total Option Contracts Purchased - 0.0%					624	367
<b><u>Interest Rate Swaps</u></b>						
Greenwich Capital Holdings, expiring 2018 - 2039, notional value of \$63,360,000						(891)
CS First Boston Mtg Secs, expiring 2014, notional value of \$134,770,000						(698)
Total Interest Rate Swaps - (0.1%)						(1,589)
Total Investment Securities - 112.9%					\$ 2,732,484	\$ 2,667,387
<b><u>Futures Contracts</u></b>						
<i>Long Positions</i>						
<i>U.S. Dollar</i>						
US Treasury 10 Yr Note Future, expiring December 2009				1,435		6,579
US Treasury 2 Yr Note Future, expiring December 2009				744		1,080
Euro 90 Day Future, expiring March 2010				941		434
Euro 90 Day Future, expiring June 2010				448		269
Euro 90 Day Future, expiring September 2010				272		1,000
						9,362
<i>Euro</i>						
Euro Bond Future, expiring December 2009				827		750
Total Long Positions						10,112
<i>Short Positions</i>						
<i>U.S. Dollar</i>						
Euro 90 Day Future, expiring December 2009				(560)		(1,764)
Euro 90 Day Future, expiring December 2009				(1,712)		(3,132)
US Treasury Bond Future, expiring December 2009				(218)		(2,197)
						(7,093)
<i>GBP</i>						
Long Gilt Future, expiring December 2009				(467)		(30)
Total Short Positions						(7,123)
Total Futures Contracts - 0.1%						\$ 2,989
<b><u>Foreign Currency Forward Contracts</u></b>						
<i>Long Position</i>						
Japanese Yen, expiring 11/19/2009						1,616
<i>Short Position</i>						
Euro Currency, expiring 11/19/2009						(126)
Total Foreign Currency Forward Contracts - 0.1%						\$ 1,490

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding.

\* Denotes assets pledged for initial margin requirements on open futures and swap contracts.

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

---

### Option Contracts Written - Unaudited

September 30, 2009

(Amounts in thousands)

<u>Security Name</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Option Contracts Written</u></b>		
Euro 90 Day Future Option	\$ (333)	\$ (645)
Euro 90 Day Future Option	(119)	(239)
Euro 90 Day Future Option	(121)	(132)
Euro 90 Day Future Option	(464)	(186)
Euro 90 Day Future Option	(152)	(132)
Euro 90 Day Future Option	(12)	(7)
Swaption	(1,329)	(1,275)
Swaption	(1,356)	(1,337)
Swaption	(1,329)	(2,106)
Swaption	(1,356)	(1,995)
US Treasury 10Yr Note Option	(579)	(1,348)
Total Option Contracts Written - (0.4%)	<u>\$ (7,150)</u>	<u>\$ (9,402)</u>

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 3,676	\$ 11,249
Dividend	7,675	7,986
Securities lending	13	49
Net accretion	(9)	1,492
	<b>11,355</b>	<b>20,776</b>
<b>Expenses</b>		
Investment advisor fees	(325)	(1,001)
Trustee fees	(1)	(4)
Custodian bank fees	(5)	(17)
Management fees	(83)	(257)
Fiduciary bond fees	(1)	(3)
Professional service fees	(17)	(51)
Securities lending agent fees	(2)	(6)
Securities lending borrower rebates	(6)	(19)
	<b>(440)</b>	<b>(1,358)</b>
	<b>10,915</b>	<b>19,418</b>
<b>Realized and unrealized gain from investments and foreign currency</b>		
Net realized gain from:		
Investments	23,300	24,838
Foreign currency transactions	9	50
Net increase in the fair value of:		
Investments	26,851	147,134
Translation of assets and liabilities in foreign currencies	861	1,694
	<b>51,021</b>	<b>173,716</b>
	<b>\$ 61,936</b>	<b>\$ 193,134</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



## Total Return Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 10,915	\$ 19,418
Net realized gain from investments	23,300	24,838
Net realized gain from foreign currency transactions	9	50
Net increase in the fair value of investments	26,851	147,134
Net increase in the translation of assets and liabilities in foreign currencies	861	1,694
	<b>61,936</b>	<b>193,134</b>
<b>Net increase in net assets from operations</b>		
<b>Distributions to unitholders</b>		
Investment income, net	(10,910)	(19,395)
<b>Unit transactions</b>		
Proceeds from sale of units	309	53,188
Reinvestment of distributions	4,009	19,192
	4,318	72,380
Amount paid for repurchase of units	(39,586)	(117,039)
	<b>(35,268)</b>	<b>(44,659)</b>
<b>Net decrease in net assets from unit transactions</b>		
	15,758	129,080
<b>Increase in net assets</b>		
Net assets, beginning of period	2,342,931	2,229,609
	<b>\$ 2,358,689</b>	<b>\$ 2,358,689</b>
<b>Net assets, end of period</b>		
<b>Unit data</b>		
Units sold	24,614	4,467,429
Units issued from reinvestment of distributions	319,533	1,581,142
	344,147	6,048,571
Units repurchased	(3,154,707)	(9,485,776)
	<b>(2,810,560)</b>	<b>(3,437,205)</b>
<b>Net decrease in units</b>		

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Total Return Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this bond pool is to earn superior returns with low volatility by actively investing in the extended fixed income markets. Western Asset Management Company (Western) manages the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital US Universal index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded. Interest rate and credit default swap values are based on market values received from third parties or are determined by valuation models. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# Total Return Fixed Income Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Foreign Currency** – Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Option Contracts** - The IMB may purchase or write equity, bond, currency, or index option contracts that have recognized liquidity and are actively traded on major exchanges or are executed with major dealers. These option contracts give the purchaser of the contract the right to buy (call) or sell (put) the security, or settle cash for an index option, underlying the contract at an agreed upon price (strike price) during or at the conclusion of a specified period of time.

Premiums paid upon the purchase of an option contract are recorded as an asset and subsequently adjusted to market value. Upon exercising a purchased option, a gain is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums paid. If the option expires unexercised, a loss is recognized in the amount of the premiums paid for the option.

Premiums received when option contracts are written are recorded as a liability and subsequently adjusted to market value. If a written option contract expires unexercised, a gain is recorded equal to the amount of the premiums received. The difference between the premiums received and the amount paid to effect a closing transaction is also recorded as a gain or loss. When a written option is exercised, a loss is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums received.

Written option contracts are used to enhance investment returns and reduce portfolio convexity when implied volatility is high. Purchased option contracts are used to increase portfolio convexity when implied volatility is low, to implement certain yield curve strategies, or to hedge sector exposure.

When writing put options, there is risk that a loss may be incurred if the market price of the underlying instrument decreases and the option is exercised. This loss is determined by market conditions and cannot be specifically limited. The risk associated with writing call options is the loss of potential profit if the market price of the security increases and the option is exercised. Purchased put or call options bear the risk of loss of the premium paid if market conditions are not favorable to exercise the option. There may also be risk that the value of the option contract does not correlate perfectly with movements of the underlying instrument due to certain market distortions.

The IMB limits its exposure to credit risk by only buying or selling options traded on major exchanges, or executed with major dealers. There is a risk of the inability to enter into a closing transaction if a liquid secondary market does not exist. The IMB maintains sufficient levels of cash or cash equivalents to meet cash flow obligations.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value

# Total Return Fixed Income Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker for the fluctuations of the underlying securities or index. The IMB records the cash received or paid for the variation margin as a realized gain or loss.

Interest rate futures may be used to enhance portfolio yields, to hedge an existing position, or as an alternative investment of cash. Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Hedging risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Foreign Exchange Forward Contracts** - A foreign exchange forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. Western enters into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Interest Rate Swaps** – Interest rate swaps represent agreements between counterparties to exchange cash flows based on the difference between two interest rates, applied to a notional principal amount for a specified period. Interest rate swaps do not involve the exchange of principal between the parties. Interest is paid or received periodically.

**Credit Default Swaps** – Credit default swaps are agreements between counterparties to transfer the credit risk of referenced debt securities. The buyer of the credit default swap gains protection against a negative credit event such as a default or credit rating downgrade and the seller assumes the credit risk and is obligated to pay upon the occurrence of such an event.

**Asset-Backed Securities** – The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments.

# Total Return Fixed Income Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income of the Pool is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

# Total Return Fixed Income Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Commingled Funds	\$ -	\$ 887,984,058	\$ -	\$ 887,984,058
Corporate Issues	-	590,740,278	-	590,740,278
Regulated Investment Companies	-	586,120,687	-	586,120,687
U.S. Government Agency Issues	-	512,146,061	-	512,146,061
U.S. Treasury Issues	-	78,601,706	-	78,601,706
Securities Lending Collateral Funds	-	2,913,758	-	2,913,758
Futures	2,989,960	-	-	2,989,960
Preferred Securities	836,242	-	-	836,242
Convertible Securities	-	475,920	-	475,920
Foreign Exchange Forward Contracts	-	1,490,126	-	1,490,126
Interest Rate Swaps	-	(1,589,373)	-	(1,589,373)
Options	(9,034,944)	-	-	(9,034,944)
Total	<u>\$ (5,208,742)</u>	<u>\$ 2,658,883,221</u>	<u>\$ -</u>	<u>\$ 2,653,674,479</u>

### NOTE 4. SECURITIES LENDING

At September 30, 2009, the fair value of securities on loan was \$4,516,806, initial collateral received was \$4,637,080, and the fair value of reinvested collateral held was \$2,913,758. All of the collateral was received as cash and was invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool was \$1,703,359.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The

## Total Return Fixed Income Pool

### Notes to Financial Statements

#### NOTE 4. SECURITIES LENDING (Continued)

combined value of the holdings in the Collateral Fund and the Liquidating Fund was used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. The accumulated undistributed securities lending income at September 30, 2009 was \$433,322.

#### NOTE 5. FUTURES CONTRACTS

At September 30, 2009, open positions in futures contracts denominated in US dollars were as follows:

Expiration	Open Contracts		Position	Value at September 30, 2009	Value Upon Entering Contract	Cumulative Net Gain (Loss) Since Inception
Mar 2010	941	Euro 90 Day Future	Long	\$ 233,779,688	\$ 233,345,325	\$ 434,363
Jun 2010	448	Euro 90 Day Future	Long	110,913,600	110,644,800	268,800
Sep 2010	272	Euro 90 Day Future	Long	67,071,800	66,072,300	999,500
Dec 2009	744	US Treasury 2 Yr Note	Long	161,424,750	160,344,267	1,080,483
Dec 2009	1,435	US Treasury 10 Yr Note	Long	169,800,859	163,221,516	6,579,344
Dec 2009	(560)	Euro 90 Day Future	Short	(139,482,000)	(137,718,450)	(1,763,550)
Dec 2009	(1,712)	US Treasury 5 Yr Note	Short	(198,752,500)	(195,620,999)	(3,131,501)
Dec 2009	(218)	US T-Bond	Short	(26,459,750)	(24,262,500)	(2,197,250)
				\$ 378,296,447	\$ 376,026,259	\$ 2,270,189

At September 30, 2009, open positions in futures contracts denominated in foreign currencies are as follows:

Expiration	Open Contracts		Currency	Position	Value at September 30, 2009 Local Currency	Initial Value in Local Currency	September 30, 2009 Exchange Rate	Cumulative Net Gain (Loss) Since Inception
Dec 2009	827	Euro Bond Future	Euro	Long	100,794,760	100,281,900	1.46170	\$ 749,647
Dec 2009	(467)	Long Gilt Future	GBP	Short	(55,330,160)	(55,348,840)	1.59935	(29,876)
								\$ 719,771

At September 30, 2009, the Pool had pledged cash of \$4,237,757 to cover initial margin requirements on open futures contracts, and the net variation margin receivable of \$837,767, includes one day's settlement on open U.S. dollar futures contracts of \$117,996, and the cumulative margin due on open foreign currency denominated futures contracts of \$719,771.

#### NOTE 6. SWAPS

At September 30, 2009, open positions in interest rate swaps are as follows:

Counterparty	Notional Value	Maturity Date	Receiving			Paying			Fair Value
			Rate	Type	Base	Rate	Type	Base	
Greenwich Capital	\$ 10,560,000	12/18/2018	1.00%	Floating	3 mo. Libor	4.34%	Fixed	N/A	\$ (814,359)
Greenwich Capital	35,200,000	7/16/2019	1.00%	Floating	3 mo. Libor	3.64%	Fixed	N/A	(603,486)
Greenwich Capital	17,600,000	7/16/2039	1.00%	Floating	3 mo. Libor	4.09%	Fixed	N/A	526,378
CS First Boston	134,770,000	2/28/2014	1.00%	Floating	3 mo. Libor	2.75%	Fixed	N/A	(697,906)
	\$198,130,000								\$(1,589,373)

At September 30, 2009, the Pool had pledged cash of \$7,470,000 as collateral on open swap contracts.



# Total Return Fixed Income Pool

## Notes to Financial Statements

### NOTE 7. OPTION CONTRACTS

At September 30, 2009, open option contracts were as follows:

Type	Description	Maturity	Strike Price	Face	Premiums (Received)/Paid	Value at August 31, 2009
<i>Long Positions</i>						
Put	US Treasury Bond Option	11/20/2009	117.000	417	\$ 598,683	\$ 351,844
Put	Euro 90 Day Future Option	12/14/2009	99.375	140	24,955	14,875
Total Long Positions					623,638	366,719
<i>Short Positions</i>						
Call	US Treasury Option 10 Yr	11/20/2009	117.000	(621)	(579,393)	(1,348,734)
Call	Euro 90 Day Future Option	3/15/2010	99.000	(516)	(333,078)	(645,000)
Call	Euro 90 Day Future Option	3/15/2010	99.000	(191)	(118,515)	(238,750)
Call	Euro 90 Day Future Option	3/15/2010	99.375	(261)	(121,252)	(132,131)
Call	Swaption	10/3/2013	4.860	(224)	(1,356,410)	(1,994,976)
Call	Swaption	10/2/2013	4.965	(224)	(1,328,978)	(2,105,953)
Put	Euro 90 Day Future	12/14/2009	99.250	(140)	(11,795)	(7,000)
Put	Euro 90 Day Future Option	3/15/2010	98.875	(707)	(463,531)	(185,588)
Put	Euro 90 Day Future Option	3/15/2010	99.375	(261)	(151,814)	(132,131)
Put	Swaption	10/2/2013	4.965	(224)	(1,328,978)	(1,274,630)
Put	Swaption	10/3/2013	4.860	(224)	(1,356,410)	(1,336,770)
Total Short Positions					(7,150,154)	(9,401,663)
Total Option Contracts					\$ (6,526,516)	\$ (9,034,944)

A summary of the activity in short (written) option positions for the period ended September 30, 2009 is as follows:

	Puts		Calls	
	Number of Contracts	Premiums (Received)/Paid	Number of Contracts	Premiums (Received)/Paid
Options outstanding at June 30, 2009	(4,775)	\$ (4,118,647)	(3,126)	\$ (4,427,335)
Options written	(3,593)	(1,608,599)	(2,558)	(2,016,128)
Options closed	1,539	757,705	326	304,158
Options expired	5,273	1,657,012	3,321	2,301,680
Options outstanding at September 30, 2009	(1,556)	\$ (3,312,529)	(2,037)	\$ (3,837,625)

### NOTE 8. FOREIGN CURRENCY FORWARD CONTRACTS

At September 30, 2009, open foreign currency forward contracts were as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized appreciation (depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long/Hedge	Japanese Yen	8/4/2009	11/19/2009	2,696,608,000	\$ 30,127,467		\$ 28,511,699	\$ 1,615,768
Short/Hedge	Euro Currency Unit	8/4/2009	11/19/2009		7,747,824	5,386,673	7,873,466	(125,642)
					\$ 37,875,291		\$ 36,385,165	\$ 1,490,126



# Total Return Fixed Income Pool

## Notes to Financial Statements

### NOTE 9. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2009	\$ 11.90
Income from investment operations:	
Net investment income	0.10
Net realized and unrealized gain on investment transactions	0.93
Total from investment operations	1.03
Less distributions from net investment income	(0.10)
Net asset value at September 30, 2009	\$ 12.83
<b>Time-weighted Total Return *</b>	8.7%
<b>Supplemental Data:</b>	
Net assets, end of period (\$000's)	\$ 2,358,689
Ratio to average net assets:	
Expenses **	0.23%
Net investment income **	3.34%
Portfolio turnover rate	15.91%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 10. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 866,056,940
Teachers' Retirement System	751,742,530
Workers' Compensation Old Fund	184,588,116
Retiree Health Benefit Trust	131,300,179
State Police Death, Disability and Retirement Fund	97,470,413
Coal Workers' Pneumoconiosis Fund	83,557,168
Public Employees' Insurance Agency	51,498,697
Board of Risk and Insurance Management	43,844,814
Revenue Shortfall Reserve Fund B	33,498,904
Prepaid Tuition Trust Fund	25,417,762
Judges' Retirement System	23,914,324
Deputy Sheriff's Retirement System	21,192,929
Revenue Shortfall Reserve Fund	19,984,112
State Police Retirement System	11,147,302
Wildlife Endowment Fund	8,624,834
Emergency Medical Services Retirement System	4,850,206
Total	\$ 2,358,689,230



**Financial Statements - Unaudited**

**September 30, 2009**



# Core Fixed Income Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	8
Statement of Changes in Net Assets	9
Notes to Financial Statements	10

# Core Fixed Income Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	574,382
Receivables:		
Accrued interest		3,838
Investments sold		1,852
Dividends		<u>7</u>
<b>Total assets</b>		<b>580,079</b>

### Liabilities

Accrued expenses		299
Dividends payable		2,480
Payable for investments purchased		<u>10,410</u>
<b>Total liabilities</b>		<b><u>13,189</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>566,890</u></u></b>

### Analysis of net assets

Paid-in capital	\$	552,514
Accumulated undistributed net realized gain from investments		24
Unrealized net appreciation of investments		<u>14,352</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>566,890</u></u></b>

### Unit data

Units outstanding		54,992,411
Net asset value, unit price	\$	<u><u>10.31</u></u>

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	4.630	1.226	07/31/2012	2,500	\$ 2,736	\$ 2,730
United States Treasury	0.000	1.623	08/15/2012	4,000	3,819	3,842
United States Treasury	3.880	1.670	02/15/2013	300	322	322
United States Treasury	0.000	2.177	02/15/2013	200	186	189
United States Treasury	0.000	2.796	02/15/2014	4,100	3,631	3,717
United States Treasury	1.880	2.255	02/28/2014	1,000	984	992
United States Treasury	0.000	2.283	05/15/2014	7,100	6,393	6,378
United States Treasury	0.000	2.343	08/15/2014	3,000	2,678	2,669
United States Treasury	0.000	2.361	11/15/2014	750	665	660
United States Treasury	0.000	2.704	02/15/2015	150	130	130
United States Treasury	9.880	2.377	11/15/2015	3,100	4,417	4,354
United States Treasury	0.000	3.331	08/15/2016	4,800	3,825	3,858
United States Treasury	7.500	3.056	11/15/2016	9,900	12,696	12,766
United States Treasury	4.630	3.056	02/15/2017	6,500	7,169	7,198
United States Treasury	0.000	3.562	02/15/2017	5,150	3,969	4,033
United States Treasury	8.750	3.113	05/15/2017	6,150	8,486	8,522
United States Treasury	8.880	3.249	08/15/2017	8,750	12,144	12,258
United States Treasury	4.750	3.245	08/15/2017	1,500	1,656	1,672
United States Treasury	0.000	3.479	11/15/2017	6,250	4,722	4,711
United States Treasury	0.000	3.532	02/15/2018	500	373	372
United States Treasury	0.000	4.018	05/15/2020	2,450	1,605	1,632
United States Treasury	8.750	3.735	08/15/2020	3,250	4,695	4,765
United States Treasury	0.000	3.855	08/15/2020	4,500	2,971	2,958
United States Treasury	0.000	4.258	11/15/2020	400	250	259
United States Treasury	0.000	4.230	02/15/2021	200	124	128
United States Treasury	0.000	4.119	02/15/2022	300	181	181
United States Treasury	0.000	4.551	05/15/2024	400	207	215
United States Treasury	6.630	3.797	02/15/2027	500	679	663
United States Treasury	6.380	4.144	08/15/2027	150	192	195
United States Treasury	6.130	4.210	11/15/2027	50	62	64
United States Treasury	5.380	4.312	02/15/2031	1,000	1,146	1,189
United States Treasury	0.000	4.591	05/15/2036	200	60	65
United States Treasury Strip	0.000	4.006	05/15/2020	4,500	2,953	3,006
Total U. S. Treasury Issues - 17.1%					96,126	96,693
<b><u>U. S. Government Agency Issues</u></b>						
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Mortgage Pools	6.252	5.460	12/18/2033	74,081	77,983	78,563
FNMA Mortgage Pools	6.146	5.275	06/01/2032	76,913	81,342	82,068
GNMA Mortgage Pools	6.919	6.176	05/10/2036	2,342	2,529	2,520
<i>Total U. S. Government Agency MBS</i>					161,854	163,151
<i>U. S. Government Agency CMO (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Issues	7.663	7.906	09/14/2033	70,976	45,421	47,363
FNMA Issues	7.077	7.028	03/16/2032	112,094	88,824	91,763
GNMA Issues	10.335	7.694	09/11/2033	103,539	25,094	26,834
<i>Total U. S. Government Agency CMO</i>					159,339	165,960
Total U. S. Government Agency Issues - 58.1%					321,193	329,111
<b><u>Corporate Issues</u></b>						
<i>Corporate Bonds</i>						
Allied Waste North America	6.880	6.978	06/17/2015	250	249	264
American Express Credit Co	7.300	4.692	08/20/2013	600	655	665
Ameritech Capital Funding	6.450	5.178	01/15/2018	70	76	75
Amgen Inc	5.700	5.035	02/01/2019	210	220	231
Anadarko Petroleum Corp	8.700	8.251	03/15/2019	300	308	359
Anadarko Petroleum Corp	6.950	5.869	06/15/2019	285	307	318
Anheuser- Busch	7.200	4.539	01/15/2014	300	331	338
Anheuser- Busch	7.750	6.532	01/15/2019	175	190	207
Appalachian Power Company	5.950	6.624	05/15/2033	250	230	252
Arrow Electronics Inc	6.880	6.098	07/01/2013	215	221	232
Arrow Electronics Inc	6.880	5.965	06/01/2018	235	249	250

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Associates Corp NA	6.950	9.356	11/01/2018	350	298	342
AT&T Corp	8.000	6.174	11/15/2031	1,000	1,219	1,246
AT&T Corp Wireless Services	7.880	2.894	03/01/2011	500	534	543
AT&T Inc	4.950	3.716	01/15/2013	175	182	187
AT&T Inc	5.600	5.809	05/15/2018	365	360	384
AT&T Inc	6.300	7.669	01/15/2038	300	253	314
Atmos Energy Corp	8.500	8.529	03/15/2019	150	150	185
Bank of America Corp	5.500	5.648	06/14/2012	2,000	1,993	2,058
Bank of America Corp	7.380	7.510	05/15/2014	600	597	668
Bank of America Corp	5.130	8.762	11/15/2014	300	256	307
Bank of America Corp	6.500	6.545	08/01/2016	500	499	526
Bank of America Corp	7.630	7.715	06/01/2019	210	208	237
Bank of New York Co Inc	5.130	3.868	08/27/2013	350	366	378
Barclays Bank PLC	5.200	5.227	07/10/2014	400	400	423
BB&T Corp	4.900	5.999	06/30/2017	800	746	787
BB&T Corporation	3.850	3.851	07/27/2012	175	175	181
BB&T Corporation	3.380	3.399	09/25/2013	340	340	341
BB&T Corporation	6.850	7.048	04/30/2019	225	222	252
BellSouth Corporation	5.200	4.342	09/15/2014	300	311	325
Berkshire Hathaway Fin	4.000	4.082	04/15/2012	600	599	629
Berkshire Hathaway Fin	4.600	4.335	05/15/2013	100	101	106
BHP Billiton Financial USA	5.500	5.577	04/01/2014	200	199	221
Boeing Company	5.130	4.019	02/15/2013	100	103	108
BP Capital Markets PLC	3.130	3.127	03/10/2012	250	250	258
BP Capital Markets PLC	3.630	3.625	05/08/2014	100	100	103
British Telecom PLC	9.130	6.000	12/15/2010	260	269	280
Bunge Limited Finance Co	5.880	6.484	05/15/2013	50	49	52
Bunge Limited Finance Co	8.500	8.120	06/15/2019	218	223	251
Bunge NA Finance LP	5.900	7.617	04/01/2017	54	49	53
Burlington Northern Santa Fe	5.900	4.746	07/01/2012	150	154	163
Burlington Northern Santa Fe	4.700	4.722	10/01/2019	350	349	354
Burlington Northern Santa Fe	7.290	6.510	06/01/2036	80	88	97
C & P Telephone	7.150	7.864	05/01/2023	400	376	410
Capital One Bank USA NA	6.500	10.704	06/13/2013	100	87	107
Capital One Financial Corp	7.380	5.321	05/23/2014	295	320	329
Capital One Financial Corp	5.500	10.399	06/01/2015	200	159	207
Capital One Financial Corp	6.750	5.613	09/15/2017	625	670	663
Cargill Inc	6.380	3.633	06/01/2012	100	107	109
Cargill Inc	7.350	5.427	03/06/2019	250	285	289
Carolina Power & Light	5.300	4.589	01/15/2019	200	211	217
Caterpillar Financial Services	5.850	4.776	09/01/2017	520	556	559
Caterpillar Financial Services	7.150	6.131	02/15/2019	395	422	458
Centovus Energy Inc	5.700	5.710	10/15/2019	165	165	169
Centerpoint Ener Houston	5.750	5.100	01/15/2014	185	190	200
Centerpoint Ener Houston	7.000	5.151	03/01/2014	185	198	210
Cisco Systems Inc	5.500	4.491	02/22/2016	210	222	231
Cisco Systems Inc	5.900	6.273	02/15/2039	210	200	227
Citigroup Inc	5.250	7.887	02/27/2012	200	189	205
Citigroup Inc	5.500	7.166	04/11/2013	600	569	614
Citigroup Inc	6.380	6.536	08/12/2014	295	293	305
Citigroup Inc	5.500	5.615	10/15/2014	300	298	300
Citigroup Inc	6.000	9.072	08/15/2017	190	158	187
Citigroup Inc	6.130	8.449	11/21/2017	300	260	298
Citigroup Inc	8.500	8.765	05/22/2019	265	260	299
Citigroup Inc	8.130	8.310	07/15/2039	350	343	392
Cleveland Electric Illum	7.880	5.053	11/01/2017	300	356	362
Cleveland Electric Illum	8.880	7.005	11/15/2018	225	253	285
Coca-Cola Company	3.630	3.725	03/15/2014	100	100	104
Coca-Cola Company	4.880	4.993	03/15/2019	100	99	106
Columbus Southern Power	6.050	6.649	05/01/2018	205	197	222
Comcast Cable Comm Holdings	9.460	8.128	11/15/2022	500	553	643
Comcast Corp	5.900	5.728	03/15/2016	350	353	376
Comcast Corp	6.500	5.409	01/15/2017	200	213	220
ConocoPhillips	5.750	5.911	02/01/2019	100	99	108
Cox Communications Inc	5.450	3.845	12/15/2014	225	242	242

A - Adjustable rate security.

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Credit Suisse FB USA Inc	5.130	5.058	01/15/2014	155	155	164
Credit Suisse FB USA Inc	4.880	6.376	01/15/2015	250	233	262
Credit Suisse FB USA Inc	5.130	4.005	08/15/2015	525	555	554
Credit Suisse New York	3.450	3.496	07/02/2012	200	200	204
Credit Suisse New York	5.500	5.524	05/01/2014	170	170	183
Credit Suisse USA Inc	5.850	6.720	08/16/2016	200	191	215
CSX Corp	6.300	4.952	03/15/2012	100	103	109
CSX Corp	6.250	5.299	03/15/2018	200	213	217
CSX Corp	7.380	6.722	02/01/2019	200	209	235
Daimler Finance NA Holdings	6.500	7.740	11/15/2013	275	263	293
Deutsche Bank AG London	3.880	3.962	08/18/2014	305	304	309
Deutsche Telekom Int Fin	6.000	5.648	07/08/2019	635	651	681
Diageo Capital PLC	7.380	3.318	01/15/2014	402	467	466
Dow Chemical Company	4.850	4.855	08/15/2012	235	235	243
Duke Energy Ohio Inc	5.450	5.008	04/01/2019	395	408	428
Encana Corp	6.500	5.141	05/15/2019	500	551	555
EOG Resources Inc	5.630	5.356	06/01/2019	200	204	219
FirstEnergy Corp	7.380	6.270	11/15/2031	90	102	101
FPL Group Capital Inc	6.000	6.006	03/01/2019	125	125	140
France Telecom	4.380	3.419	07/08/2014	400	417	419
General Electric Capital Corp	0.650	3.461	04/10/2012	500	466	482
General Electric Capital Corp	5.250	4.913	10/19/2012	800	808	846
General Electric Capital Corp	5.900	5.926	05/13/2014	1,500	1,498	1,608
General Electric Capital Corp	5.630	7.254	09/15/2017	200	181	203
General Electric Capital Corp	5.630	8.002	05/01/2018	250	214	249
General Electric Capital Corp	6.000	6.015	08/07/2019	105	105	107
General Electric Capital Corp	5.880	8.520	01/14/2038	200	144	183
General Electric Company	5.250	5.983	12/06/2017	305	291	313
General Mills Inc	5.200	4.836	03/17/2015	100	102	108
Georgia Power Company	5.250	5.030	12/15/2015	200	202	216
Glaxosmithkline Cap Inc	4.380	3.625	04/15/2014	215	222	228
Goldman Sachs	3.630	3.652	08/01/2012	300	300	308
Goldman Sachs	7.500	6.926	02/15/2019	575	597	658
Goldman Sachs Group Inc	4.750	7.235	07/15/2013	200	184	209
Goldman Sachs Group Inc	5.150	5.113	01/15/2014	415	416	436
Goldman Sachs Group Inc	5.750	5.226	10/01/2016	50	52	52
Goldman Sachs Group Inc	6.250	7.134	09/01/2017	290	275	307
Goldman Sachs Group Inc	6.150	7.286	04/01/2018	235	218	247
GTE Corporation	8.750	5.975	11/01/2021	250	309	305
Halliburton Company	7.450	7.646	09/15/2039	100	98	127
Hewlett-Packard Company	2.950	2.956	08/15/2012	225	225	231
Hewlett-Packard Company	5.400	4.620	03/01/2017	280	294	305
Historic Time Warner Inc	9.150	6.368	02/01/2023	945	1,179	1,187
Home Depot Inc	5.400	5.912	03/01/2016	500	486	523
Household Finance Corporation	4.750	7.304	07/15/2013	17	16	17
HRPT Properties Trust	6.650	10.261	01/15/2018	375	301	343
HSBC Finance Corp	0.530	7.473	01/15/2014	500	376	460
HSBC Finance Corp	5.000	9.339	06/30/2015	300	243	301
International Business Machs	7.630	5.057	10/15/2018	330	391	406
Jefferies Group Inc	7.750	25.463	03/15/2012	340	235	365
Jefferies Group Inc	6.450	8.192	06/08/2027	330	277	277
John Deere Capital Corp	5.250	5.329	10/01/2012	225	225	243
John Deere Capital Corp	5.750	4.607	09/10/2018	233	252	254
Kellogg Company	4.250	3.896	03/06/2013	100	101	105
Kimberly Clark Corporation	7.500	4.845	11/01/2018	250	298	311
Kohl's Corporation	6.250	5.839	12/15/2017	90	92	98
Kraft Foods Inc	6.750	4.586	02/19/2014	250	271	279
Kraft Foods Inc	6.130	5.169	08/23/2018	435	464	461
Kroger Co	7.500	4.288	01/15/2014	50	56	58
Kroger Co	6.400	6.119	08/15/2017	100	102	111
Lilly Eli and Company	3.550	3.578	03/06/2013	100	100	105
Lockheed Martin Corp	7.750	6.031	05/01/2026	95	112	122
Manuf & Traders Trust Co	6.630	7.668	12/04/2017	465	436	477
Marathon Oil Corp	7.500	5.509	02/15/2019	215	246	248
Marshall & Ilsley Corp	5.350	9.819	04/01/2011	215	202	208

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Mass Mutual Global Funding	3.630	3.652	07/16/2012	150	150	155
Merrill Lynch & Company Inc	6.150	8.809	04/25/2013	341	314	361
Met Life Global Funding I	2.880	2.975	09/17/2012	500	499	498
Met Life Global Funding I	5.130	5.006	04/10/2013	300	301	311
Monsanto Company	5.130	5.008	04/15/2018	160	161	170
Morgan Stanley	6.000	5.915	05/13/2014	375	376	399
Morgan Stanley	5.630	5.680	09/23/2019	510	508	501
Morgan Stanley Dean Witter Co	6.250	7.609	08/28/2017	430	395	448
Morgan Stanley Dean Witter Co	6.630	6.270	04/01/2018	400	409	423
Morgan Stanley Mortgage Loan	4.750	8.248	04/01/2014	250	218	248
National City Bank	5.800	5.680	06/07/2017	850	856	849
National Rural Utilities	2.630	2.671	09/16/2012	60	60	60
National Rural Utilities	10.380	8.107	11/01/2018	100	114	132
New York Global Life Fdg	4.650	3.682	05/09/2013	285	294	300
News America Holdings Inc	8.880	9.297	04/26/2023	250	242	285
News America Inc	7.250	5.514	05/18/2018	64	72	71
News America Inc	7.300	7.225	04/30/2028	250	252	256
Niagara Mohawk Power	4.880	4.881	08/15/2019	100	100	102
NiSource Finance Corp	10.750	7.509	03/15/2016	460	535	541
Northern Trust Corp	5.500	4.130	08/15/2013	102	107	112
Northrop Grumman Corp	7.750	5.091	03/01/2016	195	223	236
Oracle Corporation	5.750	5.177	04/15/2018	250	260	275
Oracle Corporation	5.000	4.688	07/08/2019	400	410	422
Pacific Life Global Funding	5.150	5.631	04/15/2013	100	98	105
PACIFICORP	5.500	4.874	01/15/2019	350	366	380
Pepsico Inc	7.900	4.574	11/01/2018	315	392	398
Petro-Canada	6.050	5.704	05/15/2018	245	251	257
Petro-Canada	6.800	6.466	05/15/2038	225	235	240
PG&E Corp	5.750	5.875	04/01/2014	150	149	164
PNC Funding Corp	5.250	7.406	11/15/2015	200	179	205
Praxair Inc	3.950	3.652	06/01/2013	130	131	136
Praxair Inc	4.380	4.446	03/31/2014	200	199	212
Pricoa Global Funding	5.450	5.499	06/11/2014	350	349	369
Principal Life Global	6.250	7.272	02/15/2012	600	587	628
Principal Life Global	5.050	8.354	03/15/2015	500	429	488
Progress Energy Inc	6.050	6.115	03/15/2014	150	150	165
PSEG Power LLC	7.750	2.572	04/15/2011	396	427	428
Sempra Energy	8.900	6.589	11/15/2013	200	216	234
Sempra Energy	6.500	6.539	06/01/2016	100	100	111
Sempra Energy	9.800	7.451	02/15/2019	150	173	192
Shell International Fin	4.000	4.006	03/21/2014	500	500	525
Shell International Fin	4.300	4.343	09/22/2019	285	284	286
Shell International Fin	6.380	6.026	12/15/2038	140	147	166
Simon Property Group Inc	6.750	6.403	05/15/2014	140	142	150
Simon Property Group Inc	5.630	4.874	08/15/2014	50	52	52
Simon Property Group Inc	6.100	9.051	05/01/2016	325	278	334
Southern Cal Edison	4.150	4.153	09/15/2014	100	100	104
Southern Cal Edison	6.050	6.110	03/15/2039	250	248	288
Southern Company	4.150	4.173	05/15/2014	100	100	103
Spectra Energy	6.200	6.993	04/15/2018	245	233	261
Spectra Energy Capital	6.750	8.473	07/15/2018	160	143	173
Staples Inc	9.750	7.024	01/15/2014	220	242	264
State Street Corp	4.300	4.321	05/30/2014	300	300	315
Talisman Energy Inc	7.750	7.809	06/01/2019	30	30	35
TCI Communications Inc	7.880	7.698	02/15/2026	100	102	117
Telecom Italia Capital	4.950	4.108	09/30/2014	625	649	647
Telecom Italia Capital	7.000	8.462	06/04/2018	100	91	111
Telefonica Eisiones SAU	5.860	3.741	02/04/2013	200	213	218
Telefonica Eisiones SAU	6.220	5.862	07/03/2017	150	153	166
Telefonica Eisiones SAU	5.880	5.877	07/15/2019	50	50	54
Tennessee Valley Authority	5.250	5.275	09/15/2039	98	98	103
Thomson Corporation	4.700	4.744	10/15/2019	150	149	150
Time Warner Cable Inc	8.250	5.583	02/14/2014	380	419	443
TransCanada Pipe	7.630	7.632	01/15/2039	50	50	64
Trans-Canada Pipelines	6.500	6.574	08/15/2018	250	249	282

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued) September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Union Pacific Corp	6.500	2.457	04/15/2012	300	330	331
Union Pacific Corp	7.880	6.065	01/15/2019	160	180	198
United Mexican States	6.380	3.627	01/16/2013	630	683	691
UNP RR CO 2003 PASS TRUST	4.700	7.947	01/02/2024	90	85	87
Verizon Communications	5.500	6.008	02/15/2018	100	97	105
Verizon Communications	7.350	7.564	04/01/2039	400	390	474
Verizon Florida LLC	6.130	5.835	01/15/2013	275	277	294
Verizon Virginia Inc	4.630	4.968	03/15/2013	375	371	390
Viacom Inc	6.250	7.799	04/30/2016	145	134	156
Virginia Electric & Power Co	5.400	4.990	04/30/2018	490	504	524
Vodafone Group	5.750	6.019	03/15/2016	200	197	214
Wachovia Bank NA	0.630	2.848	03/15/2016	850	738	757
Wachovia Corp	5.300	3.203	10/15/2011	345	359	366
Wachovia Corp	5.500	5.860	05/01/2013	950	939	1,016
Wachovia Corp	5.750	5.312	06/15/2017	425	437	449
Wachovia Corp	5.750	6.830	02/01/2018	400	373	423
Wal-Mart Stores	5.250	5.736	09/01/2035	425	392	425
Waste Management Inc	7.380	7.011	03/11/2019	60	61	70
WEA Finance/WT Fin Aust	6.750	6.933	09/02/2019	148	146	150
WellPoint Inc	5.880	6.710	06/15/2017	200	190	211
Wells Fargo & Company	3.750	3.786	10/01/2014	390	389	388
Wells Fargo & Company	5.000	7.000	11/15/2014	100	92	104
Wells Fargo & Company	5.630	7.025	12/11/2017	225	206	236
XTO Energy Inc	6.250	4.955	08/01/2017	326	353	352
<i>Total Corporate Bonds</i>					67,331	71,576
<i>Corporate Asset Backed Issues</i>						
Ally Auto Receivables Trust	2.330	2.347	09/15/2012	500	500	496
Bank of America Auto Trust	2.670	2.691	07/15/2013	600	600	606
Bank of America Auto Trust	2.130	2.140	09/16/2013	650	650	651
Bank of America Auto Trust	3.520	3.555	06/15/2016	200	200	204
Chrysler Financial Auto Sec	2.820	2.842	01/15/2016	250	250	255
CNH Equipment Trust	5.280	5.342	11/15/2012	250	250	263
CNH Equipment Trust	2.970	2.996	03/15/2013	200	200	203
Ford Credit Auto Owner Trust	2.790	2.810	08/15/2013	400	400	408
Ford Credit Auto Owner Trust	4.500	4.547	07/15/2014	300	300	315
Honda Auto Receivables Trust	2.310	2.329	05/15/2013	200	200	203
Honda Auto Receivables Trust	3.300	3.329	09/15/2015	250	250	252
John Deere Owner Trust	2.590	2.612	10/15/2013	300	300	305
Residential Accredit Loans	16.110	16.597	10/25/2017	390	391	427
World Omni Auto Receivable	3.330	3.363	05/15/2013	365	365	373
<i>Total Corporate Asset Backed Issues</i>					4,856	4,961
<i>Corporate CMO</i>						
ASG Resecuritization Trust	5.840 A	9.260	05/24/2036	1,809	1,674	1,737
ASG Resecuritization Trust	5.590	9.709	03/26/2037	2,351	2,164	2,198
ASG Resecuritization Trust	5.620 A	16.799	06/26/2037	1,610	1,280	1,545
ASG Resecuritization Trust	6.000	9.545	06/28/2037	1,907	1,816	1,811
Banc of Amer Altern Loan Trust	5.500	6.977	02/25/2019	759	719	726
Banc of Amer Altern Loan Trust	5.500	5.567	09/25/2019	472	470	475
Banc of Amer Altern Loan Trust	5.500	7.249	09/25/2033	431	383	399
Banc of Amer Altern Loan Trust	5.500	5.686	11/25/2033	679	674	677
Banc of Amer Altern Loan Trust	6.000	6.371	01/25/2034	430	417	410
Banc of Amer Altern Loan Trust	6.000	6.673	01/25/2034	747	720	714
Banc of America Commercial Mtg	5.370	10.516	09/10/2045	660	514	610
Banc of America Funding Corp	5.500	4.535	10/25/2034	896	901	882
Banc of America Mortgage Sec	6.500	6.737	09/25/2032	459	455	461
Banc of America Mortgage Sec	4.500	4.374	04/25/2034	1,346	1,332	1,344
Bank of America Corp	5.750	7.161	09/20/2034	733	646	656
BCAP LLC Trust	5.500	7.118	11/26/2034	1,549	1,439	1,439
BCAP LLC Trust	5.750	6.038	06/26/2037	2,015	1,990	1,990
Bear Stearns Commercial Mtg	5.540	9.695	10/12/2041	300	240	286
Chase Funding Mortgage Loan	4.280	6.642	11/25/2034	1,009	881	868
Chase Mortgage Finance Corp	4.050	5.742	07/25/2037	824	763	753
Citicorp Mortgage Securities	5.250	5.196	05/25/2034	495	494	494

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

September 30, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Citigroup Mortgage Loan Trust	5.250	7.433	10/25/2033	1,158	953	956
Citigroup Mortgage Loan Trust	6.000	8.652	06/25/2036	996	907	906
Commercial Mortgage Pass-Thru	4.980	9.224	05/10/2043	1,000	836	992
Countrywide Home Loans	4.500	5.301	06/25/2019	1,122	1,088	1,105
Countrywide Home Loans	5.250	5.253	09/25/2033	1,000	997	1,005
CS First Boston Mortgage	18.160	19.355	06/25/2035	375	366	392
First Horizon Mortgage Ps Thru	4.500	4.461	09/25/2018	1,450	1,449	1,443
GMAC Commercial Mortgage Sec.	5.240	0.000	11/10/2045	1,810	1,810	1,660
GMAC Mortgage Corp Loan Trust	4.280 A	6.585	10/19/2033	1,457	1,395	1,386
GS Mortgage Securities Corp	5.550	9.276	04/10/2038	1,000	833	903
GSMPs Mortgage Loan Trust	0.600	7.775	03/25/2035	733	458	514
Household Home Equity Loan Tst	0.520	4.939	01/20/2035	297	253	267
Household Home Equity Loan Tst	0.410	4.435	01/20/2036	650	546	551
Household Home Equity Loan Tst	5.600	5.191	03/20/2036	750	757	759
Household Home Equity Loan Tst	1.450	4.112	11/20/2036	427	361	355
IMPAC Secured Assets Corp	5.500	6.642	08/25/2033	1,013	950	969
JP Morgan Chase Commercial Mtg	5.400	9.292	05/15/2045	950	774	847
JPMorgan Mortgage Trust	4.060 A	5.029	08/25/2034	2,978	2,837	2,869
LB-UBS Commercial Mortgage Tst	5.160	7.515	01/15/2016	300	269	282
Master Adjustable Rate Mtgage	3.110 A	5.723	11/21/2034	500	475	482
Master Reperforming Loan Trust	0.600	6.927	05/25/2035	999	659	688
Master Resecuritization Trust	13.630	13.625	05/28/2035	872	471	503
MASTR Asset Securitization	5.500	7.874	09/25/2033	363	320	362
Morgan Stanley Capital Inc	1.000 A	4.814	01/25/2035	372	311	309
Morgan Stanley Mortgage Loan	5.500	5.737	08/25/2034	6,837	831	846
Residential Accredit Loans	5.750	6.508	10/25/2033	777	727	732
Residential Accredit Loans	5.500	14.346	05/25/2034	1,340	928	869
Salomon Brothers Mortgage Sec	3.450	10.991	04/25/2032	431	358	351
Structured Asset Mortgage Inv	0.000	5.974	07/25/2032	298	196	223
Structured Asset Sec Corp	0.750	6.510	06/25/2033	1,470	1,307	1,336
Structured Asset Securities	5.000	11.022	05/25/2035	427	327	412
Structured Asset Securities	13.410	15.866	05/25/2035	289	279	286
Thornburg Mtg Securities Trust	0.570	0.000	09/25/2043	265	228	235
TIAA Seasoned Commercial Mtg	6.070	5.531	08/15/2039	2,500	2,538	2,596
Vendee Mortgage Trust	6.750	5.507	06/15/2026	928	981	992
Wachovia Bank Comm Mtg Trust	5.930 A	8.278	05/15/2043	1,440	1,282	1,384
Washington Mutual Mortgage	5.500	5.567	08/25/2019	869	866	859
Washington Mutual Mortgage	0.000	14.088	07/25/2033	395	262	290
Washington Mutual Mortgage	16.370	16.037	11/25/2033	1,057	1,075	1,103
Washington Mutual Mortgage	3.140 A	5.469	06/25/2034	393	364	372
Washington Mutual Mortgage	4.210 A	6.429	01/25/2035	2,338	2,161	2,236
Washington Mutual Mortgage	5.500	5.744	05/25/2035	912	91	131
Wells Fargo Mortgage Backed	4.750	4.649	12/25/2018	2,560	2,568	2,579
Wells Fargo Mortgage Backed	3.070 A	5.230	09/25/2034	763	715	724
Wells Fargo Mortgage Backed	3.410 A	6.288	10/25/2034	585	534	564
Wells Fargo Mortgage Backed	3.300 A	5.897	12/25/2034	811	755	781
Wells Fargo Mortgage Backed	4.220 A	12.761	12/25/2034	677	595	657
Wells Fargo Mortgage Backed	3.300 A	5.292	12/25/2034	811	766	781
Wells Fargo Mortgage Backed	4.220 A	6.099	12/25/2034	677	660	648
Wells Fargo Mortgage Backed	3.830 A	7.286	06/25/2035	824	764	755
<i>Total Corporate CMO</i>					62,205	63,722
Total Corporate Issues - 24.7%					134,392	140,259
<b>Short-term Issues</b>						
Dreyfus Cash Management				8,319,208	8,319	8,319
Total Short-term Issues - 1.5%					8,319	8,319
Total Investment Securities - 101.4%					\$ 560,030	\$ 574,382

A - Adjustable rate security.

See accompanying notes to financial statements.

## Core Fixed Income Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 3,110	\$ 8,559
Dividend	7	27
Net amortization	(571)	(1,645)
	<hr/>	<hr/>
<b>Total investment income</b>	2,546	6,941
<b>Expenses</b>		
Investment advisor fees	(38)	(273)
Trustee fees	-	(1)
Custodian bank fees	(3)	(9)
Management fees	(20)	(56)
Fiduciary bond fees	(1)	(1)
Professional service fees	(4)	(11)
	<hr/>	<hr/>
<b>Total expenses</b>	(66)	(351)
<b>Investment income, net</b>	2,480	6,590
<b>Unrealized gain from investments</b>		
Net increase in the fair value of investments	<hr/> 3,289	<hr/> 12,765
<b>Net gain from investments</b>	<hr/> 3,289	<hr/> 12,765
<b>Net increase in net assets from operations</b>	<u>\$ 5,769</u>	<u>\$ 19,355</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Core Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,480	\$ 6,590
Net increase in the fair value of investments	3,289	12,765
<b>Net increase in net assets from operations</b>	5,769	19,355
<b>Distributions to unitholders</b>		
Investment income, net	(2,480)	(6,590)
<b>Unit transactions</b>		
Proceeds from sale of units	60,404	153,117
Reinvestment of distributions	1,577	6,137
	61,981	159,254
Amount paid for repurchase of units	-	(12)
<b>Net increase in net assets from unit transactions</b>	61,981	159,242
<b>Increase in net assets</b>	65,270	172,007
Net assets, beginning of period	501,620	394,883
<b>Net assets, end of period</b>	\$ 566,890	\$ 566,890
<b>Unit data</b>		
Units sold	5,893,734	15,077,748
Units issued from reinvestment of distributions	153,909	605,418
	6,047,643	15,683,166
Units repurchased	-	(1,136)
<b>Net increase in units</b>	6,047,643	15,682,030

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Core Fixed Income Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The Core Fixed Income pool (Pool) began operations on March 2, 2009.

The accompanying financial statements reflect only the investments and investment related operations of the Pool. They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this core bond pool is to generate investment income, provide stability and diversification, but not at the expense of total return. JP Morgan Investment Advisors, Inc. manages this pool. This pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital US Aggregate index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.



# Core Fixed Income Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Asset-Backed Securities** – The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).



# Core Fixed Income Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 8,319,208	\$ -	\$ 8,319,208
U.S. Government Agency Issues	-	329,110,436	-	329,110,436
U.S. Treasury Issues	-	96,693,120	-	96,693,120
Corporate Issues	-	140,259,565	-	140,259,565
Total	<u>\$ -</u>	<u>\$ 574,382,329</u>	<u>\$ -</u>	<u>\$ 574,382,329</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 10.05
Income from investment operations:	
Net investment income	0.13
Net realized and unrealized gain on investment transactions	<u>0.26</u>
Total from investment operations	0.39
Less distributions from net investment income	<u>(0.13)</u>
Net asset value at September 30, 2009	<u>\$ 10.31</u>

**Time-weighted Total Return \*** 4.0%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 566,890
Ratio to average net assets:	
Expenses **	0.29%
Net investment income **	5.52%
Portfolio turnover rate	2.99%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# Core Fixed Income Pool

---

## Notes to Financial Statements

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	128,731,267
Teachers' Retirement System	111,664,510
Workers' Compensation Old Fund	101,695,224
Retiree Health Benefit Trust	72,356,519
Coal Workers' Pneumoconiosis Fund	46,710,615
Public Employees' Insurance Agency	28,487,700
Board of Risk and Insurance Management	24,165,051
Revenue Shortfall Reserve Fund B	18,355,348
State Police Death, Disability and Retirement Fund	14,280,125
Revenue Shortfall Reserve Fund	6,227,794
Prepaid Tuition Trust Fund	3,811,295
Judges' Retirement System	3,502,910
Deputy Sheriff's Retirement System	3,115,290
State Police Retirement System	1,812,974
Wildlife Endowment Fund	1,262,848
Emergency Medical Services Retirement System	710,517
Total	<u>\$ 566,889,987</u>

**Financial Statements - Unaudited**

**September 30, 2009**



# TRS Annuity Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# TRS Annuity Pool

---

## Statement of Assets and Liabilities - Unaudited

September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	201,135
-------------------------------------	----	---------

### Liabilities

Accrued expenses		<u>18</u>
------------------	--	-----------

<b>Net assets</b>	<b>\$</b>	<b><u>201,117</u></b>
-------------------	-----------	-----------------------

### Analysis of net assets

Paid-in capital	\$	193,320
-----------------	----	---------

Accumulated undistributed net investment income		<u>7,797</u>
---	--	--------------

<b>Net assets</b>	<b>\$</b>	<b><u>201,117</u></b>
-------------------	-----------	-----------------------

### Unit data

Units outstanding		19,422,041
-------------------	--	------------

Net asset value, unit price	\$	<u>10.36</u>
-----------------------------	----	--------------

See accompanying notes to financial statements.

# TRS Annuity Pool

---

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<u>Annuity Contract</u>			
Variable Annuity Life Insurance Company	200,408,245	\$ 201,135	\$ 201,135
Total Annuity Contract - 100.0%		201,135	201,135
Total Investment Securities - 100.0%		<u>\$ 201,135</u>	<u>\$ 201,135</u>

See accompanying notes to financial statements.

## TRS Annuity Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 726	\$ 2,219
<b>Expenses</b>		
Management fees	(7)	(22)
Professional service fees	<u>(1)</u>	<u>(5)</u>
<b>Total expenses</b>	<u>(8)</u>	<u>(27)</u>
<b>Investment income, net</b>	<u>718</u>	<u>2,192</u>
<b>Net increase in net assets from operations</b>	<u>\$ 718</u>	<u>\$ 2,192</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



## TRS Annuity Pool

---

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 718	\$ 2,192
<b>Unit transactions</b>		
Proceeds from sale of units	10	21
<b>Increase in net assets from unit transactions</b>	10	21
<b>Increase in net assets</b>	728	2,213
Net assets, beginning of period	200,389	198,904
<b>Net assets, end of period</b>	\$ 201,117	\$ 201,117
<b>Unit data</b>		
Units sold	970	2,045
<b>Increase in units</b>	970	2,045

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## TRS Annuity Pool

---

**Statement of Cash Flows - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Investment income, net	\$ 718	\$ 2,192
Adjustments to reconcile net decrease in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(727)	(2,220)
Increase in accrued expenses	(1)	7
	<u>(1)</u>	<u>7</u>
<b>Net cash used in operating activities</b>	(10)	(21)
 <b>Cash flows from financing activities</b>		
Proceeds from units sold	<u>10</u>	<u>21</u>
<b>Cash provided by financing activities</b>	<u>10</u>	<u>21</u>
<b>Net change in cash</b>	-	-
 <b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# TRS Annuity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The TRS Annuity pool (Pool) began operations on December 10, 2008.

The accompanying financial statements reflect only the investments and investment related operations of the Pool. They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool holds an investment contract strictly for the benefit of the Teachers Retirement System (TRS). The IMB assumed responsibility for this investment as part of the restructuring of the Teachers Defined Contribution (TDC) plan, a separate retirement plan outside of the IMB, whereby certain TDC participants elected to transfer the ownership of their individual TDC retirement accounts to the TRS in exchange for current participation in the TRS defined benefit plan. The contract, issued by the Variable Annuity Life Insurance Company (VALIC), could not be liquidated as part of the restructuring, and was transferred in kind to the IMB on December 10, 2008. The final amount transferred on the contract was \$248,292,529. Effective April 23, 2009, the IMB elected to liquidate this contract and will receive five equal annual payments of \$55,058,102. The first payment was received on May 4, 2009 and subsequent payments will be received on May 4, 2010, 2011, 2012, and 2013. The contract and the payments include a guaranteed annual interest yield of 4.5%. VALIC is a wholly-owned subsidiary of American International Group, Inc. (AIG), but is not in bankruptcy.

# TRS Annuity Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. The VALIC contract is a private contract between the issuer and the IMB and is not a marketable security. It is carried at fair value using a discounted cash flow model based on the underlying cash flows of the contract, implicit rate of return, and estimated credit risk premiums using observable market data.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# TRS Annuity Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Annuity Contract	\$ -	\$ -	\$ 201,134,590	\$ 201,134,590

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended September 30, 2009 was as follows:

	<u>Annuity Contract</u>
Balance at June 30, 2009	\$ 198,915,431
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	-
Net purchases/(sales)	2,219,159
Net transfers in/(out) of Level 3	-
Balance at September 30, 2009	<u>\$ 201,134,590</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 10.24
Net investment income from investment operations	0.12
Net asset value at September 30, 2009	<u>\$ 10.36</u>

**Time-weighted Total Return \*** 1.1%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 201,117
Ratio to average net assets:	
Expenses **	0.06%
Net investment income **	4.38%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date and are annualized



**Financial Statements - Unaudited**

**September 30, 2009**





# Private Equity Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7

# Private Equity Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	783,792
Dividends receivable		<u>5</u>
<b>Total assets</b>		<b>783,797</b>

### Liabilities

Accrued expenses		<u>175</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>783,622</u></u></b>

### Analysis of net assets

Paid-in capital	\$	953,571
Accumulated undistributed net investment loss		(1,933)
Accumulated undistributed net realized loss from investments		(70,041)
Unrealized net depreciation of investments		<u>(97,975)</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>783,622</u></u></b>

### Unit data

Units outstanding		100,530,343
Net asset value, unit price	\$	<u><u>7.79</u></u>

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b>Partnerships</b>			
Advent GPE VI		\$ 8,000	\$ 6,575
Investment Objective - To provide risk capital for, and make investments in the securities of, privately held and publicly listed companies primarily in Europe and North America.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Carlyle Partners V		15,637	12,254
Investment Objective - To generate superior, long-term capital appreciation through privately negotiated equity and equity related investments.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
FP Venture 2008		2,984	2,656
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
FP Venture 2009		846	760
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
H.I.G. Bayside II		10,083	11,194
Investment Objective - To invest in distressed debt obligations and other securities of distressed lower middle market companies.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Insight Equity II LP		775	240
Investment Objective - To acquire underperforming, operationally challenged, or financially distressed small and middle market businesses and to seek to reorganize operations and strategy to restore profitability and growth.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Insight Equity Mezzanine LLP		1,228	1,090
Investment Objective - To invest in mezzanine securities issued by companies in which Insight is also an equity sponsor.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
KPS Special Situations Fund III		3,206	3,206
Investment Objective - Seek to invest alongside KPS Special Situations Fund III, L.P. and KPS Special Situations Fund III (A), L.P., to make controlling equity and equity-related investments in underperforming or distressed companies engaged in manufacturing, transportation, and service industries challenged by the need to effect immediate and significant change - Special Situations			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
LLR Partners III		8,744	7,117
Investment Objective - To provide investors with substantial long-term capital gains by investing in a diversified portfolio of equity securities.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Natural Gas Partners IX		11,156	7,980
Investment Objective - To generate long-term capital gains through equity investments in companies engaged in the energy and resource related industries, with an emphasis on privately negotiated equity investments in North America oil and gas companies.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Odyssey Investment		947	208
Investment Objective - To seek long-term capital appreciation by principally pursuing control oriented equity and equity related investments in middle market companies located primarily in the United States.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**September 30, 2009**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Platinum Equity Capital Partners II		20,036	13,261
Investment Objective - To make private investments in equity, equity oriented or debt securities that offer equity-like returns, of underperforming companies to generate capital appreciation.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Welsh, Carson, Anderson & Stover		1,134	265
Investment Objective - To provide capital to domestic or foreign corporations, partnerships and joint ventures and to assist in developing the business of those enterprises.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Total Partnerships - 8.5%		84,776	66,806
<b><u>Investments in Other Funds</u></b>			
Bridgewater Associates All Weather Portfolio	833,786	769,400	689,395
Investment Objective - To maintain market exposure for funds awaiting investment in private equity limited partnerships.			
Redemption Provisions - Monthly on the first business day			
A detail of the underlying investments is not available.			
Total Investments in Other Funds - 88.0%		769,400	689,395
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 3.5%	27,590,818	27,591	27,591
Total Investment Securities - 100.0%		\$ 881,767	\$ 783,792

See accompanying notes to financial statements.

# Private Equity Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividend	\$ 5	\$ 20
<b>Expenses</b>		
Trustee fees	-	(1)
Custodian bank fees	(1)	(1)
Management fees	(27)	(73)
Fiduciary bond fees	-	(1)
Professional service fees	(61)	(183)
Fund closing costs	(31)	(141)
<b>Total expenses</b>	<u>(120)</u>	<u>(400)</u>
<b>Investment loss, net</b>	(115)	(380)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	-	559
Net increase in the fair value of investments	14,067	35,416
<b>Net gain from investments</b>	14,067	35,975
<b>Net increase in net assets from operations</b>	<u>\$ 13,952</u>	<u>\$ 35,595</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Private Equity Pool

---

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (115)	\$ (380)
Net realized gain from investments	-	559
Net increase in the fair value of investments	14,067	35,416
<b>Net increase in net assets from operations</b>	13,952	35,595
<b>Unit transactions</b>		
Proceeds from sale of units	150,085	165,179
Amount paid for repurchase of units	-	(42)
<b>Net increase in net assets from unit transactions</b>	150,085	165,137
<b>Increase in net assets</b>	164,037	200,732
Net assets, beginning of period	619,585	582,890
<b>Net assets, end of period</b>	\$ 783,622	\$ 783,622
<b>Unit data</b>		
Units sold	19,603,330	21,634,237
Units repurchased	-	(5,556)
<b>Net increase in units</b>	19,603,330	21,628,681

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 13,952	\$ 35,595
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(151,985)	(154,987)
Proceeds from disposition of investment securities	354	1,886
Net realized gain from investments	-	(559)
Purchases and sales of short-term investment securities, net	1,653	(11,750)
Decrease in receivable for investments sold	-	34
Decrease in dividends receivable	2	4
Increase in accrued expenses	6	56
Net increase in the fair value of investments	(14,067)	(35,416)
<b>Net cash used in operating activities</b>	(150,085)	(165,137)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	150,085	165,179
Paid for repurchase of units	-	(42)
<b>Net cash provided by financing activities</b>	150,085	165,137
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

---

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in various types of private equity funds. Franklin Park Associates, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$756,201,061 of investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the



# Private Equity Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of September 30, 2009.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investments in other funds are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# Private Equity Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 27,590,818	\$ -	\$ 27,590,818
Investments in Other Funds	-	-	689,394,637	689,394,637
Partnerships	-	-	66,806,424	66,806,424
Total	<u>\$ -</u>	<u>\$ 27,590,818</u>	<u>\$ 756,201,061</u>	<u>\$ 783,791,879</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended September 30, 2009 was as follows:

	Investments in Other Funds	Partnerships
Balance at June 30, 2009	\$ 504,142,661	\$ 62,982,211
Net realized gain/(loss)	-	559,069
Net change in unrealized appreciation/(depreciation)	35,251,976	46,372
Net purchases/(sales)	150,000,000	3,218,772
Net transfers in/(out) of Level 3	-	-
Balance at September, 2009	<u>\$ 689,394,637</u>	<u>\$ 66,806,424</u>

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private equity partnerships in February 2008. As of September 30, 2009 the IMB had made commitments to fifteen private equity general partnerships totaling \$578,000,000. The IMB had funded \$84,776,648 of these commitments at September 30, 2009, leaving unfunded commitments of \$493,223,352.

# Private Equity Pool

---

## Notes to Financial Statements

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	7.39
Net realized and unrealized gain on investment transactions		0.40
Net asset value at September 30, 2009	\$	<u>7.79</u>

**Time-weighted Total Return \*** 5.5%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	783,622
Ratio to average net assets:		
Expenses **		0.25%
Net investment income **		-0.23%
Portfolio turnover rate		0.30%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date and are annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 371,904,774
Public Employees' Retirement System	344,413,367
State Police Death, Disability and Retirement Fund	39,362,513
Judges' Retirement System	9,625,238
Deputy Sheriff's Retirement System	8,494,120
State Police Retirement System	4,500,324
Wildlife Endowment Fund	3,407,093
Emergency Medical Services Retirement System	1,914,836
Total	<u>\$ 783,622,265</u>



**Financial Statements - Unaudited**

**September 30, 2009**



# Private Real Estate Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# Private Real Estate Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	38,272
Dividends receivable		<u>4</u>
<b>Total assets</b>		<b>38,276</b>

### Liabilities

Accrued expenses		<u>69</u>
<b>Net assets</b>	<b>\$</b>	<b><u>38,207</u></b>

### Analysis of net assets

Paid-in capital	\$	46,606
Accumulated undistributed net investment loss		(309)
Unrealized net depreciation of investments		<u>(8,090)</u>
<b>Net assets</b>	<b>\$</b>	<b><u>38,207</u></b>

### Unit data

Units outstanding		4,998,340
Net asset value, unit price	<u>\$</u>	<u>7.64</u>

See accompanying notes to financial statements.



## Private Real Estate Pool

### Schedule of Investments in Securities

**September 30, 2009**

*(Amounts in thousands, except share data)*

<u>Security Name</u>	<u>Shares</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Quadrant Fund I, LLC		\$ 15,000	\$ 8,459
Investment Objective - To provide an attractive total return by investing in a diversified portfolio of real estate assets.			
Redemption Provisions - Quarterly on the last business day			
A detail of the underlying investments is not available.			
RCG Longview Debt Fund IV, L. P.		9,801	8,252
Investment Objective - To provide above market, risk adjusted returns by investing in a variety of debt and debt-like instruments.			
Redemption Provisions - upon termination of partnership.			
Total Investments in Other Funds - 43.7%		<u>24,801</u>	<u>16,711</u>
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 56.4%	21,560,620	<u>21,561</u>	<u>21,561</u>
Total Investment Securities - 100.1%		<u>\$ 46,362</u>	<u>\$ 38,272</u>

*See accompanying notes to financial statements.*

## Private Real Estate Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Operating	\$ 213	\$ 213
Dividend	4	15
	<u>217</u>	<u>228</u>
<b>Total investment income</b>	<u>217</u>	<u>228</u>
<b>Expenses</b>		
Management fees	(1)	(4)
Professional service fees	(34)	(98)
Management fees - external	-	(75)
	<u>(35)</u>	<u>(177)</u>
<b>Total expenses</b>	<u>(35)</u>	<u>(177)</u>
<b>Investment income, net</b>	182	51
<b>Net increase in the fair value of investments</b>	<u>278</u>	<u>666</u>
<b>Net increase in net assets from operations</b>	<u>\$ 460</u>	<u>\$ 717</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

## Private Real Estate Pool

---

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 182	\$ 51
Net increase in the fair value of investments	278	666
<b>Net increase in net assets from operations</b>	460	717
<b>Unit transactions</b>		
Proceeds from sale of units	34	98
<b>Increase in net assets from unit transactions</b>	34	98
<b>Increase in net assets</b>	494	815
Net assets, beginning of period	37,713	37,392
<b>Net assets, end of period</b>	\$ 38,207	\$ 38,207
<b>Unit data</b>		
Units sold	4,497	12,964
<b>Increase in units</b>	4,497	12,964

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Private Real Estate Pool

---

**Statement of Cash Flows - Unaudited**  
**Period Ended September 30, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 460	\$ 717
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	257	257
Purchases and sales of short-term investment securities, net	(475)	(416)
Decrease in dividends receivable	1	5
Increase in accrued expenses	1	5
Net increase in the fair value of investments	(278)	(666)
<b>Net cash used in operating activities</b>	<b>(34)</b>	<b>(98)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	34	98
<b>Cash provided by financing activities</b>	<b>34</b>	<b>98</b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Real Estate Pool

---

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Real Estate Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in private real estate funds. Courtland Partners, Ltd. has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$16,710,938 of investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of September 30, 2009.

# Private Real Estate Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Regulated Investment Companies	\$ -	\$ 21,560,620	\$ -	\$ 21,560,620
Investments in Other Funds	-	-	16,710,938	16,710,938
Total	<u>\$ -</u>	<u>\$ 21,560,620</u>	<u>\$ 16,710,938</u>	<u>\$ 38,271,558</u>

# Private Real Estate Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended September 30, 2009 was as follows:

	Investments in Other Funds
Balance at June 30, 2009	\$ 16,301,689
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	665,945
Net purchases/(sales)	(256,696)
Net transfers in/(out) of Level 3	-
Balance at September 30, 2009	<u>\$ 16,710,938</u>

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private real estate in February 2008. The IMB committed \$130,000,000 to four real estate investment funds/partnerships. The IMB had funded \$24,800,477 of these commitments at September 30, 2009, leaving unfunded commitments of \$105,199,523.

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 7.50
Income from investment operations:	
Net investment loss	0.01
Net realized and unrealized loss on investment transactions	0.13
Total from investment operations	0.14
Net asset value at September 30, 2009	<u>\$ 7.64</u>

**Time-weighted Total Return \*** 1.9%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 38,207
Ratio to average net assets:	
Expenses **	1.88%
Net investment income **	0.55%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# Private Real Estate Pool

---

## Notes to Financial Statements

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 17,943,554
Teachers' Retirement System	16,853,566
State Police Death, Disability and Retirement Fund	2,086,657
Judges' Retirement System	458,742
Deputy Sheriff's Retirement System	402,430
State Police Retirement System	212,162
Wildlife Endowment Fund	171,623
Emergency Medical Services Retirement System	78,060
Total	<u>\$ 38,206,794</u>



**Financial Statements - Unaudited**

**September 30, 2009**



# Hedge Fund Pool

---

## Financial Statements - Unaudited September 30, 2009

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7

# Hedge Fund Pool

---

## Statement of Assets and Liabilities - Unaudited September 30, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$ 1,169,179
Dividends receivable	<u>2</u>
<b>Total assets</b>	<b>1,169,181</b>

### Liabilities

Accrued expenses	<u>172</u>
<b>Net assets</b>	<b><u>\$ 1,169,009</u></b>

### Analysis of net assets

Paid-in capital	\$ 1,199,963
Accumulated undistributed net investment loss	(1,080)
Unrealized net depreciation of investments	<u>(29,874)</u>
<b>Net assets</b>	<b><u>\$ 1,169,009</u></b>

### Unit data

Units outstanding	120,141,633
Net asset value, unit price	<u>\$ 9.73</u>

See accompanying notes to financial statements.

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited September 30, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
AllBlue Limited		\$ 63,044	\$ 80,894
Investment Objective - To provide consistent long-term appreciation of assets through active investment in a diversified portfolio.			
Redemption Provisions - Monthly on the first business day with 33 days' prior written notice.			
A detail of the underlying investments is not available.			
Anchorage Crossover Credit		48,000	42,733
Investment Objective - To earn superior risk-adjusted returns while emphasizing preservation of capital.			
Redemption Provisions - Bi-annually with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Bennelong Asia Pacific		36,000	29,131
Investment Objective - To achieve long- and short-term capital appreciation primarily through equity investments in companies organized or operating in the Asia Pacific region.			
Redemption Provisions - Monthly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Brevan Howard Fund		38,000	47,230
Investment Objective - To generate consistent long-term appreciation through active leveraged trading and investment on a global basis.			
Redemption Provisions - Monthly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
BW Pure Alpha		50,000	47,455
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes.			
Redemption Provisions - Monthly on the first business day with 5 days' prior written notice.			
A detail of the underlying investments is not available.			
CQS Convertible Strategies		60,000	49,714
Investment Objective - To achieve attractive risk-adjusted returns over the medium to long term.			
Redemption Provisions - Annually with 365 days' prior notice.			
A detail of the underlying investments is not available.			
Davidson Kempner		84,000	89,019
Investment Objective - To achieve capital appreciation.			
Redemption Provisions - Quarterly with 65 days' prior notice.			
A detail of the underlying investments is not available.			
Golden Tree Offshore		60,000	59,716
Investment Objective - To achieve superior risk-adjusted total returns through investments in public and private non-investment grade and nonrated debt securities.			
Redemption Provisions - Quarterly with 90 days' prior notice.			
A detail of the underlying investments is not available.			
Highbridge Capital		90,000	84,476
Investment Objective - To attain consistent capital appreciation with low volatility through arbitrage and absolute return investment strategies in the global equity and corporate debt securities markets.			
Redemption Provisions - Quarterly with 45 days' prior notice.			
A detail of the underlying investments is not available.			
Ionic Capital		40,000	37,797
Investment Objective: To generate superior risk-adjusted returns in both rising and falling markets.			
Redemption Provisions: Quarterly with 60 days' prior notice.			
Ivory Offshore		48,000	51,460
Investment Objective - To take long and short positions primarily in equity securities of publicly traded companies.			
Redemption Provisions - Quarterly with 45 days' prior written notice.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**September 30, 2009**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Level Global		60,000	61,203
Investment Objective - To achieve above average capital appreciation primarily through investments in equity securities and other equity-related instruments.			
Redemption Provisions - Quarterly with 60 days' prior written notice. A detail of the underlying investments is not available.			
Magnetar Capital Fund		90,000	74,094
Investment Objective - To achieve superior risk-adjusted returns.			
Redemption Provisions - Quarterly with 90 days' prior written notice. A detail of the underlying investments is not available.			
M&G Episode		48,000	46,278
Investment Objective - To deliver attractive returns with appropriate volatility by seeking to exploit the mis-pricing of asset class and intra-asset class risk.			
Redemption Provisions - Quarterly with 30 days' prior written notice. A detail of the underlying investments is not available.			
O'Connor Global		90,000	101,607
Investment Objective - To realize consistently high risk-adjusted appreciation in the value of its assets.			
Redemption Provisions - Quarterly with 60 days' prior written notice. A detail of the underlying investments is not available.			
Perry Partners		60,000	55,323
Investment Objective - To achieve positive annual returns accompanied by a low level of beta and volatility in correlation relative to equity markets.			
Redemption Provisions - Annually with 90 days' prior written notice. A detail of the underlying investments is not available.			
PMA Asian Opportunities		36,000	32,999
Investment Objective - To achieve an absolute target return with strict adherence to stop-loss limits on the portfolio.			
Redemption Provisions - Quarterly with 90 days' prior written notice. A detail of the underlying investments is not available.			
Shepherd Investments		90,000	76,100
Investment Objective - To achieve an attractive rate of return, relative to the level of risk assumed.			
Redemption Provisions - Quarterly with 90 days' prior written notice. A detail of the underlying investments is not available.			
Taconic Opportunity		60,000	59,658
Investment Objective - To provide solid risk-adjusted, absolute returns by focusing on bottom-up, research-driven, probabilistic investing.			
Redemption Provisions - Quarterly with 60 days' prior written notice. A detail of the underlying investments is not available.			
VICIS Capital		38,000	32,283
Investment Objective - To achieve attractive risk-adjusted returns through investment in a diversified portfolio of assets.			
Redemption Provisions - Quarterly with 30 days' prior notice. A detail of the underlying investments is not available.			
Total Investment in Other Funds - 99.2%		1,189,044	1,159,170
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 0.9%	10,008,742	10,009	10,009
Total Investment Securities - 100.0%		\$ 1,199,053	\$ 1,169,179

See accompanying notes to financial statements.

# Hedge Fund Pool

---

**Statement of Operations - Unaudited**  
**Period Ended September 30, 2009**  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividend	\$ 2	\$ 11
<b>Expenses</b>		
Trustee fees	(1)	(2)
Management fees	(41)	(130)
Fiduciary bond fees	(1)	(2)
Professional service fees	(42)	(127)
<b>Total expenses</b>	<u>(85)</u>	<u>(261)</u>
<b>Investment loss, net</b>	(83)	(250)
<b>Net increase in the fair value of investments</b>	<u>18,778</u>	<u>57,550</u>
<b>Net increase in net assets from operations</b>	<u>\$ 18,695</u>	<u>\$ 57,300</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Hedge Fund Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended September 30, 2009**  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (83)	\$ (250)
Net increase in the fair value of investments	18,778	57,550
<b>Net increase in net assets from operations</b>	18,695	57,300
<b>Unit transactions</b>		
Proceeds from sale of units	550	49,511
Amount paid for repurchase of units	(41,414)	(50,246)
<b>Net decrease in net assets from unit transactions</b>	(40,864)	(735)
<b>Increase in net assets</b>	(22,169)	56,565
Net assets, beginning of period	1,191,178	1,112,444
<b>Net assets, end of period</b>	\$ 1,169,009	\$ 1,169,009
<b>Unit data</b>		
Units sold	57,489	5,323,293
Units repurchased	(4,325,345)	(5,259,759)
<b>Net increase (decrease) in units</b>	(4,267,856)	63,534

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



# Hedge Fund Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended September 30, 2009**  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 18,695	\$ 57,300
Adjustments to reconcile net increase in net assets from operations net cash provided by (used in) operating activities:		
Purchase of investment securities	-	(40,000)
Proceeds from disposition of investment securities	10,000	50,955
Purchases and sales of short-term investment securities, net	30,948	(10,008)
Decrease (increase) in dividends receivable	7	(2)
Increase (decrease) in accrued expenses	(8)	40
Net increase in the fair value of investments	(18,778)	(57,550)
<b>Net cash provided by operating activities</b>	<u>40,864</u>	<u>735</u>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	550	49,511
Amount paid for repurchase of units	(41,414)	(50,246)
<b>Cash used in financing activities</b>	<u>(40,864)</u>	<u>(735)</u>
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

# Hedge Fund Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Hedge Fund Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in hedge funds. Albourne America, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$1,159,169,963 of investments in alternative investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. These investments are redeemable with the fund at net asset value under the original terms of the agreements and operations of the underlying fund. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is

# Hedge Fund Pool

---

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the redemption rights in the funds were restricted or eliminated and the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of September 30, 2009.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

# Hedge Fund Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of September 30, 2009:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 10,008,742	\$ -	\$ 10,008,742
Investments in Other Funds	-	-	1,159,169,963	1,159,169,963
Total	<u>\$ -</u>	<u>\$ 10,008,742</u>	<u>\$1,159,169,963</u>	<u>\$1,169,178,705</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended September 30, 2009 was as follows:

	Investments in Other Funds
Balance at June 30, 2009	\$ 1,112,575,678
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	57,549,601
Net purchases/(sales)	(10,955,316)
Net transfers in/(out) of Level 3	-
Balance at September 30, 2009	<u>\$ 1,159,169,963</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 9.26
Net realized and unrealized loss on investment transactions	0.47
Net asset value at September 30, 2009	<u>\$ 9.73</u>

**Time-weighted Total Return \*** 5.0%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 1,169,009
Ratio to average net assets:	
Expenses **	0.09%
Net investment income **	-0.09%
Portfolio turnover rate	3.48%

\* - Return data is net of fees and is for the fiscal year-to-date and is not annualized

\*\* - All ratios are for the fiscal year-to-date annualized

# Hedge Fund Pool

---

## Notes to Financial Statements

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at September 30, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 408,738,322
Public Employees' Retirement System	383,540,325
Workers' Compensation Old Fund	140,593,245
Coal Workers' Pneumoconiosis Fund	47,028,575
Revenue Shortfall Reserve Fund B	45,987,047
State Police Death, Disability and Retirement Fund	37,888,009
Revenue Shortfall Reserve Fund	31,806,214
Public Employees' Insurance Agency	24,185,405
Board of Risk and Insurance Management	22,068,743
Judges' Retirement System	9,260,706
Deputy Sheriff's Retirement System	8,151,201
State Police Retirement System	4,472,110
Wildlife Endowment Fund	3,385,892
Emergency Medical Services Retirement System	1,902,933
Total	<u>\$ 1,169,008,727</u>