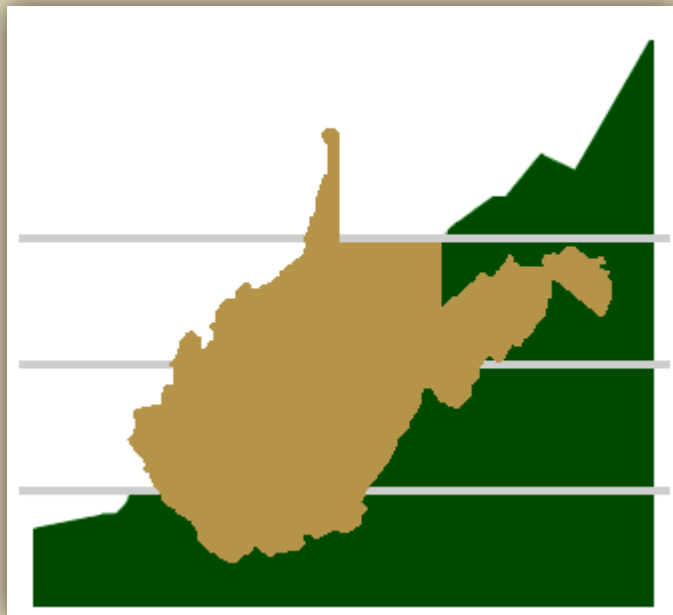


**West Virginia**

**Investment Management Board**



**Financial Statements**

**October 31, 2011**



# West Virginia Investment Management Board

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## **Financial Statements – Unaudited**

October 31, 2011

### **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

TIPS

TRS Annuity

Private Equity

Real Estate

Hedge Fund



**Financial Statements - Unaudited**

**October 31, 2011**



# Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited October 31, 2011

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# Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,146,693
Collateral for securities loaned at fair value (Note 5)		32,962
Cash		4,050
Receivables:		
Investments sold		74,417
Dividends		2,651
Securities lending income		13
		<u>13</u>
<b>Total assets</b>		<b>2,260,786</b>

### Liabilities

Accrued expenses		654
Payable upon return of securities loaned (Note 5)		36,056
Unrealized loss on futures contracts (Note 6)		541
		<u>541</u>
<b>Total liabilities</b>		<b>37,251</b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>2,223,535</u></u></b>

### Analysis of net assets

Paid-in capital	\$	1,584,940
Accumulated undistributed net investment income		317,395
Accumulated undistributed net realized gain from investments		99,521
Unrealized net appreciation of investments		221,679
		<u>221,679</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>2,223,535</u></u></b>

### Unit data

Units outstanding		176,774,493
Net asset value, unit price	\$	<u><u>12.58</u></u>

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2011

(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	31,000	\$ 2,475	\$ 2,670
Airgas Inc	5,900	294	407
Alcoa Inc	309,400	4,404	3,329
Allegheny Technologies Inc	8,800	236	408
Alpha Natural Resources Inc	19,100	1,020	459
Ball Corporation	123,100	3,999	4,256
Bemis Company Inc	8,600	218	242
CF Industries Holdings Inc	30,500	3,683	4,949
Cliffs Natural Resources Inc	25,300	1,252	1,726
Dow Chemical Company	303,200	9,635	8,453
DuPont EI de Nemours Co	263,800	10,672	12,681
Eastman Chemical Company	99,900	4,252	3,925
Ecolab Inc	24,500	1,152	1,319
FMC Corporation	6,100	335	481
Freeport-McMoRan Copper & Gold	102,600	3,678	4,131
International Paper Company	47,000	950	1,302
Intl Flavors & Fragrances Inc	54,100	2,649	3,276
MeadWestvaco Corp	28,000	631	781
Monsanto Company	72,200	5,120	5,253
Newmont Mining Corp	47,400	2,409	3,168
Nucor Corporation	33,500	1,440	1,266
Owens-Illinois Inc	12,900	322	259
Peabody Energy Corp	28,700	1,067	1,245
PPG Industries Inc	64,600	4,823	5,582
Praxair Inc	36,700	3,142	3,731
Sealed Air Corporation	21,300	469	379
Sigma-Aldrich Corporation	11,200	618	733
Titanium Metals Corp	9,000	86	151
United States Steel Corp	12,000	543	304
Vulcan Materials	10,300	554	322
Weyerhaeuser Company	358,067	7,565	6,438
<i>Total Basic Materials - 3.8%</i>		79,693	83,626
<i>Capital Goods</i>			
3M Co	78,000	5,804	6,164
AK Steel Holding Corporation	9,100	183	76
Apollo Group	27,300	1,451	1,293
Avery Dennison Corp	18,200	602	484
BF Goodrich Company	24,800	1,630	3,041
Boeing Company	85,700	5,006	5,638
C H Robinson Worldwide Inc	43,200	2,905	2,999
Caterpillar Inc	165,700	13,041	15,652
Cintas Corp	10,200	308	305
CSX Corp	390,400	8,350	8,671
Cummins Engine Company Inc	19,500	1,009	1,939
Danaher Corp	98,400	3,967	4,758
Deere & Company	106,000	6,689	8,045
Donnelley & Sons	55,100	848	898
Dover Corp	19,800	794	1,099
Dun & Bradstreet Corp	28,900	2,303	1,932
Eaton Corporation	67,100	2,374	3,007
Emerson Electric Co	73,800	3,137	3,551
Equifax Inc	35,100	1,065	1,234
Expeditors Intl of Washington	29,500	1,144	1,345
Fastenal Company	59,600	1,599	2,270
FedEx Corp	30,400	2,220	2,488
Flowserve Corp	5,200	476	482
Fluor Corporation	34,000	1,920	1,933
General Dynamics Corp	64,100	3,992	4,115
General Electric Company	1,999,875	41,732	33,418
Grainger WW Inc	18,800	1,794	3,221

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Honeywell International Inc	201,500	8,925	10,559
Illinois Tool Works Inc	64,900	3,027	3,156
Iron Mountain Inc	144,300	4,542	4,463
ITT Industries Inc	33,700	1,620	1,537
Jacobs Engineering Group Inc	12,000	533	466
Joy Global Inc	9,600	891	837
L-3 Communications Hldgs Inc	50,500	3,573	3,423
Lockheed Martin Corp	50,300	3,673	3,818
Masco Corporation	186,300	2,142	1,788
Monster Worldwide Inc	13,300	237	123
Norfolk Southern Corp	55,300	2,867	4,092
Northrop Grumman Corp	46,000	2,340	2,657
PACCAR Inc	34,700	1,274	1,500
Pall Corporation	33,700	1,586	1,724
Parker-Hannifin Corporation	36,200	2,441	2,952
Pitney Bowes Inc	27,800	641	567
Precision Castparts Corp	15,400	1,874	2,513
Priceline.com Inc	14,810	3,979	7,519
Raytheon Company	84,200	3,695	3,721
Republic Services Inc	34,000	930	968
Robert Half International Inc	12,600	315	333
Rockwell Automation Inc	101,900	5,644	6,894
Rockwell Collins	16,400	845	916
Roper Industries Inc	47,200	3,379	3,828
Ryder System Inc	4,100	139	209
Southwest Airlines Co	86,300	799	738
Stanley Black & Decker Inc	17,877	773	1,141
Textron Inc	30,100	568	585
Tyco International Ltd	64,800	2,637	2,952
Union Pacific Corp	85,600	6,279	8,523
United Parcel Service Inc	102,500	6,044	7,200
United Technologies Corp	103,400	6,703	8,063
Waste Management Inc	56,900	1,797	1,874
<i>Total Capital Goods - 10.0%</i>		203,055	221,697
<i>Communication Services</i>			
American Tower Corporation	37,800	1,573	2,083
AT&T Inc	1,302,129	38,176	38,165
CenturyTel Inc	328,466	11,624	11,582
Frontier Communications Corp	93,386	778	585
Metropcs Communications Inc	179,100	1,896	1,522
Sprint Nextel Corporation	923,600	3,683	2,374
Verizon Communications	486,849	16,389	18,004
Windstream Corp	146,000	1,686	1,777
<i>Total Communication Services - 3.4%</i>		75,805	76,092
<i>Consumer Discretionary</i>			
Abercrombie & Fitch Co	29,300	1,694	2,180
Amazon.com Inc	38,300	4,995	8,177
AutoNation Inc	21,800	525	849
AutoZone Inc	14,800	3,197	4,789
Beam Inc	26,800	1,055	1,325
Bed Bath & Beyond Inc	23,200	934	1,435
Best Buy Co Inc	27,400	1,064	719
Big Lots Inc	12,900	383	486
Cablevision Systems	177,100	4,293	2,563
CarMax Inc	24,400	590	733
Carnival Corp	44,000	1,447	1,549
CBS Corp	345,600	7,580	8,920
Chipotle Mexican Grill Inc	6,500	1,857	2,185
Coach Inc	28,900	1,074	1,881
Comcast Corp	490,350	9,523	11,499
CVS Caremark Corp	173,276	5,433	6,296

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Darden Restaurants Inc	16,800	596	804
DeVry Inc	36,200	1,572	1,364
DIRECTV Group Inc	195,400	6,878	8,883
Discovery Communications Inc	29,000	936	1,260
Disney Walt Company	209,300	5,953	7,300
DR Horton Inc	23,900	277	266
Expedia Inc	16,700	341	439
Family Dollar Stores	38,800	1,498	2,275
Ford Motor Company	452,000	4,352	5,279
Fortune Brands Home & Security	3,700	37	54
GameStop Corp	58,200	1,436	1,488
Gannett Co Inc	20,500	255	240
Gap Inc	48,900	834	924
Genuine Parts Company	37,700	1,699	2,165
Goodyear Tire & Rubber Co	124,200	1,503	1,784
Harley-Davidson Inc	32,400	908	1,260
Harman Intl Industries Inc	5,500	187	237
Hasbro Inc	11,800	425	449
Home Depot Inc	205,500	6,039	7,357
International Game Technology	25,500	547	449
Interpublic Group of Co Inc	42,500	354	403
Johnson Controls Inc	87,500	2,631	2,881
Kohl's Corporation	26,700	1,437	1,415
Leggett & Platt Inc	11,200	155	245
Lennar Corporation	12,200	175	202
Limited Inc	133,300	3,241	5,693
Lowe's Corp Inc	215,200	4,613	4,524
Macys Retail Holdings Inc	40,500	651	1,236
Marriott International Inc	25,080	732	790
Mattel Inc	44,700	879	1,262
McDonald's Corporation	174,200	11,379	16,174
McGraw-Hill Companies Inc	130,400	4,851	5,542
NetFlix.com Inc	24,600	4,245	2,019
Newell Rubbermaid Inc	23,700	237	351
News Corp	219,700	2,800	3,849
Nike Inc	53,300	3,636	5,135
Nordstrom Inc	22,900	886	1,161
Omnicom Group Inc	67,100	2,880	2,985
O'Reilly Automotive Inc	19,800	924	1,506
Penney JC & Company	51,200	1,794	1,642
Pulte Corporation	73,600	515	381
Ralph Lauren Corp	14,700	1,567	2,334
Ross Stores Inc	62,700	3,831	5,501
Sears Holding Corp	3,400	220	266
Sherwin-Williams Co	18,200	1,304	1,505
Snap-On Inc	34,500	1,947	1,852
Staples Inc	75,200	1,579	1,125
Starbucks Corp	82,300	1,978	3,486
Starwood Hotels & Resorts Inc	20,500	731	1,027
Target Corp	64,900	3,117	3,553
Tiffany & Co	33,900	1,899	2,703
Time Warner Cable Inc	80,212	4,089	5,109
Time Warner Inc	100,400	2,664	3,513
TJX Companies Inc	36,400	1,249	2,145
Urban Outfitters Inc	12,200	376	332
VF Corp	14,000	1,391	1,935
Viacom Inc	189,100	6,212	8,292
Washington Post Company	3,400	1,388	1,157
Whirlpool Corporation	6,400	444	325
Wyndham Worldwide Corporation	16,000	263	539
Wynn Resorts Limited	38,200	3,961	5,073
Yum Brands Inc	132,500	5,960	7,098
<i>Total Consumer Discretionary - 9.8%</i>		177,102	218,129

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Consumer Staples</i>			
Altria Group Inc	523,920	11,272	14,434
Archer-Daniels-Midland Co	64,500	1,711	1,867
Avon Products Inc	45,800	1,375	837
Brown Forman Corp	55,300	3,291	4,133
Campbell Soup Co	19,400	640	645
Clorox Company	14,000	837	937
Coca-Cola Company	385,300	21,056	26,324
Coca-Cola Enterprises Inc	152,700	3,624	4,095
Colgate-Palmolive Co	58,500	4,763	5,287
ConAgra Foods Inc	109,600	2,555	2,776
Constellation Brands Inc	27,500	474	556
Costco Wholesale Corp	100,700	7,223	8,383
Dean Foods Company	133,100	1,428	1,294
Dr Pepper Snapple Group	23,100	484	865
Estee Lauder Companies Inc	84,400	5,782	8,309
General Mills Inc	99,500	3,464	3,834
Heinz HJ Company	74,400	3,364	3,976
Hershey Foods Corp	34,200	1,649	1,957
Hormel Foods Corp	103,800	2,294	3,059
Kellogg Company	75,300	4,026	4,082
Kimberly Clark Corporation	46,600	2,806	3,248
Kraft Foods Inc	243,300	7,164	8,559
Kroger Co	195,000	4,698	4,520
Lorillard, Inc	33,400	3,271	3,696
McCormick & Company Inc	98,200	4,254	4,769
Mead Johnson Nutrition Co-A	56,209	2,486	4,039
Molson Coors Brewing Co	14,600	698	618
Pepsico Inc	260,864	15,714	16,421
Philip Morris International	343,020	17,718	23,967
Proctor & Gamble Company	484,832	29,067	31,024
Reynolds American Inc	207,700	5,738	8,034
Safeway Inc	75,700	1,377	1,466
Sara Lee Corp	461,200	6,735	8,209
Smucker JM Company	53,300	3,790	4,105
Supervalu Inc	17,300	258	139
Sysco Corp	56,400	1,376	1,563
The Mosaic Company	49,100	2,790	2,875
Tyson Foods, Inc	25,200	343	486
Walgreen Co	324,400	12,607	10,770
Wal-Mart Stores	300,600	15,743	17,050
Whole Foods Market Inc	25,400	947	1,832
<i>Total Consumer Staples - 11.5%</i>		220,892	255,040
<i>Energy</i>			
Anadarko Petroleum Corp	75,300	4,295	5,911
Apache Corporation	39,100	3,727	3,896
Baker Hughes Inc	132,842	7,626	7,704
Cabot Oil & Gas Corporation	63,000	4,010	4,896
Cameron International Corp	24,900	920	1,224
Chesapeake Energy Corp	119,600	3,431	3,363
ChevronTexaco Corp	419,855	34,042	44,106
ConocoPhillips	262,880	15,740	18,310
CONSOL Energy Inc	42,800	1,908	1,830
Denbury Resources Inc	33,700	509	529
Devon Energy Corporation	88,700	6,630	5,761
Diamond Offshore Drilling Inc	6,100	588	400
El Paso Corporation	180,900	2,377	4,524
EOG Resources Inc	25,700	2,157	2,298
Exxon Mobil Corporation	999,494	70,669	78,050
First Solar Inc	5,400	752	269
FMC Technologies Inc	47,700	1,667	2,138
Halliburton Company	170,400	5,601	6,366

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Helmerich & Payne Inc	66,300	3,512	3,526
Hess Corp	41,700	2,439	2,609
Marathon Oil Corp	211,100	4,958	5,495
Marathon Petroleum Corporation	130,950	4,130	4,701
Murphy Oil Corporation	32,100	1,954	1,777
Nabors Industries Ltd	171,700	3,572	3,147
National-Oilwell Varco Inc	154,600	9,808	11,028
Newfield Exploration Company	14,300	903	576
Noble Corp	50,500	1,855	1,815
Noble Energy Inc	16,800	1,125	1,501
Occidental Petroleum Corp	79,300	5,940	7,370
Pioneer Natural Resources Co	64,600	4,183	5,420
QEP Resources Inc	44,200	1,301	1,571
Range Resources Corporation	34,300	1,993	2,361
Rowan Companies Inc	34,000	1,107	1,173
Schlumberger Ltd	207,611	13,511	15,253
Spectra Energy Corp	158,700	3,569	4,544
Sunoco Inc	37,700	1,340	1,404
Tesoro Petroleum Corporation	101,200	2,240	2,625
Valero Energy Corporation	208,600	4,652	5,132
Williams Companies Inc	190,100	4,872	5,724
<i>Total Energy - 12.6%</i>		245,613	280,327
<i>Financial Services</i>			
Ace Ltd	64,200	3,717	4,632
AFLAC Inc	44,600	1,884	2,011
Allstate Corp	49,000	1,431	1,291
American Express	125,800	4,418	6,368
American International Group	46,300	1,396	1,143
Ameriprise Financial Inc	128,300	5,664	5,989
Aon Corporation	182,100	8,650	8,490
Apartment Investment & Mgmt Co	11,700	163	289
Assurant Inc	8,400	243	324
Avalonbay Communities Inc	13,700	1,236	1,832
Bank of America Corporation	997,977	18,295	6,816
Bank of New York Mellon Corp	118,100	3,793	2,513
BB&T Corporation	101,600	2,493	2,371
Berkshire Hathaway Inc	192,996	14,457	15,027
BlackRock Inc	16,300	3,133	2,572
Boston Properties Inc	17,500	1,306	1,732
Capital One Financial Corp	101,400	4,377	4,630
CBRE Group Inc	218,100	3,716	3,878
Chubb Corp	51,800	2,829	3,473
Cincinnati Financial Corp	54,500	1,513	1,577
Citigroup Inc	292,860	14,958	9,251
CME Group Inc	6,400	1,891	1,764
Comerica Inc	19,800	638	506
Discover Financial Services	348,900	7,639	8,220
E*Trade Group Inc	21,820	368	237
Equity Residential Prop Trust	96,100	4,121	5,639
Federated Investors Inc	21,700	570	424
Fifth Third Bancorp	151,800	1,551	1,823
First Horizon National Corp	129,968	1,140	908
Franklin Resources Inc	18,200	1,652	1,941
Genworth Financial Inc	42,700	535	272
Goldman Sachs Group Inc	48,700	6,317	5,335
H&R Block Inc	233,900	3,714	3,576
Hartford Financial Services Gp	47,600	1,183	916
HCP Inc	38,700	1,239	1,542
Health Care Inc	30,600	1,452	1,612
Host Hotels & Resorts Inc	75,362	861	1,075
Hudson City Bancorp Inc	46,100	731	288
Huntington Bancshares Inc	70,300	323	364

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Intercontinental Exchange Inc	7,800	785	1,013
Invesco Limited	42,200	717	847
Janus Capital Group Inc	19,300	270	127
JP Morgan Chase & Co	578,453	21,253	20,107
KeyCorp	88,100	634	622
Kimco Realty Corporation	43,800	525	765
Legg Mason Inc	12,300	382	338
Leucadia National Corporation	173,100	5,610	4,644
Lincoln National Corp	26,100	665	497
Loews Corp	61,600	2,223	2,446
M & T Bank Corporation	17,100	1,281	1,301
Marsh & McLennan Co Inc	244,600	7,080	7,490
MasterCard Inc	17,800	4,850	6,181
MetLife Inc	104,300	3,805	3,667
Moody's Corp	145,000	4,622	5,146
Morgan Stanley	142,100	4,114	2,507
Nasdaq Stock Market Inc	13,000	285	326
Northern Trust Corp	25,600	1,321	1,036
NYSE Euronext	28,000	805	744
People's United Financial Inc	108,900	1,383	1,388
Plum Creek Timber Co Inc	57,100	2,107	2,150
PNC Financial Services Group	60,900	3,054	3,271
Principal Financial Group Inc	28,400	695	732
Progressive Corp	67,400	1,113	1,281
Prologis Inc	61,474	1,803	1,829
Prudential Financial Inc	50,200	2,391	2,721
Public Storage Inc	19,200	1,741	2,478
Regions Financial Corp	298,100	1,408	1,172
Schwab Charles Corp	236,500	3,508	2,904
Simon Property Group	31,002	2,451	3,982
SLM Corp	114,400	1,396	1,564
State Street Corp	55,200	2,485	2,230
SunTrust Banks Inc	56,900	1,243	1,123
T Rowe Price Associates Inc	33,100	1,644	1,749
Torchmark Corporation	85,500	3,160	3,500
Travelers Cos Inc	86,700	4,331	5,059
UnumProvident Corp	48,400	1,029	1,154
US Bancorp	240,500	5,673	6,154
Ventas Inc	29,700	1,367	1,652
Visa Inc-Class A Shares	56,600	4,810	5,279
Vornado Realty Trust	17,540	1,236	1,452
Wells Fargo & Company	645,600	16,958	16,727
XL Group PLC	35,300	613	767
Zions Bancorporation	28,000	503	486
<i>Total Financial Services - 11.5%</i>		264,926	255,259
<i>Health Care</i>			
Abbott Laboratories	173,400	8,885	9,341
Aetna Inc	75,500	2,604	3,002
Allergan Inc	37,500	2,455	3,155
AmerisourceBergen Corp	149,200	4,915	6,087
Amgen Inc	98,300	5,335	5,630
Bard CR Inc	51,900	4,931	4,461
Baxter International Inc	155,600	8,862	8,555
Becton Dickinson & Company	42,900	3,147	3,356
Biogen Idec Inc	71,600	5,289	8,331
Boston Scientific Corp	229,700	1,848	1,353
Bristol-Myers Squibb Company	238,042	5,690	7,520
Cardinal Health Inc	131,500	5,002	5,822
CareFusion Corporation	150,800	3,793	3,860
Celgene Corporation	44,000	2,463	2,853
Cerner Corporation	63,200	3,736	4,009
CIGNA Corporation	84,800	3,197	3,760

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Coventry Health Care Inc	83,200	2,590	2,647
Covidien PLC	224,800	11,404	10,575
DaVita Inc	42,400	3,155	2,968
DENTSPLY International Inc	42,700	1,463	1,578
Edwards Lifesciences Corp	27,800	2,297	2,097
Eli Lilly and Company	121,200	4,457	4,504
Express Scripts Inc	55,900	2,308	2,559
Forest Laboratories Inc	29,200	868	914
Gilead Sciences Inc	125,400	5,266	5,224
Hospira Inc	15,400	563	484
Humana Inc	65,300	3,573	5,543
Intuitive Surgical Inc	6,600	2,114	2,863
Johnson & Johnson	452,600	27,718	29,143
Laboratory Corp of Amer Hldgs	56,400	4,788	4,729
Life Technologies Corp	19,300	848	785
McKesson HBOC Inc	64,100	4,585	5,227
Medco Health Solutions Inc	59,000	3,118	3,237
Medtronic Inc	164,300	6,053	5,708
Merck & Co Inc	453,980	15,328	15,662
Mylan Laboratories Inc	104,800	1,820	2,051
Patterson Companies Inc	7,600	207	239
PerkinElmer Inc	9,500	181	196
Pfizer Inc	1,524,983	31,390	29,371
Quest Diagnostics Inc	84,600	4,528	4,721
St Jude Medical Inc	95,300	3,878	3,717
Stericycle Inc	62,200	4,793	5,199
Stryker Corporation	100,500	5,048	4,815
Tenet Healthcare Corporation	38,300	208	181
Thermo Electron Corporation	43,000	1,993	2,162
UnitedHealth Group Inc	209,600	7,707	10,059
Varian Medical Systems Inc	67,200	3,693	3,946
Waters Corporation	11,000	660	881
Watson Pharmaceuticals Inc	70,200	3,762	4,715
WellPoint Inc	106,900	6,651	7,365
Zimmer Holdings Inc	49,000	2,703	2,579
<i>Total Health Care - 12.1%</i>		253,870	269,739
<i>Technology</i>			
Accenture PLC	151,500	8,889	9,129
Adobe Systems Inc	66,200	2,014	1,947
Advanced Micro Devices Inc	47,500	270	277
Agilent Technologies Inc	198,500	8,146	7,358
Akamai Technologies Inc	16,100	428	434
Altera Corporation	156,900	4,970	5,950
Amphenol Corp	16,100	619	765
Analog Devices Inc	44,700	1,425	1,635
Apple Computer Inc	147,900	28,965	59,867
Applied Materials Inc	145,600	1,860	1,794
Autodesk Inc	32,900	1,016	1,138
Automatic Data Processing Inc	179,000	8,754	9,367
BMC Software Inc	16,900	562	587
Broadcom Corp	45,900	1,431	1,657
CA Inc	136,400	2,956	2,954
Cisco Systems Inc	531,100	10,256	9,841
Citrix Systems Inc	56,600	2,739	4,122
Cognizant Tech Solutions Corp	109,000	4,780	7,930
Computer Sciences Corp	22,600	944	711
Compuware Corporation	16,800	123	142
Corning Inc	150,200	2,502	2,146
Dell Inc	148,500	2,156	2,348
eBay Inc	160,900	4,270	5,121
Electronic Arts Inc	61,700	1,323	1,441
EMC Corporation	296,200	4,895	7,260

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
F5 Networks Inc	7,300	993	759
Fidelity Ntl Information Svcs	23,200	563	607
Fiserv Inc	57,100	3,274	3,361
FLIR Systems Inc	66,500	1,760	1,749
Google Inc	31,700	15,667	18,787
Harris Corporation	25,200	909	951
Hewlett-Packard Company	204,900	8,055	5,452
IBM Corp	222,900	25,547	41,154
Ingersoll-Rand PLC	90,700	3,703	2,823
Intel Corporation	558,500	11,290	13,706
Intuit Inc	31,900	1,109	1,712
Jabil Circuit Inc	15,400	195	317
JDS Uniphase Corporation	60,400	685	725
Juniper Networks Inc	50,400	1,249	1,233
KLA-Tencor Corporation	36,000	1,472	1,695
Lexmark International Inc	6,100	132	193
Linear Technology Corp	24,500	675	792
LSI Logic Corporation	251,100	1,584	1,569
MEMC Electronic Materials Inc	17,500	288	105
Microchip Technology Inc	109,700	3,805	3,969
Micron Technology Inc	128,500	897	718
Microsoft Corporation	1,055,802	26,558	28,116
Molex Inc	11,000	215	272
Motorola Mobility Holdings Inc	25,500	10	991
Motorola Solutions Inc	98,127	4,483	4,603
NetApp Inc.	39,100	1,243	1,602
Novellus Systems Inc	6,800	143	235
NVIDIA Corporation	216,600	3,376	3,206
Oracle Corporation	587,344	12,703	19,247
Paychex Inc	243,500	7,350	7,096
Qualcomm Inc	281,500	13,559	14,525
Red Hat Inc	20,600	633	1,023
SAIC INC	129,700	1,832	1,612
Salesforce.com Inc	12,900	1,040	1,718
SanDisk Corporation	22,600	609	1,145
Scripps Networks Interactive	8,000	229	340
Symantec Corporation	129,200	2,099	2,198
TE Connectivity Ltd	82,000	2,802	2,915
Tellabs Inc	24,700	117	107
Teradata Corporation	86,500	3,990	5,161
Teradyne Inc	31,900	355	457
Texas Instruments Inc	304,300	8,855	9,351
Total System Services Inc	71,300	1,248	1,418
VeriSign Inc	74,900	2,228	2,404
Western Digital Corp	25,100	719	669
Western Union Company	331,000	6,342	5,783
Xerox Corporation	148,695	1,266	1,216
Xilinx Inc	49,200	1,330	1,646
Yahoo! Inc	120,600	2,092	1,886
<i>Total Technology - 16.6%</i>		297,571	369,240
<i>Utilities</i>			
AES Corporation	99,600	1,296	1,118
Ameren Corporation	85,500	2,367	2,726
American Electric Power Co Inc	53,800	1,627	2,113
CenterPoint Energy Inc	159,000	2,206	3,314
CMS Energy Corporation	166,500	2,856	3,467
Consolidated Edison Inc	105,400	4,917	6,099
Constellation Energy Group	65,200	2,387	2,588
Dominion Resources Inc	125,700	5,129	6,485
DTE Energy Company	57,400	2,611	2,991
Duke Energy Corp	165,200	2,951	3,373
Edison International	39,800	1,384	1,616

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Entergy Corporation	18,700	1,426	1,293
EQT Corp	42,000	2,284	2,667
Exelon Corp	63,500	2,966	2,819
FirstEnergy Corp	116,232	4,647	5,226
Integrus Energy Group Inc	10,800	437	571
NextEra Energy Inc	49,300	2,658	2,781
NICOR Inc	37,300	1,884	2,098
NiSource Inc	124,700	1,995	2,755
Northeast Utilities	138,100	3,947	4,774
NRG Energy Inc	49,700	1,136	1,065
ONEOK Inc	81,500	4,428	6,198
Pepco Holdings	112,400	1,860	2,226
PG&E Corp	38,300	1,593	1,643
Pinnacle West Capital Corp	55,900	2,133	2,548
PPL Corporation	63,200	1,790	1,856
Progress Energy Inc	47,000	2,044	2,449
Public Service Enterprise Grp	48,200	1,637	1,624
Quanta Services Inc	18,500	406	386
SCANA Corporation	17,700	660	748
Sempra Energy	25,200	1,261	1,354
Southern Company	152,700	5,415	6,597
Southwestern Energy Company	33,000	1,348	1,387
TECO Energy Inc	29,900	451	555
Wisconsin Energy Corporation	137,200	3,678	4,449
Xcel Energy Inc	163,200	3,668	4,216
<i>Total Utilities - 4.4%</i>		<u>85,483</u>	<u>100,175</u>
Total Equity Securities - 95.7%		1,904,010	2,129,324
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund	17,369,074	17,369	17,369
Total Short-term Issues - 0.8%		<u>17,369</u>	<u>17,369</u>
Total Investment Securities - 96.5%		<u>\$ 1,921,379</u>	<u>\$ 2,146,693</u>
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 32,512	\$ 32,512
Mellon SL DBT II Liquidating Fund		465	450
Mellon GSL DBT II Liquidating Trust		3,079	-
Total Collateral for Securities Loaned		<u>\$ 36,056</u>	<u>\$ 32,962</u>

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends	\$ 2,980	\$ 13,532
Securities lending income	3	51
Securities lending borrower premiums	11	49
Net shareholder litigation proceeds	6	77
<b>Total investment income</b>	3,000	13,709
<b>Expenses</b>		
Investment advisor fees	(182)	(611)
Trustee fees	-	(2)
Custodian bank fees	(8)	(25)
Management fees	(55)	(214)
Fiduciary bond fees	(1)	(3)
Professional service fees	(10)	(40)
Securities lending agent fees	(2)	(16)
Futures commission expense	(3)	(4)
<b>Total expenses</b>	(261)	(915)
<b>Investment income, net</b>	2,739	12,794
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	6,969	6,608
Net increase (decrease) in the fair value of investments	214,297	(92,274)
<b>Net gain (loss) from investments</b>	221,266	(85,666)
<b>Net increase (decrease) in net assets from operations</b>	\$ 224,005	\$ (72,872)

*\*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 October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,739	\$ 12,794
Net realized gain from investments	6,969	6,608
Net increase (decrease) in the fair value of investments	214,297	(92,274)
<b>Net increase (decrease) in net assets from operations</b>	224,005	(72,872)
<b>Unit transactions</b>		
Proceeds from sale of units	160,311	241,464
Amount paid for repurchase of units	(51)	(26,604)
<b>Net increase in net assets from unit transactions</b>	160,260	214,860
<b>Increase in net assets</b>	384,265	141,988
<b>Net assets, beginning of period</b>	1,839,270	2,081,547
<b>Net assets, end of period</b>	\$ 2,223,535	\$ 2,223,535
<b>Unit data</b>		
Units sold	14,172,800	20,635,898
Units repurchased	(4,509)	(2,023,899)
<b>Net increase in units</b>	14,168,291	18,611,999

*\*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 - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. 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 investment 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

# Large Cap Domestic Equity Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. 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 as net increase or decrease in the fair value of investments.

**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 on a daily basis for the fluctuations of the underlying securities or index. The IMB records futures at fair market value as determined by the exchange on which they are traded. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

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 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. Investment 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.

**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 net realized gains.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

**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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS

Futures contracts are the only derivative financial instruments held in the Pool. These derivative financial instruments are not designated as hedging instruments under ASC 815; they are 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 primary risk managed by using these derivative financial instruments is market risk. See Note 2 for additional information on the Pool's purpose for entering into derivatives not designated as hedging instruments and for discussion on the risks associated with investing in these derivatives.

The table below presents the fair value of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Assets and Liabilities as of October 31, 2011:

Derivatives not designated as hedging instruments under ASC 815	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Equity contracts		\$	Unrealized loss on futures contracts	\$ 541

The table below presents the impact of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Operations for the period ended October 31, 2011:

Derivatives not designated as hedging instruments under ASC 815	Statement of Operations Location	Realized Gain (Loss)	Statement of Operations Location	Unrealized Gain (Loss)
Equity contracts	Net realized gain from investments	\$ (447)	Net decrease in the fair value of investments	\$ (881)

### NOTE 4. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 are:

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 4. 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 2,129,324	\$ -	\$ -	\$ 2,129,324
Regulated investment companies	-	17,369	-	17,369
Securities lending collateral funds	-	32,962	-	32,962
Futures	(541)	-	-	(541)
Total	<u>\$ 2,128,783</u>	<u>\$ 50,331</u>	<u>\$ -</u>	<u>\$ 2,179,114</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

### NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2011.

Fair value of securities on loan	\$ 35,395		
Initial collateral received:	Cost	Fair Value	Unrealized Loss
Cash	\$ 36,056	\$ 32,962	\$ (3,094)
Non-cash	231	227	(4)
Total	<u>\$ 36,287</u>	<u>\$ 33,189</u>	<u>\$ (3,098)</u>

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$3,248 was assigned to the Large Cap Domestic Equity Pool. A loss reserve was established for the entire amount. Through October 31, 2011, the loss reserve has been adjusted to \$3,079 as a result of cash received in the Liquidating Trust. This \$3,079 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through October 2011, the pool has recorded, but not distributed \$2,135 of net securities lending income.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 6. FUTURES CONTRACTS

At October 31, 2011, open positions in futures contracts were as follows:

<u>Expiration</u>	<u>Open Contracts</u>	<u>Position</u>	<u>Value at October 31, 2011</u>	<u>Value Upon Entering Contract</u>	<u>Unrealized Gain (Loss)</u>
Dec 2011	1,450 S&P 500	Long	<u>\$ 90,579</u>	<u>\$ 91,120</u>	<u>\$ (541)</u>

At October 31, 2011, the Pool had pledged cash of \$4,050 to cover margin requirements on open futures contracts.

### NOTE 7. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 13.16
Income from investment operations:	
Net investment income	0.08
Net realized and unrealized loss on investment transactions	<u>(0.66)</u>
Total from investment operations	<u>(0.58)</u>
Net asset value at October 31, 2011	<u>\$ 12.58</u>

**Time-weighted Total Return \*** -4.4%

#### Supplemental Data:

Net assets, end of period	\$ 2,223,535
Ratio to average net assets:	
Expenses **	0.13%
Net investment income **	1.90%
Portfolio turnover rate	15.78%

\* 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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 8. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 977,657
Public Employees' Retirement System	866,001
State Police Death, Disability and Retirement Fund	91,140
Workers' Compensation Old Fund	70,500
Retiree Health Benefit Trust	59,665
Judges' Retirement System	24,373
Revenue Shortfall Reserve Fund - Part B	23,508
Deputy Sheriff's Retirement System	22,114
Prepaid Tuition Trust Fund	20,728
Coal Workers' Pneumoconiosis Fund	19,232
State Police Retirement System	13,303
Board of Risk and Insurance Management	11,517
Wildlife Endowment Fund	7,980
Public Employees' Insurance Agency	6,555
Emergency Medical Services Retirement System	5,992
WV Department of Environmental Protection Trust	1,751
Workers' Compensation Self-Insured Guaranty Risk Pool	794
Workers' Compensation Uninsured Employers Fund	725
Total	<u>\$ 2,223,535</u>



**Financial Statements - Unaudited**

**October 31, 2011**



# Non-Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited October 31, 2011

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# Non-Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	693,319
Collateral for securities loaned at fair value (Note 4)		68,879
Receivables:		
Investments sold		5,999
Dividends		588
Securities lending income		21
Foreign tax withholding		1
		<u>1</u>
<b>Total assets</b>		<b>768,807</b>

### Liabilities

Accrued expenses		433
Payable for investments purchased		44
Payable upon return of securities loaned (Note 4)		71,040
		<u>71,040</u>
<b>Total liabilities</b>		<b>71,517</b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>697,290</u></u></b>

### Analysis of net assets

Paid-in capital	\$	542,552
Accumulated undistributed net investment income		31,321
Accumulated undistributed net realized gain from investments		79,939
Accumulated undistributed net realized loss from foreign currency transactions		(506)
Unrealized net appreciation of investments		43,984
		<u>43,984</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>697,290</u></u></b>

### Unit data

Units outstanding		42,373,220
Net asset value, unit price	\$	<u><u>16.46</u></u>

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Airgas Inc	22,600	\$ 1,407	\$ 1,558
Alpha Natural Resources Inc	195,171	8,689	4,692
Buckeye Technologies Inc	79,800	1,624	2,413
Cabot Corporation	55,400	1,156	1,672
Celanese Corp	148,610	4,067	6,472
Crown Holdings Inc	179,990	5,302	6,082
Domtar Corporation	32,500	2,312	2,662
Eastman Chemical Company	80,600	4,188	3,167
Huntsman Corp	180,100	3,091	2,114
Innospec Inc	57,900	1,299	1,749
Methanex Corporation	69,300	1,428	1,791
Neenah Paper Inc	95,900	1,802	1,582
NewMarket Corporation	8,400	1,042	1,631
Packaging Corp of America	225,150	6,226	5,872
Schweitzer-Mauduit Intl Inc	24,900	1,372	1,751
Stepan Co	19,900	1,411	1,538
Westlake Chemical Corporation	171,630	7,702	7,073
<i>Total Basic Materials - 7.7%</i>		54,118	53,819
<i>Capital Goods</i>			
Aegean Marine Petroleum Networ	217,700	1,618	1,132
AGCO Corporation	37,000	1,554	1,622
Alaska Air Group Inc	28,600	1,696	1,903
Alliant Techsystems Inc	50,600	3,324	2,939
Apollo Group	73,900	3,243	3,499
Applied Industrial Tech Inc	97,100	2,959	3,265
BE Aerospace Inc	206,535	5,432	7,793
Briggs & Stratton Corporation	104,000	1,555	1,518
Ceradyne Inc	35,900	1,674	1,201
Crane Company	151,840	5,311	6,698
EMCOR Group Inc	117,500	3,514	2,946
Federal Mogul Corp	40,800	701	688
Foster Wheeler AG	119,700	2,778	2,552
Gardner Denver Inc	31,400	687	2,428
Harsco Corporation	82,300	2,219	1,897
Hubbell Inc	119,540	6,776	7,147
IDEX Corporation	140,240	4,081	4,972
ITT Educational Services Inc	38,400	2,979	2,379
KBR Inc	139,100	3,334	3,882
Landstar System Inc	156,050	6,111	6,965
Layne Christensen Company	67,400	1,834	1,698
Lincoln Electric Hldgs Inc	50,600	1,861	1,842
NACCO Industries Inc	16,000	1,386	1,314
Owens Corning Inc	51,200	1,468	1,453
PHH Corp	85,300	1,551	1,574
Ryder System Inc	77,400	3,447	3,943
Strayer Education Inc	27,700	1,961	2,360
Timken Company	191,790	7,939	8,078
TransDigm Group Inc	50,530	4,208	4,746
URS Corp	37,300	1,626	1,332
Waste Connections Inc	164,780	4,003	5,611
WESCO International Inc	90,540	3,337	4,388
<i>Total Capital Goods - 15.2%</i>		96,167	105,765
<i>Communication Services</i>			
NII Holdings Inc	164,930	4,390	3,881
Telephone & Data Systems	54,800	1,488	1,270
<i>Total Communication Services - 0.7%</i>		5,878	5,151
<i>Consumer Discretionary</i>			
Aaron Rents Inc	120,600	3,189	3,227

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
AMERCO	18,800	1,885	1,423
American Axle & Manufacturing	133,300	1,561	1,292
Ameristar Casinos Inc	141,700	2,358	2,617
Ann Inc	70,100	1,963	1,867
Bridgepoint Education Inc	61,600	1,703	1,335
Brinker International Inc	93,200	2,077	2,134
Cash America International Inc	41,400	1,399	2,267
Cenveo Inc	58,300	370	219
Foot Locker Inc	513,450	10,364	11,224
GameStop Corp	60,100	1,546	1,537
Goodyear Tire & Rubber Co	738,560	9,749	10,606
Hertz Global Holdings Inc	768,460	9,437	8,914
Hot Topic Inc	297,600	2,221	2,250
Lithia Motors Inc	96,200	1,329	1,979
Movado Group Inc	104,500	1,692	1,748
O'Reilly Automotive Inc	114,720	4,946	8,724
Papa John's International Inc	43,500	1,430	1,469
Penn National Gaming Inc	36,100	1,348	1,300
PetSmart Inc	32,600	1,542	1,531
Scholastic Corporation	73,800	2,067	1,982
Signet Jewelers Ltd	128,760	4,624	5,551
Snap-On Inc	81,720	3,703	4,386
Standard Motor Products Inc	224,000	2,726	3,483
Sturm Ruger & Company Inc	88,600	2,122	2,686
True Religion Apparel Inc	81,900	2,402	2,778
Washington Post Company	5,200	2,150	1,769
Williams Sonoma Inc	161,030	6,140	6,045
Wyndham Worldwide Corporation	59,500	2,078	2,003
<i>Total Consumer Discretionary - 14.1%</i>		90,121	98,346
<i>Consumer Staples</i>			
Alliance One International Inc	320,000	970	854
Nash Fich Company	35,800	1,331	942
Nutrisystem Inc	114,400	1,405	1,414
Ralcorp Holdings Inc	129,660	8,643	10,482
Supervalu Inc	300,500	2,490	2,410
Universal Corporation	59,600	2,231	2,552
<i>Total Consumer Staples - 2.7%</i>		17,070	18,654
<i>Energy</i>			
China Natural Gas Inc	46,900	248	83
CVR Energy Inc	104,400	2,499	2,585
Denbury Resources Inc	544,430	8,372	8,548
EnSCO International PLC	128,150	5,300	6,364
Helix Energy Solutions Group	103,900	1,626	1,876
Nabors Industries Ltd	79,000	1,469	1,448
Patterson-UTI Energy Inc	201,000	3,654	4,084
Superior Energy Services, Inc	56,800	2,385	1,597
Tesoro Petroleum Corporation	619,590	14,230	16,072
Unit Corporation	30,800	1,425	1,511
VAALCO Energy Inc	214,500	1,495	1,461
Western Refining Inc	81,200	1,377	1,298
<i>Total Energy - 6.7%</i>		44,080	46,927
<i>Financial Services</i>			
Advance America Cash Advance	167,200	962	1,409
American Financial Group	70,000	1,741	2,508
AmTrust Financial Services Inc	118,800	2,173	3,015
Artio Global Investors, Inc	193,200	1,473	1,414
Assurant Inc	114,000	3,600	4,394
Banco Latinoamericano Export	164,100	2,831	2,667
Brandywine Realty Trust	134,100	1,636	1,222
Cathay General Bancorp	97,900	1,702	1,370

See accompanying notes to financial statements.



## Non-Large Cap Domestic Equity Pool

### Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
CBL & Associates Properties	225,300	3,395	3,465
Chemical Financial Corp	83,600	1,671	1,683
CNO Financial Group Inc	220,000	1,722	1,375
Comerica Inc	58,000	1,468	1,482
Commerce Bancshares Inc	107,200	4,282	4,159
Commonwealth REIT	63,900	1,694	1,236
CVB Financial Corp	173,400	1,445	1,684
Dime Community Bancshares	113,000	1,458	1,347
Duke Realty Corp	123,500	1,474	1,517
East West Bancorp Inc	129,900	2,422	2,529
Everest Re Group Ltd	50,680	3,986	4,557
EZCORP Inc	56,500	1,199	1,570
FBL Financial Group Inc	84,700	2,631	2,765
First Citizens BancShares Inc	9,900	1,724	1,614
First Republic Bank	179,820	5,505	4,981
FleetCor Technologies Inc	137,090	3,669	3,833
H&R Block Inc	205,600	2,964	3,144
HCC Insurance Holdings Inc	60,600	1,945	1,613
Hospitality Properties Trust	399,800	9,127	9,607
Huntington Bancshares Inc	805,800	4,662	4,174
Interactive Brokers Group Inc	172,800	2,904	2,658
Jones Lang LaSalle Inc	36,900	2,742	2,384
Knight Capital Group Inc	115,500	1,556	1,443
Lincoln National Corp	89,400	1,509	1,703
Maiden Holdings Ltd	279,500	2,491	2,278
Nasdaq Stock Market Inc	152,600	3,148	3,823
National Health Investors Inc	61,600	2,181	2,753
Nelnet Inc	57,600	1,252	1,237
Net 1 UEPS Technologies Inc	232,500	2,966	1,797
Oriental Financial Group Inc	230,500	2,885	2,441
Pacwest Bancorp	84,600	1,551	1,492
People's United Financial Inc	187,400	2,568	2,389
Popular Inc	1,744,800	3,641	3,245
ProAssurance Corporation	28,800	1,998	2,205
Protective Life Corporation	103,100	2,522	1,918
PS Business Parks Inc	59,200	3,103	3,151
Raymond James Financial Inc	76,200	2,278	2,314
Regions Financial Corp	551,000	1,994	2,165
Reinsurance Group of America	72,100	4,429	3,766
Republic Bancorp Inc	38,600	712	785
Retail Opportunity Investments	125,200	1,405	1,427
SEI Investments Company	39,300	768	636
SVB Financial Group	31,800	1,463	1,461
Symetra Financial Corporation	41,700	570	387
Torchmark Corporation	79,700	2,651	3,262
Tower Group Inc	121,200	2,816	2,876
Umpqua Holdings Corporation	128,900	1,265	1,476
Urstadt Biddle Properties	89,300	1,727	1,593
Waddell & Reed Financial Inc	170,910	4,353	4,739
Washington Federal Inc	189,100	3,097	2,581
Wesbanco Inc	45,300	755	900
Zions Bancorporation	109,200	1,652	1,896
<i>Total Financial Services - 20.9%</i>		145,513	145,515
<i>Health Care</i>			
Charles River Laboratories	75,200	2,654	2,427
Coventry Health Care Inc	224,820	5,021	7,152
DENTSPLY International Inc	229,210	7,900	8,472
Elan Corporation PLC	583,190	4,726	6,992
Health Net Inc	121,000	2,633	3,363
Herbalife Ltd	50,300	1,324	3,137
Hi Tech Pharmacal	55,000	1,553	1,954
Hill-Rom Holdings Inc	157,310	5,037	5,297

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
IDEXX Laboratories Inc	81,920	5,942	5,897
Magellan Health Services Inc	63,000	2,850	3,243
Myriad Genetics Inc	127,800	2,727	2,720
PDL BioPharma Inc	438,700	2,518	2,663
Santarus Inc	179,640	990	548
Wellcare Health Plans Inc	59,600	1,689	2,921
<i>Total Health Care - 8.1%</i>		47,564	56,786
<i>Technology</i>			
Alliance Data Systems Corp	74,690	4,987	7,651
Amdocs Ltd	112,600	3,333	3,380
Avnet Inc	117,900	3,691	3,574
CACI International Inc	46,900	2,712	2,574
Calamos Asset Management	78,500	788	980
Capella Education Company	73,600	2,260	2,562
Comtech Telecommunication Corp	57,400	1,564	1,901
Digital Generation Inc	52,200	1,518	973
IHS Inc	74,350	6,037	6,245
Imation Corporation	193,600	1,374	1,301
Informatica Corporation	160,480	8,318	7,302
Insight Enterprises Inc	120,400	1,651	2,035
Lihua International Inc	190,800	1,667	868
LSI Logic Corporation	1,221,660	7,191	7,635
Mettler-Toledo International	52,750	6,515	8,102
MSCI Inc	118,880	3,133	3,969
NCR Corporation	101,300	1,870	1,929
Neutral Tandem Inc	235,500	2,536	2,482
Nuance Communications Inc	384,490	6,084	10,181
NXP Semiconductor NV	79,280	1,379	1,425
ON Semiconductor Corp	517,340	4,123	3,916
Polycom Inc	213,730	4,341	3,533
Riverbed Technology	49,670	1,131	1,370
SAIC INC	197,700	3,344	2,457
Sanmina Corporation	137,000	1,560	1,207
Skyworks Solutions Inc	100,590	2,169	1,993
Syntel Inc	68,890	3,255	3,369
Tech Data Corporation	72,200	3,128	3,551
Teradyne Inc	383,860	5,256	5,497
Unisys Corporation	85,300	1,415	2,217
United Online Inc	450,200	2,771	2,661
Xyratex Ltd	246,700	2,352	3,365
<i>Total Technology - 16.1%</i>		103,453	112,205
<i>Utilities</i>			
Alliant Energy Corp	102,400	3,340	4,176
American Water Works Co Inc	158,800	3,798	4,848
El Paso Electric Company	94,100	2,202	3,014
GT Advanced Technologies	229,200	1,511	1,879
Kansas City Power	75,500	1,396	1,566
Laclede Group	37,300	1,466	1,496
NeuStar Inc	59,100	1,554	1,879
NV Energy Inc	125,500	1,937	2,013
OGE Energy Corp	86,400	3,190	4,470
Pepco Holdings	79,700	1,549	1,578
Pinnacle West Capital Corp	92,700	3,924	4,225
PNM Resources	184,400	2,318	3,316
Portland General Electric Co	129,000	2,597	3,166
Vectren Corp	121,600	3,349	3,446
<i>Total Utilities - 5.9%</i>		34,131	41,072
<i>Total Equity Securities - 98.1%</i>		638,095	684,240

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 1.3%	9,079,609	9,079	9,079
Total Investment Securities - 99.4%		<u>\$ 647,174</u>	<u>\$ 693,319</u>
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 67,939	\$ 67,939
Mellon SL DBT II Liquidating Fund		970	940
Mellon GSL DBT II Liquidating Trust		2,131	-
Total Collateral for Securities Loaned		<u>\$ 71,040</u>	<u>\$ 68,879</u>

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

### Statement of Operations - Unaudited

Period Ended October 31, 2011\*

*(Amounts in thousands)*

	Month	Year To Date
<b>Investment income</b>		
Dividends, net of foreign withholding taxes	\$ 781	\$ 3,023
Securities lending income	4	43
Securities lending borrower premiums	20	76
Net shareholder litigation proceeds	-	49
Commission recapture	7	14
<b>Total investment income</b>	812	3,205
<b>Expenses</b>		
Investment advisor fees	(69)	(500)
Trustee fees	-	(1)
Custodian bank fees	(2)	(7)
Management fees	(16)	(71)
Fiduciary bond fees	-	(1)
Professional service fees	(3)	(13)
Securities lending agent fees	(3)	(19)
<b>Total expenses</b>	(93)	(612)
<b>Investment income, net</b>	719	2,593
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain (loss) from investments	(6,025)	7,415
Net increase (decrease) in the fair value of investments	95,895	(82,167)
<b>Net gain (loss) from investments</b>	89,870	(74,752)
<b>Net increase (decrease) in net assets from operations</b>	\$ 90,589	\$ (72,159)

*\*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 October 31, 2011\*

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 719	\$ 2,593
Net realized gain (loss) from investments	(6,025)	7,415
Net increase (decrease) in the fair value of investments	95,895	(82,167)
<b>Net increase (decrease) in net assets from operations</b>	90,589	(72,159)
<b>Unit transactions</b>		
Proceeds from sale of units	22,425	41,610
Amount paid for repurchase of units	(425)	(5,284)
<b>Net increase in net assets from unit transactions</b>	22,000	36,326
<b>Increase (decrease) in net assets</b>	112,589	(35,833)
<b>Net assets, beginning of period</b>	584,701	733,123
<b>Net assets, end of period</b>	\$ 697,290	\$ 697,290
<b>Unit data</b>		
Units sold	1,566,206	2,725,042
Units repurchased	(29,683)	(304,861)
<b>Net increase in units</b>	1,536,523	2,420,181

*\*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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Commissions on the purchases of investment securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# Non-Large Cap Domestic Equity Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### 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 BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. 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 as net increase or decrease in the fair value of investments.

**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.

**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 net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 are:

## Non-Large Cap Domestic Equity Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 684,240	\$ -	\$ -	\$ 684,240
Regulated investment companies	-	9,079	-	9,079
Securities lending collateral funds	-	68,879	-	68,879
Total	<u>\$ 684,240</u>	<u>\$ 77,958</u>	<u>\$ -</u>	<u>\$ 762,198</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2011.

Fair value of securities on loan	\$ 69,227		
Initial collateral received:	Cost	Fair Value	Unrealized loss
Cash	\$ 71,040	\$ 68,879	\$ (2,161)
Non-cash	-	-	-
Total	<u>\$ 71,040</u>	<u>\$ 68,879</u>	<u>\$ (2,161)</u>

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$2,247 was assigned to the Non-Large Cap Domestic Equity Pool. A loss reserve was established for the entire amount. Through October 31, 2011, the loss reserve has been adjusted to \$2,131 as a result of cash received in the Liquidating Trust. This \$2,131 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through October 2011, the pool has recorded, but not distributed \$1,235 of net securities lending income.



# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 5. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2011	\$ 18.35
Income from investment operations:	
Net investment income	0.06
Net realized and unrealized loss on investment transactions	(1.95)
Total from investment operations	<u>(1.89)</u>
Net asset value at October 31, 2011	<u><u>\$ 16.46</u></u>
<b>Time-weighted Total Return *</b>	-10.3%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 697,290
Ratio to average net assets:	
Expenses **	0.26%
Net investment income **	1.15%
Portfolio turnover rate	33.31%

\* 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 October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 306,914
Public Employees' Retirement System	268,673
State Police Death, Disability and Retirement Fund	29,438
Workers' Compensation Old Fund	23,503
Retiree Health Benefit Trust	19,072
Revenue Shortfall Reserve Fund - Part B	7,974
Judges' Retirement System	7,716
Deputy Sheriff's Retirement System	6,977
Coal Workers' Pneumoconiosis Fund	6,529
Prepaid Tuition Trust Fund	4,737
State Police Retirement System	4,434
Board of Risk and Insurance Management	3,535
Wildlife Endowment Fund	2,504
Public Employees' Insurance Agency	2,224
Emergency Medical Services Retirement System	2,018
WV Department of Environmental Protection Trust	571
Workers' Compensation Self-Insured Guaranty Risk Pool	246
Workers' Compensation Uninsured Employers Fund	225
Total	<u><u>\$ 697,290</u></u>



**Financial Statements - Unaudited**

**October 31, 2011**



# International Qualified Pool

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## **Financial Statements - Unaudited October 31, 2011**

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# International Qualified Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	827,882
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### Liabilities

Accrued expenses		<u>411</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>827,471</u></b>
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### Analysis of net assets

Paid-in capital	\$	379,561
Accumulated undistributed net investment loss		(28,748)
Accumulated undistributed net realized gain from investments		24,500
Unrealized net appreciation of investments		<u>452,158</u>

<b>Net assets</b>	<b>\$</b>	<b><u>827,471</u></b>
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### Unit data

Units outstanding		20,620,268
Net asset value, unit price	\$	<u>40.13</u>

See accompanying notes to financial statements.

# International Qualified Pool

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## Schedule of Investments in Securities - Unaudited October 31, 2011

(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	12,199,305	\$ 375,724	\$ 827,882
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.			
No underlying investments exceed 5% of net assets of the International Qualified Pool.			
Total Investments in Other Funds - 100.0%		<u>\$ 375,724</u>	<u>\$ 827,882</u>

See accompanying notes to financial statements.

## International Qualified Pool

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**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(359)	(1,441)
Trustee fees	-	(1)
Management fees	(21)	(89)
Fiduciary bond fees	-	(1)
Professional service fees	(4)	(16)
	<u>(384)</u>	<u>(1,548)</u>
<b>Total expenses</b>	<u>(384)</u>	<u>(1,548)</u>
<b>Investment loss, net</b>	(384)	(1,548)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	176	813
Net increase (decrease) in the fair value of investments	<u>46,335</u>	<u>(54,734)</u>
<b>Net gain (loss) from investments</b>	<u>46,511</u>	<u>(53,921)</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ 46,127</u>	<u>\$ (55,469)</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 October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (384)	\$ (1,548)
Net realized gain from investments	176	813
Net increase (decrease) in the fair value of investments	46,335	(54,734)
<b>Net increase (decrease) in net assets from operations</b>	46,127	(55,469)
<b>Unit transactions</b>		
Proceeds from sale of units	345	10,026
Amount paid for repurchase of units	(317)	(9,949)
<b>Net increase in net assets from unit transactions</b>	28	77
<b>Increase (decrease) in net assets</b>	46,155	(55,392)
<b>Net assets, beginning of period</b>	781,316	882,863
<b>Net assets, end of period</b>	\$ 827,471	\$ 827,471
<b>Unit data</b>		
Units sold	9,104	234,189
Units repurchased	(8,378)	(232,271)
<b>Net increase in units</b>	726	1,918

*\*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 October 31, 2011\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ 46,127	\$ (55,469)
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash used in operating activities:		
Proceeds from disposition of investment securities	338	1,463
Increase in accrued expenses	18	8
Net realized gain from investments	(176)	(813)
Net decrease (increase) in the fair value of investments	(46,335)	54,734
	<u>(28)</u>	<u>(77)</u>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	345	10,026
Amount paid for repurchase of units	(317)	(9,949)
	<u>28</u>	<u>77</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.*

# International Qualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 net asset values of the individual funds, provided by the fund's management, as a practical expedient for measuring fair value.

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

# International Qualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

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

**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.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

Assets	Level 1	Level 2	Level 3	Total
Investments in other funds	\$ -	\$ 887,882	\$ -	\$ 887,882

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

# International Qualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$	42.82
Income from investment operations:		
Net investment loss		(0.08)
Net realized and unrealized loss on investment transactions		(2.61)
Total from investment operations		(2.69)
Net asset value at October 31, 2011	\$	40.13

**Time-weighted Total Return \*** -6.3%

#### Supplemental Data:

Net assets, end of period	\$	827,471
Ratio to average net assets:		
Expenses **		0.55%
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

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 405,898
Public Employees' Retirement System	354,113
State Police Death, Disability and Retirement Fund	39,243
Judges' Retirement System	10,309
Deputy Sheriff's Retirement System	9,329
State Police Retirement System	5,902
Emergency Medical Services Retirement System	2,677
Total	\$ 827,471



**Financial Statements - Unaudited**

**October 31, 2011**





# International Nonqualified Pool

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## **Financial Statements - Unaudited October 31, 2011**

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# International Nonqualified Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	90,518
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### Liabilities

Accrued expenses		<u>6</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>90,512</u></b>
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### Net assets

Paid-in capital	\$	42,163
Accumulated undistributed net investment loss		(3,711)
Accumulated undistributed net realized gain from investments		27,879
Unrealized net appreciation of investments		<u>24,181</u>

<b>Net assets</b>	<b>\$</b>	<b><u>90,512</u></b>
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### Unit data

Units outstanding		2,424,093
Net asset value, unit price	\$	<u>37.34</u>

See accompanying notes to financial statements.

## International Nonqualified Pool

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### Schedule of Investments in Securities - Unaudited

October 31, 2011

(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	1,266,747	\$ 66,337	\$ 90,518
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.			
No underlying investments exceed 5% of net assets of the International Nonqualified Pool.			
Total Investments in Other Funds - 100.0%		<u>\$ 66,337</u>	<u>\$ 90,518</u>

See accompanying notes to financial statements.

# International Nonqualified Pool

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## Statement of Operations - Unaudited

Period Ended October 31, 2011\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(51)	(205)
Management fees	(2)	(10)
Professional service fees	<u>(1)</u>	<u>(2)</u>
<b>Total expenses</b>	<u>(54)</u>	<u>(217)</u>
<b>Investment loss, net</b>	(54)	(217)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	14	55
Net increase (decrease) in the fair value of investments	<u>5,121</u>	<u>(5,916)</u>
<b>Net gain (loss) from investments</b>	<u>5,135</u>	<u>(5,861)</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ 5,081</u>	<u>\$ (6,078)</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 October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (54)	\$ (217)
Net realized gain from investments	14	55
Net increase (decrease) in the fair value of investments	5,121	(5,916)
<b>Net increase (decrease) in net assets from operations</b>	5,081	(6,078)
<b>Unit transactions</b>		
Proceeds from sale of units	424	28,962
Amount paid for repurchase of units	(421)	(454)
<b>Net increase in net assets from unit transactions</b>	3	28,508
<b>Increase in net assets</b>	5,084	22,430
<b>Net assets, beginning of period</b>	85,428	68,082
<b>Net assets, end of period</b>	\$ 90,512	\$ 90,512
<b>Unit data</b>		
Units sold	12,032	728,240
Units repurchased	(11,946)	(12,780)
<b>Net increase in units</b>	86	715,460

*\*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 October 31, 2011\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ 5,081	\$ (6,078)
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash used in operating activities:		
Purchase of investment securities	-	(28,500)
Proceeds from disposition of investment securities	51	205
Increase in accrued expenses	-	4
Net realized gain from investments	(14)	(55)
Net decrease (increase) in the fair value of investments	(5,121)	5,916
	<u>(3)</u>	<u>(28,508)</u>
<b>Cash flows from financing activities</b>		
Proceeds from sale of units	424	28,962
Amount paid for repurchase of units	(421)	(454)
	<u>3</u>	<u>28,508</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.

# International Nonqualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 net asset values of the individual funds, provided by the fund's management, as a practical expedient for measuring fair value.

**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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### 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.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in Other Funds	\$ -	\$ 90,518	\$ -	\$ 90,518

There were no transfers in or out of Levels 1 and 2 for the period ended October 31, 2011.



# International Nonqualified Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$	39.85
Income from investment operations:		
Net investment loss		(0.09)
Net realized and unrealized loss on investment transactions		(2.42)
Total from investment operations		(2.51)
Net asset value at October 31, 2011	\$	37.34

**Time-weighted Total Return \*** -6.3%

#### Supplemental Data:

Net assets, end of period	\$	90,512
Ratio to average net assets:		
Expenses **		0.75%
Net investment income **		-0.75%
Portfolio turnover rate		0.24%

\* 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 October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 30,820
Retiree Health Benefit Trust	24,725
Revenue Shortfall Reserve Fund - Part B	10,229
Coal Workers' Pneumoconiosis Fund	8,488
Prepaid Tuition Trust Fund	4,487
Board of Risk and Insurance Management	4,480
Wildlife Endowment Fund	3,264
Public Employees' Insurance Agency	2,805
WV Department of Environmental Protection Trust	607
Workers' Compensation Self-Insured Guaranty Risk Pool	310
Workers' Compensation Uninsured Employers Fund	297
Total	\$ 90,512



**Financial Statements - Unaudited**

**October 31, 2011**



# International Equity Pool

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## **Financial Statements - Unaudited October 31, 2011**

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# International Equity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,671,437
Collateral for securities loaned at fair value (Note 4)		113,447
Cash denominated in foreign currencies (cost \$7,695)		7,714
Receivables:		
Investments sold		3,668
Dividends		5,635
Securities lending income		65
Foreign tax withholding		1,039
Unrealized gain on foreign currency forward contracts (Note 5)		<u>3</u>
<b>Total assets</b>		<b>1,803,008</b>

### Liabilities

Accrued expenses		1,780
Payable for investments purchased		7,783
Payable upon return of securities loaned (Note 4)		116,802
Unrealized loss on foreign currency forward contracts (Note 5)		<u>15</u>
<b>Total liabilities</b>		<b><u>126,380</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,676,628</u></u></b>

### Analysis of net assets

Paid-in capital	\$	997,749
Accumulated undistributed net investment income		280,538
Accumulated undistributed net realized gain from investments		339,459
Accumulated undistributed net realized gain from foreign currency transactions		96,131
Unrealized net depreciation of investments		(88,194)
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		<u>50,945</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,676,628</u></u></b>

### Unit data

Units outstanding		82,958,448
Net asset value, unit price	\$	<u><u>20.21</u></u>

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Argentina</i>			
Grupo Clarin-GDR CL B Reg S	282,899	\$ 1,534	\$ 1,627
Nortel Inversora SA	123,040	2,538	2,937
<i>Total Argentina - 0.3%</i>		4,072	4,564
<i>Australia</i>			
BlueScope Steel Ltd	1,549,600	4,967	1,389
Caltex Australia Ltd	415,600	4,159	5,864
Downer EDI Ltd	720,314	2,422	2,331
DUET Group	1,235,624	1,713	2,189
Goodman Fielder Ltd	3,139,617	3,417	1,832
John Fairfax Holdings Ltd	1,533,841	2,280	1,513
Macquarie Group Ltd	180,400	3,653	4,768
Medusa Mining Ltd	364,226	2,387	2,570
Metcash Ltd	1,012,200	3,838	4,478
National Australia Bank Ltd	304,100	8,568	8,292
OneSteel Ltd	2,545,600	6,194	3,322
Rio Tinto Ltd	133,800	11,080	9,825
Southern Cross Media Group	285,367	940	372
Telstra Corporation Ltd	1,738,800	5,111	5,719
Wotif.com Holdings Ltd	380,135	1,801	1,700
<i>Total Australia - 3.3%</i>		62,530	56,164
<i>Austria</i>			
OMV AG	180,200	7,652	6,353
Voestalpine AG	63,400	2,580	2,211
<i>Total Austria - 0.5%</i>		10,232	8,564
<i>Belgium</i>			
Barco NV	22,300	1,603	1,219
Delhaize Le Lion SA	65,100	4,658	4,299
D'Ieteren SA NV	41,166	2,087	2,374
KBC Groep NV	113,900	5,008	2,578
Mobistar SA	37,796	2,386	2,175
Tessenderlo Chemie NV	65,300	2,991	2,052
<i>Total Belgium - 0.9%</i>		18,733	14,697
<i>Bermuda</i>			
China Yuchai International Ltd	226,207	3,831	3,438
Credicorp Ltd	21,600	1,850	2,350
Dickson Concepts Ltd	1,628,500	1,191	948
First Pacific Company Ltd	12,366,314	5,030	12,995
Haier Electronics Group	1,806,000	1,900	1,747
Peoples Food Holdings Ltd	12,701,000	9,798	6,646
Stolt-Nielsen Ltd	96,500	-	1,925
Varitronix International Ltd	783,000	784	362
Yue Yuen Industrial Holdings	1,489,000	2,841	4,276
<i>Total Bermuda - 2.1%</i>		27,225	34,687
<i>Brazil</i>			
Banco Bradesco SA	239,200	4,558	4,353
Banco do Brasil SA	247,501	3,380	3,784
Banco do Estado do Rio Grande	705,400	5,052	7,537
Banco Santander Brasil SA	1,162,160	13,891	10,576
Brasil Telecom SA	401,924	10,442	6,338
BRF-Brasil Foods SA	95,400	1,802	2,008
Centrais Eletricas Brasileiras - ADR	907,520	10,352	9,030
Centrais Eletricas Brasileiras	383,500	4,038	5,359
CETIP	168,700	2,604	2,360
Cetrais Elect de Santa Catarina	155,600	4,108	3,307
CIA Paranaense De Energia	198,080	2,402	3,507
Companhia de Bebidas das Amer	92,200	2,852	3,109
Companhia de Saneamento	481,655	6,822	13,393
Companhia Energetica de Minas	298,000	4,799	5,049

See accompanying notes to financial statements.

# International Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Companhia Energetica do Ceara	281,750	4,773	5,768
Ecorodovias Infra E Log	266,100	2,184	2,042
Eletropaulo Metropolitana SA	134,600	-	2,447
Embraer SA	350,308	7,062	9,746
Inpar SA	2,577,740	4,582	3,607
Itau Unibanco Holding SA	341,820	6,120	6,536
Localiza Rent A Car	162,500	2,672	2,489
Marcopolo SA	434,600	1,836	1,950
Marfrig Frigorificos e Comerci	1,354,185	11,035	5,956
OGX Petroleo e Gas Participac	170,700	1,506	1,431
PDG Realty SA	286,900	1,620	1,282
Petroleo Brasileiro SA - ADR	494,812	17,345	12,651
Petroleo Brasileiro SA	628,300	9,234	7,908
Tele Norte Leste Participacoes	321,447	5,052	3,985
Telefonica Brasil	316,589	-	9,187
Tim Participacoes SA	250,160	3,783	6,514
Tractebel Energia SA	120,700	2,037	1,960
Vale SA	179,500	5,009	4,324
Vale SA - ADR	148,400	4,388	3,772
<i>Total Brazil - 10.3%</i>		167,340	173,265
<i>Canada</i>			
Alimentation Couche-Tard Inc	227,500	3,223	6,871
ATCO Ltd	11,600	346	711
Canadian Imperial Bank	99,300	6,267	7,508
Celestica Inc	597,200	3,867	4,972
Cogeco Cable Inc	55,900	2,514	2,669
Gneworth MI Canada Inc	89,100	2,443	1,974
Laurentian Bank of Canada	83,174	2,496	3,850
Lundin Mining Corporation	798,300	2,844	3,143
Magna International Inc	164,000	8,605	6,279
Metro Inc	114,900	4,758	5,650
National Bank of Canada	83,300	3,692	5,966
Pacific Rubiales Energy Corp	106,500	2,808	2,492
Teck Corporation	187,800	6,177	7,555
Transcontinental Inc	239,200	3,637	3,058
Westjet Airlines LTD	242,100	3,107	3,183
<i>Total Canada - 3.9%</i>		56,784	65,881
<i>Cayman Islands</i>			
Baidu Inc	21,220	2,617	2,975
Belle International Holdings	959,500	1,794	1,908
Chaoda Modern Agricultures Ltd	23,777,636	16,827	3,368
CST Mining Group Ltd	57,528,000	1,681	815
Daphne International Holdings	2,980,000	2,793	3,162
Kingboard Chemical Holdings	493,000	2,149	1,714
Kingboard Laminates Holding	3,250,500	2,844	1,771
New World Department Store	2,044,000	1,951	1,377
Tencent Holdings Ltd	86,400	2,122	2,037
TPK Holdings Co Ltd	41,600	1,210	710
VST Holdings Limited	5,142,000	1,682	834
<i>Total Cayman Islands - 1.2%</i>		37,670	20,671
<i>China</i>			
Bank of China Ltd	19,058,000	6,228	6,921
China Construction Bank Corp	5,840,100	4,941	4,370
China Merchants Bank	980,703	2,289	2,021
China Pet & Chem Cor (Sinopec)	8,680,000	7,227	8,317
China South Locomotive	1,379,000	937	835
Chongqing Machinery & Electric	7,621,000	1,588	1,492
Dongfeng Motor Group Company	1,662,000	2,154	2,765
Great Wall Motor Company Ltd	4,665,999	3,450	6,466
Harbin Power Equipment Company	2,702,000	3,273	2,766
Jiangxi Copper Company Ltd	865,000	2,572	2,150
Sichuan Xinhua Winshare	6,391,000	1,553	2,840

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Sinotrans Ltd	35,607,000	6,370	7,429
Weiqiao Textile Company Ltd	12,431,908	15,893	6,884
<i>Total China - 3.3%</i>		58,475	55,256
<i>Czech Republic</i>			
Telefonica O2 Czech Republic - 0.5%	386,860	8,973	8,217
<i>Denmark</i>			
D/S Norden A/S	48,009	1,857	1,422
Danske Bank A/S	144,600	3,042	2,019
DSV A/S	118,541	2,541	2,415
SimCorp A/S	13,063	1,571	2,266
<i>Total Denmark - 0.5%</i>		9,011	8,122
<i>Finland</i>			
Elisa Oyj	84,085	1,722	1,791
Huhtamaki	224,400	2,469	2,592
Outokumpu Technology	42,142	1,986	1,986
TietoEnator Oyj	171,000	4,238	2,731
<i>Total Finland - 0.5%</i>		10,415	9,100
<i>France</i>			
Altran Technologies SA	252,756	1,943	1,299
Axa	259,700	7,310	4,263
BNP Paribas	111,600	8,205	5,113
Compagnie Generale de Geophy	73,364	2,244	1,607
Credit Agricole SA	510,196	3,980	4,039
France Telecom SA	210,000	6,791	3,820
Ingenico SA	40,759	1,799	1,626
Rallye SA	35,300	2,308	1,142
Sanofi-Synthelabo SA	171,425	11,563	12,424
SCOR SE	220,917	5,477	5,211
Teleperformance	71,703	2,672	1,528
Total SA	232,600	14,724	12,268
Valeo SA	61,600	2,523	3,140
Virbac SA	10,275	796	1,793
Vivendi Universal	284,900	9,739	6,457
Wendel	14,953	1,462	1,126
<i>Total France - 4.0%</i>		83,536	66,856
<i>Germany</i>			
ADVA AG Optical Networking	220,398	1,592	1,315
Allianz AG	67,400	9,038	7,635
BASF AG	100,500	4,292	7,456
Bayer AG	103,100	5,498	6,657
Deutsche Bank AG	81,700	7,346	3,458
Deutsche Post AG	276,700	3,680	4,249
E.On AG	204,500	6,200	4,994
Fielmann AG	23,042	2,305	2,446
Fuchs Petrolub AG	61,575	1,305	3,061
GEA Group AG	94,908	2,124	2,643
Kabel Deutschland Holding AG	42,802	2,340	2,463
Krones AG	35,208	1,816	1,819
Muenchener Rueckversicherungs	51,800	8,810	7,042
MUT Aero Engines Holding AG	32,502	2,434	2,201
Pfeiffer Vacuum Technology AG	17,768	976	1,820
RWE AG	83,300	6,579	3,595
Symrise AG	90,320	2,184	2,360
ThyssenKrupp AG	146,200	3,770	4,253
TUI AG	318,695	3,065	2,108
Volkswagen AG	40,700	4,802	6,460
Wirecard AG	164,175	2,274	2,646
<i>Total Germany - 4.8%</i>		82,430	80,681

See accompanying notes to financial statements.

# International Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Greece</i>			
Alapis Holding Ind & Commer	46,477	1,132	3
Alpha Bank AE	91,300	2,833	126
Hellenic Petroleum SA	43,638	608	387
<i>Total Greece - 0.0%</i>		4,573	516
<i>Hong Kong</i>			
Beijing Enterprises Holdings	238,500	1,282	1,335
BYD Electronics International	3,546,500	2,035	1,288
China Mobile (Hong Kong) Ltd	1,132,500	10,612	10,887
China Resources Power	5,970,500	10,762	10,718
China Taiping Insurance	531,000	1,152	1,165
CNOOC Ltd	1,764,000	3,978	3,467
Erste Group Bank AG	268,167	11,163	5,835
Galaxy Entertainment Group	506,000	926	1,052
Oriental Watch Holdings	1,454,000	789	859
Xinyi Glass Holdings Co Ltd	2,076,000	1,142	1,340
<i>Total Hong Kong - 2.3%</i>		43,841	37,946
<i>Hungary</i>			
Magyar Telekom - 0.5%	3,424,860	14,751	8,057
<i>India</i>			
Ashok Leyland Ltd	1,608,143	840	903
Aurobindo Pharma	752,050	2,904	1,980
Dr. Reddy's Laboratories	56,300	1,916	1,866
Grasim Industries Limited	61,842	3,396	3,147
HDFC Bank Ltd	96,300	3,056	3,049
Indiabulls Financial Services	1,075,300	3,920	3,379
McLeod Russel India Ltd	346,493	2,094	1,828
Patni Computer Systems Ltd	84,470	1,770	1,156
Reliance Infrastructure Ltd	1,365,925	15,639	13,024
Tata Motors Ltd	186,200	5,047	3,733
<i>Total India - 2.0%</i>		40,582	34,065
<i>Indonesia</i>			
Bank Rakyat Indonesia	3,228,500	2,304	2,462
Semen Gresik (Persero) TBK	2,171,900	2,381	2,331
United Tractors TBK	1,060,087	2,805	2,946
<i>Total Indonesia - 0.5%</i>		7,490	7,739
<i>Ireland</i>			
Charter International PLC	141,528	872	2,049
Irish Life & Permanent Group	398,100	6,377	18
Total Produce PLC	82,700	92	44
<i>Total Ireland - 0.1%</i>		7,341	2,111
<i>Israel</i>			
Bank Leumi Le-Israel	976,800	3,243	3,434
Bezeq Israeli Telecommunicatio	795,078	1,163	1,701
Israel Discount Bank	1,644,552	3,628	2,753
Partner Communications Company	472,472	8,118	5,684
Syneron Medical Ltd	259,721	2,711	2,940
Teva Pharmaceutical Ltd	111,600	4,176	4,588
<i>Total Israel - 1.3%</i>		23,039	21,100
<i>Italy</i>			
Amplifon SpA	371,277	1,793	1,800
Enel SpA	1,044,300	5,684	4,967
ENI SpA	424,300	11,514	9,463
Finmeccanica SpA	276,900	4,130	1,918
Piaggio & C SPA	660,942	2,144	2,213
Pirelli & Company SpA	366,068	2,382	3,268
Prismian SpA	108,038	1,769	1,650

See accompanying notes to financial statements.

# International Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Sorin SPA	814,494	1,651	1,719
<i>Total Italy - 1.6%</i>		31,067	26,998
<i>Japan</i>			
Aeon Delight Company Ltd	95,951	1,630	1,964
Akebono Brake Industry Co Ltd	180,848	1,004	881
Brother Industries Ltd	227,200	3,214	3,030
Century Leasing System Inc	214,200	2,725	4,382
Circle K Sunkus Company Ltd	111,900	1,592	1,853
Coca-Cola West Company	55,000	1,042	991
Cocokara Fine Holdings Inc	71,700	1,850	1,812
Daiseki Company Ltd	127,600	2,615	2,370
DDI Corporation	900	4,328	6,683
Don Quijote Co Ltd	54,400	1,919	2,011
Eizo Nannao Corporation	51,700	1,645	1,008
Elpida Memory Inc	165,300	1,885	1,058
GEO Corporation	1,800	1,846	1,840
Hajime Construction Co Ltd	79,800	2,316	1,757
Hanwa Company Ltd	600,000	3,094	2,570
Hitachi Capital Corporation	67,400	608	842
Hitachi Metals Ltd	157,000	1,870	1,822
Hoshizaki Electric Company Ltd	85,796	1,288	1,945
Itochu Corp	499,000	3,527	5,036
Itochu Techno-Science Corp	110,000	3,428	4,811
Izumi Company Ltd	111,000	1,426	1,714
Japan Petroleum Exploration Co	57,900	2,458	2,332
Japan Retail Fund Inv Corp	313	455	490
JSR Corporation	158,286	2,695	3,088
JX Holdings Inc	958,421	6,146	5,703
Kanto Auto Works Ltd	100,800	1,408	853
Keihin Corporation	160,500	1,387	2,536
Keiyo Bank Ltd	312,007	1,518	1,533
Kobayashi Pharmaceutical Co	41,421	1,925	2,069
Konica Corporation	317,000	2,250	2,358
Kyowa Exeo Corporation	239,500	2,147	2,125
Marubeni Corporation	654,800	2,948	3,896
Matsumotokiyoshi Holdings Co	167,400	3,080	3,203
Megmilk Snow Brand Co Ltd	34,800	682	678
Miraca Holdings Inc	153,200	3,290	5,904
Mitsubishi Tokyo Finl Grp Inc	1,467,600	6,590	6,493
Mitsui & Company Ltd	349,800	5,982	5,226
Mizuho Financial Grp Inc	4,206,600	8,886	5,988
Musashi Seimitsu Industry Co	83,800	2,172	2,031
NGK Insulators LTD	94,000	1,172	1,109
Nippon Telegraph & Telephone	188,900	8,428	9,763
NTT DoCoMo	5,500	8,422	9,826
Osaka Securities Exchange Co	497	2,440	2,358
Pola Orbis Holdings Inc	76,700	1,783	2,074
Sankyo Company Ltd	48,400	2,199	2,564
Sapporo Hokuyo Holdings Inc	705,600	3,211	2,371
Sapporo Holdings Ltd	712,341	3,034	2,704
Seino Holdings Corporation Ltd	330,000	1,730	2,522
Shimadzu Corporation	203,000	1,682	1,768
Sumitomo Corporation	783,000	10,541	9,911
Sumitomo Mitsui Financial Grp	118,500	3,918	3,368
Sundrug Co Ltd	94,600	2,421	2,830
Takeda Pharmaceutical Co Ltd	11,600	522	527
THK Co Ltd	164,614	3,442	3,276
Tokyo Tatemono Company Ltd	908,700	3,413	2,925
Toshiba Plant Sys & Ser Corp	268,695	3,052	2,932
Toyo Suisan Kaisha Ltd	155,000	3,220	3,992
Tsumura & Company	61,034	1,882	1,731
United Urban Investment Corp	2,191	2,453	2,484
Yaskawa Electric Corporation	179,000	1,431	1,584
Yodogawa Steel Works Ltd	512,000	2,194	2,068

See accompanying notes to financial statements.

# International Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Yokogawa Electric Corp	215,800	1,711	2,067
Yokohama Rubber Company Ltd	433,000	2,232	2,521
<i>Total Japan - 11.1%</i>		177,404	186,161
<i>Korea</i>			
BS Financial Group Inc	592,040	2,995	6,651
E-Mart Co Ltd	6,259	1,626	1,635
GS Holdings Corp	29,154	2,127	1,718
Hana Financial Group	81,100	3,350	2,953
Hyundai Mipo Dockyard Company	21,700	1,959	2,408
Hyundai Motor Co Ltd	17,157	3,553	3,514
Hyundai Motor Company	119,520	4,837	7,657
Industrial Bank of Korea (IBK)	305,000	5,052	4,087
KB Financial Group Inc	236,846	10,329	9,276
KB Financial Group Inc - ADR	65,600	2,916	2,562
Korea Electric Power Corp	333,948	9,158	7,564
Korea Exchange Bank	656,100	7,827	4,920
KT Corporation	87,400	4,009	2,954
LG Chemical Ltd	3,166	1,360	1,040
LG Household & Health Care Ltd	5,018	2,083	2,278
Lotte Chilsung Beverage Co	9,274	8,198	10,461
Lotte Confectionery Co Ltd	1,417	1,520	2,224
NHN Corporation	10,973	2,133	2,307
Pohang Iron & Steel Co Ltd - ADR	9,800	861	842
Pohang Iron & Steel Co Ltd	32,677	13,641	11,470
Samsung Electronics Co Ltd	16,937	12,017	14,794
Samsung Engineering Co	8,332	1,901	1,729
Samsung Heavy Industries	61,020	2,284	1,908
Shinhan Financial Group	101,730	3,962	4,099
SK Holdings Co Ltd	31,100	2,711	4,224
SK Telecom Company Ltd	21,139	3,649	2,823
<i>Total Korea - 7.0%</i>		116,058	118,098
<i>Luxembourg</i>			
Tenaris SA	54,700	2,351	1,740
Ternium	58,800	1,674	1,443
<i>Total Luxembourg - 0.2%</i>		4,025	3,183
<i>Malaysia</i>			
Axiata Group Berhad	1,178,300	1,951	1,874
Petronas Chemicals Group	766,800	1,757	1,612
Proton Holdings Berhad	1,654,500	2,423	1,445
<i>Total Malaysia - 0.3%</i>		6,131	4,931
<i>Mauritius</i>			
Golden Agri-Resources Ltd - 0.2%	7,838,779	3,416	4,071
<i>Mexico</i>			
Alfa SA A Shares	453,400	2,692	5,347
America Movil	294,733	7,005	7,492
Cemex SAB de CV	1,327,117	10,301	5,800
Fibra Uno Administracion SA	2,975,660	4,811	5,536
Fomento Economico Mexicano SAB	25,000	1,647	1,676
Genomma Lab Internacional	851,400	2,070	1,795
Gruma SA	192,890	285	382
Grupo Financiero Banorte	595,900	2,644	2,059
Grupo Televisa MM	1,368,013	5,172	5,918
Grupo Televisa SA	80,500	1,828	1,717
Telefonos de Mexico SA	50,274	882	786
<i>Total Mexico - 2.3%</i>		39,337	38,508
<i>Netherlands</i>			
Aegon NV	779,500	6,586	3,778
ASM International NV	66,440	1,251	1,891
Delta Lloyd NV	150,800	3,505	2,689

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Koninklijke (Royal) KPN NV	569,500	8,070	7,543
Koninklijke DSM NV	139,700	5,192	7,252
Nutreco Holding NV	43,572	2,234	2,929
<i>Total Netherlands - 1.6%</i>		26,838	26,082
<i>New Zealand</i>			
Telecom Corporation New Zealand - 0.2%	2,011,600	4,041	4,141
<i>Norway</i>			
Cermaq ASA	178,900	2,702	2,011
DNB Holding ASA	230,200	3,057	2,711
Marine Harvest	2,440,966	1,881	1,102
StatoilHydro ASA	275,900	7,095	7,110
TGS Nopec Geophysical Company	106,928	1,297	2,465
Veidekke ASA	272,143	2,467	1,895
<i>Total Norway - 1.0%</i>		18,499	17,294
<i>Pakistan</i>			
Lucky Cement Ltd	1,233,039	955	1,182
Nishat Mills Ltd	1,831,640	2,114	952
<i>Total Pakistan - 0.1%</i>		3,069	2,134
<i>Panama</i>			
Banco Latinoamericano de Exp	604,261	9,560	9,819
Copa Holdings	50,000	3,230	3,454
<i>Total Panama - 0.8%</i>		12,790	13,273
<i>Philippines</i>			
First Philippine Holdings Corp	2,879,117	1,819	3,518
Metropolitan Bank & Trust Co	1,464,469	2,319	2,454
<i>Total Philippines - 0.4%</i>		4,138	5,972
<i>Poland</i>			
KGHM Polska Miedz - 0.5%	154,400	5,140	7,630
<i>Portugal</i>			
Banco Espirito Santo - 0.1%	675,000	3,718	1,478
<i>Russia</i>			
Gazprom	940,400	9,458	10,974
Lukoil	353,576	21,363	20,409
Magnit	73,691	2,197	1,883
MMC Norilsk Nickel	452,500	7,466	8,855
Mobile TeleSystems	174,000	2,216	2,486
NovaTek OAO	15,551	1,943	2,183
Sberbank	993,509	3,323	2,787
Territorial Generation Co-1	2,929,352,260	1,641	1,055
<i>Total Russia - 3.0%</i>		49,607	50,632
<i>Singapore</i>			
ComfortDelGro Corporation	1,434,000	1,562	1,604
DBS Group Holdings Ltd	429,000	3,783	4,236
Flextronics International Ltd	1,545,070	6,765	10,143
Haw Par Corporation Ltd	532,000	2,330	2,384
Hong Leong Asia Ltd	1,164,000	2,220	1,832
<i>Total Singapore - 1.2%</i>		16,660	20,199
<i>South Africa</i>			
Astral Foods Ltd	161,900	2,256	2,419
Clicks Group Ltd	395,300	2,348	2,085
Exxaro Resources Ltd	94,301	2,262	2,144
FirstRand Ltd	1,062,729	3,018	2,657
Imperial Holdings Ltd	559,700	3,784	8,328
JD Group Ltd	297,371	1,805	1,672
Metropolitan Holdings Ltd	1,946,300	3,206	4,202

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
MTN Group Ltd	529,890	7,826	9,295
Nampak Ltd	1,627,100	3,444	4,492
<i>Total South Africa - 2.2%</i>		29,949	37,294
<i>Spain</i>			
Banco Santander Ctrl Hisp SA	763,400	8,451	6,577
Bolsas y Mercados Espanoles	55,184	1,452	1,597
Ebro Puleva SA	82,876	1,430	1,697
Grifols SA	131,620	2,488	2,476
Promotora de Informaciones SA	171,020	453	179
Repsol SA	282,500	8,211	8,629
Telefonica SA	332,800	7,121	7,139
Viscofan Sa	55,976	1,836	2,171
<i>Total Spain - 1.8%</i>		31,442	30,465
<i>Sweden</i>			
Alliance Oil Company Ltd	147,156	2,754	1,929
Boliden AB	577,000	8,085	8,317
Meda AB	212,643	1,680	2,190
NCC AB	212,300	3,788	3,946
<i>Total Sweden - 1.0%</i>		16,307	16,382
<i>Switzerland</i>			
Baloise Holding Ltd	73,300	4,945	6,048
BKW FMB Energie AG	27,649	1,830	1,262
Credit Suisse Group	254,400	11,023	7,479
Informa PLC	538,747	2,379	3,151
Kuoni Reisen Holding AG	7,373	2,552	2,538
Novartis AG	210,300	7,746	11,981
Partners Group Holding AG	13,752	1,304	2,598
Roche Holding AG	78,600	11,321	13,061
Swiss Re Ltd	78,300	-	4,337
Zurich Financial Services AG	28,300	6,612	6,623
<i>Total Switzerland - 3.5%</i>		49,712	59,078
<i>Taiwan</i>			
Catcher Technology Co Ltd	163,000	1,287	926
Chinatrust Financial Holding	3,592,583	2,818	2,396
Compal Electronics Inc	3,745,938	3,510	3,481
Gigabyte Technology Company	2,968,000	2,206	2,431
HTC Corporation	55,050	1,806	1,262
Huaku Development Co Ltd	138,838	422	329
Largan Precision Co Ltd	64,000	1,984	1,457
Lite-On-It Corp	1,932,000	1,818	1,837
Novatek Microelectronics Corp	3,842,000	9,282	9,567
Sino-American Silicon Products	651,750	2,008	1,083
Taiwan Prosperity Chemical	1,280,600	5,264	3,707
Taiwan Semiconductor	295,200	3,701	3,725
United Microelectronics Corp	9,926,000	4,423	4,430
<i>Total Taiwan - 2.2%</i>		40,529	36,631
<i>Thailand</i>			
Banpu Putlic Company Ltd	105,046	2,432	2,145
Kasikornbank Public Co Ltd	488,200	1,819	1,969
Krung Thai Bank Public Co Ltd	16,010,900	4,677	7,914
PTT PLC	197,526	2,116	1,966
<i>Total Thailand - 0.8%</i>		11,044	13,994
<i>Turkey</i>			
Dogus Otomotiv Servis	828,060	1,859	1,799
Koza Altin Isletmeleri AS	137,700	1,932	1,894
Selcuk Exza Deposu Ticaret AS	3,454,524	4,463	3,292
Turkiye Garanti Bankasi AS	1,622,840	5,939	5,744
Turkiye Sinai Kalkinma Bank	1,371,371	2,000	1,548

See accompanying notes to financial statements.

# International Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Turkiye Vakiflar Bankasi T-D	4,234,600	4,473	7,254
Total Turkey - 1.3%		20,666	21,531
<i>United Arab Emirates</i>			
Air Arabia - 0.5%	44,831,120	9,221	7,726
<i>United Kingdom</i>			
Arcos Dorados Holdings Inc	82,700	2,008	1,935
AstraZeneca Group PLC	306,900	13,353	14,792
Aviva PLC	640,900	5,495	3,525
Babcock International Group	213,015	2,125	2,422
Barclays PLC	1,178,654	9,498	3,716
BBA Aviation PLC	826,625	2,494	2,375
BP Amoco PLC	1,343,900	12,578	10,000
British Aerospace PLC	1,491,800	7,408	6,660
BT Group PLC	3,044,100	8,784	9,242
Computacenter PLC	900,800	3,344	5,541
Cookson Group PLC	198,464	1,300	1,540
Daily Mail & General Trust PLC	283,905	1,525	1,914
Derwent London PLC	28,628	687	785
Domino Printing Sciences	205,879	2,182	1,907
Drax Group PLC	434,000	4,706	3,804
Enquest PLC	1,247,879	2,475	2,175
GlaxoSmithKline PLC	500,200	10,172	11,303
Greene King PLC	72,815	343	527
Homeserve PLC	311,419	2,249	1,759
Hunting PLC	185,117	1,570	1,990
IG Group Holdings PLC	343,938	1,513	2,588
Inchcape PLC	603,600	2,657	3,179
International Personal Finance	382,982	1,470	1,695
J Sainsbury PLC	881,600	4,657	4,256
Legal & General Group PLC	2,319,500	4,876	4,137
Logica PLC	2,046,300	2,035	3,101
Marston's PLC	893,188	2,333	1,396
Meggitt PLC	498,237	1,008	3,093
Melrose PLC	420,089	1,772	2,236
Mitchells & Butlers PLC	488,969	2,629	1,894
Mondi PLC	114,912	1,079	881
Old Mutual PLC	2,141,000	4,842	3,801
Premier Farnell PLC	438,632	1,279	1,239
Premier Oil PLC	484,663	2,135	2,873
Royal & Sun Alliance Insurance	1,524,400	2,770	2,748
Royal Dutch Shell B Shares	689,200	19,372	24,869
RPS Group PLC	570,031	1,342	1,657
Spectris PLC	140,702	1,767	2,889
Spirax-Sarco Engineering	74,672	1,567	2,312
Spirent Commuicatos PLC	1,040,515	1,817	2,099
St. James Place PLC	380,838	1,132	2,176
Thomas Cook Group	959,500	3,433	805
Vodafone Group PLC	2,467,200	5,000	6,883
William Morrison Supermarkets	1,170,400	5,625	5,710
Total United Kingdom - 10.6%		172,406	176,429
<i>United States</i>			
Cognizant Tech Solutions A	37,500	2,553	2,728
CTC Media	54,300	1,100	625
First Cash Finl Svcs Inc	29,700	1,156	1,233
Total United States - 0.3%		4,809	4,586
Total Equities - 98.6%		1,687,066	1,653,160
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 1.1%	18,275,848	18,277	18,277
Total Investment Securities - 99.7%		\$ 1,705,343	\$ 1,671,437

See accompanying notes to financial statements.

# International Equity Pool

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

October 31, 2011

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 111,898	\$ 111,898
Mellon SL DBT II Liquidating Fund		1,599	1,549
Mellon GSL DBT II Liquidating Trust		3,305	-
Total Collateral for Securities Loaned		<u>\$ 116,802</u>	<u>\$ 113,447</u>

See accompanying notes to financial statements.



# International Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes	\$ 1,469	\$ 15,242
Interest	1	1
Securities lending income	8	43
Securities lending borrower premiums	66	375
Net shareholder litigation process	-	3
Commission recapture	-	1
	<b>1,544</b>	<b>15,665</b>
<b>Expenses</b>		
Investment advisor fees	(846)	(3,318)
Trustee fees	-	(2)
Custodian bank fees	(56)	(215)
Management fees	(42)	(180)
Fiduciary bond fees	-	(2)
Professional service fees	(8)	(33)
Securities lending agent fees	(11)	(66)
	<b>(963)</b>	<b>(3,816)</b>
	<b>Investment income, net</b>	<b>11,849</b>
	581	11,849
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	(10,038)	(3,125)
Foreign currency transactions	427	4,342
Net increase (decrease) in the fair value of:		
Investments	120,029	(226,094)
Translation of assets and liabilities in foreign currencies	50,907	(40,548)
	<b>161,325</b>	<b>(265,425)</b>
	<b>Net gain (loss) from investments and foreign currency</b>	<b>(265,425)</b>
	<b>Net increase (decrease) in net assets from operations</b>	<b>(253,576)</b>
	<b>\$ 161,906</b>	<b>\$ (253,576)</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 Ended October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 581	\$ 11,849
Net realized loss from investments	(10,038)	(3,125)
Net realized gain from foreign currency transactions	427	4,342
Net increase (decrease) in the fair value of investments	120,029	(226,094)
Net increase (decrease) in the translation of assets and liabilities in foreign currencies	50,907	(40,548)
<b>Net increase (decrease) in net assets from operations</b>	161,906	(253,576)
<b>Unit transactions</b>		
Proceeds from sale of units	70,668	113,850
Amount paid for repurchase of units	-	(30,291)
<b>Net increase in net assets from unit transactions</b>	70,668	83,559
<b>Increase (decrease) in net assets</b>	232,574	(170,017)
<b>Net assets, beginning of period</b>	1,444,054	1,846,645
<b>Net assets, end of period</b>	\$ 1,676,628	\$ 1,676,628
<b>Unit data</b>		
Units sold	3,870,355	5,775,382
Units repurchased	-	(1,294,601)
<b>Net increase in units</b>	3,870,355	4,480,781

*\*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 - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Axiom International Investors, LLC, 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 in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. 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

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### 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 BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. 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 as net increase or decrease in the fair value of investments.

**Foreign Currency Forward Contracts** - A foreign currency 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.

# International Equity Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

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

**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 net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

In certain foreign countries the Pool's dividend income and capital gains may be taxable. Such taxes are generally withheld from the payments of these types of income and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. The outstanding reclaims are reported on the Statement of Assets and Liabilities. Dividend income is reported net of withheld taxes on the Statement of Operations.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

## International Equity Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 1,653,160	\$ -	\$ -	\$ 1,653,160
Regulated investment companies	-	18,277	-	18,277
Foreign currency forward contracts	-	3	-	3
Securities lending collateral funds	-	113,447	-	113,447
Total	<u>\$ 1,653,160</u>	<u>\$ 131,727</u>	<u>\$ -</u>	<u>\$ 1,784,887</u>

Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	<u>\$ -</u>	<u>\$ (15)</u>	<u>\$ -</u>	<u>\$ (15)</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2011.

Fair value of securities on loan	\$ 109,922		
Initial collateral received:	Cost	Fair Value	Unrealized loss
Cash	\$ 116,802	\$ 113,447	\$ (3,355)
Non-cash	-	-	-
Total	<u>\$ 116,802</u>	<u>\$ 113,447</u>	<u>\$ (3,355)</u>

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$3,486 was assigned to the International Equity Pool. A loss reserve was established for the entire amount. Through October 31, 2011 the loss reserve has been adjusted to \$3,305 as a result of cash received in the Liquidating Trust. This \$3,305 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through October 2011, the pool has recorded, but not distributed \$4,555 of net securities lending income.

# International Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 5. FOREIGN CURRENCY FORWARD CONTRACTS

At October 31, 2011, open foreign currency forward contracts are as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized Gain (Loss)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	Hong Kong Dollar	10/28/2011	11/1/2011	7,271	\$ 936	\$	936	\$ -
Long	S African Comm Rand	10/27/2011	11/3/2011	4,132	523		537	(14)
Long	Hong Kong Dollar	10/28/2011	11/1/2011	572	74		74	-
Long	Hong Kong Dollar	10/31/2011	11/1/2011	5,259	677		677	-
Long	Japanese Yen	10/31/2011	11/2/2011	43,312	555		555	-
Long	Swiss Franc	10/31/2011	11/1/2011	229	263		263	-
Short	Malaysian Ringgit	10/28/2011	11/1/2011		52	160	52	-
Short	Hong Kong Dollar	10/31/2011	11/2/2011		10	78	10	-
Short	Thailand Baht	10/28/2011	11/2/2011		67	2,071	67	-
Short	Euro	10/31/2011	11/1/2011		449	321	448	1
Short	Japanese Yen	10/31/2011	11/1/2011		40	3,111	40	-
Short	Euro	10/31/2011	11/2/2011		453	324	451	2
Short	Japanese Yen	10/31/2011	11/4/2011		978	76,325	979	(1)
					<u>\$ 5,077</u>		<u>\$ 5,089</u>	<u>\$ (12)</u>

The contracts listed above were initiated to correspond to transactions in securities trading in foreign currencies. The fair value, gains and losses, and risks are not material the Pool.

### NOTE 6. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 23.53
Income from investment operations:	
Net investment income	0.15
Net realized and unrealized loss on investment transactions	(3.01)
Net realized gain from foreign currency transactions	0.05
Net decrease in the translation of assets and liabilities in foreign currencies	(0.51)
Total from investment operations	<u>(3.32)</u>
Net asset value at October 31, 2011	<u>\$ 20.21</u>

**Time-weighted Total Return \*** -14.1%

#### Supplemental Data:

Net assets, end of period	\$ 1,676,628
Ratio to average net assets:	
Expenses **	0.67%
Net investment income **	2.11%
Portfolio turnover rate	37.14%

\* 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

# International Equity Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 739,687
Public Employees' Retirement System	647,120
State Police Death, Disability and Retirement Fund	70,383
Workers' Compensation Old Fund	56,523
Retiree Health Benefit Trust	46,228
Revenue Shortfall Reserve Fund - Part B	19,342
Judges' Retirement System	18,492
Deputy Sheriff's Retirement System	16,696
Coal Workers' Pneumoconiosis Fund	15,709
State Police Retirement System	10,771
Board of Risk and Insurance Management	8,555
Prepaid Tuition Trust Fund	8,366
Wildlife Endowment Fund	6,031
Public Employees' Insurance Agency	5,547
Emergency Medical Services Retirement System	4,911
WV Department of Environmental Protection Trust	1,129
Workers' Compensation Self-Insured Guaranty Risk Pool	602
Workers' Compensation Uninsured Employers Fund	536
Total	<u>\$ 1,676,628</u>



**Financial Statements - Unaudited**

**October 31, 2011**



# Short-Term Fixed Income Pool

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## Financial Statements - Unaudited October 31, 2011

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# Short-Term Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at amortized cost	\$	204,139
Accrued interest receivable		<u>72</u>

**Total assets** 204,211

### Liabilities

Accrued expenses		<u>39</u>
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**Net assets** \$ 204,172

### Analysis of net assets

Paid-in capital	\$	204,129
Accumulated undistributed net realized gain from investments		<u>43</u>

**Net assets** \$ 204,172

### Unit data

Units outstanding		204,128,629
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 October 31, 2011

(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	1.380 %	0.047 %	02/15/2012	2,000	\$ 2,008	\$ 2,008
United States Treasury	4.630	0.034	02/29/2012	5,000	5,076	5,075
United States Treasury	0.880	0.366	02/29/2012	1,000	1,002	1,003
United States Treasury	1.380	0.095	05/15/2012	1,000	1,007	1,007
Total U. S. Treasury Issues - 4.5%					9,093	9,093
<b><u>U. S. Government Agency Issues</u></b>						
Federal Farm Credit Bank	0.230	0.200	07/23/2012	1,000	1,000	1,000
Federal Home Loan Bank	0.260	0.294	11/18/2011	1,500	1,500	1,499
Federal Home Loan Bank	0.320	0.365	12/09/2011	500	500	500
Federal Home Loan Bank	0.750	0.071	12/21/2011	5,000	5,005	5,005
Federal Home Loan Bank	0.130	0.152	12/22/2011	1,000	1,000	1,000
Federal Home Loan Bank	0.140	0.158	01/17/2012	2,000	2,000	2,000
Federal Home Loan Bank	0.150	0.168	01/17/2012	2,000	2,000	2,000
Federal Home Loan Bank	0.280	0.304	01/30/2012	1,500	1,500	1,500
Federal Home Loan Bank	0.090	0.152	03/01/2012	3,000	2,999	2,999
Federal Home Loan Bank	0.300	0.320	03/01/2013	1,000	1,000	1,000
Total U. S. Government Agency Issues - 9.1%					18,504	18,503
<b><u>Short-term Issues</u></b>						
Atlantis One Funding	0.000	0.193	11/07/2011	5,000	5,000	5,000
Bank of Nova Scotia NY	0.000	0.147	12/13/2011	4,000	3,999	3,999
Barclays US Funding LLC	0.000	0.142	11/18/2011	4,000	4,000	4,000
Charta LLC	0.000	0.162	11/21/2011	4,000	4,000	4,000
Deutsche Bank Finl LLC	0.000	0.304	11/28/2011	6,000	5,999	5,999
Federal Home Loan Bank	0.000	0.071	11/02/2011	5,000	5,000	5,000
Federal Home Loan Bank	0.000	0.076	11/04/2011	5,000	5,000	5,000
Federal Home Loan Bank	0.000	0.081	11/09/2011	5,000	5,000	5,000
Federal Home Loan Bank	0.000	0.020	11/23/2011	4,000	4,000	4,000
Federal Home Loan Bank	0.000	0.112	02/10/2012	4,000	3,999	4,000
Federal Home Loan Bank	0.000	0.183	10/17/2012	1,000	998	999
Federal Home Loan Mort Corp	0.000	0.076	11/07/2011	7,000	7,000	7,000
Federal Home Loan Mort Corp	0.000	0.030	01/06/2012	4,000	4,000	4,000
Federal Home Loan Mort Corp	0.000	0.112	02/21/2012	6,000	5,998	5,998
Federal Home Loan Mort Corp	0.000	0.101	02/23/2012	3,000	2,999	3,000
Federal Home Loan Mort Corp	0.000	0.091	05/08/2012	1,000	1,000	1,000
Federal National Mortgage Assn	0.000	0.020	12/07/2011	3,000	3,000	3,000
Federal National Mortgage Assn	0.000	0.173	03/01/2012	1,000	999	1,000
Federal National Mortgage Assn	0.000	0.117	03/07/2012	6,000	5,998	5,999
Federal National Mortgage Assn	0.000	0.112	05/01/2012	1,000	999	1,000
Federal National Mortgage Assn	0.000	0.101	05/02/2012	1,000	999	1,000
Federal National Mortgage Assn	0.000	0.152	07/02/2012	2,000	1,998	1,999
General Electric Capital Corp	0.000	0.142	12/06/2011	6,000	5,999	5,999
ING Funding LLC	0.000	0.167	11/16/2011	5,000	5,000	5,000
National Australia Funding Inc	0.000	0.264	11/01/2011	7,000	7,000	7,000
Nordea NA Inc	0.000	0.375	01/18/2012	3,000	2,998	2,998
Rabobank USA Financial Group	0.000	0.315	12/07/2011	6,000	5,998	5,998
Repurchase Agreement	0.090	0.090	11/01/2011	24,568	24,568	24,568
UBS Finance Delaware LLC	0.000	0.188	11/14/2011	5,000	5,000	5,000
United States Treasury	0.000	0.028	11/10/2011	6,000	6,000	6,000
United States Treasury	0.000	0.071	12/22/2011	10,000	9,999	9,999
United States Treasury	0.000	0.068	01/05/2012	15,000	14,995	14,995
United States Treasury	0.000	0.035	01/12/2012	5,000	5,000	5,000
Windmill Funding Corp	0.000	0.254	11/22/2011	2,000	2,000	2,000
Total Short-Term Issues - 86.5%					176,542	176,550
Total Investment Securities - 100.1%					\$ 204,139	\$ 204,146

See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

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### Statement of Operations - Unaudited

Period Ended October 31, 2011\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 28	\$ 52
Net accretion (amortization)	(8)	37
	<u>20</u>	<u>89</u>
<b>Total investment income</b>	20	89
<b>Expenses</b>		
Investment advisor fees	(8)	(46)
Custodian bank fees	(1)	(4)
Management fees	(7)	(28)
Professional service fees	(1)	(5)
	<u>(17)</u>	<u>(83)</u>
<b>Total expenses</b>	(17)	(83)
<b>Investment income, net</b>	3	6
<b>Net realized loss from investments</b>	-	(3)
<b>Net increase in net assets from operations</b>	<u>\$ 3</u>	<u>\$ 3</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 October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3	\$ 6
Net realized loss from investments	-	(3)
	3	3
<b>Net increase in net assets from operations</b>		
	3	3
<b>Distributions to unitholders</b>		
Investment income, net	(3)	(6)
<b>Unit transactions</b>		
Proceeds from sale of units	133,285	662,712
Reinvestment of distributions	3	6
	133,288	662,718
Amount paid for repurchase of units	(167,833)	(817,313)
	(34,545)	(154,595)
<b>Net decrease in net assets from unit transactions</b>		
	(34,545)	(154,598)
<b>Decrease in net assets</b>		
	(34,545)	(154,598)
<b>Net assets, beginning of period</b>		
	238,717	358,770
<b>Net assets, end of period</b>		
	\$ 204,172	\$ 204,172
<b>Unit data</b>		
Units sold	133,284,466	662,711,540
Units issued from reinvestment of distributions	2,932	5,580
	133,287,398	662,717,120
Units repurchased	(167,832,832)	(817,312,641)
	(34,545,434)	(154,595,521)
<b>Net decrease in units</b>		
	(34,545,434)	(154,595,521)

*\*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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 which approximates fair value. The basic premise underlying the use of the amortized cost method of valuation is that high-quality, short-term debt securities held until maturity will eventually return to their amortized cost value, regardless of any current disparity between the amortized cost value and market value, and would not ordinarily be expected to fluctuate significantly in value. A money market fund is permitted to value its securities at amortized cost so long as the deviation between the amortized cost and current market value remains minimal and results in



# Short-Term Fixed Income Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

the computation of a share price that represents fairly the current net asset value per share of the fund. 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.

**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.

**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.

**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. The Pool does not routinely distribute dividends of net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 are:

## Short-Term Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

Assets	Level 1	Level 2	Level 3	Total
U.S. Treasury issues	\$ -	\$ 9,093	\$ -	\$ 9,093
U.S. government agency issues	-	18,504	-	18,504
Short-term issues	-	176,542	-	176,542
Total	<u>\$ -</u>	<u>\$ 204,139</u>	<u>\$ -</u>	<u>\$ 204,139</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

#### NOTE 4. FINANCIAL HIGHLIGHTS

##### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 1.00
Income from investment operations:	
Net investment income*	-
Net realized gain (loss) on investment transactions*	-
Total from investment operations	<u>-</u>
Less distributions from net investment income*	<u>-</u>
Net asset value at October 31, 2011	<u>\$ 1.00</u>

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

##### Supplemental Data:

Net assets, end of period	\$ 204,172
Ratio to average net assets:	
Expenses ***	0.09%
Net investment income ***	0.01%
Weighted average days to maturity	50
Maximum weighted average investment maturity per Board guidelines	60 days
Money market yield ****	0.02%

\* As percentage is less than 0.01, amount is rounded for reporting purposes

\*\* 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.

## Short-Term Fixed Income Pool

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### Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

#### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 84,870
Teachers' Retirement System	37,245
Teachers' Employers Contribution Collection Account	27,995
Public Employees' Retirement System	23,587
Coal Workers' Pneumoconiosis Fund	12,493
Public Employees' Insurance Agency	9,218
State Police Death, Disability and Retirement Fund	2,972
Prepaid Tuition Trust Fund	1,234
Board of Risk and Insurance Management	1,052
State Police Retirement System	698
Deputy Sheriff's Retirement System	693
Workers' Compensation Self-Insured Guaranty Risk Pool	556
Workers' Compensation Uninsured Employers Fund	443
Judges' Retirement System	432
Emergency Medical Services Retirement System	243
Retiree Health Benefit Trust	147
Municipal Police Officers and Firefighters Retirement System	90
Revenue Shortfall Reserve Fund - Part B	68
Wildlife Endowment Fund	64
WV Department of Environmental Protection Trust	27
Revenue Shortfall Reserve Fund	2
Total	<u>\$ 204,129</u>



**Financial Statements - Unaudited**

**October 31, 2011**



# Total Return Fixed Income Pool

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## Financial Statements - Unaudited October 31, 2011

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# Total Return Fixed Income Pool

## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,281,499
Collateral for securities loaned at fair value (Note 5)		9,090
Cash		7,312
Cash denominated in foreign currencies (cost \$1,946)		1,952
Unrealized gain on futures contracts (Note 6)		3,953
Unrealized gain on foreign currency forward contracts (Note 8)		727
Receivables:		
Accrued interest		15,853
Investments sold		65,703
Dividends		5
Securities lending income		17
		<hr/>
<b>Total assets</b>		2,386,111

### Liabilities

Accrued expenses		566
Dividends payable		7,788
Payable for investments purchased		65,946
Payable upon return of securities loaned (Note 5)		10,709
Unrealized loss on futures contracts (Note 6)		1,518
Unrealized loss on foreign currency forward contracts (Note 8)		866
Option contracts written		9,891
		<hr/>
<b>Total liabilities</b>		97,284
		<hr/>
<b>Net assets</b>	\$	<u>2,288,827</u>

### Analysis of net assets

Paid-in capital	\$	1,845,107
Accumulated undistributed net investment income		708
Accumulated undistributed net realized gain from investments		322,190
Accumulated undistributed net realized gain from foreign currency transactions		13,123
Unrealized net appreciation of investments		107,577
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		122
		<hr/>
<b>Net assets</b>	\$	<u>2,288,827</u>

### Unit data

Units outstanding		164,756,167
Net asset value, unit price	\$	<u>13.89</u>

See accompanying notes to financial statements.



# Total Return Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value	
<b><u>Municipal Bonds</u></b>							
California	6.200 %	6.260 %	10/01/2019	2,250	\$ 2,242	\$ 2,546	
California	5.700	5.702	11/01/2021	1,190	1,190	1,294	
California	7.500	7.337	04/01/2034	16,575	16,861	19,854	
California	7.550	6.884	04/01/2039	9,340	10,102	11,382	
California	7.300	7.353	10/01/2039	2,155	2,141	2,540	
California	7.630	7.196	03/01/2040	1,600	1,683	1,959	
County of Carroll KY	0.320 A	1.144	10/01/2032	4,800	4,026	3,745	
Illinois State	4.960	3.663	03/01/2016	5,475	5,757	5,741	
Illinois State	5.370	5.365	03/01/2017	6,600	6,600	6,960	
Illinois State	5.670	5.056	03/01/2018	4,275	4,413	4,520	
Los Angeles Unified Sch Dist	6.760	6.390	07/01/2034	5,000	5,216	6,114	
New Jersey Turnpike Authority	7.100	7.021	01/01/2041	5,350	5,403	7,022	
Pennsylvania St Higher Ed Assn	0.770 A	1.031	05/01/2046	8,300	7,356	7,761	
Pennsylvania St Higher Ed Assn	0.820 A	1.028	05/01/2046	2,800	2,516	2,618	
Wake County Indl FACS-B-ARS	0.250 A	1.457	10/01/2022	6,700	5,859	5,427	
Wake County Indl FACS-D-ARS	0.280 A	1.595	10/01/2022	3,350	2,897	2,881	
Total Municipal Bonds - 4.0%						84,262	92,364
<b><u>U. S. Treasury Issues</u></b>							
United States Treasury	2.000	(0.160)	04/15/2012	5,200	5,862	5,861	
United States Treasury	1.000	0.238	04/30/2012	10,450	10,490	10,497	
United States Treasury	0.750	0.094	05/31/2012	5,000	5,019	5,019	
United States Treasury	0.630	0.202	07/31/2012	24,295	24,372	24,385	
United States Treasury	1.880	0.526	02/28/2014	1,370	1,413	1,420	
United States Treasury	1.250	0.859	04/15/2014	30,000	30,284	30,666	
United States Treasury	1.500	1.481	06/30/2016	580	580	596	
United States Treasury	1.000	0.948	08/31/2016	4,140	4,150	4,148	
United States Treasury	1.380	1.354	09/30/2018	52,490	52,564	51,735	
United States Treasury	3.630	3.210	02/15/2021	38,320	39,583	43,394	
United States Treasury *	2.000	1.808	01/15/2026	26,670	31,171	36,787	
United States Treasury	4.380	4.277	11/15/2039	5,400	5,486	6,610	
United States Treasury	4.380	4.621	05/15/2040	4,020	3,864	4,925	
United States Treasury	4.750	3.194	02/15/2041	9,050	11,710	11,765	
United States Treasury	2.130	2.199	02/15/2041	2,280	2,321	3,122	
United States Treasury	4.380	4.263	05/15/2041	1,540	1,569	1,890	
United States Treasury	3.750	3.337	08/15/2041	2,860	3,082	3,160	
Total U. S. Treasury Issues - 10.7%						233,520	245,980
<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	5.648	4.030	05/16/2036	56,823	61,249	61,820	
FNMA Mortgage Pools	5.823	3.118	01/30/2034	385,913	418,313	423,779	
<i>Total U. S. Government Agency MBS</i>						479,562	485,599
<i>U. S. Government Agency TBAs</i>							
Federal National Mortgage Assn	6.000	5.216	11/01/2041	29,800	32,603	32,654	
<i>U. S. Government Agency CMO</i>							
Federal Home Loan Mortgage	1.240 A	(5.817)	04/25/2020	4,153	282	308	
Federal Home Loan Mortgage	1.680 A	(5.373)	06/25/2020	4,358	405	435	
Federal Home Loan Mortgage	1.520 A	(4.525)	08/25/2020	38,468	3,192	3,298	
Federal Home Loan Mortgage	1.050	0.000	03/15/2034	225	225	225	
Federal National Mortgage Assn	7.000	3.170	11/25/2040	21,278	23,559	24,207	
Federal National Mortgage Assn	6.500	5.176	09/25/2042	55	60	63	
Federal National Mortgage Assn	6.500	4.558	12/25/2042	2,384	2,618	2,774	
Federal National Mortgage Assn	7.500	4.579	12/25/2045	2,646	2,988	3,099	
<i>Total U.S. Government Agency CMO</i>						33,329	34,409
Total U.S. Government Agency Issues - 24.1%						545,494	552,662

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\*All or portions of these securities are pledged as collateral for futures contracts.

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b>Corporate Issues</b>						
<i>Corporate Bonds</i>						
AES Corporation	8.000	8.000	06/01/2020	6,400	6,400	7,072
Ally Financial Inc	4.500	5.380	02/11/2014	15,845	15,545	15,488
American Express	6.150	6.071	08/28/2017	1,250	1,255	1,438
American Express	6.800	6.550	09/01/2066	1,660	1,721	1,643
American International Group	4.250	4.448	09/15/2014	3,200	3,183	3,148
American International Group	5.850	5.922	01/16/2018	910	907	916
American International Group	8.250	5.087	08/15/2018	4,825	5,692	5,429
American International Group	6.400	6.435	12/15/2020	2,390	2,384	2,503
Amgen Inc	4.500	4.506	03/15/2020	1,290	1,289	1,434
Anadarko Finance Co	7.500	6.559	05/01/2031	1,240	1,367	1,557
Anadarko Petroleum Corp	6.380	6.067	09/15/2017	740	750	871
AOL Time Warner Inc	7.630	6.150	04/15/2031	4,500	5,247	5,785
AOL Time Warner Inc	7.700	5.911	05/01/2032	9,474	11,472	12,337
Asciano Finance	3.130	3.158	09/23/2015	4,890	4,884	4,937
Asciano Finance	4.630	4.654	09/23/2020	1,480	1,477	1,433
ASIF Global Financing	4.900	4.777	01/17/2013	510	511	525
AT&T Corp	8.000	6.053	11/15/2031	2,750	3,367	3,919
AT&T Corp Wireless Services	8.130	5.709	05/01/2012	480	486	498
AT&T Inc	5.500	5.575	02/01/2018	5,076	5,056	5,895
AT&T Inc	6.550	6.152	02/15/2039	525	552	657
BAC Capital Trust XI	6.630	7.267	05/23/2036	15,130	13,999	12,488
BAC Capital Trust XIV	5.630	6.231	12/31/2049	570	520	348
Bank of America Corp	4.880	1.532	09/15/2012	20	21	20
Bank of America Corp	5.420	3.544	03/15/2017	600	655	564
Bank of America Corp	7.630	5.211	06/01/2019	15,000	17,243	16,299
Bank of America Corp	5.630	5.979	07/01/2020	1,510	1,474	1,455
Bank of America Corp	5.000	5.091	05/13/2021	1,380	1,371	1,296
Bank One Corporation	5.900	6.087	11/15/2011	2,415	2,415	2,419
Barclays Bank PLC	6.750	5.134	05/22/2019	2,900	3,190	3,325
Barclays Bank PLC	5.130	4.727	01/08/2020	5,490	5,633	5,713
BNSF Railway Co 2007-1 P	6.000	4.731	04/01/2024	963	1,076	1,140
Boston Properties LP	5.880	5.323	10/15/2019	4,950	5,125	5,461
Boston Properties LP	5.630	4.370	11/15/2020	4,600	5,027	5,025
Boston Scientific Corp	6.400	4.792	06/15/2016	9,415	10,035	10,544
Boston Scientific Corp	6.000	6.466	01/15/2020	500	485	558
BP Capital Markets PLC	3.130	3.187	10/01/2015	3,010	3,003	3,152
Burlington NO SF 00-1 TR	8.250	3.815	01/15/2021	335	397	420
Burlington NO SF 06-2 TR	5.630	3.991	04/01/2024	473	523	548
Burlington North Santa Fe	5.650	4.016	05/01/2017	3,600	3,888	4,141
Burlington North Santa Fe	4.700	4.757	10/01/2019	850	847	937
Burlington North Santa Fe	4.100	4.153	06/01/2021	7,075	7,046	7,551
Calpine Corp	7.880	7.875	01/15/2023	2,500	2,500	2,638
Capital One Financial Corp	6.750	4.402	09/15/2017	12,075	13,519	14,063
Capital One Financial Corp	4.750	4.838	07/15/2021	3,250	3,228	3,411
CIGNA Corporation	8.500	4.474	05/01/2019	2,074	2,601	2,682
CIGNA Corporation	7.650	6.813	03/01/2023	1,925	2,050	2,296
CIGNA Corporation	7.880	6.865	05/15/2027	1,545	1,692	1,883
CIGNA Corporation	6.150	5.839	11/15/2036	3,488	3,628	3,975
CIGNA Corporation	5.880	5.921	03/15/2041	1,135	1,128	1,239
Citigroup Inc	5.000	4.901	09/15/2014	6,750	6,768	6,878
Citigroup Inc	3.950	3.505	06/15/2016	2,160	2,201	2,211
Citigroup Inc	6.130	5.110	11/21/2017	17,245	18,141	18,992
Citigroup Inc	5.380	4.754	08/09/2020	1,610	1,681	1,720
Citigroup Inc	6.880	6.929	03/05/2038	3,460	3,438	4,262
Comcast Cable Communication	8.880	4.655	05/01/2017	2,615	3,145	3,366
Comcast Corp	6.500	4.573	01/15/2017	4,500	4,897	5,307
Comcast Corp	6.300	3.377	11/15/2017	2,700	3,128	3,190
Comcast Corp	5.880	3.492	02/15/2018	2,000	2,267	2,324
Comcast Corp	6.400	5.508	05/15/2038	2,600	2,921	3,097
Commonwealth Edison	6.150	4.735	03/15/2012	1,500	1,508	1,529
Continental Airlines Inc	9.250	9.250	05/10/2017	1,225	1,225	1,262
Continental Airlines Inc	7.250	7.250	11/10/2019	5,550	5,550	5,938

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*See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Corp Bond Backed CTF-CCE	0.000	7.000	05/15/2098	5,000	3,189	3,750
Countrywide Financial Corp	5.800	7.825	06/07/2012	10	10	10
Countrywide Financial Corp	6.250	7.951	05/15/2016	2,550	2,387	2,492
Cox Communications Inc	9.380	4.730	01/15/2019	11,495	14,717	15,870
Credit Agricole SA	8.380	8.375	12/13/2049	4,130	4,130	3,634
CVS Caremark Corp	6.940	7.044	01/10/2030	1,955	1,955	2,128
Delta Air Lines	6.820	6.823	08/10/2022	2,118	2,118	2,139
Deutsche Telekom Int Fin	5.750	5.903	03/23/2016	1,635	1,625	1,825
Dow Chemical Company	8.550	5.414	05/15/2019	6,709	7,996	8,716
Dow Chemical Company	9.400	6.389	05/15/2039	3,750	5,204	5,826
El Paso Corporation	7.800	11.242	08/01/2031	469	338	537
El Paso Corporation	7.750	7.814	01/15/2032	222	221	256
FirstEnergy Corp	6.450	6.604	11/15/2011	11	11	11
Ford Motor Credit Company	5.630	5.305	09/15/2015	9,200	9,300	9,738
Ford Motor Credit Company	5.750	5.750	02/01/2021	10,300	10,300	10,975
Freeport-McMoRan Copper & Gold	8.380	6.848	04/01/2017	4,630	4,945	4,954
General Electric Capital Corp	5.450	5.188	01/15/2013	570	572	599
General Electric Capital Corp	5.900	3.549	05/13/2014	2,000	2,113	2,199
General Electric Capital Corp	5.500	4.531	01/08/2020	7,755	8,261	8,648
General Electric Capital Corp	4.380	4.185	09/16/2020	3,550	3,600	3,613
General Electric Capital Corp	4.630	4.118	01/07/2021	2,550	2,648	2,633
General Electric Capital Corp	6.380	4.045	11/15/2067	4,910	4,859	4,874
Glitnir BankI HF	0.000	N	0.045	3,390	941	881
Glitnir BankI HF	0.000	N	0.006	5,000	6	6
Glitnir BankI HF	0.000	N	0.024	600	1	1
Goldman Sachs Capital II	5.790	2.664	12/29/2049	3,960	3,254	2,713
Goldman Sachs Group Inc	6.150	6.141	04/01/2018	3,680	3,682	3,929
Goldman Sachs Group Inc	6.250	6.241	02/01/2041	2,810	2,813	2,898
Greenpoint Manufacture Housing	3.090	A	4.538	1,025	841	800
Greenpoint Manufacture Housing	3.730	A	4.094	525	425	410
Greenpoint Manufacture Housing	3.730	A	4.028	550	446	429
Greenpoint Manufacture Housing	2.250	A	3.348	4,150	3,479	3,131
Greenpoint Manufacture Housing	2.250	A	3.241	850	721	705
Greenpoint Manufacture Housing	3.730	A	5.004	850	713	640
Greenpoint Manufacture Housing	3.740	A	3.690	1,250	1,048	795
Grifols Inc	8.250	8.250	02/01/2018	410	410	432
Groupe BPCE	12.500	9.578	P	3,317	4,329	3,082
HCA Inc	6.300	5.640	10/01/2012	9,500	9,555	9,690
HCA Inc	6.250	6.251	02/15/2013	8,000	8,000	8,160
HCA Inc	6.750	5.618	07/15/2013	1,400	1,425	1,442
HCA Inc	5.750	5.625	03/15/2014	3,300	3,308	3,374
HCA Inc	6.500	5.853	02/15/2016	3,500	3,585	3,590
Health Net Inc	6.380	7.208	06/01/2017	2,850	2,742	3,035
Household Finance Corporation	7.000	5.660	05/15/2012	20	20	21
Household Finance Corporation	6.380	6.462	11/27/2012	440	440	457
HSBC Finance Corp	6.680	7.080	01/15/2021	1,450	1,411	1,475
HSBC Holdings PLC	5.100	5.128	04/05/2021	3,125	3,119	3,366
HSBC Holdings PLC	6.500	6.137	05/02/2036	10,725	11,208	11,409
HSBC Holdings PLC	6.500	6.601	09/15/2037	490	484	518
Humana Inc	7.200	6.671	06/15/2018	2,030	2,087	2,371
Humana Inc	8.150	8.095	06/15/2038	730	734	951
ICICI Bank Limited	6.380	6.650	04/30/2022	2,238	2,003	2,081
ILFC E-Capital Trust II	6.250	3.416	12/21/2065	4,520	4,075	3,277
John Deere Capital Corp	5.350	5.235	04/03/2018	1,550	1,560	1,814
JP Morgan Chase & Co	5.750	5.268	01/02/2013	1,590	1,599	1,672
JP Morgan Chase & Co	5.130	5.030	09/15/2014	40	40	43
JP Morgan Chase & Co	5.150	5.330	10/01/2015	790	785	839
JP Morgan Chase & Co	4.950	4.275	03/25/2020	7,140	7,476	7,487
JP Morgan Chase XVII	5.850	6.301	08/01/2035	807	762	797
JPM Chase Capital XXV	6.800	6.684	10/01/2037	1,000	1,014	999
Kaupthing Bank HF	0.000	N	2.606	7,930	1,963	1,923
Kerr-McGee Corporation	6.950	5.911	07/01/2024	490	535	592
Kerr-McGee Corporation	7.880	6.593	09/15/2031	1,665	1,899	2,170
Kinder Morgan Energy Partners	7.130	5.552	03/15/2012	740	744	755

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# Total Return Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Kinder Morgan Energy Partners	5.000	6.163	12/15/2013	940	919	1,004
Kroger Co	6.400	5.641	08/15/2017	220	228	261
Lafarge SA	5.850	4.210	07/09/2015	6,175	6,515	6,263
Lafarge SA	6.500	5.317	07/15/2016	7,250	7,602	7,482
Lehman Bros CAP TR VII	0.000	N 0.007	12/28/2017	8,860	4	1
Lorillard Tobacco Company	8.130	6.688	06/23/2019	2,680	2,907	3,230
Macys Retail Holdings Inc	6.650	7.294	07/15/2024	6,415	6,075	7,255
Macys Retail Holdings Inc	6.900	6.746	04/01/2029	3,000	3,047	3,268
Macys Retail Holdings Inc	6.700	6.501	07/15/2034	1,990	2,037	2,185
Macys Retail Holdings Inc	6.380	6.832	03/15/2037	4,100	3,874	4,539
Merrill Lynch & Company Inc	6.880	6.887	04/25/2018	8,890	8,884	9,132
MetLife Inc	6.400	7.089	12/15/2036	3,170	2,915	3,114
MMC Corporation Berhad	6.250	4.222	01/15/2018	4,775	5,298	5,586
Morgan Stanley	6.600	5.476	04/01/2012	3,615	3,631	3,667
Morgan Stanley	6.630	6.224	04/01/2018	360	368	375
National Semiconductor Corp	6.600	5.898	06/15/2017	2,580	2,666	3,137
Newfield Exploration Company	6.630	5.817	04/15/2016	4,650	4,795	4,784
News America Inc	6.650	5.993	11/15/2037	2,785	3,024	3,212
Nordea Bank AB	4.880	4.938	05/13/2021	2,980	2,966	2,674
Pacific Gas & Electric Corp	6.050	5.913	03/01/2034	870	885	1,068
Pacific Life Global Funding	5.150	5.161	04/15/2013	450	450	472
Pernod Ricard SA	4.450	4.359	01/15/2022	1,080	1,088	1,112
Petrobras Intl Fin Co	3.880	3.061	01/27/2016	1,050	1,084	1,074
Pfizer Inc	6.200	4.552	03/15/2019	6,250	6,889	7,833
Rabobank Nederland	11.000	10.092	P	544	593	658
Reed Elsevier Capital	7.750	3.463	01/15/2014	2,300	2,507	2,601
Reed Elsevier Capital	8.630	4.357	01/15/2019	3,975	5,013	4,953
Reynolds American Inc	6.750	6.619	06/15/2017	2,330	2,344	2,692
Reynolds Group Holdings	6.880	6.875	02/15/2021	1,360	1,360	1,374
Reynolds Group ISS/Reynold	7.130	6.778	04/15/2019	400	408	408
Royal Bank of Scotland Grp PLC	5.000	7.737	10/01/2014	3,960	3,682	3,703
Royal Bank of Scotland Grp PLC	0.000	0.000	P	1,200	1,200	759
Royal Bank of Scotland PLC	4.380	4.419	03/16/2016	3,225	3,219	3,246
Royal Bank of Scotland PLC	5.630	5.850	08/24/2020	6,000	5,908	6,104
Royal Bank of Scotland PLC	6.130	6.175	01/11/2021	5,325	5,307	5,623
Safeway Inc	3.950	4.684	08/15/2020	570	540	580
Seariver Maritime Inc	0.000	3.908	09/01/2012	3,180	3,079	3,125
Southern Natural Gas Co	5.900	5.897	04/01/2017	570	570	650
Springleaf Finance Corp	6.900	7.000	12/15/2017	720	716	549
Sprint Capital Corp	6.900	7.701	05/01/2019	1,145	1,093	953
Sprint Capital Corp	8.750	7.015	03/15/2032	680	807	564
Sprint Nextel Corporation	6.000	6.741	12/01/2016	8,075	7,818	7,025
State Street Corp	4.960	4.727	03/15/2018	1,980	2,005	1,963
Student Loan Marketing Assn	8.450	8.316	06/15/2018	5,225	5,259	5,539
Teachers Insurance & Annuity	6.850	6.860	12/16/2039	1,230	1,228	1,565
Telecom Italia Capital	5.250	5.095	11/15/2013	2,825	2,833	2,841
Telecom Italia Capital	7.000	5.598	06/04/2018	3,880	4,176	4,029
Telecom Italia Capital	7.170	7.026	06/18/2019	2,900	2,925	3,047
Telefonica Emisiones SAU	5.460	5.299	02/16/2021	1,930	1,953	1,956
Tenet Healthcare Corporation	8.880	9.625	07/01/2019	250	240	283
Tennessee Gas Pipeline	7.500	4.308	04/01/2017	3,380	3,896	4,039
Time Warner Cable Inc	8.750	4.804	02/14/2019	9,990	12,384	12,994
Time Warner Cable Inc	8.250	4.876	04/01/2019	975	1,178	1,242
Time Warner Cable Inc	4.000	4.081	09/01/2021	5,685	5,648	5,822
Time Warner Cable Inc	5.500	5.558	09/01/2041	230	228	247
Time Warner Entertainment Co	8.380	8.068	07/15/2033	3,050	3,145	4,133
TNK-BP Finance SA	7.880	8.692	03/13/2018	2,820	2,709	3,201
Travelers Cos Inc	6.250	4.048	06/20/2016	1,150	1,256	1,362
Travelers Cos Inc	5.750	4.273	12/15/2017	1,623	1,751	1,884
Union Pacific Corp	4.160	4.011	07/15/2022	4,812	4,875	5,091
Union Pacific RR Co 07-3	6.180	4.877	01/02/2031	818	891	979
United Business Media LT	5.750	5.979	11/03/2020	3,330	3,277	3,294
UNP RR Co 1999 Pass Trust	7.600	3.775	01/02/2020	638	737	768
UNP RR Co 2005 Pass Trust	5.080	4.328	01/02/2029	4,340	4,535	4,854

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# Total Return Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Vale Overseas Ltd	6.880	6.914	11/21/2036	2,812	2,798	3,216
Vedanta Resources PLC	8.750	8.751	01/15/2014	952	952	952
Verizon Communications	6.100	5.595	04/15/2018	1,710	1,756	2,046
Verizon Global Funding Corp	6.880	4.979	06/15/2012	90	91	93
Verizon Global Funding Corp	7.380	5.221	09/01/2012	1,180	1,200	1,243
Virgin Media Secured Fin	5.250	5.319	01/15/2021	2,010	2,000	2,166
Vulcan Materials	6.500	6.521	12/01/2016	2,850	2,847	2,759
Vulcan Materials	7.500	7.500	06/15/2021	2,925	2,925	2,881
Wachovia Capital Trust	5.570	5.635	12/29/2049	2,540	2,535	2,203
Wachovia Corp	5.630	6.046	10/15/2016	1,050	1,031	1,143
Wachovia Corp	5.750	4.260	02/01/2018	7,280	7,866	8,268
Wal-Mart Stores	5.800	5.143	02/15/2018	610	631	741
WellPoint Inc	5.880	4.695	06/15/2017	5,096	5,390	5,874
WellPoint Inc	7.000	4.133	02/15/2019	6,250	7,366	7,747
Wells Fargo & Company	5.250	3.972	10/23/2012	140	142	145
Wells Fargo Capital X	5.950	6.338	12/15/2036	3,280	3,120	3,331
Xerox Corporation	6.400	4.485	03/15/2016	8,525	9,166	9,565
Xerox Corporation	6.350	3.960	05/15/2018	7,452	8,469	8,507
<i>Total Corporate Bonds</i>					688,426	712,268
<i>Corporate Asset Backed Issues</i>						
EDUCAP Student Loan Asset Back	1.820 A	2.166	06/25/2038	5,200	4,382	4,576
Education Funding Capital Trst	1.750 A	1.681	12/15/2042	900	827	837
Hertz Vehicle Financing LLC	5.290	5.350	03/25/2016	1,600	1,600	1,741
Lehman XZ Trust	0.460	8.514	04/25/2046	4,493	2,557	2,164
Mid-State Trust	3.500	3.531	12/15/2045	1,361	1,358	1,356
NC State Education Authority	1.320	1.810	07/25/2030	11,400	10,736	10,488
Nelnet Student Loan Trust	0.900 A	13.366	03/22/2032	10,700	10,515	8,990
Pegasus Aviation Lease Sec	8.370	16.049	03/25/2030	500	323	210
Public Service New Hampshire	6.480	5.468	05/01/2015	228	232	238
<i>Total Corporate Asset Backed Issues</i>					32,530	30,600
<i>Corporate CMO</i>						
Banc of America Mortgage Sec	5.250 A	6.969	12/01/2034	3,689	3,532	3,351
Banc of America Mortgage Sec	2.860 A	3.183	04/25/2035	831	814	634
Bear Stearns Adj Rate Mortgage	2.330	4.183	12/25/2046	1,532	1,421	908
Countrywide Alternative Loan T	2.750 A	2.845	12/25/2035	2,015	2,003	1,132
Countrywide Home Loans	2.730 A	2.723	06/20/2036	1,103	1,102	702
Greenpoint Mtge Funding Trust	0.450	13.387	04/25/2036	1,893	1,024	916
Indymac Inda Mtg Loan Trust	5.770 A	5.744	09/25/2037	1,651	1,650	1,207
Indymac Indx Mtg Loan Trust	0.450	19.528	04/25/2046	1,940	1,049	920
IndyMac Residential Asset Sec	4.750	4.363	02/25/2019	2,826	2,841	2,851
JP Morgan Mortgage Trust	2.720 A	3.100	08/25/2035	1,496	1,471	1,038
Luminant Mortgage Trust	0.440	16.347	02/25/2046	4,158	2,339	2,028
MASTR ARM Trust	2.710 A	3.120	01/25/2036	1,017	998	767
MASTR Performing Loan Trust	7.000	6.329	08/25/2034	79	80	81
Merrill Lynch Mortgage Invest	2.640 A	3.047	12/25/2034	35	34	32
Morgan Stanley Mortgage Loan	2.510 A	2.562	10/25/2034	1,266	1,261	1,043
Morgan Stanley Mortgage Loan	4.760 A	4.683	06/25/2037	4,233	4,243	1,996
Washington Mutual Mortgage	2.570 A	2.874	08/25/2035	1,488	1,464	1,106
Washington Mutual Mortgage	2.490 A	2.913	10/25/2035	555	551	504
Washington Mutual Mortgage	2.550 A	2.856	12/25/2035	1,774	1,747	1,444
Washington Mutual Mortgage	4.300 A	4.376	11/25/2036	185	184	120
Washington Mutual Mortgage	5.180 A	5.188	12/25/2036	708	707	468
Washington Mutual Mortgage	2.630 A	17.413	02/25/2037	604	339	407
Washington Mutual Mortgage	5.150 A	5.388	03/01/2037	211	209	125
Wells Fargo Mortgage Backed	2.730 A	7.308	12/25/2034	2,652	2,171	2,419
Wells Fargo Mortgage Backed	2.700 A	3.160	04/25/2036	257	256	203
<i>Total Corporate CMO</i>					33,490	26,402
<i>Corporate Preferred Securities</i>						
Citigroup Capital XIII	0.000	1.922		278	7,355	7,489
<b>Total Corporate Issues - 33.9%</b>					761,801	776,759

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity.

\*All or portions of these securities are pledged as collateral for futures contracts.

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

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

October 31, 2011

(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				5,098	48,393	41,857
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 Opportunistic US Dollar High Yield Securities Portfolio, LLC				1,063	23,197	23,986
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				970	18,033	23,493
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 Floating Rate High Income Fund, LLC				5,044	62,180	79,590
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				5,078	48,816	51,330
Investment Objective - To maximize total return by investing in investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Asian Securities Portfolio, LLC				4,160	43,343	51,962
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				311	4,909	5,063
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				1,790	23,724	32,738
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				6,965	62,113	81,719
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	32,678
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 - 18.5%					356,990	424,416
<b>Short-term Issues</b>						
Dreyfus Cash Management Institutional Fund	0.010	0.760		126,307	126,307	126,307
Federal Home Loan Mort Corp	0.000	0.113	01/10/2012	3,130	3,129	3,130
Federal Home Loan Mort Corp	0.000	0.051	01/11/2012	20	20	20
Federal Home Loan Mort Corp	0.000	0.152	06/01/2012	58,400	58,348	58,360
Federal National Mortgage Assn	0.000	0.112	01/10/2012	275	275	275
Total Short-term Issues - 8.4%					188,079	188,092

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity.

\*All or portions of these securities are pledged as collateral for futures contracts.

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

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

October 31, 2011

(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>						
<i>Call, strike price, expiration</i>						
Swaption, 3.5, November 2017				-	210	410
<i>Put, strike price, expiration</i>						
Swaption, 6.0, November 2017				-	1,085	816
Total Option Contracts Purchased - 0.1%					1,295	1,226
Total Investment Securities - 99.7%					\$ 2,171,441	\$ 2,281,499
<b><u>Collateral for Securities Loaned</u></b>						
BNY Mellon Securities Lending Overnight Fund					\$ 8,966	\$ 8,966
Mellon SL DBT II Liquidating Fund					128	124
Mellon GSL DBT II Liquidating Trust					1,615	-
Total Collateral for Securities Loaned					\$ 10,709	\$ 9,090

## Total Return Fixed Income Pool

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### Option Contracts Written - Unaudited

**October 31, 2011**

*(Amounts in thousands)*

<u>Type</u>	<u>Description</u>	<u>Maturity</u>	<u>Strike Price</u>	<u>Contracts</u>	<u>Cost</u>	<u>Fair Value</u>
Call	Euro 90 Day Future	11/4/2011	1.385	(66)	(144)	(122)
Call	Euro 90 Day Future	3/19/2012	99.375	(284)	(158)	(121)
Call	Swaption	10/2/2013	4.965	(224)	(1,329)	(4,251)
Call	Swaption	10/3/2013	4.860	(224)	(1,356)	(4,054)
Call	US Treasury 5Yr Note Option	11/25/2011	123.500	(53)	(23)	(8)
Put	Euro 90 Day Future	11/4/2011	1.385	(66)	(112)	(64)
Put	Euro 90 Day Future	3/19/2012	99.375	(284)	(113)	(67)
Put	Swaption	10/2/2013	4.965	(224)	(1,328)	(261)
Put	Swaption	10/3/2013	4.860	(224)	(1,356)	(285)
Put	Swaption	11/6/2017	7.250	(227)	(563)	(424)
Put	Swaption	11/6/2017	9.500	(227)	(318)	(230)
Put	US Treasury 5Yr Note Option	11/25/2011	121.000	(53)	(25)	(4)
Total Option Contracts Written - (0.4%)					<u>\$ (6,825)</u>	<u>\$ (9,891)</u>

*See accompanying notes to financial statements.*



## Total Return Fixed Income Pool

### Statement of Operations - Unaudited

Period Ended October 31, 2011\*

*(Amounts in thousands)*

	Month	Year To Date
<b>Investment income</b>		
Interest	\$ 6,350	\$ 26,863
Dividends	141	1,240
Securities lending income	11	45
Securities lending borrower premiums	8	25
Net accretion (amortization)	1,735	(1,859)
<b>Total investment income</b>	8,245	26,314
 <b>Expenses</b>		
Investment advisor fees	(355)	(1,443)
Trustee fees	(1)	(3)
Custodian bank fees	(5)	(22)
Management fees	(63)	(246)
Fiduciary bond fees	(1)	(3)
Professional service fees	(11)	(45)
Securities lending agent fees	(3)	(11)
Futures commission expense	(1)	(55)
<b>Total expenses</b>	(440)	(1,828)
<b>Investment income, net</b>	7,805	24,486
 <b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	3,923	(13,875)
Foreign currency transactions	-	(1,246)
Net increase (decrease) in the fair value of:		
Investments	19,826	(1,472)
Translation of assets and liabilities in foreign currencies	281	62
<b>Net gain (loss) from investments and foreign currency</b>	24,030	(16,531)
<b>Net increase in net assets from operations</b>	\$ 31,835	\$ 7,955

*\*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 October 31, 2011\*

*(Amounts in thousands, except unit data)*

	Month	Year To Date
<b>Operations</b>		
Investment income, net	\$ 7,805	\$ 24,486
Net realized gain (loss) from investments	3,923	(13,875)
Net realized loss from foreign currency transactions	-	(1,246)
Net increase (decrease) in the fair value of investments	19,826	(1,472)
Net increase in the translation of assets and liabilities in foreign currencies	281	62
	<b>31,835</b>	<b>7,955</b>
<b>Distributions to unitholders</b>		
Investment income, net	(7,789)	(24,427)
<b>Unit transactions</b>		
Proceeds from sale of units	26,336	127,786
Reinvestment of distributions	6,739	23,650
	33,075	151,436
Amount paid for repurchase of units	(79,696)	(180,053)
	<b>(46,621)</b>	<b>(28,617)</b>
	<b>(22,575)</b>	<b>(45,089)</b>
	<b>2,311,402</b>	<b>2,333,916</b>
	<b>\$ 2,288,827</b>	<b>\$ 2,288,827</b>
<b>Unit data</b>		
Units sold	1,915,866	9,155,798
Units issued from reinvestment of distributions	490,281	1,699,746
	2,406,147	10,855,544
Units repurchased	(5,797,648)	(12,990,614)
	<b>(3,391,501)</b>	<b>(2,135,070)</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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Pool is to earn superior returns with low volatility by actively investing in the extended fixed income markets. Dodge & Cox and Western Asset Management Company (Western) manage the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital 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 in debt securities are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Investments in other funds are valued at the reported net asset values of the individual funds, provided by the fund's management, as a practical expedient for measuring fair value. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded. Interest rate

# Total Return Fixed Income Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

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

and total return swap values are based on market values received from third parties or are determined by valuation models. Foreign currency forward contracts are valued at the difference between the forward contract amount and the month-end forward exchange rate. 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.

**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 (seller) 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.

# Total Return Fixed Income Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

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 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 BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. 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 as net increase or decrease in the fair value of investments.

**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 futures at fair market value. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

Interest rate futures may be used to enhance portfolio yields or as an alternative investment of cash.

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. Investment 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 Currency Forward Contracts** - A foreign currency 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 take advantage of the relative changes in currency exchange rates. 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 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

# Total Return Fixed Income Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

involve the exchange of principal between the parties. Interest is paid or received periodically. Fair values are based on market values received from third parties or are determined by valuation models.

**Total Return Swaps** - Total return swaps represent agreements in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains. In total return swaps, the underlying asset, referred to as the reference asset, is usually an equity index, loans, or bonds. This is owned by the party receiving the set rate payment.

**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, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. 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.

**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. The Pool does not routinely distribute dividends of net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments held in the Pool include foreign exchange contracts, futures, options, interest rate swaps, and total return swaps. None of these derivative financial instruments are designated as hedging instruments under ASC 815; they are used to implement portfolio strategy, capture valuation opportunities, and to exploit market inefficiencies. The primary risks managed by using these derivative financial instruments include interest rate, foreign exchange rate, and market price risks. See Note 2 for additional information on the Pool's purpose for entering into derivatives not designated as hedging instruments and for discussion on the risks associated with investing in these derivatives.

The table below presents the fair value of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Assets and Liabilities as of October 31, 2011:

Derivatives not designated as hedging instruments under ASC 815	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities	Fair Value	Statement of Assets and Liabilities	Fair Value
	Location		Location	
Fixed Income / Interest rate contracts	Investment in securities at fair value	\$ 1,226	Option contracts written	\$ (9,891)
Fixed Income / Interest rate contracts	Unrealized gain on futures contracts	3,953	Unrealized loss on futures contracts	(1,518)
Foreign exchange contracts	Unrealized gain on foreign currency forward contracts	727	Unrealized loss on foreign currency forward contracts	(866)
Total		<u>\$ 5,906</u>		<u>\$ (12,275)</u>

The table below presents the impact of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Operations for the period ended October 31, 2011:

Derivatives not designated as hedging instruments under ASC 815	Statement of Operations Location	Realized	Statement of Operations Location	Unrealized
		Gain (Loss)		Gain (Loss)
Fixed income / Interest rate contracts	Net realized loss from investments	\$ (25,729)	Net increase in the fair value of investments	\$ 1,470
Foreign exchange contracts	Net realized loss from foreign currency transactions	(1,246)	Net decrease in the fair value of translation of assets and liabilities in foreign currencies	132
Total		<u>\$ (26,975)</u>		<u>\$ 1,602</u>

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 4. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

Assets	Level 1	Level 2	Level 3	Total
Commingled funds	\$ -	\$ 424,416	\$ -	\$ 424,416
Corporate issues	-	769,270	-	769,270
Foreign currency forward contracts	-	727	-	727
Futures	3,953	-	-	3,953
Municipal bonds	-	92,364	-	92,364
Options	-	1,226	-	1,226
Preferred securities	7,489	-	-	7,489
Regulated investment companies	-	126,307	-	126,307
Securities lending collateral funds	-	9,090	-	9,090
Short-term issues	-	61,785	-	61,785
U.S. government agency issues	-	552,662	-	552,662
U.S. Treasury issues	-	245,980	-	245,980
Total	\$ 11,442	\$ 2,283,827	\$ -	\$ 2,295,269
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	\$ -	\$ (866)	\$ -	\$ (866)
Futures	(1,518)	-	-	(1,518)
Options	(386)	(9,505)	-	(9,891)
Total	\$ (1,904)	\$ (10,371)	\$ -	\$ (12,275)

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.



## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2011.

Fair value of securities on loan	\$	164,809		
Initial collateral received:		Cost	Fair Value	Unrealized loss
Cash	\$	10,709	\$	9,090
Non-cash		157,428		154,294
Total	\$	168,137	\$	163,384
				\$ (4,753)

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$1,703 was assigned to the Total Return Fixed Income Pool. A loss reserve was established for the entire amount. Through October 31, 2011 the loss reserve has been adjusted to \$1,615 as a result of cash received in the Liquidating Trust. This \$1,615 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through October 2011, the pool has recorded, but not distributed \$707 of net securities lending income.

#### NOTE 6. FUTURES CONTRACTS

At October 31, 2011, open positions in futures contracts denominated in U.S. dollars were as follows:

Expiration	Open Contracts	Position	Value at October 31, 2011	Value Upon Entering Contract	Unrealized Gain (Loss)
Dec 2011	(754) US Treasury 5Yr Note Future	Short	\$ (92,447)	\$ (92,289)	\$ (158)
Dec 2011	(443) US Treasury 2Yr Note Future	Short	(97,585)	(97,636)	51
Dec 2011	(2,328) US Treasury 10Yr Note Future	Short	(300,458)	(300,451)	(7)
Dec 2011	(415) US Long Bond Future	Short	(57,698)	(56,345)	(1,353)
Dec 2011	446 US Ultra Bond Future	Long	67,959	64,057	3,902
			<u>\$ (480,229)</u>	<u>\$ (482,664)</u>	<u>\$ 2,435</u>

At October 31, 2011, the Pool had pledged cash of \$(1,388) and securities of \$5,477 to cover margin requirements on open futures contracts.

#### NOTE 7. OPTION CONTRACTS

A summary of the activity in short (written) option positions for the period ended October 31, 2011 is as follows:

	Puts		Calls	
	Number of Contracts	Premiums (Received)/Paid	Number of Contracts	Premiums (Received)/Paid
Options outstanding at June 30, 2011	(2,344)	\$ (4,118)	(1,685)	\$ (3,307)
Options written	(429)	(276)	(872)	(819)
Options closed	1,127	503	1,638	1,058
Options expired	341	76	68	58
Options outstanding at October 31, 2011	<u>(1,305)</u>	<u>\$ (3,815)</u>	<u>(851)</u>	<u>\$ (3,010)</u>

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 8. FOREIGN CURRENCY FORWARD CONTRACTS

At October 31, 2011, open foreign currency forward contracts were as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized Gain (Loss)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	Euro Currency	8/8/2011	11/16/2011	11,289	\$ 15,743		\$ 15,989	\$ (246)
Long	Mexican New Peso	8/11/2011	11/16/2011	133,952	10,156		10,776	(620)
Short	Euro Currency	8/9/2011	11/16/2011		6,878	4,829	6,735	143
Short	Euro Currency	8/12/2011	11/16/2011		22,007	15,449	21,544	463
Short	Japanese Yen	8/9/2011	11/16/2011		14,384	1,111,850	14,263	121
					<u>\$ 69,168</u>		<u>\$ 69,307</u>	<u>\$ (139)</u>

#### NOTE 9. FINANCIAL HIGHLIGHTS

##### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 13.98
Income from investment operations:	
Net investment income	0.15
Net realized and unrealized loss on investment transactions	(0.08)
Net realized loss from foreign currency transactions	(0.01)
Total from investment operations	<u>0.06</u>
Less distributions from net investment income	(0.15)
Net asset value at October 31, 2011	<u>\$ 13.89</u>

**Time-weighted Total Return \*** 0.4%

##### Supplemental Data:

Net assets, end of period	\$ 2,288,827
Ratio to average net assets:	
Expenses **	0.23%
Net investment income **	3.16%
Portfolio turnover rate	23.06%

\* 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

## Total Return Fixed Income Pool

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### Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

#### NOTE 10. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011. 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>
Teachers' Retirement System	\$ 632,826
Public Employees' Retirement System	615,975
Workers' Compensation Old Fund	359,800
Revenue Shortfall Reserve Fund - Part B	134,535
Revenue Shortfall Reserve Fund	130,615
Retiree Health Benefit Trust	99,146
Coal Workers' Pneumoconiosis Fund	76,053
Public Employees' Insurance Agency	69,262
State Police Death, Disability and Retirement Fund	66,970
Board of Risk and Insurance Management	40,730
Judges' Retirement System	17,743
Deputy Sheriff's Retirement System	16,196
State Police Retirement System	10,849
Wildlife Endowment Fund	5,862
Emergency Medical Services Retirement System	4,953
Workers' Compensation Self-Insured Guaranty Risk Pool	2,891
Workers' Compensation Uninsured Employers Fund	2,582
WV Department of Environmental Protection Trust	1,008
Access WV	831
Total	<u>\$ 2,288,827</u>



**Financial Statements - Unaudited**

**October 31, 2011**



# Core Fixed Income Pool

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## Financial Statements - Unaudited October 31, 2011

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# Core Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,138,567
Collateral for securities loaned at fair value (Note 4)		50,419
Receivables:		
Accrued interest		7,339
Investments sold		26,296
Securities lending income		7
Other		83
		<hr/>
<b>Total assets</b>		1,222,711

### Liabilities

Accrued expenses		626
Dividends payable		3,064
Payable for investments purchased		216
Payable upon return of securities loaned (Note 4)		50,441
		<hr/>
<b>Total liabilities</b>		54,347

**Net assets** \$ 1,168,364

### Analysis of net assets

Paid-in capital	\$	1,035,154
Accumulated undistributed net realized gain from investments		62,755
Unrealized net appreciation of investments		70,455
		<hr/>
<b>Net assets</b>	<u><u>\$</u></u>	<u>1,168,364</u>

### Unit data

Units outstanding		104,725,292
Net asset value, unit price	<u><u>\$</u></u>	<u>11.16</u>

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>Municipal Bonds</u></b>						
American Municipal Power-Ohio	7.500 %	7.314 %	02/15/2050	580	\$ 594	\$ 734
Illinois	5.100	5.763	06/01/2033	350	321	313
New York St Dorm Authority	5.600	5.787	03/15/2040	260	253	302
Ohio State University	4.800	4.853	06/01/2111	761	753	756
Port Authority NY and NJ	5.650	5.647	11/01/2040	600	600	664
Tennessee Valley Authority	4.630	4.693	09/15/2060	400	395	452
Total Municipal Bonds - 0.3%					2,916	3,221
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	0.000	1.445	11/15/2014	5,750	5,504	5,614
United States Treasury	0.000	2.704	02/15/2015	150	137	147
United States Treasury	2.630	2.861	02/29/2016	200	198	216
United States Treasury	2.630	1.975	04/30/2016	1,670	1,716	1,800
United States Treasury	0.000	3.332	08/15/2016	4,800	4,097	4,569
United States Treasury	3.130	3.241	10/31/2016	9,300	9,251	10,254
United States Treasury	0.000	2.256	11/15/2016	3,120	2,786	2,949
United States Treasury	3.250	3.131	12/31/2016	18,000	18,100	19,976
United States Treasury	4.630	3.056	02/15/2017	6,500	6,995	7,681
United States Treasury	0.000	3.272	02/15/2017	6,122	5,153	5,746
United States Treasury	3.250	2.910	03/31/2017	11,600	11,796	12,883
United States Treasury	3.130	2.432	04/30/2017	6,715	6,953	7,416
United States Treasury	2.750	2.381	05/31/2017	2,280	2,324	2,472
United States Treasury	8.880	3.186	08/15/2017	13,360	17,347	19,095
United States Treasury	4.750	2.705	08/15/2017	18,645	20,670	22,310
United States Treasury	0.000	2.162	08/15/2017	500	441	462
United States Treasury	0.000	3.492	11/15/2017	7,050	5,719	6,464
United States Treasury	2.750	2.731	12/31/2017	15,000	15,016	16,234
United States Treasury	2.630	2.849	01/31/2018	6,000	5,924	6,445
United States Treasury	3.500	2.488	02/15/2018	1,000	1,059	1,127
United States Treasury	0.000	3.537	02/15/2018	3,950	3,168	3,586
United States Treasury	0.000	3.743	08/15/2018	500	389	446
United States Treasury	3.130	3.136	05/15/2019	7,585	7,579	8,341
United States Treasury	0.000	4.013	05/15/2019	4,550	3,372	3,953
United States Treasury	8.130	3.152	08/15/2019	7,198	9,650	10,574
United States Treasury	0.000	4.021	08/15/2019	300	220	258
United States Treasury	8.500	3.516	02/15/2020	1,750	2,372	2,655
United States Treasury	0.000	4.006	05/15/2020	4,500	3,207	3,780
United States Treasury	8.750	3.409	05/15/2020	900	1,254	1,390
United States Treasury	0.000	3.348	05/15/2020	14,287	10,755	11,911
United States Treasury	8.750	3.625	08/15/2020	6,050	8,365	9,393
United States Treasury	0.000	3.482	08/15/2020	8,200	6,050	6,758
United States Treasury	0.000	3.772	11/15/2020	700	499	572
United States Treasury	0.000	4.230	02/15/2021	200	136	162
United States Treasury	8.130	3.524	05/15/2021	1,000	1,370	1,525
United States Treasury	0.000	3.501	11/15/2021	5,000	3,529	3,913
United States Treasury	0.000	3.851	02/15/2022	1,250	844	968
United States Treasury	7.130	3.585	02/15/2023	1,000	1,326	1,475
United States Treasury	0.000	4.526	05/15/2024	1,100	628	771
United States Treasury	0.000	4.239	08/15/2024	1,100	643	763
United States Treasury	0.000	6.392	11/15/2024	250	134	171
United States Treasury	0.000	6.934	02/15/2025	700	358	474
United States Treasury	6.000	4.435	02/15/2026	400	466	557
United States Treasury	0.000	4.862	05/15/2026	850	423	545
United States Treasury	6.750	4.073	08/15/2026	625	809	933
United States Treasury	6.500	4.024	11/15/2026	550	702	806
United States Treasury	0.000	4.278	11/15/2026	5,000	2,645	3,137
United States Treasury	6.630	3.883	02/15/2027	800	1,051	1,188
United States Treasury	0.000	4.151	02/15/2027	3,200	1,697	1,986
United States Treasury	6.380	4.079	08/15/2027	400	506	585
United States Treasury	0.000	4.707	08/15/2027	950	456	578
United States Treasury	6.130	4.343	11/15/2027	150	181	215
United States Treasury	0.000	4.358	11/15/2027	1,500	751	903
United States Treasury	0.000	4.552	02/15/2028	2,050	985	1,222

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
United States Treasury	0.000	4.851	05/15/2028	100	45	59
United States Treasury	5.500	4.534	08/15/2028	1,050	1,168	1,422
United States Treasury	0.000	4.822	11/15/2028	2,000	888	1,158
United States Treasury	0.000	4.655	02/15/2029	300	135	172
United States Treasury	0.000	4.554	05/15/2029	150	68	85
United States Treasury	0.000	3.206	08/15/2029	800	454	449
United States Treasury	0.000	4.399	11/15/2029	700	319	389
United States Treasury	0.000	4.598	02/15/2030	1,100	479	606
United States Treasury	6.250	4.023	05/15/2030	600	773	889
United States Treasury	0.000	3.768	05/15/2030	400	200	218
United States Treasury	0.000	4.618	08/15/2030	900	381	486
United States Treasury	0.000	4.447	11/15/2030	950	411	509
United States Treasury	5.380	4.324	02/15/2031	1,100	1,250	1,496
United States Treasury	0.000	5.491	11/15/2032	650	301	322
United States Treasury	0.000	7.609	05/15/2033	1,000	379	486
United States Treasury	0.000	7.445	08/15/2033	700	267	337
United States Treasury	0.000	7.666	11/15/2033	1,000	372	477
United States Treasury	0.000	4.533	02/15/2034	750	276	354
United States Treasury	0.000	7.942	05/15/2034	500	179	234
United States Treasury	4.500	4.122	02/15/2036	200	212	248
United States Treasury	0.000	4.591	05/15/2036	200	66	87
Total U. S. Treasury Issues - 21.5%					226,329	250,837
<b>U. S. Government Agency Issues</b>						
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Issues	5.344	3.122	03/24/2033	56,605	60,190	61,232
FNMA Issues	4.963	2.483	08/30/2026	107,068	111,856	116,174
GNMA Issues	6.586	3.863	02/15/2036	3,649	3,932	4,106
<i>Total U. S. Government Agency MBS</i>					175,978	181,512
<i>U. S. Government Agency CMO (coupon, yield, and maturity date are weighted averages)</i>						
FDIC Issues	2.980	3.027	12/06/2020	1,326	1,325	1,376
FHLB Issues	6.504	2.877	12/11/2018	1,159	1,216	1,187
FHLMC Issues	6.087	5.365	08/29/2033	134,037	100,899	106,968
FNMA Issues	5.931	5.155	08/25/2033	178,947	137,875	146,442
GNMA Issues	8.059	13.848	06/15/2034	85,558	29,232	35,250
<i>Total U. S. Government Agency CMO</i>					270,547	291,223
<i>U. S. Government Agency Bonds</i>						
FannieMae STRIPS	0.000	5.737	11/15/2021	1,000	635	734
Federal Farm Credit Bank	5.130	3.384	11/15/2018	1,000	1,108	1,187
Federal Home Loan Mortgage	5.500	3.324	08/23/2017	2,900	3,231	3,536
Federal National Mortgage Assn	0.000	2.342	07/05/2014	2,300	2,164	2,245
Federal National Mortgage Assn	5.000	2.195	05/11/2017	3,000	3,436	3,549
Federal National Mortgage Assn	5.380	3.276	06/12/2017	2,000	2,214	2,406
FICO	0.000	5.655	09/26/2019	700	484	581
RFCSF Strip Principal	0.000	4.186	07/15/2020	500	366	406
<i>Total U. S. Government Agency Bonds</i>					13,638	14,644
Total U. S. Government Agency Issues - 41.7%					460,163	487,379
<b>Corporate Issues</b>						
<i>Corporate Bonds</i>						
Ace Ina Hldg Inc	5.880	3.570	06/15/2014	240	254	265
Ace Ina Hldg Inc	5.600	2.613	05/15/2015	430	473	480
AFLAC Inc	8.500	5.066	05/15/2019	100	121	125
AFLAC Inc	6.450	6.488	08/15/2040	108	107	115
AGL Capital Corporation	4.450	2.753	04/15/2013	260	266	272
AGL Capital Corporation	5.250	5.094	08/15/2019	250	252	279
AGL Capital Corporation	3.500	3.683	09/15/2021	353	348	349
AGL Capital Corporation	5.880	5.887	03/15/2041	120	120	140
Aid-Israel	0.000	2.110	08/15/2017	1,000	885	906
AIG Sunamer Global	6.900	6.417	03/15/2032	110	116	120
Alabama Power Co	6.130	5.106	05/15/2038	128	147	165

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Alberta Energy Company Ltd	8.130	5.675	09/15/2030	200	256	257
Allied Waste North America	6.880	6.978	06/17/2015	250	249	268
Allstate Corp	5.000	3.585	08/15/2014	470	487	516
Allstate Life Global Fn Trust	5.380	1.804	04/30/2013	300	316	319
American Airlines PT TRS 11-1	5.250	5.250	07/31/2021	118	118	107
American Airlines PT TRS 11-2	8.630	8.625	10/15/2021	126	126	126
American Express	7.000	4.742	03/19/2018	595	668	707
American Express Credit Co	5.880	2.100	05/02/2013	40	42	42
American Express Credit Co	7.300	4.692	08/20/2013	600	627	657
American Express Credit Co	5.130	4.116	08/25/2014	625	641	679
American Express Credit Co	2.800	2.818	09/19/2016	340	340	345
American Honda Finance	2.600	2.601	09/20/2016	410	410	414
American Honda Finance	7.630	4.559	10/01/2018	500	590	632
American Water Cap Corp	6.090	3.499	10/15/2017	300	341	350
American Water Cap Corp	6.590	5.338	10/15/2037	300	352	358
Ameritech Capital Funding	6.450	5.178	01/15/2018	70	75	82
Amgen Inc	6.150	3.425	06/01/2018	285	330	345
Amgen Inc	5.700	5.035	02/01/2019	210	218	250
Amgen Inc	4.950	5.002	10/01/2041	200	198	218
Amgen Inc	5.650	5.684	06/15/2042	103	102	124
Anadarko Petroleum Corp	7.630	3.498	03/15/2014	130	142	146
Anadarko Petroleum Corp	8.700	8.258	03/15/2019	300	307	391
Anadarko Petroleum Corp	6.950	5.872	06/15/2019	285	303	344
Anheuser-Busch	1.500	1.501	07/14/2014	264	264	268
Anheuser-Busch	7.750	5.148	01/15/2019	580	669	758
Anheuser-Busch	8.200	5.072	01/15/2039	255	372	398
ANR Pipeline	9.630	5.447	11/01/2021	240	317	359
ANZ National (Intl) LTD	2.380	2.418	12/21/2012	175	175	177
Aon Corporation	3.500	3.605	09/30/2015	121	121	125
Apache Corporation	6.000	1.594	09/15/2013	480	519	526
Appalachian Power Company	5.950	6.624	05/15/2033	250	231	280
Arrow Electronics Inc	6.880	6.098	07/01/2013	215	218	231
Arrow Electronics Inc	6.880	5.965	06/01/2018	235	246	259
Arrow Electronics Inc	7.500	6.484	01/15/2027	225	247	240
ASIF Global Financing	4.900	1.744	01/17/2013	907	941	934
Associates Corp NA	6.950	9.373	11/01/2018	350	307	393
AT&T Corp	8.000	6.187	11/15/2031	41	49	58
AT&T Inc	5.500	4.564	02/01/2018	370	389	430
AT&T Inc	5.600	5.164	05/15/2018	565	578	662
AT&T Inc	4.450	4.232	05/15/2021	500	508	544
AT&T Inc	6.300	6.621	01/15/2038	600	574	721
AT&T Inc	5.350	5.341	09/01/2040	1,374	1,376	1,500
Atmos Energy Corp	6.350	3.826	06/15/2017	175	197	208
Atmos Energy Corp	8.500	8.529	03/15/2019	150	150	200
AUST & NZ Banking Group	3.250	3.339	03/01/2016	200	199	206
BAE Systems Holdings Inc	5.200	2.802	08/15/2015	195	212	210
Bank of America Corp	4.900	3.276	05/01/2013	500	512	505
Bank of America Corp	7.380	7.510	05/15/2014	600	598	641
Bank of America Corp	5.130	8.762	11/15/2014	300	271	304
Bank of America Corp	6.500	6.545	08/01/2016	500	499	520
Bank of America Corp	5.630	5.039	10/14/2016	250	256	249
Bank of America Corp	5.650	5.595	05/01/2018	1,390	1,394	1,392
Bank of America Corp	5.630	5.431	07/01/2020	190	193	183
Bank of America Corp	5.000	5.056	05/13/2021	145	144	136
Bank of Nova Scotia	3.400	3.428	01/22/2015	127	127	135
Bank of Nova Scotia	1.650	1.686	10/29/2015	345	345	345
Bank of Nova Scotia	4.380	4.395	01/13/2021	214	214	234
Bank Tokyo - Mitsubishi UFJ	3.850	3.859	01/22/2015	356	356	377
Barclays Bank PLC	5.200	5.227	07/10/2014	400	400	422
Barclays Bank PLC	6.750	5.145	05/22/2019	950	1,044	1,089
Barclays Bank PLC	5.130	5.231	01/08/2020	500	497	520
BB&T Corporation	5.700	1.547	04/30/2014	340	374	373
BB&T Corporation	4.900	5.999	06/30/2017	800	758	857
BB&T Corporation	6.850	7.048	04/30/2019	225	222	273
Bell Tel Co Pennsylvania	8.350	7.266	12/15/2030	400	444	535

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
BellSouth Corporation	5.200	4.342	09/15/2014	300	307	333
BellSouth Corporation	6.000	5.368	11/15/2034	149	161	169
Berkshire Hathaway Fin	4.600	4.335	05/15/2013	100	100	105
Berkshire Hathaway Fin	5.100	1.733	07/15/2014	600	653	660
Berkshire Hathaway Fin	2.450	2.497	12/15/2015	477	476	494
Berkshire Hathaway Fin	5.400	3.505	05/15/2018	300	333	343
BG Energy Capital PLC	5.130	5.239	10/15/2041	200	197	209
BHP Billiton Financial USA	5.500	5.577	04/01/2014	200	200	222
BHP Billiton Financial USA	6.500	4.224	04/01/2019	720	823	880
BlackRock Inc	6.250	4.677	09/15/2017	500	540	579
Blackstone Holdings Financial	5.880	5.938	03/15/2021	550	548	558
BNY Mellon	4.500	2.783	04/01/2013	305	312	321
BNY Mellon	5.130	3.868	08/27/2013	350	358	376
BNY Mellon	2.950	2.978	06/18/2015	500	500	520
BNY Mellon	4.600	4.625	01/15/2020	115	115	122
Boeing Company	9.750	2.232	04/01/2012	260	268	270
Boeing Company	5.130	4.019	02/15/2013	100	101	105
Boeing Company	4.880	4.664	02/15/2020	230	233	266
Boeing Company	6.130	5.181	02/15/2033	150	168	186
BP Capital Markets PLC	3.130	3.127	03/10/2012	250	250	252
BP Capital Markets PLC	3.630	3.625	05/08/2014	100	100	106
BP Capital Markets PLC	3.880	3.148	03/10/2015	730	747	782
British Telecom PLC	5.950	5.942	01/15/2018	275	275	305
British Telecom PLC	9.880	A 6.740	12/15/2030	145	193	212
Bunge Limited Finance Co	5.880	6.484	05/15/2013	50	50	53
Bunge Limited Finance Co	8.500	7.217	06/15/2019	373	400	456
Bunge NA Finance LP	5.900	7.617	04/01/2017	54	50	59
Burlington North Santa Fe	5.900	4.746	07/01/2012	150	151	155
Burlington North Santa Fe	5.650	4.368	05/01/2017	225	239	259
Burlington North Santa Fe	4.700	4.722	10/01/2019	350	349	386
Burlington North Santa Fe	3.450	3.479	09/15/2021	106	106	108
Burlington North Santa Fe	7.290	6.510	06/01/2036	80	88	112
C & P Telephone	7.150	7.864	05/01/2023	400	379	430
Canadian Natural Resources Ltd	5.700	3.408	05/15/2017	300	334	348
Canadian Natural Resources Ltd	5.900	4.608	02/01/2018	615	658	721
Capital One Bank USA NA	6.500	10.704	06/13/2013	100	94	106
Capital One Financial Corp	7.380	5.321	05/23/2014	295	309	330
Capital One Financial Corp	5.500	10.399	06/01/2015	200	171	216
Capital One Financial Corp	6.750	4.902	09/15/2017	1,055	1,153	1,229
Capital One Financial Corp	4.750	4.860	07/15/2021	400	397	420
Cargill Inc	7.350	5.427	03/06/2019	250	279	316
Cargill Inc	4.310	4.716	05/14/2021	106	103	114
Carolina Power & Light	5.300	4.589	01/15/2019	200	209	236
Caterpillar Financial Services	5.850	4.754	09/01/2017	820	865	974
Caterpillar Financial Services	5.450	3.907	04/15/2018	280	304	324
Caterpillar Financial Services	7.150	6.146	02/15/2019	395	417	505
CBS Corp	5.750	5.766	04/15/2020	53	53	60
Centel Capital Corp	9.000	6.495	10/15/2019	200	231	226
Centerpoint Energy Houston	5.750	5.100	01/15/2014	185	187	201
Centerpoint Energy Houston	7.000	5.151	03/01/2014	185	192	209
Centerpoint Energy Inc	6.500	3.256	05/01/2018	310	368	361
Centerpoint Energy Resources	5.950	3.744	01/15/2014	165	173	180
Centerpoint Energy Resources	6.130	2.810	11/01/2017	300	355	342
Cisco Systems Inc	5.500	4.491	02/22/2016	210	218	244
Cisco Systems Inc	4.450	4.555	01/15/2020	250	248	281
Cisco Systems Inc	5.500	5.644	01/15/2040	300	294	358
Citigroup Inc	6.380	6.536	08/12/2014	295	294	318
Citigroup Inc	6.010	3.809	01/15/2015	300	320	323
Citigroup Inc	4.750	4.876	05/19/2015	87	87	91
Citigroup Inc	4.590	3.858	12/15/2015	563	578	588
Citigroup Inc	6.000	5.583	08/15/2017	1,865	1,900	2,030
Citigroup Inc	6.130	7.040	11/21/2017	555	529	611
Citigroup Inc	8.500	6.848	05/22/2019	470	513	582
Citigroup Inc	5.380	5.507	08/09/2020	300	297	321
Citigroup Inc	7.000	6.049	12/01/2025	490	534	520

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Citigroup Inc	8.130	8.310	07/15/2039	350	343	481
Cleveland Electric Illum	7.880	5.053	11/01/2017	300	343	376
Cleveland Electric Illum	8.880	7.005	11/15/2018	225	248	301
CME Group Inc	5.750	1.969	02/15/2014	307	333	338
CNA Financial Corp	5.850	3.764	12/15/2014	250	265	264
CNA Financial Corp	6.500	4.776	08/15/2016	285	306	309
CNA Financial Corp	5.880	5.917	08/15/2020	170	170	173
Coca-Cola Company	3.630	3.725	03/15/2014	100	100	107
Coca-Cola Company	4.880	4.993	03/15/2019	100	99	115
Coca-Cola Company	3.300	3.310	09/01/2021	104	104	108
Coca-Cola Enterprises	4.250	2.511	03/01/2015	250	264	273
Columbus Southern Power	6.050	6.649	05/01/2018	205	199	236
Comcast Cable Comm Holdings	9.460	7.132	11/15/2022	775	909	1,114
Comcast Cable Holdings	10.130	5.959	04/15/2022	240	317	346
Comcast Corp	5.900	4.621	03/15/2016	625	656	722
Comcast Corp	4.950	3.412	06/15/2016	95	101	106
Comcast Corp	6.500	5.409	01/15/2017	200	210	236
Comerica Bank	5.200	4.930	08/22/2017	250	253	271
Commonwealth REIT	6.650	9.682	01/15/2018	430	370	460
Commonwealth REIT	5.880	6.166	09/15/2020	325	319	322
Conn Light and Pwr	5.650	2.391	05/01/2018	435	520	516
ConocoPhillips	5.200	3.086	05/15/2018	501	563	580
Conocophillips	6.650	3.716	07/15/2018	294	345	362
ConocoPhillips	5.750	5.911	02/01/2019	100	99	120
ConocoPhillips	6.000	4.520	01/15/2020	940	1,034	1,162
Cons Edison Co of NY	5.100	4.756	06/15/2033	200	209	221
Cons Edison Co of NY	6.300	5.749	08/15/2037	150	161	197
Cons Edison Co of NY	5.500	5.713	12/01/2039	350	340	423
Consumers Energy Company	6.700	5.661	09/15/2049	394	458	498
Corp Andina De Fomento	3.750	3.542	01/15/2016	532	536	534
Countrywide Financial Corp	6.250	5.331	05/15/2016	600	622	586
Cox Communications Inc	5.450	3.845	12/15/2014	225	236	251
Credit Suisse New York	5.000	2.419	05/15/2013	200	208	208
Credit Suisse New York	5.500	5.524	05/01/2014	170	170	181
Credit Suisse New York	5.400	5.020	01/14/2020	230	236	230
Credit Suisse USA Inc	4.880	6.376	01/15/2015	250	239	263
Credit Suisse USA Inc	5.130	3.774	08/15/2015	680	712	719
Credit Suisse USA Inc	5.850	4.647	08/16/2016	400	419	441
Credit Suisse USA Inc	7.130	5.535	07/15/2032	275	328	332
CRH America Inc	6.000	3.793	09/30/2016	254	279	273
Crown Castle Towers LLC	3.210	3.009	08/15/2015	350	353	354
CSX Corp	6.300	4.952	03/15/2012	100	100	102
CSX Corp	6.250	3.728	03/15/2018	640	730	764
CSX Corp	7.380	6.722	02/01/2019	200	207	253
CVS Caremark Corp	6.130	6.066	09/15/2039	735	741	893
Daimler Finance NA Holdings	7.300	1.894	01/15/2012	245	248	248
Daimler Finance NA Holdings	6.500	4.139	11/15/2013	610	637	669
Danaher Corp	3.900	3.903	06/23/2021	275	275	296
Dell Inc	5.650	4.846	04/15/2018	317	331	365
Dell Inc	5.880	4.037	06/15/2019	200	224	233
Delta Air Lines 2011-1	5.300	5.300	04/15/2019	74	74	74
Delta Air Lines Inc	4.950	4.950	05/23/2019	133	133	130
Deutsche Bank AG London	2.380	2.409	01/11/2013	435	435	435
Deutsche Bank AG London	3.880	3.962	08/18/2014	305	304	315
Deutsche Telekom Int Fin	6.750	4.691	08/20/2018	200	224	239
Deutsche Telekom Int Fin	6.000	5.651	07/08/2019	635	648	738
Deutsche Telekom Int Fin	8.750 A	5.629	06/15/2030	170	231	240
Devon Energy Corporation	6.300	3.439	01/15/2019	295	348	358
Diageo Capital PLC	5.200	1.199	01/30/2013	200	210	211
Diageo Capital PLC	4.830	4.387	07/15/2020	402	415	449
Diageo Finance BV	5.500	2.552	04/01/2013	265	276	283
Directv Holdings/Fing	4.600	4.608	02/15/2021	400	400	425
Directv Holdings/Fing	6.000	6.098	08/15/2040	750	740	855
DnB NOR Boligkreditt AS	2.100	2.193	10/14/2015	300	299	303
Dominion Resources Inc	6.400	4.717	06/15/2018	465	509	559

A - Adjustable rate security.

See accompanying notes to financial statements.

## Core Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Dominion Resources Inc	5.200	3.297	08/15/2019	50	56	58
Dominion Resources Inc	4.900	4.999	08/01/2041	64	63	70
Dow Chemical Company	7.600	2.207	05/15/2014	235	266	267
Dow Chemical Company	8.550	5.719	05/15/2019	417	488	542
Dow Chemical Company	4.250	4.284	11/15/2020	64	64	66
Duke Energy Carolinas	7.000	4.034	11/15/2018	250	295	316
Duke Energy Carolinas	4.300	4.304	06/15/2020	211	211	238
Duke Energy Corp	3.550	3.552	09/15/2021	116	116	119
Duke Energy Ohio Inc	5.450	5.009	04/01/2019	395	406	467
DuPont EI de Nemours Co	6.000	3.208	07/15/2018	608	710	744
DuPont EI de Nemours Co	5.600	4.670	12/15/2036	320	364	390
DuPont EI de Nemours Co	4.900	4.987	01/15/2041	125	123	140
Eaton Corporation	7.630	4.412	04/01/2024	325	424	437
eBay Inc	3.250	4.072	10/15/2020	630	591	634
Eli Lilly and Company	3.550	3.578	03/06/2013	100	100	101
Encana Corp	6.500	5.141	05/15/2019	500	542	603
Enel Finance Intl SA	5.130	5.144	10/07/2019	700	699	678
Eni SpA	5.700	5.741	10/01/2040	250	249	271
EOG Resources Inc	5.630	5.356	06/01/2019	200	203	237
Erac USA Finance Company	2.250	2.317	01/10/2014	286	286	288
Exelon Generation Co LLC	4.000	4.013	10/01/2020	288	288	295
Exelon Generation Co LLC	5.750	5.778	10/01/2041	86	86	97
Fifth Third Bancorp	3.630	2.956	01/25/2016	455	467	467
Florida Power & Light	5.960	5.307	04/01/2039	335	366	438
Florida Power Corp	6.400	5.331	06/15/2038	280	322	376
FMR LLC	6.450	6.504	11/15/2039	250	248	273
FPL Group Capital Inc	6.000	6.006	03/01/2019	125	125	143
France Telecom	4.380	3.419	07/08/2014	400	410	431
France Telecom	8.500	5.770	03/01/2031	130	171	190
Fuel Trust	4.210	4.207	04/15/2016	220	220	221
Gap Inc	5.950	6.848	04/12/2021	243	228	231
General Electric Capital Corp	5.880	2.016	02/15/2012	162	164	164
General Electric Capital Corp	0.510	3.318	04/10/2012	500	494	500
General Electric Capital Corp	5.900	5.926	05/13/2014	1,500	1,499	1,649
General Electric Capital Corp	5.500	3.739	06/04/2014	675	704	736
General Electric Capital Corp	2.250	2.266	11/09/2015	675	675	676
General Electric Capital Corp	5.630	5.796	09/15/2017	400	396	445
General Electric Capital Corp	5.630	4.494	05/01/2018	1,290	1,367	1,426
General Electric Capital Corp	6.000	5.091	08/07/2019	2,435	2,575	2,767
General Electric Capital Corp	5.500	5.614	01/08/2020	1,320	1,310	1,472
General Electric Capital Corp	4.380	4.424	09/16/2020	445	443	453
General Electric Capital Corp	5.880	8.520	01/14/2038	200	145	215
General Electric Company	5.250	5.983	12/06/2017	305	294	347
General Mills Inc	5.200	4.836	03/17/2015	100	101	111
General Mills Inc	5.650	4.103	02/15/2019	470	515	555
Georgia Power Company	5.250	5.030	12/15/2015	200	202	229
Glaxosmithkline Cap Inc	4.380	3.625	04/15/2014	215	219	234
Glaxosmithkline Cap Inc	6.380	5.354	05/15/2038	275	315	372
Goldman Sachs Group Inc	5.250	2.371	10/15/2013	300	316	313
Goldman Sachs Group Inc	3.630	3.576	02/07/2016	415	416	411
Goldman Sachs Group Inc	5.750	5.226	10/01/2016	50	51	54
Goldman Sachs Group Inc	6.250	7.134	09/01/2017	290	278	314
Goldman Sachs Group Inc	5.950	5.036	01/18/2018	200	210	210
Goldman Sachs Group Inc	6.150	5.855	04/01/2018	535	542	571
Goldman Sachs Group Inc	7.500	5.617	02/15/2019	2,980	3,310	3,367
Goldman Sachs Group Inc	5.380	5.493	03/15/2020	450	446	456
Goldman Sachs Group Inc	6.000	5.227	06/15/2020	240	253	253
Goldman Sachs Group Inc	5.250	5.257	07/27/2021	138	138	139
Goldman Sachs Group Inc	6.750	6.519	10/01/2037	140	144	135
Goldman Sachs Group LP	8.000	3.407	03/01/2013	210	222	219
GTE Corporation	6.840	3.750	04/15/2018	200	235	238
GTE Corporation	8.750	5.975	11/01/2021	250	302	353
GTP Acquisition Partners	4.350	4.387	06/15/2041	606	606	609
Halliburton Company	6.150	4.627	09/15/2019	360	396	444
Halliburton Company	7.450	7.646	09/15/2039	100	98	148

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Hewlett-Packard Company	6.130	2.327	03/01/2014	375	407	413
Hewlett-Packard Company	4.750	1.527	06/02/2014	105	114	113
Hewlett-Packard Company	5.400	4.620	03/01/2017	280	290	314
Hewlett-Packard Company	4.380	4.398	09/15/2021	492	491	516
Hewlett-Packard Company	6.000	6.010	09/15/2041	485	484	553
Historic Time Warner Inc	9.150	6.368	02/01/2023	945	1,154	1,313
Home Depot Inc	5.400	5.918	03/01/2016	500	490	571
Honeywell International Inc	5.400	3.475	03/15/2016	360	388	417
Household Finance Corporation	4.750	7.304	07/15/2013	17	16	18
HSBC Bank PLC	1.630	1.673	07/07/2014	364	364	365
HSBC Bank PLC	3.500	3.518	06/28/2015	116	116	120
HSBC Bank PLC	3.100	3.108	05/24/2016	229	229	231
HSBC Bank PLC	4.130	4.199	08/12/2020	389	387	393
HSBC Bank PLC	4.750	4.761	01/19/2021	300	300	317
HSBC Bank USA	4.630	3.425	04/01/2014	320	329	331
HSBC Finance Corp	0.650	7.348	01/15/2014	500	431	466
HSBC Finance Corp	5.000	7.389	06/30/2015	455	420	474
HSBC Finance Corp	5.500	4.032	01/19/2016	300	317	314
IBM Corp	1.950	2.071	07/22/2016	168	167	172
IBM Corp	7.630	5.057	10/15/2018	330	379	441
IBM Corp	8.380	3.315	11/01/2019	460	622	646
IBM Corp	8.000	5.720	10/15/2038	300	393	467
Indiana Michigan Power	7.000	4.840	03/15/2019	145	164	176
Intel Corporation	3.300	3.328	10/01/2021	456	455	471
Intuit Inc	5.750	3.574	03/15/2017	863	953	970
Jackson National Life Global	6.130	1.249	05/30/2012	535	550	550
Jackson National Life Global	5.380	2.699	05/08/2013	500	520	528
Jefferies Group Inc	5.130	5.082	04/13/2018	340	341	307
Jefferies Group Inc	8.500	6.800	07/15/2019	490	539	528
Jefferies Group Inc	6.450	8.192	06/08/2027	330	280	310
John Deere Capital Corp	5.100	1.753	01/15/2013	185	192	195
John Deere Capital Corp	5.750	4.607	09/10/2018	233	249	279
Johnson Controls Inc	5.000	4.342	03/30/2020	500	523	551
Johnson Controls Inc	4.250	4.101	03/01/2021	80	81	83
Kansas City Power	5.300	5.343	10/01/2041	385	383	392
KCP&L Greater Missouri	11.880	2.285	07/01/2012	270	287	288
Kellogg Company	4.250	3.896	03/06/2013	100	100	104
Kellogg Company	3.250	3.290	05/21/2018	123	123	127
Key Bank NA	5.800	5.972	07/01/2014	350	349	377
Keycorp	6.500	1.971	05/14/2013	200	214	214
Kimberly Clark Corporation	7.500	4.845	11/01/2018	250	289	328
Kohl's Corporation	6.250	5.839	12/15/2017	90	92	107
Kraft Foods Inc	6.750	4.586	02/19/2014	250	262	282
Kraft Foods Inc	6.500	4.307	08/11/2017	450	500	538
Kraft Foods Inc	6.130	5.169	08/23/2018	435	459	518
Kraft Foods Inc	5.380	4.837	02/10/2020	734	760	846
Kroger Co	7.500	3.797	01/15/2014	278	300	314
Kroger Co	6.400	6.119	08/15/2017	100	101	119
Kroger Co	6.150	4.861	01/15/2020	540	586	647
Lincoln National Corp	4.850	4.867	06/24/2021	89	89	88
Lockheed Martin Corp	4.250	3.665	11/15/2019	305	317	327
Lockheed Martin Corp	5.720	5.765	06/01/2040	300	298	351
Lowe's Companies Inc	7.110	5.609	05/15/2037	195	234	265
M & T Bank Corporation	5.380	3.575	05/24/2012	190	192	194
Macquarie Group	7.300	4.349	08/01/2014	480	516	517
Macquarie Group	6.250	6.395	01/14/2021	237	235	234
Manitoba Providence CDA	2.130	2.165	04/22/2013	43	43	44
Manuf & Traders Trust Co	6.630	6.096	12/04/2017	715	731	828
Marathon Oil Corp	6.000	3.633	10/01/2017	200	225	232
Marathon Oil Corp	5.900	3.517	03/15/2018	110	125	129
Mass Mutual Global Funding	3.630	2.400	07/16/2012	350	353	357
Mass Mutual Global Funding	2.880	2.960	04/21/2014	122	122	126
Mass Mutual Global Funding	2.300	2.313	09/28/2015	144	144	145
Massachusetts Electric	5.900	5.924	11/15/2039	182	181	220
Medco Health Solutions Inc	7.130	3.921	03/15/2018	485	572	578

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Merrill Lynch & Company Inc	6.400	5.451	08/28/2017	1,100	1,151	1,115
Merrill Lynch & Company Inc	6.880	6.034	04/25/2018	650	679	668
Met Life Global Funding I	2.500	2.009	01/11/2013	915	920	930
Met Life Global Funding I	5.130	3.290	04/10/2013	600	615	631
Met Life Global Funding I	5.130	3.070	06/10/2014	200	210	216
Met Life Global Funding I	3.650	3.670	06/14/2018	1,000	999	1,008
Metlife Institutional Funding	1.280	1.280	04/04/2014	250	250	249
Microsoft Corporation	1.630	1.717	09/25/2015	360	359	368
Monsanto Company	5.130	5.008	04/15/2018	160	161	186
Monumental Global Funding	5.500	4.142	04/22/2013	100	102	106
Morgan Stanley	6.000	4.814	05/13/2014	825	848	857
Morgan Stanley	4.200	4.209	11/20/2014	331	331	327
Morgan Stanley	5.450	4.660	01/09/2017	800	829	805
Morgan Stanley	6.250	7.603	08/28/2017	430	403	447
Morgan Stanley	5.950	5.856	12/28/2017	185	186	187
Morgan Stanley	6.630	5.922	04/01/2018	650	674	677
Morgan Stanley	5.630	6.198	09/23/2019	1,310	1,263	1,294
Morgan Stanley	5.750	5.667	01/25/2021	115	116	114
Morgan Stanley Mortgage Loan	4.750	8.248	04/01/2014	250	231	251
National Australia Bank	2.500	2.500	01/08/2013	500	500	507
National Australia Bank	2.750	2.778	09/28/2015	200	200	203
National Australia Bank	3.000	3.060	07/27/2016	500	499	503
National Bank of Canada	1.650	1.659	01/30/2014	451	451	457
National City Bank	5.800	5.680	06/07/2017	850	855	937
National Rural Utilities	2.630	2.677	09/16/2012	60	60	61
National Rural Utilities	10.380	4.898	11/01/2018	410	540	587
Nationwide Mutual Insurance	9.380	7.695	08/15/2039	430	512	528
NBC Universal	4.380	4.528	04/01/2021	150	148	160
NBC Universal	5.950	5.969	04/01/2041	175	175	204
Nevada Power Company	6.500	2.997	08/01/2018	355	430	423
Nevada Power Company	7.130	5.401	03/15/2019	300	331	373
Nevada Power Company	5.380	5.396	09/15/2040	51	51	59
New York Life Global Fdg	4.650	3.682	05/09/2013	285	289	300
New York Life Global Fdg	3.000	2.610	05/04/2015	515	522	535
News America Inc	7.250	5.514	05/18/2018	64	70	76
News America Inc	8.880	7.603	04/26/2023	450	491	581
News America Inc	7.750	5.876	01/20/2024	150	174	182
News America Inc	7.300	7.225	04/30/2028	250	252	286
News America Inc	6.650	6.115	11/15/2037	125	134	144
Niagara Mohawk Power	4.880	4.881	08/15/2019	100	100	112
Nomura Holdings Inc	5.000	2.878	03/04/2015	195	208	203
Nomura Holdings Inc	4.130	4.156	01/19/2016	500	499	505
Nomura Holdings Inc	6.700	6.403	03/04/2020	445	453	497
Nordea Bank AB	4.880	4.938	05/13/2021	355	353	319
Norfolk Southern Corp	7.250	5.354	02/15/2031	575	705	775
Northern States Power- Minn	6.250	5.620	06/01/2036	360	390	480
Northern States Power- Minn	5.350	5.363	11/01/2039	64	64	78
Northern Trust Company	6.500	4.266	08/15/2018	250	283	298
Northern Trust Corp	5.500	4.130	08/15/2013	102	104	111
Northrop Grumman Corp	5.050	4.109	08/01/2019	290	308	327
Nova Scotia Province	9.250	4.643	03/01/2020	200	263	293
Nucor Corporation	5.750	4.303	12/01/2017	242	261	284
Nucor Corporation	5.850	3.483	06/01/2018	300	341	353
Oncor Electric Delivery	6.800	4.097	09/01/2018	615	713	745
Ontario Providence Canada	2.950	2.975	02/05/2015	1,000	999	1,054
Ontario Providence Canada	2.700	2.710	06/16/2015	500	500	525
Oracle Corporation	4.950	0.926	04/15/2013	125	132	133
Oracle Corporation	5.750	5.177	04/15/2018	250	258	300
Oracle Corporation	5.000	4.688	07/08/2019	400	408	467
Oracle Corporation	6.500	5.656	04/15/2038	605	675	816
Oracle Corporation	5.380	5.278	07/15/2040	270	274	324
Pacific Gas & Electric Corp	8.250	4.653	10/15/2018	345	418	456
Pacific Gas & Electric Corp	3.250	3.312	09/15/2021	49	49	50
Pacific Life Global Funding	5.150	4.545	04/15/2013	170	171	178
Pacific Life Global Funding	5.000	4.976	05/15/2017	400	400	426

A - Adjustable rate security.

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
PacifiCorp	5.500	4.874	01/15/2019	350	363	417
PacifiCorp	6.100	5.153	08/01/2036	316	358	403
PC Financial Partnership	5.000	2.386	11/15/2014	180	194	195
Pennsylvania Electric Co	6.050	3.448	09/01/2017	210	239	239
Pepco Holdings	7.900	5.749	12/15/2038	335	433	503
Pepsico Inc	7.900	4.259	11/01/2018	171	208	228
Petro-Canada	6.050	5.383	05/15/2018	447	463	527
Petro-Canada	6.800	6.466	05/15/2038	225	234	283
PG&E Corp	5.750	5.875	04/01/2014	150	150	164
Pharmacia Corporation	6.500	4.660	12/01/2018	700	777	878
Philips Electronics NV	7.200	4.879	06/01/2026	180	223	234
Philips Electronics NV	5.750	3.507	03/11/2018	80	90	93
Pitney Bowes Inc	4.880	2.626	08/15/2014	200	212	212
Pitney Bowes Inc	5.600	4.431	03/15/2018	100	106	106
Pitney Bowes Inc	6.250	5.189	03/15/2019	240	255	259
PNC Bank NA	6.880	4.989	04/01/2018	250	276	285
PNC Funding Corp	5.250	5.098	11/15/2015	300	301	326
PNC Funding Corp	5.630	3.845	02/01/2017	300	325	329
PNC Funding Corp	5.130	5.150	02/08/2020	160	160	177
Potash Corp-Saskatchewan	3.750	2.830	09/30/2015	500	517	536
PPG Industries Inc	7.400	4.939	08/15/2019	260	301	313
PPG Industries Inc	9.000	6.096	05/01/2021	625	754	866
Praxair Inc	3.950	3.652	06/01/2013	130	131	137
Praxair Inc	4.380	4.446	03/31/2014	200	200	216
Praxair Inc	5.200	3.733	03/15/2017	510	546	586
Prcoa Global Funding	5.450	5.499	06/11/2014	350	350	382
Principal Life Global	6.250	7.272	02/15/2012	600	598	609
Principal Life Global	5.050	8.354	03/15/2015	500	452	543
Principal Life Inc Fdg	5.100	3.519	04/15/2014	400	415	431
Progress Energy Inc	6.050	6.115	03/15/2014	150	150	166
Progress Energy Inc	7.750	5.834	03/01/2031	100	122	138
Prudential Insurance Company	8.300	5.843	07/01/2025	650	799	810
PSEG Power LLC	5.130	4.780	04/15/2020	504	516	547
PSEG Power LLC	4.150	4.161	09/15/2021	152	152	156
Public Service Colorado	3.200	3.247	11/15/2020	45	45	46
Public Service Electric & Gas	5.380	5.083	11/01/2039	169	176	202
Public Service Oklahoma	5.150	5.186	12/01/2019	118	118	131
Public Service Oklahoma	4.400	4.494	02/01/2021	137	136	145
Quebec Province	6.350	4.145	01/30/2026	900	1,112	1,183
Rabobank Nederland	3.200	3.310	03/11/2015	500	498	515
Rabobank Nederland	2.130	2.177	10/13/2015	114	114	115
Rabobank Nederland	4.500	4.534	01/11/2021	219	218	240
Rabobank Nederland	5.800	6.007	09/30/2110	300	290	316
Rio Tinto Fin USA Ltd	8.950	2.509	05/01/2014	605	699	717
Rio Tinto Fin USA Ltd	3.500	3.593	11/02/2020	51	51	52
Rio Tinto Fin USA Ltd	3.750	3.781	09/20/2021	588	587	611
Royal Bank of Canada	2.300	2.357	07/20/2016	855	853	868
Ryder System Inc	3.600	3.623	03/01/2016	180	180	187
Ryder System Inc	3.500	3.533	06/01/2017	96	96	99
Sabmiller PLC	5.500	2.678	08/15/2013	500	524	536
San Diego Gas & Electric	5.350	5.359	05/15/2040	27	27	34
Schwab Charles Corp	4.950	1.862	06/01/2014	500	539	550
Sempra Energy	8.900	4.573	11/15/2013	347	376	394
Sempra Energy	6.500	6.539	06/01/2016	100	100	117
Sempra Energy	9.800	5.162	02/15/2019	450	574	623
Shell International Fin	1.880	1.916	03/25/2013	75	75	77
Shell International Fin	4.000	3.737	03/21/2014	575	578	622
Shell International Fin	3.100	3.115	06/28/2015	73	73	78
Shell International Fin	4.300	4.343	09/22/2019	285	284	319
Shell International Fin	4.380	4.434	03/25/2020	290	289	330
Shell International Fin	6.380	6.026	12/15/2038	140	146	192
Siemens Financieringsmat	6.130	5.126	08/17/2026	470	518	573
Simon Property Group LP	6.750	6.411	05/15/2014	140	141	156
Simon Property Group LP	5.630	4.874	08/15/2014	50	51	55
Simon Property Group LP	6.100	9.051	05/01/2016	325	290	368

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Simon Property Group LP	6.130	5.748	05/30/2018	140	143	160
Simon Property Group LP	7.380	6.200	06/15/2018	166	176	199
Simon Property Group LP	5.650	4.548	02/01/2020	275	295	307
Southern Cal Edison	4.150	4.153	09/15/2014	100	100	109
Southern Cal Edison	6.050	6.110	03/15/2039	250	248	328
Southern Cal Edison	5.500	5.634	03/15/2040	170	167	209
Southern Company	4.150	3.105	05/15/2014	500	513	538
Southern Company	1.950	1.982	09/01/2016	130	130	131
Southtrust Bank NA	7.690	5.873	05/15/2025	400	467	475
Southwestern Electric Power	6.450	5.261	01/15/2019	115	123	134
Southwestern Public Service	8.750	5.352	12/01/2018	288	345	389
Spectra Energy Capital	6.200	5.530	04/15/2018	445	460	501
Spectra Energy Capital	6.750	8.473	07/15/2018	160	146	180
Spectra Energy Capital	8.000	5.666	10/01/2019	450	516	565
Stadshypotek AB	1.450	1.457	09/30/2013	697	697	701
Staples Inc	9.750	6.061	01/15/2014	325	349	375
State Street Corp	4.300	3.337	05/30/2014	500	512	540
Statoil ASA	3.130	2.279	08/17/2017	692	723	743
SunTrust Banks Inc	5.250	2.676	11/05/2012	371	380	382
SunTrust Banks Inc	3.600	3.466	04/15/2016	280	282	287
Svenska Handelsbanken AB	3.130	3.127	07/12/2016	494	494	503
Talisman Energy Inc	7.750	4.566	06/01/2019	475	571	591
Target Corp	7.000	5.065	01/15/2038	440	563	606
TCI Communications Inc	7.880	7.698	02/15/2026	100	102	131
Telecom Italia Capital	4.950	4.108	09/30/2014	400	409	394
Telecom Italia Capital	7.000	8.462	06/04/2018	100	93	104
Telefonica Emisiones SAU	5.860	3.741	02/04/2013	200	205	206
Telefonica Emisiones SAU	6.420	4.065	06/20/2016	500	549	535
Telefonica Emisiones SAU	6.220	5.137	07/03/2017	300	316	318
Telefonica Emisiones SAU	5.880	5.877	07/15/2019	50	50	52
Telefonica Emisiones SAU	5.460	5.462	02/16/2021	117	117	119
Tennessee Valley Authority	5.250	5.275	09/15/2039	98	98	120
The Mosiac Company	3.750	3.860	11/15/2021	126	125	129
The Mosiac Company	4.880	4.971	11/15/2041	33	33	34
Thomson Corporation	4.700	4.744	10/15/2019	150	150	161
Time Warner Cable Inc	8.250	4.370	02/14/2014	730	791	833
Time Warner Cable Inc	6.750	4.658	07/01/2018	150	168	179
Time Warner Cable Inc	8.750	4.412	02/14/2019	300	380	390
Time Warner Cable Inc	7.300	6.397	07/01/2038	300	334	387
Time Warner Entertainment Co	8.380	6.560	07/15/2033	325	393	440
Toronto-Dominion Bank	2.200	2.230	07/29/2015	1,200	1,199	1,229
Total Capital SA	2.300	2.129	03/15/2016	540	544	557
Toyota Motor Credit Corp	3.200	2.095	06/17/2015	70	73	74
Toyota Motor Credit Corp	2.000	2.110	09/15/2016	2,950	2,935	2,962
Trans-Canada Pipelines	6.500	6.574	08/15/2018	250	249	300
Trans-Canada Pipelines	7.130	3.903	01/15/2019	220	264	280
Trans-Canada Pipelines	7.630	7.632	01/15/2039	50	50	72
Transocean Inc	6.500	6.390	11/15/2020	960	967	1,071
Travelers PPTY Casualty	7.750	5.666	04/15/2026	410	493	541
Tyco International Group SA	8.500	4.733	01/15/2019	495	608	638
Tyco/Tyco International Fin SA	7.000	4.057	12/15/2019	200	240	248
UBS AG Stamford CT	3.880	3.970	01/15/2015	500	499	501
UBS AG Stamford CT	5.880	5.576	12/20/2017	300	305	328
UBS AG Stamford CT	5.750	4.472	04/25/2018	100	107	106
Union Carbide Corp	7.500	5.809	06/01/2025	250	289	293
Union Pacific Corp	4.160	4.011	07/15/2022	358	363	379
Union Pacific Corp	5.780	4.235	07/15/2040	310	389	366
United Mexican States	6.380	3.627	01/16/2013	630	650	668
United Mexican States	5.750	5.959	10/12/2110	326	315	331
United Technologies Corp	6.130	4.006	02/01/2019	485	549	592
United Technologies Corp	5.400	5.468	05/01/2035	170	168	195
UNP RR CO 2003 PASS TRUST	4.700	5.675	01/02/2024	83	79	89
UPS of America Inc	8.380	4.731	04/01/2020	125	156	172
UPS of America Inc	8.380	5.178	04/01/2030	230	308	337
US Bancorp	2.880	2.977	11/20/2014	450	449	468

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
US Bancorp	2.450	2.059	07/27/2015	456	462	470
US Bancorp	4.130	4.000	05/24/2021	275	278	303
Verizon Communications	5.550	3.794	02/15/2016	165	176	191
Verizon Communications	5.500	4.896	02/15/2018	720	743	836
Verizon Communications	8.750	4.820	11/01/2018	345	425	466
Verizon Communications	8.950	5.546	03/01/2039	170	251	270
Verizon Communications	7.350	7.564	04/01/2039	400	390	552
Verizon New England Inc	7.880	6.381	11/15/2029	330	382	403
Verizon Virginia Inc	4.630	4.968	03/15/2013	375	373	391
Viacom Inc	7.880	6.380	07/30/2030	380	441	502
Virginia Electric & Power Co	5.400	4.990	04/30/2018	490	501	577
Vodafone Group	5.750	6.019	03/15/2016	200	198	232
Vodafone Group	5.450	4.869	06/10/2019	369	382	433
Volkswagen Intl Fin NV	1.630	1.728	08/12/2013	100	100	100
Wachovia Bank NA	0.680	2.900	03/15/2016	850	772	762
Wachovia Corp	5.500	4.283	05/01/2013	1,400	1,424	1,489
Wachovia Corp	5.250	2.817	08/01/2014	102	109	109
Wachovia Corp	5.750	5.126	06/15/2017	775	798	894
Wachovia Corp	5.750	5.579	02/01/2018	775	781	880
Wal-Mart Stores	7.550	5.479	02/15/2030	350	433	501
Wal-Mart Stores	5.250	5.736	09/01/2035	425	398	495
Waste Management Inc	7.380	4.323	03/11/2019	250	297	313
Waste Management Inc	4.750	4.596	06/30/2020	622	629	678
WEA Finance/WT Fin Aust	6.750	5.448	09/02/2019	658	711	743
WellPoint Inc	5.880	5.229	06/15/2017	500	515	576
Wells Fargo & Company	5.000	7.000	11/15/2014	100	95	107
Wells Fargo & Company	3.680	3.008	06/15/2016	390	401	410
Wells Fargo & Company	5.630	5.425	12/11/2017	865	873	996
Wells Fargo & Company	4.600	4.319	04/01/2021	380	388	406
Wells Fargo Bank NA	4.750	2.821	02/09/2015	565	599	598
Westpac Banking	4.880	4.884	11/19/2019	406	406	431
Wisconsin Electric Power	6.000	0.833	04/01/2014	257	289	287
Wisconsin Electric Power	2.950	3.070	09/15/2021	11	11	11
Wyeth	5.500	1.972	02/01/2014	190	205	210
Xcel Energy Inc	4.700	4.741	05/15/2020	45	45	50
Xerox Corporation	6.750	4.601	02/01/2017	191	210	220
Xerox Corporation	5.630	5.438	12/15/2019	350	354	390
<i>Total Corporate Bonds</i>					212,142	226,416
<i>Corporate Asset Backed Issues</i>						
AH Mortgage Advance Trust	2.630	2.650	05/10/2012	691	691	688
AH Mortgage Advance Trust	3.370	3.400	05/10/2013	2,334	2,334	2,325
Ally Auto Receivables Trust	1.110	1.115	11/15/2013	920	920	925
Ally Auto Receivables Trust	1.450	1.458	05/15/2014	295	295	297
Ally Auto Receivables Trust	1.550	1.576	10/15/2014	357	357	363
Ally Auto Receivables Trust	1.380	1.393	01/15/2015	285	285	288
Americredit Auto Receivables	1.660	1.669	03/17/2014	70	70	70
Americredit Auto Receivables	0.840	0.849	11/10/2014	787	787	786
Americredit Auto Receivables	1.140	1.155	04/08/2015	445	445	445
Banc of America Auto Trust	1.310	1.315	07/15/2014	271	271	273
Banc of America Auto Trust	1.940	1.954	06/15/2017	510	510	520
Bank of America Auto Trust	2.670	2.691	07/15/2013	130	130	131
Bank of America Auto Trust	2.130	2.140	09/16/2013	206	206	207
Bank of America Auto Trust	3.520	3.555	06/15/2016	200	200	204
Bank of America Auto Trust	2.180	2.198	02/15/2017	310	310	317
Carmax Auto Owner Trust	1.560	1.572	07/15/2014	240	240	241
Chase Funding Mortgage Loan	4.500	5.860	11/25/2034	476	466	469
Chase Funding Mortgage Loan	5.350	6.675	11/25/2034	500	457	431
Chase Funding Mortgage Loan	4.280	6.248	11/25/2034	736	652	695
Chrysler Financial Auto Sec	2.820	2.842	01/15/2016	98	98	98
CNH Equipment Trust	1.850	1.858	12/16/2013	12	12	12
CNH Equipment Trust	1.540	1.552	07/15/2014	302	302	303
CNH Equipment Trust	1.200	1.209	05/16/2016	375	375	377
CNH Equipment Trust	2.040	2.055	10/17/2016	256	256	262
Ford Credit Auto Owner Trust	2.790	2.811	08/15/2013	131	131	132

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Ford Credit Auto Owner Trust	4.500	4.548	07/15/2014	300	300	312
GMAC Mortgage Corp Loan Trust	0.580	11.068	10/25/2035	600	547	493
Honda Auto Receivables Trust	2.310	2.329	05/15/2013	66	66	67
Honda Auto Receivables Trust	3.300	3.329	09/15/2015	250	250	256
Huntington Auto Trust	1.010	1.016	01/15/2016	400	400	400
Huntington Auto Trust	1.310	1.314	11/15/2016	400	400	399
Hyuandai Auto Receivables Trst	0.970	0.984	11/15/2013	360	360	361
Hyuandai Auto Receivables Trst	1.630	1.638	07/15/2015	400	400	406
John Deere Owner Trust	2.590	2.614	10/15/2013	27	27	27
John Deere Owner Trust	1.570	1.577	10/15/2013	272	272	273
John Deere Owner Trust	1.290	1.296	01/15/2016	365	365	368
John Deere Owner Trust	1.960	1.974	04/16/2018	285	285	292
LAI Vehicle Lease Securitizat	2.550	2.670	09/15/2016	524	524	524
Mercedes-Benz Auto Rec Trust	1.420	1.433	07/15/2013	223	223	224
Mercedes-Benz Auto Rec Trust	0.850	0.853	03/15/2014	273	273	273
NCUA Guaranteed Notes	0.570 A	0.575	12/07/2020	257	257	258
Newcastle Investment Trust	2.450	2.447	12/10/2033	279	279	282
Nissan Auto Receivables Trust	0.870	0.878	07/15/2014	380	380	381
Nissan Auto Receivables Trust	1.310	1.319	09/15/2016	300	300	303
Residential Asset Sec Corp	0.610	6.136	10/25/2035	500	488	473
Santander Drive Auto Rec Trust	2.060	2.070	08/15/2013	214	214	214
Santander Drive Auto Rec Trust	2.390	1.421	06/15/2017	400	408	407
Saxon Asset Securities Trust	4.790 A	4.205	06/25/2033	349	354	349
Toyota Auto Rec Owner Trust	0.770	0.775	04/15/2014	765	765	765
USAA Auto Owner Trust	2.530	2.544	07/15/2015	295	295	301
Westlake Auto Receivables Trst	1.080	1.083	07/15/2013	217	217	217
Westlake Auto Receivables Trst	1.490	1.496	06/16/2014	303	303	303
World Omni Auto Receivable	3.330	3.363	05/15/2013	66	66	66
<i>Total Corporate Asset Backed Issues</i>					19,818	19,853
<i>Corporate CMO</i>						
AH Mortgage Advance Trust	3.270	3.306	09/15/2013	1,334	1,334	1,333
AH Mortgage Advance Trust	6.900	7.000	09/15/2013	500	500	500
American General Mortgage Loan	5.150	3.637	03/25/2040	640	653	656
American General Mortgage Loan	5.750 A	4.065	09/25/2048	1,525	1,540	1,530
American General Mortgage Loan	5.750	4.877	09/25/2048	1,100	1,107	1,110
American General Mortgage Loan	5.750 A	8.304	09/25/2048	1,300	1,247	1,318
Amortizing Residential Coll Tr	3.450	5.118	02/25/2032	334	308	305
ASG Resecuritization Trust	5.310 A	5.271	05/24/2036	400	400	379
ASG Resecuritization Trust	5.310 A	9.715	05/24/2036	893	848	885
ASG Resecuritization Trust	0.420 A	0.570	10/28/2036	510	496	504
ASG Resecuritization Trust	5.150 A	8.257	03/26/2037	1,415	1,340	1,397
ASG Resecuritization Trust	5.130 A	18.995	06/26/2037	927	791	936
ASG Resecuritization Trust	6.000	9.136	06/28/2037	1,193	1,171	1,217
Banc of Amer Altern Loan Trust	5.000	4.750	09/25/2018	541	543	552
Banc of Amer Altern Loan Trust	5.500	7.118	02/25/2019	467	446	471
Banc of Amer Altern Loan Trust	5.500	5.566	09/25/2019	323	321	322
Banc of Amer Altern Loan Trust	5.500	7.899	09/25/2033	337	301	347
Banc of Amer Altern Loan Trust	5.500	5.696	11/25/2033	397	395	408
Banc of Amer Altern Loan Trust	6.000	6.572	01/25/2034	351	340	351
Banc of Amer Altern Loan Trust	6.000	6.771	01/25/2034	569	549	571
Banc of America Commercial Mtg	5.410	3.765	09/10/2016	150	160	161
Banc of America Commercial Mtg	4.670	5.024	07/10/2043	400	396	431
Banc of America Commercial Mtg	4.730	7.964	07/10/2043	600	541	604
Banc of America Commercial Mtg	5.890	6.051	07/10/2044	1,000	995	1,102
Banc of America Commercial Mtg	5.370	10.517	09/10/2045	660	555	728
Banc of America Commercial Mtg	5.120	5.057	10/10/2045	230	231	252
Banc of America Commercial Mtg	5.630	6.516	07/10/2046	700	679	771
Banc of America Funding Corp	5.500	5.809	10/25/2034	795	788	816
Banc of America Funding Corp	5.500	4.670	10/25/2034	102	101	102
Banc of America Funding Corp	5.030 A	5.435	12/20/2034	270	267	253
Banc of America Funding Corp	5.400 A	4.352	02/26/2035	969	1,007	1,013
Banc of America Mortgage Sec	0.690	1.730	08/25/2018	334	328	319
Banc of America Mortgage Sec	5.000	3.937	04/25/2019	185	188	188
Banc of America Mortgage Sec	6.500	6.758	09/25/2032	285	282	300

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Banc of America Mortgage Sec	2.870 A	3.098	04/25/2033	351	348	337
Banc of America Mortgage Sec	5.500	4.675	05/25/2033	1,000	1,016	1,025
Banc of America Mortgage Sec	2.880 A	2.873	06/25/2033	343	343	312
Banc of America Mortgage Sec	2.890 A	3.018	04/25/2034	1,039	1,032	944
Banc of America Mortgage Sec	5.500	2.848	04/25/2034	1,400	1,462	1,431
Bank of America Corp	5.750	9.455	09/20/2034	502	444	527
BCAP LLC Trust	5.500 A	4.829	03/26/2012	377	376	365
BCAP LLC Trust	5.500	7.334	11/26/2034	1,169	1,110	1,191
BCAP LLC Trust	5.010 A	4.339	04/26/2035	500	505	490
BCAP LLC Trust	1.040	4.420	01/26/2036	606	552	586
BCAP LLC Trust	5.250	5.219	05/26/2037	172	172	171
BCAP LLC Trust	5.750	6.055	06/26/2037	952	940	953
BCAP LLC Trust	5.470 A	4.936	07/26/2045	1,515	1,539	1,426
Bear Stearns Adj Rate Mortgage	4.990 A	4.788	07/25/2033	346	347	333
Bear Stearns Adj Rate Mortgage	5.040 A	4.803	05/25/2034	302	304	299
Bear Stearns Adj Rate Mortgage	2.220 A	2.836	08/25/2035	499	483	463
Bear Stearns Commercial Mtg	5.450 A	4.655	03/11/2039	235	239	262
Bear Stearns Commercial Mtg	0.240 A	6.580	06/11/2041	14,787	229	222
Bear Stearns Commercial Mtg	5.470	2.094	06/11/2041	500	536	543
Bear Stearns Commercial Mtg	5.540	10.089	10/12/2041	300	257	333
Chase Mortgage Finance Corp	5.000	2.938	03/25/2018	337	348	340
Chase Mortgage Finance Corp	2.750 A	3.239	02/25/2037	951	932	905
Chase Mortgage Finance Corp	2.740 A	2.811	02/25/2037	254	253	242
Chase Mortgage Finance Corp	2.780 A	4.350	07/25/2037	574	533	503
Citicorp Mortgage Securities	4.500	3.620	05/25/2033	46	46	47
Citicorp Mortgage Securities	5.500	2.272	06/25/2034	810	846	845
Citigroup Commercial Mortgage	4.830 A	4.789	05/15/2043	400	400	417
Citigroup Mortgage Loan Trust	5.250	16.348	10/25/2033	549	453	557
Citigroup Mortgage Loan Trust	5.090 A	4.916	08/25/2034	312	312	317
Citigroup Mortgage Loan Trust	2.740 A	2.852	02/25/2035	394	392	377
Citigroup Mortgage Loan Trust	5.500	5.498	05/25/2035	442	442	426
Citigroup Mortgage Loan Trust	6.000	10.653	06/25/2036	943	862	984
Citigroup Mortgage Loan Trust	5.170 A	4.541	11/25/2038	1,077	1,082	1,077
Citigroup/Deutsche Back	0.170 A	10.942	12/11/2049	48,156	431	400
Citigroup/Deutsche Bank	0.080 A	6.623	01/15/2046	89,263	259	215
Commercial Mortgage Pass-Thru	4.980	9.224	05/10/2043	1,000	895	1,095
Countrywide Home Loans	4.500	5.864	06/25/2019	538	523	547
Countrywide Home Loans	5.250	5.251	09/25/2033	364	363	367
Countrywide Home Loans	5.000	6.249	10/25/2033	752	710	739
Countrywide Home Loans	5.250	5.860	04/25/2034	1,514	1,471	1,568
Credit Suisse Mortgage Capital	5.500	5.500	10/27/2035	281	280	281
Credit Suisse Mortgage Capital	5.210 A	4.413	10/26/2037	273	273	267
Credit Suisse Mortgage Capital	5.660	5.700	03/15/2039	500	499	533
Credit Suisse Mortgage Capital	1.240 A	1.089	02/27/2047	1,539	1,539	1,539
Credit Suisse Mortgage Capital	1.230 A	1.490	06/28/2047	343	338	343
Credit Suisse Mortgage Capital	4.190 A	8.013	06/25/2050	300	278	278
CS First Boston Mortgage Sec	2.820 A	3.209	06/25/2033	555	534	521
CS First Boston Mortgage Sec	5.250	6.134	11/25/2033	1,211	1,176	1,257
CS First Boston Mortgage Sec	5.500	3.263	09/25/2034	783	826	825
CS First Boston Mortgage Sec	5.500	3.352	12/25/2034	822	862	874
CS First Boston Mortgage Sec	18.230 A	19.690	06/25/2035	240	234	252
CS First Boston Mortgage Sec	4.730	4.846	07/15/2037	400	398	414
Deutsche ALT- A Sec Mortgage	5.580 A	5.847	02/25/2020	318	315	325
Deutsche Mortgage Securities	0.360 A	8.618	04/26/2037	568	552	554
First Horizon Mortgage Ps Thru	4.500	4.452	09/25/2018	737	736	742
GE Capital Commercial Mortgage	4.830	4.279	06/10/2048	1,000	1,016	968
GMAC Commercial Mortgage Sec	5.240	10.434	11/10/2045	1,810	1,524	1,965
GMAC Mortgage Corp Loan Trust	5.000	4.073	01/25/2020	349	353	357
GMAC Mortgage Corp Loan Trust	3.030 A	4.539	10/19/2033	822	788	772
GMAC Mortgage Corp Loan Trust	5.000	6.078	10/25/2033	496	477	491
GMAC Mortgage Corp Loan Trust	5.000	8.701	11/25/2033	1,118	1,038	1,150
GMAC Mortgage Corp Loan Trust	3.060 A	3.268	12/19/2033	1,295	1,276	1,179
GMAC Mortgage Corp Loan Trust	6.500	5.374	01/25/2035	603	620	635
GMAC Mortgage Corp Loan Trust	4.250	4.243	07/25/2040	31	31	31
Greenwich Capital Comm Funding	4.860 A	5.694	01/10/2015	210	205	196

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
GS Mortgage Securities Corp	5.550	9.291	04/10/2038	1,000	880	1,078
GSR Mortgage Loan Trust	6.000	7.714	09/25/2034	739	708	759
GSR Mortgage Loan Trust	0.590	8.538	03/25/2035	591	375	477
GSR Mortgage Loan Trust	5.500	3.038	06/25/2035	163	165	163
GSR Mortgage Loan Trust	0.740	4.457	06/25/2035	378	341	367
GSR Mortgage Loan Trust	5.500	11.519	01/25/2037	100	85	94
Household Home Equity Loan Tst	0.510	4.612	01/20/2035	218	191	193
Household Home Equity Loan Tst	0.730	5.418	01/20/2035	436	374	378
Household Home Equity Loan Tst	0.400	4.565	01/20/2036	443	383	413
Household Home Equity Loan Tst	0.390	3.379	03/20/2036	383	343	353
Household Home Equity Loan Tst	0.440	1.782	03/20/2036	256	231	214
Household Home Equity Loan Tst	5.600	5.191	03/20/2036	620	620	623
Household Home Equity Loan Tst	1.440	4.466	11/20/2036	585	504	521
IMPAC CMB Trust	0.540	2.720	05/25/2035	486	435	409
IMPAC Secured Assets Corp	5.500	7.158	08/25/2033	735	690	763
IMPAC Secured Assets Corp	0.590	3.346	05/25/2036	612	527	545
IMPAC Secured Assets Corp	0.590	2.689	08/25/2036	1,089	937	938
JP Morgan Chase Comm Mortgage	0.400	5.268	05/15/2047	800	723	723
JP Morgan Chase Commercial Mtg	5.600 A	2.234	07/12/2014	700	756	762
JP Morgan Chase Commercial Mtg	5.360 A	4.217	08/12/2037	700	725	644
JP Morgan Chase Commercial Mtg	4.400	2.085	01/12/2039	700	733	740
JP Morgan Chase Commercial Mtg	5.550	3.506	05/12/2045	500	543	545
JP Morgan Chase Commercial Mtg	5.400	9.292	05/15/2045	950	819	1,041
JP Morgan Mortgage Trust	2.710 A	2.879	11/25/2033	1,267	1,257	1,160
JP Morgan Mortgage Trust	2.750 A	4.033	08/25/2034	1,682	1,604	1,551
JP Morgan Mortgage Trust	5.020 A	4.952	02/25/2035	1,000	1,001	926
JP Morgan Mortgage Trust	4.470 A	3.673	02/25/2035	414	417	410
JP Morgan Mortgage Trust	2.810 A	2.750	07/25/2035	974	975	893
JP Morgan Re-REMIC	4.280 A	4.080	08/26/2035	576	577	565
Lake Country Mortgage Loan Tst	0.590	1.207	07/25/2034	739	709	706
LB-UBS Commercial Mortgage Tst	5.160	7.515	01/15/2016	300	278	329
LB-UBS Commercial Mortgage Tst	4.370	2.169	03/15/2036	598	626	635
LB-UBS Commercial Mortgage Tst	0.120 A	5.964	02/15/2041	24,807	260	265
LVII Resecuritization Trust	3.000 A	2.661	09/27/2037	708	708	714
Master Adjustable Rate Mtgage	2.720 A	5.310	11/21/2034	413	405	404
Master Adjustable Rate Mtgage	2.720 A	2.909	11/21/2034	1,350	1,336	1,258
Master Reperforming Loan Trust	0.590	7.379	05/25/2035	835	558	662
Master Resecuritization Trust	13.630	4.028	05/28/2035	590	344	409
MASTR Asset Securitization	5.500	11.166	09/25/2033	179	158	187
MASTR Asset Securitization	5.250	3.713	12/25/2033	1,060	1,103	1,098
Merrill Lynch Mortgage Invest	0.790	4.994	04/25/2029	401	330	342
Merrill Lynch Mortgage Invest	0.840	2.444	08/25/2029	441	409	413
Merrill Lynch Mortgage Invest	2.730 A	3.135	07/25/2033	196	192	180
Merrill Lynch Mortgage Invest	2.610 A	2.948	08/25/2034	323	317	302
Merrill Lynch Mortgage Invest	2.080 A	2.515	12/25/2034	674	658	635
Merrill Lynch Mortgage Trust	5.670 A	5.348	05/12/2039	260	263	291
Merrill Lynch/Countrywide Comm	0.280 A	10.588	12/12/2049	17,753	234	226
Morgan Stanley Capital	4.050	3.906	06/15/2021	340	343	353
Morgan Stanley Capital I	0.140 A	2.751	12/15/2043	16,178	205	231
Morgan Stanley Capital I	0.230 A	6.479	02/12/2044	45,190	398	377
Morgan Stanley Capital Inc	0.990 A	5.492	01/25/2035	138	120	136
Morgan Stanley Capital Inc	5.640 A	5.611	06/11/2042	250	251	284
Morgan Stanley Mortgage Loan	5.650 A	5.278	04/25/2034	374	380	380
Morgan Stanley Mortgage Loan	5.500	29.629	08/25/2034	4,883	593	733
Morgan Stanley Re-REMIC Trust	5.000	1.774	07/17/2013	1,450	1,488	1,479
Morgan Stanley Re-REMIC Trust	4.970	2.440	04/16/2040	1,400	1,471	1,465
Morgan Stanley Re-REMIC Trust	3.000	2.993	07/17/2056	361	363	362
NCUA Guaranteed Notes	2.650	2.865	01/01/2018	3,554	3,533	3,682
NCUA Guaranteed Notes	0.800 A	0.802	12/08/2020	933	933	939
NCUA Guaranteed Notes	2.400	2.461	12/08/2020	541	539	552
Prime Mortgage Trust	6.000	5.106	02/25/2034	308	316	325
RBSSP Resecuritization Trust	6.500	3.757	02/26/2036	651	668	677
RBSSP Resecuritization Trust	4.000 A	4.225	05/26/2037	500	496	495
Residential Accredit Loans	16.110	16.531	10/25/2017	201	201	226
Residential Accredit Loans	0.890	3.544	07/25/2033	504	451	437

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011 (Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Residential Accredit Loans	5.500	5.536	08/25/2033	626	626	629
Residential Accredit Loans	5.750	7.317	10/25/2033	554	520	573
Residential Accredit Loans	5.500	14.394	05/25/2034	1,502	1,052	1,313
Salomon Brothers Mortgage Sec	3.950 A	10.054	04/25/2032	238	203	201
Salomon Brothers Mortgage Sec	2.740 A	3.421	09/25/2033	702	681	648
Springleaf Mortgage Loan Trust	4.050 A	4.005	01/25/2058	1,142	1,141	1,140
Structured Asset Investment	0.510 A	7.490	06/25/2035	300	291	279
Structured Asset Mortgage Inv	0.000	6.837	07/25/2032	191	132	163
Structured Asset Mortgage Inv	0.900 A	2.135	10/19/2034	626	567	515
Structured Asset Securities	0.740	6.843	06/25/2033	794	727	754
Structured Asset Securities	5.500	6.080	10/25/2033	784	767	793
Structured Asset Securities	5.230 A	5.679	11/25/2033	227	224	238
Structured Asset Securities	5.020 A	5.119	12/25/2033	297	295	293
Structured Asset Securities	5.540	6.477	12/25/2033	1,337	1,287	1,305
Structured Asset Securities	5.550 A	6.493	03/25/2034	591	571	563
Structured Asset Securities	4.690 A	4.484	02/25/2035	1,027	1,039	1,015
Structured Asset Securities	5.000	18.301	05/25/2035	221	170	218
Thornburg Mtg Securities Trust	0.880	2.426	09/25/2043	738	686	663
TIAA Seasoned Commercial Mtg	5.910 A	5.368	08/15/2039	2,500	2,523	2,698
Vendee Mortgage Trust	6.750	5.737	06/15/2026	760	800	897
Vendee Mortgage Trust	6.750	4.384	06/15/2028	631	717	745
Wachovia Bank Comm Mtg Trust	5.210	2.725	01/15/2041	652	696	702
Wachovia Bank Comm Mtg Trust	5.740 A	8.068	05/15/2043	1,440	1,326	1,576
Washington Mutual Mortgage	5.500	5.566	08/25/2019	613	610	641
Washington Mutual Mortgage	0.000	23.684	07/25/2033	221	154	137
Washington Mutual Mortgage	2.440 A	3.019	08/25/2033	254	247	240
Washington Mutual Mortgage	2.480 A	2.626	08/25/2033	281	278	263
Washington Mutual Mortgage	2.470 A	2.692	09/25/2033	995	983	941
Washington Mutual Mortgage	2.550 A	2.983	09/25/2033	353	344	336
Washington Mutual Mortgage	5.250	8.031	10/25/2033	2,291	2,128	2,370
Washington Mutual Mortgage	16.380	15.674	11/25/2033	442	448	466
Washington Mutual Mortgage	0.640	2.761	03/25/2034	281	275	273
Washington Mutual Mortgage	2.570 A	4.123	06/25/2034	273	254	266
Washington Mutual Mortgage	2.570 A	2.648	06/25/2034	684	680	661
Washington Mutual Mortgage	5.500	6.214	06/25/2034	826	794	825
Washington Mutual Mortgage	5.000	3.271	07/25/2034	719	741	743
Washington Mutual Mortgage	5.500	48.609	05/25/2035	726	67	135
Wells Fargo Mortgage Backed	4.750	4.579	12/25/2018	1,143	1,144	1,179
Wells Fargo Mortgage Backed	5.000	2.906	01/25/2020	356	367	370
Wells Fargo Mortgage Backed	5.000	4.088	11/25/2020	342	347	356
Wells Fargo Mortgage Backed	4.430 A	4.574	11/25/2033	1,037	1,032	1,050
Wells Fargo Mortgage Backed	4.750 A	2.476	12/25/2033	354	358	355
Wells Fargo Mortgage Backed	4.920 A	4.629	02/25/2034	590	592	603
Wells Fargo Mortgage Backed	2.680 A	4.170	09/25/2034	527	496	500
Wells Fargo Mortgage Backed	2.740 A	3.585	10/25/2034	631	598	594
Wells Fargo Mortgage Backed	2.720 A	3.364	10/25/2034	535	520	514
Wells Fargo Mortgage Backed	2.720 A	4.780	10/25/2034	368	337	358
Wells Fargo Mortgage Backed	2.710 A	4.226	12/25/2034	789	743	751
Wells Fargo Mortgage Backed	2.750 A	7.024	12/25/2034	381	338	366
Wells Fargo Mortgage Backed	2.710 A	4.058	12/25/2034	526	498	507
Wells Fargo Mortgage Backed	2.750 A	3.602	12/25/2034	381	373	370
Wells Fargo Mortgage Backed	2.720 A	4.919	06/25/2035	199	189	184
WF-RBS Commercial Mortgage Tst	4.380	4.266	05/15/2021	600	606	606
<i>Total Corporate CMO</i>					134,241	138,380
Total Corporate Issues - 32.8%					366,201	384,649
<b>Short-term Issues</b>						
Dreyfus Cash Management Institutional Fund				12,480,749	12,481	12,481
Total Short-term Issues - 1.1%					12,481	12,481
Total Investment Securities - 97.4%					\$ 1,068,090	\$ 1,138,567

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

October 31, 2011

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value, Shares or Contracts</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<b><u>Collateral for Securities Loaned</u></b>						
BNY Mellon Securities Lending Overnight Fund					\$ 49,730	\$ 49,731
Mellon SL DBT II Liquidating Fund					711	688
Total Collateral for Securities Loaned					<u>\$ 50,441</u>	<u>\$ 50,419</u>

A - Adjustable rate security.

See accompanying notes to financial statements.



## Core Fixed Income Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 4,520	\$ 19,939
Dividends	-	2
Net amortization	(1,278)	(3,589)
Securities lending income	8	47
<b>Total investment income</b>	3,250	16,399
<b>Expenses</b>		
Investment advisor fees	(141)	(608)
Trustee fees	-	(1)
Custodian bank fees	(5)	(22)
Management fees	(32)	(127)
Fiduciary bond fees	(1)	(2)
Professional service fees	(5)	(23)
Securities lending agent fees	(1)	(6)
Securities lending borrower rebates	(1)	(10)
<b>Total expenses</b>	(186)	(799)
<b>Investment income, net</b>	3,064	15,600
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	2,036	6,701
Net increase (decrease) in the fair value of investments	(2,996)	21,403
<b>Net gain (loss) from investments</b>	(960)	28,104
<b>Net increase in net assets from operations</b>	\$ 2,104	\$ 43,704

*\*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 October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,064	\$ 15,600
Net realized gain from investments	2,036	6,701
Net increase (decrease) in the fair value of investments	(2,996)	21,403
<b>Net increase in net assets from operations</b>	2,104	43,704
<b>Distributions to unitholders</b>		
Investment income, net	(3,064)	(15,600)
<b>Unit transactions</b>		
Proceeds from sale of units	13,294	55,232
Reinvestment of distributions	4,629	17,009
	17,923	72,241
Amount paid for repurchase of units	(72,595)	(121,996)
<b>Net decrease in net assets from unit transactions</b>	(54,672)	(49,755)
<b>Decrease in net assets</b>	(55,632)	(21,651)
<b>Net assets, beginning of period</b>	1,223,996	1,190,015
<b>Net assets, end of period</b>	\$ 1,168,364	\$ 1,168,364
<b>Unit data</b>		
Units sold	1,190,618	4,983,063
Units issued from reinvestment of distributions	414,613	1,537,130
	1,605,231	6,520,193
Units repurchased	(6,501,644)	(10,950,442)
<b>Net decrease in units</b>	(4,896,413)	(4,430,249)

*\*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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Core 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 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 U.S. 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 in debt securities are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. 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

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### 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. 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 BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. 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 as net increase or decrease in the fair value of investments.

**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, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. 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.

**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. The Pool does not routinely distribute dividends of net realized 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.

# Core Fixed Income Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

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

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Regulated investment companies	\$ -	\$ 12,481	\$ -	\$ 12,481
U.S. government agency issues	-	487,379	-	487,379
U.S. Treasury issues	-	250,837	-	250,837
Corporate issues	-	384,649	-	384,649
Municipal bonds	-	3,221	-	3,221
Securities lending collateral funds	-	50,419	-	50,419
Total	<u>\$ -</u>	<u>\$ 1,188,986</u>	<u>\$ -</u>	<u>\$ 1,188,986</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

# Core Fixed Income Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2011.

Fair value of securities on loan	\$	145,706			
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>	
Cash	\$	50,441	\$ 50,419	\$ (22)	
Non-cash		98,776	96,299	(2,477)	
Total	\$	<u>149,217</u>	<u>\$ 146,718</u>	<u>\$ (2,499)</u>	

### NOTE 5. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2011		\$	10.90
Income from investment operations:			
Net investment income			0.14
Net realized and unrealized gain on investment transactions			<u>0.26</u>
Total from investment operations			0.40
Less distributions from net investment income			<u>(0.14)</u>
Net asset value at October 31, 2011		<u>\$</u>	<u>11.16</u>

**Time-weighted Total Return \*** 3.7%

**Supplemental Data:**

Net assets, end of period		\$	1,168,364
Ratio to average net assets:			
Expenses **			0.19%
Net investment income **			3.88%
Portfolio turnover rate			7.07%

\* 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

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### Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

#### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011. 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>
Teachers' Retirement System	\$ 290,103
Public Employees' Retirement System	287,385
Workers' Compensation Old Fund	194,204
Revenue Shortfall Reserve Fund - Part B	72,537
Revenue Shortfall Reserve Fund	70,291
Retiree Health Benefit Trust	53,443
Coal Workers' Pneumoconiosis Fund	41,007
Prepaid Tuition Trust Fund	38,904
Public Employees' Insurance Agency	37,350
State Police Death, Disability and Retirement Fund	31,216
Board of Risk and Insurance Management	21,982
Judges' Retirement System	8,279
Deputy Sheriff's Retirement System	7,568
State Police Retirement System	5,084
Wildlife Endowment Fund	2,743
Emergency Medical Services Retirement System	2,323
Workers' Compensation Self-Insured Guaranty Risk Pool	1,559
Workers' Compensation Uninsured Employers Fund	1,393
WV Department of Environmental Protection Trust	544
AccessWV	449
Total	<u>\$ 1,168,364</u>





**Financial Statements - Unaudited**

**October 31, 2011**



# TIPS Pool

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## Financial Statements - Unaudited October 31, 2011

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# TIPS Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	952,791
Collateral for securities loaned at fair value (Note 4)		1,520
Receivables:		
Accrued interest		3,550
Investments sold		11,590
Securities lending income		<u>15</u>
<b>Total assets</b>		<b>969,466</b>

### Liabilities

Accrued expenses		98
Dividends payable		2,584
Payable for investments purchased		12,408
Payable upon return of securities loaned (Note 4)		<u>1,521</u>
<b>Total liabilities</b>		<b><u>16,611</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>952,855</u></u></b>

### Analysis of net assets

Paid-in capital	\$	896,673
Accumulated undistributed net realized gain from investments		2,645
Unrealized net appreciation of investments		<u>53,537</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>952,855</u></u></b>

### Unit data

Units outstanding		88,994,769
Net asset value, unit price	\$	<u><u>10.71</u></u>

See accompanying notes to financial statements.

# TIPS Pool

## Schedule of Investments in Securities - Unaudited October 31, 2011 (Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value Shares	Amortized Cost	Fair Value
<b><u>U.S. Treasury Issues</u></b>						
United States Treasury	0.630 %	(0.640) %	04/15/2013	18,535	\$ 20,233	\$ 20,344
United States Treasury	1.880	(0.544)	07/15/2013	25,475	32,725	33,131
United States Treasury	2.000	(0.388)	01/15/2014	26,845	34,654	35,259
United States Treasury	1.250	(0.409)	04/15/2014	20,780	23,155	23,558
United States Treasury	2.000	(0.357)	07/15/2014	25,545	32,668	33,440
United States Treasury	1.630	(0.169)	01/15/2015	23,430	29,401	30,270
United States Treasury	0.500	(0.362)	04/15/2015	29,115	31,348	32,086
United States Treasury	1.880	(0.163)	07/15/2015	23,070	28,904	29,863
United States Treasury	2.000	(0.025)	01/15/2016	22,860	28,314	29,387
United States Treasury	0.130	(0.704)	04/15/2016	36,045	38,385	38,775
United States Treasury	2.500	0.014	07/15/2016	23,468	29,402	30,649
United States Treasury	2.380	0.178	01/15/2017	20,325	25,429	26,582
United States Treasury	2.630	0.202	07/15/2017	17,905	22,260	23,318
United States Treasury	1.630	0.306	01/15/2018	19,115	22,343	23,387
United States Treasury	1.380	0.339	07/15/2018	19,405	21,784	22,880
United States Treasury	2.130	0.446	01/15/2019	18,025	21,279	22,363
United States Treasury	1.880	0.490	07/15/2019	20,315	23,807	25,054
United States Treasury	1.380	0.573	01/15/2020	24,955	27,820	29,358
United States Treasury	1.250	0.633	07/15/2020	38,660	42,253	44,728
United States Treasury	1.130	0.898	01/15/2021	44,585	47,090	50,790
United States Treasury	0.630	0.254	07/15/2021	33,275	34,633	35,249
United States Treasury	2.380	1.134	01/15/2025	30,265	41,882	45,576
United States Treasury	2.000	1.190	01/15/2026	22,890	28,876	31,573
United States Treasury	2.380	1.237	01/15/2027	18,695	24,298	26,666
United States Treasury	1.750	1.274	01/15/2028	19,405	22,433	24,778
United States Treasury	3.630	1.361	04/15/2028	18,060	33,702	37,059
United States Treasury	2.500	1.298	01/15/2029	19,225	24,024	26,555
United States Treasury	3.880	1.381	04/15/2029	21,560	41,155	45,607
United States Treasury	3.380	1.421	04/15/2032	6,475	11,117	12,472
United States Treasury	2.130	1.561	02/15/2040	16,075	19,004	22,164
United States Treasury	2.130	1.411	02/15/2041	28,010	33,362	38,357
Total U.S. Treasury Issues - 99.8%					897,740	951,278
<b><u>Short-term Issues</u></b>						
Dreyfus Cash Management Institutional Fund - 0.2%				1,513	1,513	1,513
Total Investment Securities - 100.0%					\$ 899,253	\$ 952,791
<b><u>Collateral for Securities Loaned</u></b>						
BNY Mellon Securities Lending Overnight Fund					\$ 1,499	\$ 1,499
Mellon SL DBT II Liquidating Fund					22	21
Total Collateral for Securities Loaned					\$ 1,521	\$ 1,520

See accompanying notes to financial statements.

# TIPS Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 1,169	\$ 5,069
Net accretion	1,450	2,789
Securities lending income	<u>18</u>	<u>48</u>
<b>Total investment income</b>	2,637	7,906
<b>Expenses</b>		
Investment advisor fees	(17)	(69)
Custodian bank fees	(2)	(8)
Management fees	(26)	(98)
Fiduciary bond fees	-	(1)
Professional service fees	(5)	(18)
Securities lending agent fees	(3)	(8)
Securities lending borrower rebates	<u>-</u>	<u>(1)</u>
<b>Total expenses</b>	<u>(53)</u>	<u>(203)</u>
<b>Investment income, net</b>	2,584	7,703
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	588	2,419
Net increase in the fair value of investments	<u>13,960</u>	<u>47,654</u>
<b>Net gain from investments</b>	<u>14,548</u>	<u>50,073</u>
<b>Net increase in net assets from operations</b>	<u>\$ 17,132</u>	<u>\$ 57,776</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.*

# TIPS Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,584	\$ 7,703
Net realized gain from investments	588	2,419
Net increase in the fair value of investments	13,960	47,654
<b>Net increase in net assets from operations</b>	17,132	57,776
<b>Distributions to unitholders</b>		
Investment income, net	(2,584)	(7,703)
<b>Unit transactions</b>		
Proceeds from sale of units	37,213	74,515
Reinvestment of distributions	648	11,109
	37,861	85,624
Amount paid for repurchase of units	(32,273)	(74,535)
<b>Net increase in net assets from unit transactions</b>	5,588	11,089
<b>Increase in net assets</b>	20,136	61,162
<b>Net assets, beginning of period</b>	932,719	891,693
<b>Net assets, end of period</b>	\$ 952,855	\$ 952,855
<b>Unit data</b>		
Units sold	3,529,508	7,059,406
Units issued from reinvestment of distributions	61,477	1,078,359
	3,590,985	8,137,765
Units repurchased	(3,060,968)	(7,063,768)
<b>Net increase in units</b>	530,017	1,073,997

*\*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.*

# TIPS Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 invests in Treasury Inflation-Protected Securities (TIPS) and its objective is to match the performance of the Barclay's Capital U.S. TIPS Bond Index on an annualized basis over rolling three-year to five-year periods, gross of fees. Assets are managed by 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 in TIPS are carried at fair value, which is determined by a third party pricing service based quoted market prices, generally using the midpoint of the bid and offer price, and applying the relevant inflation factor. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. 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.



## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### 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 BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. 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 as net increase or decrease in the fair value of investments.

**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.

**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.

**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. The Pool does not routinely distribute dividends of net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

# TIPS Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
U.S. Treasury issues	\$ -	\$ 951,278	\$ -	\$ 951,278
Regulated investment companies	-	1,513	-	1,513
Securities lending collateral funds	-	1,520	-	1,520
Total	<u>\$ -</u>	<u>\$ 954,311</u>	<u>\$ -</u>	<u>\$ 954,311</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2011.

Fair value of securities on loan	\$	328,884		
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>
Cash	\$	1,521	\$ 1,520	\$ (1)
Non-cash		334,097	327,394	(6,703)
Total	\$	<u>335,618</u>	<u>\$ 328,914</u>	<u>\$ (6,704)</u>

# TIPS Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 5. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2011	\$ 10.14
Income from investment operations:	
Net investment income	0.09
Net realized and unrealized gain on investment transactions	0.57
Total from investment operations	0.66
Less distributions from net investment income	(0.09)
Net asset value at October 31, 2011	\$ 10.71
<b>Time-weighted Total Return *</b>	6.4%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 952,855
Ratio to average net assets:	
Expenses **	0.06%
Net investment income **	2.49%
Portfolio turnover rate	9.36%

\* 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 October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 241,783
Public Employees' Retirement System	211,805
Revenue Shortfall Reserve Fund	202,900
Workers' Compensation Old Fund	93,276
Revenue Shortfall Reserve Fund - Part B	47,762
Retiree Health Benefit Trust	43,172
Public Employees' Insurance Agency	26,696
Coal Workers' Pneumoconiosis Fund	25,941
State Police Death, Disability and Retirement Fund	23,167
Board of Risk and Insurance Management	14,078
Judges' Retirement System	6,090
Deputy Sheriff's Retirement System	5,514
State Police Retirement System	3,531
Wildlife Endowment Fund	1,976
Emergency Medical Services Retirement System	1,601
Access WV	1,059
Workers' Compensation Self-Insured Guaranty Risk Pool	985
Workers' Compensation Uninsured Employers Fund	892
WV Department of Environmental Protection Trust	627
Total	\$ 952,855



**Financial Statements - Unaudited**

**October 31, 2011**



# TRS Annuity Pool

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## Financial Statements - Unaudited October 31, 2011

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# TRS Annuity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at amortized cost	\$	105,402
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### Liabilities

Accrued expenses		<u>8</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>105,394</u></b>
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### Analysis of net assets

Paid-in capital	\$	83,443
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Accumulated undistributed net investment income		<u>21,951</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>105,394</u></b>
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### Unit data

Units outstanding		9,294,834
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Net asset value, unit price	\$	<u>11.34</u>
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See accompanying notes to financial statements.



# TRS Annuity Pool

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**Schedule of Investments in Securities - Unaudited**  
**October 31, 2011**  
*(Amounts in thousands, except share data)*

<u>Security Name</u>	<u>Shares</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<b><u>Annuity Contract</u></b>			
Variable Annuity Life Insurance Company	105,401,858	\$ 105,402	\$ 105,402
Total Annuity Contract - 100.0%		<u>\$ 105,402</u>	<u>\$ 105,402</u>

*See accompanying notes to financial statements.*

## TRS Annuity Pool

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**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 393	\$ 1,552
<b>Expenses</b>		
Management fees	(3)	(11)
Professional service fees	<u>(2)</u>	<u>(28)</u>
<b>Total expenses</b>	<u>(5)</u>	<u>(39)</u>
<b>Investment income, net</b>	<u>388</u>	<u>1,513</u>
<b>Net increase in net assets from operations</b>	<u>\$ 388</u>	<u>\$ 1,513</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

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**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<u>Month</u>	<u>Year To Date</u>
<b>Operations</b>		
Investment income, net	\$ 388	\$ 1,513
<b>Unit transactions</b>		
Proceeds from sale of units	<u>11</u>	<u>36</u>
<b>Increase in assets from unit transactions</b>	<u>11</u>	<u>36</u>
<b>Increase in net assets</b>	399	1,549
<b>Net assets, beginning of period</b>	<u>104,995</u>	<u>103,845</u>
<b>Net assets, end of period</b>	<u><u>\$ 105,394</u></u>	<u><u>\$ 105,394</u></u>
<b>Unit data</b>		
Units sold	<u>917</u>	<u>3,203</u>
<b>Increase in units</b>	<u><u>917</u></u>	<u><u>3,203</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

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**Statement of Cash Flows - Unaudited**  
**Period Ended October 31, 2011\***  
*(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	\$ 388	\$ 1,513
Adjustments to reconcile net increase in net assets from operations to net cash used in operating activities:		
Purchase of investment securities	(393)	(1,552)
Increase (decrease) in accrued expenses	<u>(6)</u>	<u>3</u>
<b>Net cash used in operating activities</b>	(11)	(36)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	<u>11</u>	<u>36</u>
<b>Cash provided by financing activities</b>	<u>11</u>	<u>36</u>
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	<u>-</u>	<u>-</u>
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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 TRS Annuity 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 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 \$248,293. Effective April 23, 2009, the IMB elected to liquidate this contract and will receive five equal annual payments of \$55,058. Payments were received on May 4, 2009, 2010, and 2011. Remaining payments will be received on May 4, 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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### 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. At October 31, 2011 amortized cost approximated fair value.

**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.

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

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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

# TRS Annuity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

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 ASC 820 fair value hierarchy levels as of October 31, 2011:

Assets	Level 1	Level 2	Level 3	Total
Annuity contract	\$ -	\$ -	\$ 105,402	\$ 105,402

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2011 was as follows:

	Annuity contract
Balance at June 30, 2011	\$ 103,850
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	-
Purchases	1,552
Sales	-
Net transfers in/(out) of Level 3	-
Balance at October 31, 2011	\$ 105,402

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 11.18
Net investment income from investment operations	0.16
Net asset value at October 31, 2011	\$ 11.34

**Time-weighted Total Return \*** 1.5%

#### Supplemental Data:

Net assets, end of period	\$ 105,394
Ratio to average net assets:	
Expenses **	0.11%
Net investment income **	4.34%
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**

**October 31, 2011**



# Private Equity Pool

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## Financial Statements - Unaudited October 31, 2011

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# Private Equity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	978,853
Dividends receivable		<u>3</u>
<b>Total assets</b>		978,856

### Liabilities

Accrued expenses		<u>201</u>
<b>Net assets</b>	<b>\$</b>	<b><u>978,655</u></b>

### Analysis of net assets

Paid-in capital	\$	858,408
Accumulated undistributed net investment loss		(4,200)
Accumulated undistributed net realized loss from investments		(73,147)
Unrealized net appreciation of investments		<u>197,594</u>
<b>Net assets</b>	<b>\$</b>	<b><u>978,655</u></b>

### Unit data

Units outstanding		90,249,488
Net asset value, unit price	\$	<u>10.84</u>

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2011

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Partnerships</u></b>			
Advent International GPE VI - A. L.P.		\$ 22,600	\$ 24,461
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		26,761	29,965
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.			
Franklin Park Venture Fund Series 2008, L.P.		11,395	12,708
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.			
Franklin Park Venture Fund Series 2009, L.P.		8,777	9,725
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.			
Franklin Park Venture Fund Series 2010, L.P.		3,179	2,934
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.			
Franklin Park Venture Fund Series 2011, L.P.		1,106	1,096
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 Debt & LBO Fund II, L.P.		17,753	17,343
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.			

*See accompanying notes to financial statements.*

# Private Equity Pool

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

**October 31, 2011**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Hellman & Friedman Capital Partners VII, L.P. Investment Objective - To make investments, both domestically and internationally, in public and private companies seeking long-term capital appreciation. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		5,134	5,134
Insight Equity II L.P. 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.		6,742	4,729
Insight Equity Mezzanine I, L.L.P. 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.		1,449	1,315
JFL Equity Investors III, L.P. Investment Objective - To seek long-term capital appreciation by acquiring, holding, and disposing of securities involved in or connected with defense, aerospace, marine, or engineering industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		3,621	2,546
KPS Special Situations Fund III (Supplemental), L.P. 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 that need immediate and significant change. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		8,861	8,902
LLR Equity Partners III, L.P. 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.		22,098	19,054

*See accompanying notes to financial statements.*

# Private Equity Pool

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

**October 31, 2011**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Mason Wells Buyout Fund III, L.P. Investment Objective - To deliver superior risk-adjusted investment returns by applying the Mason Wells Value Creation System to drive improvements to operating and financial performance at portfolio companies. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		8,717	7,937
Natural Gas Partners IX, L.P. 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.		31,215	41,831
Odyssey Investment Partners Fund IV, L.P. 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.		15,297	17,640
Platinum Equity Capital Partners II, L.P. 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.		31,936	33,954
Riverside Fund IV, L.P. Investment Objective - To pursue and add value to control investments in small, profitable healthcare and technology companies primarily in the United States through financial and operational improvements and to grow the companies both organically and through add-on acquisitions. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		19,437	18,633
TA XI, L.P. Investment Objective - To achieve capital appreciation with relatively modest risk by originating investments in profitable, middle-market companies in growth industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		12,800	13,407

*See accompanying notes to financial statements.*

# Private Equity Pool

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

October 31, 2011

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Wellspring Capital Partners V, L.P. Investment Objective - To target under-managed or underperforming companies possessing strong core franchises and solid fundamentals in the consumer products, manufacturing, retail, distribution, and business and consumer service industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		3,938	3,938
Welsh, Carson, Anderson & Stowe XI, L.P. 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.		24,323	25,301
Wicks Capital Partners Fund IV, L.P. Investment Objective - To invest in and build middle market businesses in selected segments of the information, education and media industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		484	485
Total Partnerships - 31.0%		287,623	303,038
<b><u>Investments in Other Funds</u></b>			
Bridgewater All Weather Portfolio II, LTD Investment Objective - To seek to provide attractive returns with relatively limited risks, with no material bias to perform better or worse in any particular type of economic environment. Redemption Provisions - Monthly on the first business day A detail of the underlying investments is not available.	445,031	454,891	637,070
Total Investments in Other Funds - 65.0%		454,891	637,070
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 4.0%	38,744,969	38,745	38,745
Total Investment Securities - 100.0%		\$ 781,259	\$ 978,853

See accompanying notes to financial statements.



# Private Equity Pool

## Statement of Operations - Unaudited Period Ended October 31, 2011\* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividends	\$ 2	\$ 5
<b>Expenses</b>		
Trustee fees	-	(1)
Custodian bank fees	-	(1)
Management fees	(27)	(110)
Fiduciary bond fees	-	(1)
Professional service fees	(72)	(287)
Fund closing costs	14	(11)
<b>Total expenses</b>	<u>(85)</u>	<u>(411)</u>
<b>Investment loss, net</b>	(83)	(406)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	39,367	40,086
Net increase (decrease) in the fair value of investments	<u>(18,264)</u>	<u>19,002</u>
<b>Net gain from investments</b>	<u>21,103</u>	<u>59,088</u>
<b>Net increase in net assets from operations</b>	<u>\$ 21,020</u>	<u>\$ 58,682</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 October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (83)	\$ (406)
Net realized gain from investments	39,367	40,086
Net increase (decrease) in the fair value of investments	(18,264)	19,002
<b>Net increase in net assets from operations</b>	21,020	58,682
<b>Unit transactions</b>		
Proceeds from sale of units	-	31,549
Amount paid for repurchase of units	(123,708)	(132,744)
<b>Net decrease in net assets from unit transactions</b>	(123,708)	(101,195)
<b>Decrease in net assets</b>	(102,688)	(42,513)
<b>Net assets, beginning of period</b>	1,081,343	1,021,168
<b>Net assets, end of period</b>	\$ 978,655	\$ 978,655
<b>Unit data</b>		
Units sold	-	2,941,061
Units repurchased	(11,658,501)	(12,501,900)
<b>Net decrease in units</b>	(11,658,501)	(9,560,839)

*\*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 October 31, 2011\***  
*(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	\$ 21,020	\$ 58,682
Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:		
Purchase of investment securities	(11,777)	(47,564)
Proceeds from disposition of investment securities	142,713	153,892
Purchases and sales of short-term investment securities, net	(7,142)	(4,773)
Increase in dividends receivable	(2)	(2)
Increase (decrease) in accrued expenses	(1)	48
Net realized gain from investments	(39,367)	(40,086)
Net decrease (increase) in the fair value of investments	18,264	(19,002)
<b>Net cash provided by operating activities</b>	123,708	101,195
<b>Cash flows from financing activities</b>		
Proceeds from units sold	-	31,549
Paid for repurchase of units	(123,708)	(132,744)
<b>Net cash used in financing activities</b>	(123,708)	(101,195)
<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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 \$940,108 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

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### 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 October 31, 2011. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions.

**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 investments in private equity funds are recognized when the private equity fund has realized its interest in a portfolio company and we have sufficient information as to the amount and date of the distribution. Gains and losses on the sale of other investments are recognized at the time of sale by the average cost 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 net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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 - Unaudited

(Amounts in thousands, except share data)

### 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Regulated investment companies	\$ -	\$ 38,745	\$ -	\$ 38,745
Investments in other funds	-	-	637,070	637,070
Partnerships	-	-	303,038	303,038
Total	<u>\$ -</u>	<u>\$ 38,745</u>	<u>\$ 940,108</u>	<u>\$ 978,853</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2011 was as follows:

	<u>Investments in other funds</u>	<u>Partnerships</u>
Balance at June 30, 2011	\$ 735,267	\$ 252,081
Net realized gain/(loss)	38,718	1,368
Net change in unrealized appreciation/(depreciation)	13,085	5,917
Purchases	-	47,564
Sales	(150,000)	(3,892)
Net transfers in/(out) of Level 3	-	-
Balance at October 31, 2011	<u>\$ 637,070</u>	<u>\$ 303,038</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 October 31, 2011 the IMB had made commitments to twenty-two private equity general partnerships totaling \$827,000. The IMB had funded \$294,302 of these commitments at October 31, 2011, leaving unfunded commitments of \$532,698.

# Private Equity Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$	10.23
Net realized and unrealized gain on investment transactions		0.61
Net asset value at October 31, 2011	\$	<u>10.84</u>

Time-weighted Total Return \* 6.0%

#### Supplemental Data:

Net assets, end of period	\$	978,655
Ratio to average net assets:		
Expenses **		0.12%
Net investment income **		-0.12%
Portfolio turnover rate		4.68%

\* 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 October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 477,493
Public Employees' Retirement System	418,388
State Police Death, Disability and Retirement Fund	45,776
Judges' Retirement System	12,038
Deputy Sheriff's Retirement System	10,903
State Police Retirement System	6,984
Wildlife Endowment Fund	3,905
Emergency Medical Services Retirement System	3,168
Total	<u>\$ 978,655</u>





**Financial Statements - Unaudited**

**October 31, 2011**



# Real Estate Pool

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## Financial Statements - Unaudited October 31, 2011

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# Real Estate Pool

## Statement of Assets and Liabilities - Unaudited October 31, 2011

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	296,026
Collateral for securities loaned at fair value (Note 4)		2,704
Cash denominated in foreign currencies (cost \$3)		3
Receivables:		
Investments sold		283
Foreign tax withholding		5
Dividends		85
Securities lending income		1
		<u>1</u>
<b>Total assets</b>		<b>299,107</b>

### Liabilities

Payable for investments purchased		170
Accrued expenses		164
Payable upon return of securities loaned (Note 4)		2,705
		<u>3,039</u>
<b>Total liabilities</b>		<b>3,039</b>
<b>Net assets</b>	<b>\$</b>	<b><u>296,068</u></b>

### Analysis of net assets

Paid-in capital	\$	252,285
Accumulated undistributed net investment income		9,359
Accumulated undistributed net realized gain from investments		21,538
Accumulated undistributed net realized gain from foreign currency transactions		214
Unrealized net appreciation of investments		11,648
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		1,024
		<u>1,024</u>
<b>Net assets</b>	<b>\$</b>	<b><u>296,068</u></b>

### Unit data

Units outstanding		32,732,606
Net asset value, unit price	\$	<u>9.05</u>

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
AG Core Plus Realty Fund III, L.P. Investment Objective - To generate at 12-13% net return to investors through the acquisition of equity interests in high-quality assets which are likely to appreciate over time. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		\$ 8,500	\$ 8,500
Blackstone RE Partners Europe III, L.P. Investment Objective - To invest in a broad range of real estate and real estate related investments in Europe. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		4,108	5,363
Invesco Core Real Estate - U.S.A. Fund Investment Objective - The Fund will invest in core properties located in the United States. Redemption Provisions - Quarterly with 90 days written notice. A detail of the underlying investments is not available.		30,000	37,551
Kennedy Wilson Real Estate Fund IV, L.P. Investment Objective - To seek targeted real estate investment in the opportunistic and value-add strategies located primarily in the western United States. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		13,914	13,719
Lone Star Real Estate Fund II Investment Objective - To invest in global real estate investments in distressed commercial real estate debt and equity. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		1,756	1,384
Lone Star Fund VII Investment Objective - To invest in global real estate investments in distressed loans and securities, with a focus on single family and residential assets. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		3,440	3,242
Mesa West Real Estate Income Fund II, L.P. Investment Objective - To originate and service first mortgage and mezzanine loans on middle-market, value-added and traditional commercial real estate assets in the United States. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		16,422	15,980
Oaktree Real Estate Opportunities Fund V, L.P. Investment Objective - To target distressed real estate debt and equity investments that provide an opportunity for substantial long-term capital appreciation and current income. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		21,500	21,500
Quadrant Fund I, LLC Investment Objective - To achieve a highly stable dividend yield and attractive total return by investing in real estate assets on a relative value basis across private and public, debt and equity investments. Redemption Provisions - Quarterly on the last business day. No underlying investments exceed 5% of net assets of the Private Real Estate Pool.		15,000	11,654
RCG Longview Debt Fund IV, L. P. Investment Objective - To generate attractive risk-adjusted returns by capitalizing on inefficiencies in the commercial real estate lending marketplace. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		19,690	17,188

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
RREEF America REIT II, Inc.		30,000	34,621
Investment Objective - To invest in a portfolio of core equity investments in income producing real property diversified by property type and geographically in the United States.			
Redemption Provisions - Quarterly with 45 days written notice.			
A detail of the underlying investments is not available.			
UBS Trumbull Property Fund		50,000	54,196
Investment Objective - To invest in a portfolio of core equity investments in income producing real property diversified by property type and geographically in the United States.			
Redemption Provisions - Quarterly with 60 days written notice.			
A detail of the underlying investments is not available.			
Total Investments in Other Funds - 76.0%		214,330	224,898
<b>Real Estate Investment Trusts</b>			
<i>Australia</i>			
CFS Retail Property Trust	91,957	169	178
Dexus Property Group	265,500	205	239
Goodman Group	452,028	279	300
GPT Group	197,380	556	660
Investa Office Fund	291,800	165	193
Mirvac Group	125,700	160	167
Stockland	172,400	636	578
Westfield Group	89,600	893	732
Westfield Retail Trust	159,490	303	431
<i>Total Australia - 1.2%</i>		3,366	3,478
<i>Bermuda</i>			
Great Eagle Holdings Ltd	15,000	44	34
Hongkong Land Holdings	173,084	1,042	917
Kerry Properties Ltd	177,800	918	661
Shangri-La Asia Ltd	240,416	544	490
<i>Total Bermuda - 0.7%</i>		2,548	2,102
<i>Brazil</i>			
BR Malls Participacoes	6,700	72	73
Sonae Sierra Brasil	3,800	46	52
<i>Total Brazil - 0.0%</i>		118	125
<i>Canada</i>			
Boardwalk	10,400	441	510
Brookfield Asset Management	2,600	85	75
Brookfield Properties Corp	20,600	341	340
Calloway	8,200	186	217
Canadian	1,600	47	57
Cominar Real Estate Investment	3,500	71	80
H&R	4,900	89	107
Primaris Retail	2,500	46	52
RioCan	36,058	825	918
<i>Total Canada - 0.8%</i>		2,131	2,356
<i>Cayman Islands</i>			
China Resources Land Ltd	76,000	149	113
Lifestyle International Hldngs	310,000	704	842
Longfor Properties	153,000	216	199
Shimae Property Holdings	82,000	128	82
Soho China Ltd	100,000	87	72
<i>Total Cayman Islands - 0.4%</i>		1,284	1,308
<i>China</i>			
Guangzhou R&F Properties Corp - 0.1%	185,000	284	183
<i>France</i>			
ICADE	6,850	721	621

See accompanying notes to financial statements.

## Real Estate Pool

### Schedule of Investments in Securities - Unaudited (continued) October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
Klepierre	8,089	309	255
Mercialys	3,400	124	128
Societe Immobiliere de Locatio	860	106	91
Unibail-Rodamco	7,595	1,538	1,531
<i>Total France - 0.9%</i>		2,798	2,626
<i>Germany</i>			
GSW Immobilien AG - 0.1%	4,790	132	157
<i>Hong Kong</i>			
Cheung Kong Holdings Ltd	12,000	165	151
China Overseas Land & Invstmnt	463,000	946	874
Hang Lung Properties Ltd	270,000	1,133	998
Hysan Development Company	193,192	705	683
Link REIT	120,600	366	417
Sino Land Company Ltd.	32,000	65	51
Sun Hung Kai Properties Ltd	78,300	1,230	1,093
Wharf Hldgs Ltd	67,720	415	366
<i>Total Hong Kong - 1.6%</i>		5,025	4,633
<i>Japan</i>			
Advance Residence Investment	32	64	61
AEON Mall Company Ltd	26,000	593	614
Daiwa House Industry Co Ltd	47,000	513	594
Frontier Real Estate Inv Corp	16	137	140
Japan Real Estate Inv Corp	22	199	189
Japan Retail Fund Inv Corp	75	105	117
Kenedix Realty Investment Corp	22	79	65
Mitsubishi Estate Co Ltd	76,600	1,294	1,325
Mitsui Fudosan Co Ltd	81,500	1,450	1,382
Nippon Accommodations Fund	12	78	80
Nippon Building Fund Inc	20	201	195
Nomura Real Estate Holdings	7,100	130	117
United Urban Investment Corp	56	59	63
<i>Total Japan - 1.7%</i>		4,902	4,942
<i>Netherlands</i>			
Corio NV - 0.0%	2,850	197	147
<i>Singapore</i>			
Ascendas	113,000	186	185
CapitaCommercial Trust	246,000	263	222
Capitaland Ltd	350,500	986	764
CapitaMall Trust	106,500	158	160
City Developments Ltd	66,000	582	575
Global Logistic Properties	184,600	289	260
Wing Tai Holdings Ltd	176,000	230	180
<i>Total Singapore - 0.8%</i>		2,694	2,346
<i>Spain</i>			
Melia International SA - 0.1%	60,000	506	443
<i>Sweden</i>			
Castellum AB	27,288	330	374
Hufvudstaden AB	4,580	47	50
<i>Total Sweden - 0.1%</i>		377	424
<i>Switzerland</i>			
PSP Swiss Property AG	570	55	52
Swiss Prime Site AG	1,870	137	154
<i>Total Switzerland - 0.1%</i>		192	206

See accompanying notes to financial statements.

# Real Estate Pool

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

October 31, 2011

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<i>Thailand</i>			
Central Pattana Public Company - 0.2%	425,200	393	449
<i>United Kingdom</i>			
British Land Company PLC	39,116	306	322
Derwent London PLC	30,740	722	843
Great Portland Estates PLC	69,870	359	420
Hammerson PLC	45,170	308	297
Land Securities Group PLC	80,625	852	890
Safestore Holdings PLC	33,000	66	55
SEGRO	16,980	77	67
Shaftesbury PLC	30,433	197	248
<i>Total United Kingdom - 1.1%</i>		2,887	3,142
<i>United States</i>			
American Campus Communities	10,900	331	424
Apartment Invt & Mgmt Co	10,800	243	266
Avalonbay Communities Inc	5,300	581	709
Boston Properties	17,000	1,432	1,683
BRE Properties	6,500	275	326
DDR Corp	41,300	485	529
Douglas Emmett Inc	15,700	266	306
Equity Residential	15,300	737	898
Essex Property Trust Inc	10,000	1,192	1,428
Federal Realty Investment Tst	9,300	727	825
General Growth Properties Inc	26,034	383	383
HCP Inc	24,700	892	984
Health Care Inc	14,300	733	753
Highwoods Properties Inc	2,500	79	77
Host Hotels & Resorts Inc	56,100	882	801
Kimco Realty Corporation	10,400	186	182
Liberty Property Trust	10,700	347	342
Macerich Co	10,100	432	503
Pebblebrook Hotel Trust	4,200	83	80
Prologis Inc	53,481	1,653	1,593
Public Storage	10,000	1,031	1,291
Simon Property Group	25,300	2,413	3,251
SL Green Realty Corp	10,100	673	697
Starwood Hotels & Resorts	11,600	679	581
Tanger Factory Outlet Centers	5,300	125	149
Taubman Centers Inc	11,500	544	704
UDR Inc	39,200	917	977
Ventas Inc	20,500	702	1,140
Vornado Realty Trust	14,100	1,155	1,168
<i>Total United States - 7.7%</i>		20,178	23,050
Total Real Estate Investment Trusts - 17.6%		50,012	52,117
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 6.4%	19,011,032	19,011	19,011
Total Investment Securities - 100.0%		\$ 283,353	\$ 296,026
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 2,667	\$ 2,667
Mellon SL DBT II Liquidating Fund		38	37
Total Collateral for Securities Loaned		\$ 2,705	\$ 2,704

See accompanying notes to financial statements.



## Real Estate Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ -	\$ (1)
Operating	-	400
Dividends, net of foreign withholding taxes	60	421
Securities lending income	1	3
Securities lending borrower premiums	1	5
	62	828
<b>Total investment income</b>	62	828
<b>Expenses</b>		
Investment advisor fees	(36)	(142)
Custodian bank fees	(3)	(23)
Management fees	(8)	(30)
Professional service fees	(34)	(195)
Management fees - external	(75)	(150)
Fund closing costs	-	5
Securities lending agent fees	-	(1)
	(156)	(536)
<b>Total expenses</b>	(156)	(536)
<b>Investment income (loss), net</b>	(94)	292
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	(8)	(164)
Foreign currency transactions	11	89
Net increase (decrease) in the fair value of:		
Investments	7,687	2,486
Translation of assets and liabilities in foreign currencies	741	(213)
	8,431	2,198
<b>Net gain from investments and foreign currency</b>	8,431	2,198
<b>Net increase in net assets from operations</b>	\$ 8,337	\$ 2,490

*\*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.*

## Real Estate Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income (loss), net	\$ (94)	\$ 292
Net realized loss from investments	(8)	(164)
Net realized gain from foreign currency transactions	11	89
Net increase in the fair value of investments	7,687	2,486
Net increase (decrease) in the translation of assets and liabilities in foreign currencies	741	(213)
	<b>8,337</b>	<b>2,490</b>
<b>Unit transactions</b>		
Proceeds from sale of units	710	46,968
Amount paid for repurchase of units	(595)	(1,221)
	<b>115</b>	<b>45,747</b>
	<b>8,452</b>	<b>48,237</b>
	<b>287,616</b>	<b>247,831</b>
	<b>\$ 296,068</b>	<b>\$ 296,068</b>
	<b>13,159</b>	<b>5,083,443</b>
<b>Unit data</b>		
Units sold	80,843	5,220,316
Units repurchased	(67,684)	(136,873)
	<b>13,159</b>	<b>5,083,443</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.*

## Real Estate Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	Month	Year To Date
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 8,337	\$ 2,490
Adjustments to reconcile net increase in net assets from operations to net cash used in operating activities:		
Purchase of investment securities	(8,150)	(55,592)
Proceeds from disposition of investment securities	1,102	11,508
Purchases and sales of short-term investment securities, net	7,100	(2,001)
Increase in receivable for investments sold	(225)	(175)
Decrease in dividends receivable	55	59
Decrease in foreign tax withholding receivable	2	7
Decrease in securities lending receivable	1	1
Decrease in accrued expenses	(34)	(13)
Increase in payable for investments purchased	129	170
Net realized loss from investments	8	164
Net realized gain from foreign currency transactions	(11)	(89)
Net increase in the fair value of investments	(7,687)	(2,486)
Net decrease (increase) in the translation of assets and liabilities in foreign currencies	(741)	213
<b>Net cash used in operating activities</b>	(114)	(45,744)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	710	46,968
Amount paid for repurchase of units	(595)	(1,221)
<b>Cash provided by financing activities</b>	115	45,747
<b>Net change in cash</b>	1	3
<b>Cash</b>		
Beginning balance	2	-
Ending balance	\$ 3	\$ 3

*\*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.*

# Real Estate Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 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 holds the IMB's investments in real estate funds, real estate limited partnerships and real estate investment trusts (REITS). Courtland Partners, Ltd. has been retained by the IMB to provide consulting services for the real estate funds and limited partnerships. The REITS are managed by European Investors, Inc. and ING Clarion Real Estate Securities.

### 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, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$224,898 of such 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

# Real Estate Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

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 October 31, 2011. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Investments in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. 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. 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 BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. 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 as net increase or decrease in the fair value of investments.

**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.

**Foreign Currency Forward Contracts** - A foreign currency 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

# Real Estate Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

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

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 investments in real estate funds are recognized when the real estate fund has realized its interest in a portfolio holding and we have sufficient information as to the amount and date of the distribution. Gains and losses on the sale of other investments are recognized at the time of sale by the average cost method.

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

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

**Operating Income** - Operating income from real estate partnerships is recognized when distributed to the partners.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

In certain foreign countries the Pool's dividend income and capital gains may be taxable. Such taxes are generally withheld from the payments of these types of income and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. The outstanding reclaims are reported on the Statement of Assets and Liabilities. Dividend income is reported net of withheld taxes on the Statement of Operations.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 are:

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

# Real Estate Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

Assets	Level 1	Level 2	Level 3	Total
Real estate investment trusts	\$ 52,117	\$ -	\$ -	\$ 52,117
Regulated investment companies	-	19,011	-	19,011
Investments in other funds	-	-	224,898	224,898
Securities lending collateral funds	-	2,704	-	2,704
Total	<u>\$ 52,117</u>	<u>\$ 21,715</u>	<u>\$ 224,898</u>	<u>\$ 298,730</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2011 was as follows:

	<u>Investments in other funds</u>
Balance at June 30, 2011	\$ 175,132
Net realized gain/(loss)	356
Net change in unrealized appreciation/(depreciation)	5,952
Purchases	50,390
Sales	(6,932)
Net transfers in/(out) of Level 3	-
Balance at October 31, 2011	<u>\$ 224,898</u>

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2011.

Fair value of securities on loan	\$ 2,592		
Initial collateral received:	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>
Cash	\$ 2,705	\$ 2,704	\$ (1)
Non-cash	-	-	-
Total	<u>\$ 2,705</u>	<u>\$ 2,704</u>	<u>\$ (1)</u>

# Real Estate Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 5. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in real estate in February 2008. The IMB has committed \$495,000 to sixteen real estate investment funds/partnerships. The IMB had funded \$214,519 of these commitments at October 31, 2011, leaving unfunded commitments of \$280,481.

### NOTE 6. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 8.96
Income from investment operations:	
Net investment income	0.01
Net realized and unrealized gain on investment transactions	0.09
Net decrease in the translation of assets and liabilities in foreign currencies	(0.01)
Total from investment operations	<u>0.09</u>
Net asset value at October 31, 2011	<u>\$ 9.05</u>

**Time-weighted Total Return \*** 0.9%

#### Supplemental Data:

Net assets, end of period	\$ 296,068
Ratio to average net assets:	
Expenses **	0.57%
Net investment income **	0.31%
Portfolio turnover rate	4.41%

\* 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 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 144,392
Public Employees' Retirement System	126,644
State Police Death, Disability and Retirement Fund	13,844
Judges' Retirement System	3,640
Deputy Sheriff's Retirement System	3,297
State Police Retirement System	2,112
Wildlife Endowment Fund	1,182
Emergency Medical Services Retirement System	957
Total	<u>\$ 296,068</u>



**Financial Statements - Unaudited**

**October 31, 2011**



# Hedge Fund Pool

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## Financial Statements - Unaudited October 31, 2011

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# Hedge Fund Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2011

*Amounts in thousands, except unit data)*

### Assets

Investment securities at fair value	\$	1,055,852
Receivable for investments sold		<u>21,238</u>
<b>Total assets</b>		<b>1,077,090</b>

### Liabilities

Accrued expenses		<u>143</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,076,947</u></u></b>

### Analysis of net assets

Paid-in capital	\$	987,399
Accumulated undistributed net investment loss		(2,864)
Accumulated undistributed net realized gain from investments		7,440
Unrealized net appreciation of investments		<u>84,972</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,076,947</u></u></b>

### Unit data

Units outstanding		99,709,616
Net asset value, unit price	\$	<u><u>10.80</u></u>

*See accompanying notes to financial statements.*

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited October 31, 2011

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
AllBlue Limited		\$ 48,048	\$ 65,764
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 subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
AQR Delta Offshore Fund II, Ltd.		40,000	39,593
Investment Objective - To produce high, risk-adjusted returns while targeting a low, long-term correlation to traditional markets.			
Redemption Provisions - Monthly with 60 days prior written notice.			
A detail of the underlying investments is not available.			
Anchorage Capital Partners		30,000	29,223
Investment Objective - To earn superior risk-adjusted returns while emphasizing preservation of capital.			
Redemption Provisions - Hard lock-up through September 30, 2011 then annually with 90 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
Bennelong Asia Pacific		3,477	3,362
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 - Redemption has been requested and proceeds will be paid upon liquidation of the investments.			
A detail of the underlying investments is not available.			
Brevan Howard Fund Limited		39,386	53,455
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 subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
Bridgewater Pure Alpha		43,886	62,796
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes using proprietary investment systems.			
Redemption Provisions - Monthly with 5 days prior written notice.			
A detail of the underlying investments is not available.			
Bridgewater Pure Alpha Major Markets		13,900	14,844
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes using proprietary investment systems.			
Redemption Provisions - Monthly with 5 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)

**October 31, 2011**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
CQS Convertible & Quantitative Strategies Investment Objective - To achieve attractive risk-adjusted returns over the medium to long term. Redemption Provisions - Monthly with 90 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		33,234	31,488
Davidson Kempner International, Ltd. Investment Objective - To achieve capital appreciation. Redemption Provisions - Quarterly with 60 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		57,917	70,409
Double Black Diamond Ltd. Investment Objective - To produce returns substantially in excess of those derived from risk-free investments without a substantial increase in overall risk. Redemption Provisions - Hard lock-up through December 31, 2011 then quarterly with 60 days prior written notice subject to maximum withdrawal provisions. A detail of the underlying investments is not available.		60,000	59,659
Golden Tree Offshore Fund, Ltd. 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 written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		31,280	40,251
Graham Global Investment Fund, Ltd. Investment Objective - To achieve long-term capital appreciation through professionally managed trading in derivative instruments of global fixed income, foreign exchange, commodities, and other stock indices. Redemption Provisions - Monthly with 3 days prior written notice. A detail of the underlying investments is not available.		30,000	26,428
Highbridge Capital 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 written notice for 42% and Quarterly with 65 days prior written notice for 58%. A detail of the underlying investments is not available.		50,032	50,109

*See accompanying notes to financial statements.*

## Hedge Fund Pool

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

October 31, 2011

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Ivory Offshore		36,822	38,862
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.			
Magnetar Capital Fund		73,638	70,319
Investment Objective - To achieve superior risk-adjusted returns.			
Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
Marshall Wace LLP		45,000	48,178
Investment Objective - To provide investors with above average absolute returns primarily through investing and trading in equities and equity related instruments.			
Redemption Provisions - Monthly with 15 days prior written notice.			
A detail of the underlying investments is not available.			
M&G Episode		28,290	29,760
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 - Monthly with 30 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
O'Connor Global		51,959	66,711
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.			
Och Ziff		40,000	41,661
Investment Objective - To achieve consistent, absolute returns with low volatility primarily by seeking to exploit pricing inefficiencies in equity debt securities of Asian companies.			
Redemption Provisions - Hard lock-up through September 30, 2011 then annually with 45 days prior written notice.			
A detail of the underlying investments is not available.			
Perry Partners		60,000	65,523
Investment Objective - To achieve positive annual returns accompanied by a low level of beta and volatility in correlation relative to equity markets.			
Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals.			
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)

October 31, 2011

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Pershing Square International, Ltd. Investment Objective - To invest in long and short investment opportunities that exhibit significant valuation discrepancies between current trading prices and intrinsic business value. Redemption Provisions - Hard lockup until September 2013, then quarterly with 65 days prior written notice subject to maximum withdrawal restrictions. A detail of the underlying investments is not available.		30,000	31,707
Shepherd Investments Investment Objective - To achieve an attractive rate of return, relative to the level of risk assumed. Redemption Provisions- Redemption has been requested and proceeds will be paid subject to provisions on maximum withdrawals and upon liquidation of investments. A detail of the underlying investments is not available.		5,370	5,347
Taconic Opportunity 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 subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		60,000	61,806
Tenor Opportunity Investment Objective - To generate attractive risk-adjusted returns by employing a variety of strategies primarily focused on convertible arbitrage. Redemption Provisions - Quarterly with 60 days prior written notice subject to to maximum withdrawal provisions. A detail of the underlying investments is not available.		30,000	30,285
VICIS Capital The IMB has elected to withdraw from the VICIS Capital fund. Our redemption has been requested and proceeds will be paid to us as investments are liquidated.		16,620	6,291
Total Investment in Other Funds - 96.9%		958,859	1,043,831
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 1.1%	12,020,819	12,021	12,021
Total Investment Securities 98.0%		\$ 970,880	\$ 1,055,852

*See accompanying notes to financial statements.*



# Hedge Fund Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2011\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividends	\$ -	\$ 1
<b>Expenses</b>		
Trustee fees	-	(1)
Management fees	(29)	(113)
Fiduciary bond fees	-	(1)
Professional service fees	(45)	(182)
<b>Total expenses</b>	<u>(74)</u>	<u>(297)</u>
<b>Investment loss, net</b>	(74)	(296)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized loss from investments	(42)	(1,533)
Net increase (decrease) in the fair value of investments	<u>14,645</u>	<u>(16,875)</u>
<b>Net gain (loss) from investments</b>	<u>14,603</u>	<u>(18,408)</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ 14,529</u>	<u>\$ (18,704)</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 October 31, 2011\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (74)	\$ (296)
Net realized loss from investments	(42)	(1,533)
Net increase (decrease) in the fair value of investments	14,645	(16,875)
<b>Net increase (decrease) in net assets from operations</b>	14,529	(18,704)
<b>Unit transactions</b>		
Proceeds from sale of units	-	33,739
Amount paid for repurchase of units	(1,100)	(11,011)
<b>Net increase (decrease) in net assets from unit transactions</b>	(1,100)	22,728
<b>Increase in net assets</b>	13,429	4,024
<b>Net assets, beginning of period</b>	1,063,518	1,072,923
<b>Net assets, end of period</b>	\$ 1,076,947	\$ 1,076,947
<b>Unit data</b>		
Units sold	-	3,102,626
Units repurchased	(103,236)	(1,004,269)
<b>Net increase (decrease) in units</b>	(103,236)	2,098,357

*\*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 October 31, 2011\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ 14,529	\$ (18,704)
Adjustments to reconcile net increase (decrease) in net assets from operations net cash provided by (used in) operating activities:		
Purchase of investment securities	-	(107,500)
Proceeds from disposition of investment securities	9,452	33,651
Purchases and sales of short-term investment securities, net	(10,092)	(7,850)
Decrease in dividends receivable	-	2
Decrease in receivable for investments sold	1,817	29,226
Decrease in advance on investment in other securities	-	30,000
Increase (decrease) in accrued expenses	(3)	39
Net realized loss from investments	42	1,533
Net decrease (increase) in the fair value of investments	(14,645)	16,875
<b>Net cash provided by (used in) operating activities</b>	1,100	(22,728)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	-	33,739
Amount paid for repurchase of units	(1,100)	(11,011)
<b>Net cash provided by (used in) financing activities</b>	(1,100)	22,728
<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.*

# Hedge Fund Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 investment strategy.

### 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, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$1,043,831 of investments in such 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

# Hedge Fund Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

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 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 October 31, 2011. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions.

**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.

**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 net realized 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** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 2011.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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).

ASC 820 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 ASC 820 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.

# Hedge Fund Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### 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 ASC 820 fair value hierarchy levels as of October 31, 2011:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Regulated investment companies	\$ -	\$ 12,021	\$ -	\$ 12,021
Investments in other funds	-	-	1,043,831	1,043,831
Total	<u>\$ -</u>	<u>\$ 12,021</u>	<u>\$ 1,043,831</u>	<u>\$ 1,055,852</u>

There were no transfers in or out of Levels 1 and 2 during the period ended October 31, 2011.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2011 was as follows:

	<u>Investments in other funds</u>
Balance at June 30, 2011	\$ 988,390
Net realized gain/(loss)	(1,533)
Net change in unrealized appreciation/(depreciation)	(16,875)
Purchase	107,500
Sales	(33,651)
Net transfers in/(out) of Level 3	-
Balance at October 31, 2011	<u>\$ 1,043,831</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### **Per Unit Operating Performance:**

Net asset value at June 30, 2011	\$ 10.99
Net realized and unrealized loss on investment transactions	(0.19)
Net asset value at October 31, 2011	<u>\$ 10.80</u>

**Time-weighted Total Return \*** -1.7%

#### **Supplemental Data:**

Net assets, end of period	\$ 1,076,947
Ratio to average net assets:	
Expenses **	0.08%
Net investment income **	-0.08%
Portfolio turnover rate	3.30%

\* - 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

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2011.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 431,406
Public Employees' Retirement System	386,425
Retiree Health Benefit Trust	82,321
Coal Workers' Pneumoconiosis Fund	50,229
State Police Death, Disability and Retirement Fund	42,905
Board of Risk and Insurance Management	27,533
Public Employees' Insurance Agency	16,711
Judges' Retirement System	11,444
Deputy Sheriff's Retirement System	10,521
State Police Retirement System	6,921
Wildlife Endowment Fund	3,769
Emergency Medical Services Retirement System	3,135
Workers' Compensation Self-Insured Guaranty Risk Pool	1,881
Workers' Compensation Uninsured Employers Fund	1,746
Total	<u>\$ 1,076,947</u>