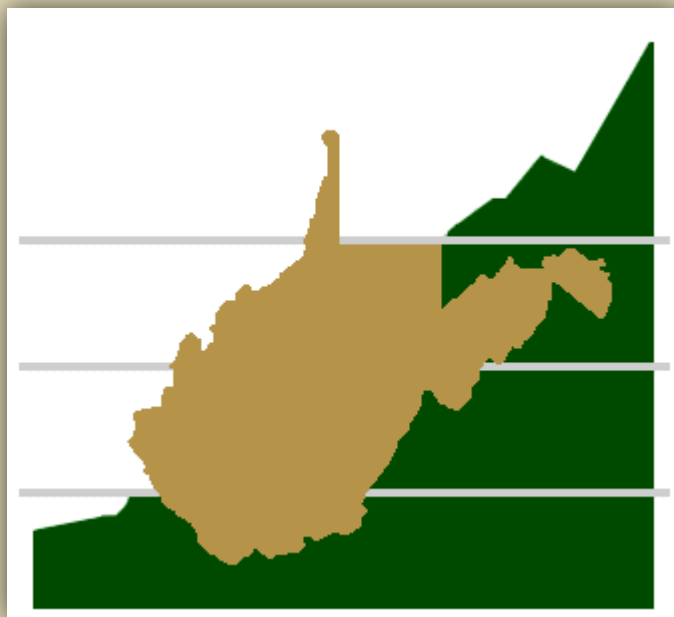


**West Virginia**

**Investment Management Board**



**Financial Statements**

**March 31, 2012**



# West Virginia Investment Management Board

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## **Financial Statements – Unaudited**

March 31, 2012

### **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**

**March 31, 2012**



# Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited March 31, 2012

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# Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,191,142
Collateral for securities loaned at fair value (Note 5)		16,167
Cash		1,856
Receivables:		
Investments sold		57,811
Dividends		2,978
Securities lending income		33
Unrealized gain on futures contracts (Note 6)		479
		<hr/>
<b>Total assets</b>		<b>2,270,466</b>

### Liabilities

Accrued expenses		415
Payable for investments purchased		9,626
Payable upon return of securities loaned (Note 5)		19,253
		<hr/>
<b>Total liabilities</b>		<b>29,294</b>
		<hr/>
<b>Net assets</b>	<b>\$</b>	<b>2,241,172</b>

### Analysis of net assets

Paid-in capital	\$	1,342,936
Accumulated undistributed net investment income		337,934
Accumulated undistributed net realized gain from investments		146,364
Unrealized net appreciation of investments		413,938
		<hr/>
<b>Net assets</b>	<b>\$</b>	<b>2,241,172</b>

### Unit data

Units outstanding		157,915,240
Net asset value, unit price	\$	14.19

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited

March 31, 2012

(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	30,600	\$ 2,479	\$ 2,809
Airgas Inc	37,800	2,861	3,363
Alcoa Inc	120,200	1,549	1,204
Allegheny Technologies Inc	13,600	476	560
Alpha Natural Resources Inc	48,000	1,512	730
Ball Corporation	70,900	2,235	3,040
Bemis Company Inc	8,600	218	278
CF Industries Holdings Inc	23,100	2,954	4,219
Cliffs Natural Resources Inc	32,800	1,809	2,272
Dow Chemical Company	130,800	3,626	4,531
DuPont EI de Nemours Co	206,400	8,172	10,919
Eastman Chemical Company	39,000	1,459	2,016
Ecolab Inc	103,000	5,907	6,357
FMC Corporation	8,600	583	910
Freeport-McMoRan Copper & Gold	114,900	4,291	4,371
International Paper Company	43,900	995	1,541
Intl Flavors & Fragrances Inc	26,600	1,294	1,559
MeadWestvaco Corp	20,100	423	635
Monsanto Company	69,900	4,964	5,575
Newmont Mining Corp	60,000	3,156	3,076
Nucor Corporation	56,400	2,379	2,422
Owens-Illinois Inc	78,400	1,916	1,830
Peabody Energy Corp	24,200	900	701
PPG Industries Inc	50,600	3,758	4,847
Praxair Inc	67,600	6,526	7,750
Sealed Air Corporation	18,800	372	363
Sigma-Aldrich Corporation	73,800	4,993	5,392
Titanium Metals Corp	68,600	971	930
United States Steel Corp	12,000	543	352
Vulcan Materials	10,900	568	466
Weyerhaeuser Company	66,267	1,452	1,453
<i>Total Basic Materials - 3.9%</i>		75,341	86,471
<i>Capital Goods</i>			
3M Co	63,600	4,747	5,674
Apollo Group	68,900	3,480	2,662
Avery Dennison Corp	9,700	261	292
BF Goodrich Company	31,500	2,746	3,951
Boeing Company	90,900	5,490	6,760
C H Robinson Worldwide Inc	37,100	2,466	2,430
Caterpillar Inc	99,600	7,345	10,609
Cintas Corp	60,700	2,196	2,375
Cooper Industries PLC	13,900	745	889
CSX Corp	317,600	6,704	6,835
Cummins Engine Company Inc	34,500	2,930	4,141
Danaher Corp	72,700	2,882	4,071
Deere & Company	53,000	3,058	4,288
Donnelley & Sons	17,500	294	217
Dover Corp	15,200	610	957
Dun & Bradstreet Corp	4,700	352	398
Eaton Corporation	29,600	929	1,475
Emerson Electric Co	62,400	2,650	3,256
Equifax Inc	20,900	617	925
Expeditors Intl of Washington	18,900	670	879
Fastenal Company	87,300	2,966	4,723
FedEx Corp	26,600	1,957	2,446
Flowserve Corp	4,400	403	508
Fluor Corporation	23,900	1,308	1,435
General Dynamics Corp	32,300	1,896	2,370
General Electric Company	1,608,475	33,642	32,282
Grainger WW Inc	22,400	3,147	4,812

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Honeywell International	132,200	5,783	8,071
Illinois Tool Works Inc	41,000	1,789	2,342
Iron Mountain Inc	151,900	4,759	4,375
Jacobs Engineering Group Inc	12,000	533	532
Joy Global Inc	36,700	3,067	2,697
L-3 Communications Hldgs Inc	47,300	3,285	3,347
Lockheed Martin Corp	60,700	4,537	5,455
Masco Corporation	29,800	387	398
Norfolk Southern Corp	70,600	4,055	4,648
Northrop Grumman Corp	39,300	2,030	2,400
PACCAR Inc	42,400	1,663	1,986
Pall Corporation	10,200	360	608
Parker-Hannifin Corporation	13,000	709	1,099
Pitney Bowes Inc	17,600	395	309
Precision Castparts Corp	24,600	3,538	4,253
Priceline.com Inc	10,010	2,657	7,182
Raytheon Company	43,500	1,924	2,296
Republic Services Inc	28,600	782	874
Robert Half International Inc	12,600	315	382
Rockwell Automation Inc	40,100	2,152	3,196
Rockwell Collins	12,200	629	702
Roper Industries Inc	37,500	2,689	3,719
Ryder System Inc	27,500	1,383	1,452
Southwest Airlines Co	70,900	657	584
Stanley Black & Decker Inc	15,077	652	1,160
Textron Inc	23,900	451	665
Tyco International Ltd	43,000	1,679	2,416
Union Pacific Corp	71,300	5,318	7,663
United Parcel Service Inc	86,200	5,088	6,958
United Technologies Corp	86,600	5,618	7,183
Waste Management Inc	40,800	1,267	1,426
<i>Total Capital Goods - 9.0%</i>		166,642	202,038
<i>Communication Services</i>			
American Tower REIT Inc	37,600	1,657	2,370
AT&T Inc	1,235,529	36,249	38,586
CenturyTel Inc	133,266	4,587	5,151
Crown Castle Intl Corporation	46,700	2,491	2,491
Frontier Communications Corp	87,886	733	366
Metropcs Communications Inc	51,800	519	467
Sprint Nextel Corporation	265,800	1,195	758
Verizon Communications	412,149	13,874	15,756
Windstream Corp	71,100	761	832
<i>Total Communication Services - 3.0%</i>		62,066	66,777
<i>Consumer Discretionary</i>			
Abercrombie & Fitch Co	51,700	2,761	2,565
Amazon.com Inc	36,800	5,001	7,452
AutoNation Inc	30,100	871	1,033
AutoZone Inc	17,700	4,272	6,581
Beam Inc	13,700	492	802
Bed Bath & Beyond Inc	61,500	3,364	4,045
Best Buy Co Inc	48,600	1,523	1,151
Big Lots Inc	26,600	925	1,144
Borg-Warner Automotive Inc	19,000	1,192	1,602
Cablevision Systems	21,200	526	311
CarMax Inc	19,700	439	683
Carnival Corp	40,100	1,319	1,286
CBS Corp	285,600	6,244	9,685
Chipotle Mexican Grill Inc	10,200	3,216	4,264
Coach Inc	39,200	1,936	3,029
Comcast Corp	401,250	7,808	12,042
CVS Pass Through Trust	201,576	6,899	9,031

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) March 31, 2012

*(Amounts in thousands, except share data)*

Security Name	Shares	Cost	Fair Value
Darden Restaurants Inc	40,900	1,675	2,092
DeVry Inc	22,600	990	765
DIRECTV Group Inc	206,700	7,695	10,199
Discovery Communications Inc	60,000	2,455	3,036
Disney Walt Company	153,200	4,492	6,707
Dollar Tree Inc	42,300	3,634	3,997
DR Horton Inc	144,300	1,849	2,189
Expedia Inc	33,950	978	1,135
Family Dollar Stores	30,500	1,172	1,930
Ford Motor Company	395,400	3,866	4,933
GameStop Corp	102,700	2,472	2,243
Gannett Co Inc	36,800	502	564
Gap Inc	42,800	734	1,119
Genuine Parts Company	33,700	1,610	2,115
Goodyear Tire & Rubber Co	203,600	2,528	2,284
Harley-Davidson Inc	39,000	1,363	1,914
Harman Intl Industries Inc	5,500	187	257
Hasbro Inc	9,600	346	353
Home Depot Inc	158,200	4,619	7,959
International Game Technology	166,900	2,851	2,802
Interpublic Group of Co Inc	42,500	354	485
Johnson Controls Inc	64,200	1,804	2,085
Kohl's Corporation	21,800	1,173	1,091
Leggett & Platt Inc	11,200	155	258
Lennar Corporation	78,400	1,638	2,131
Limited Inc	151,600	4,135	7,277
Lowe's Corp Inc	110,600	2,314	3,471
Macys Retail Holdings Inc	115,100	3,489	4,573
Marriott International Inc	39,580	1,243	1,498
Mattel Inc	43,100	934	1,451
McDonald's Corporation	211,300	15,453	20,729
McGraw-Hill Companies Inc	137,700	5,260	6,674
NetFlix.com Inc	7,100	1,157	817
Newell Rubbermaid Inc	22,900	258	408
News Corp	183,200	2,361	3,611
Nike Inc	59,100	4,692	6,409
Nordstrom Inc	39,700	1,774	2,212
Omnicom Group Inc	55,400	2,394	2,806
O'Reilly Automotive Inc	56,200	4,187	5,134
Penney JC & Company	33,500	1,150	1,187
Pulte Corporation	239,200	1,680	2,117
Ralph Lauren Corp	9,400	945	1,639
Ross Stores Inc	148,300	5,129	8,616
Sears Holding Corp	10,100	560	669
Sherwin-Williams Co	8,200	533	891
Snap-On Inc	4,600	160	280
Staples Inc	57,600	1,209	933
Starbucks Corp	88,900	2,456	4,969
Starwood Hotels & Resorts Inc	39,800	1,871	2,245
Target Corp	88,400	4,460	5,151
Tiffany & Co	25,700	1,428	1,777
Time Warner Cable Inc	51,712	2,638	4,215
Time Warner Inc	105,800	3,076	3,994
TJX Companies Inc	234,400	6,773	9,308
TripAdvisor Inc	35,650	969	1,272
Urban Outfitters Inc	9,000	277	262
VF Corp	60,400	7,864	8,817
Viacom Inc	179,800	5,928	8,533
Washington Post Company	800	344	299
Whirlpool Corporation	6,400	444	492
Wyndham Worldwide Corporation	39,900	1,390	1,856

*See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Wynn Resorts Limited	22,800	2,335	2,847
Yum Brands Inc	155,500	7,837	11,068
<i>Total Consumer Discretionary - 12.6%</i>		211,037	281,856
<i>Consumer Staples</i>			
Altria Group Inc	498,920	10,770	15,402
Archer-Daniels-Midland Co	55,800	1,480	1,767
Avon Products Inc	38,200	1,147	740
Brown Forman Corp	45,100	2,683	3,761
Campbell Soup Co	15,800	521	535
Clorox Company	22,400	1,409	1,540
Coca-Cola Company	349,400	19,129	25,859
Coca-Cola Enterprises Inc	158,400	3,837	4,530
Colgate-Palmolive Co	89,800	7,680	8,781
ConAgra Foods Inc	241,000	6,028	6,329
Constellation Brands Inc	13,400	215	316
Costco Wholesale Corp	70,700	4,954	6,420
Dean Foods Company	48,400	640	586
Dr Pepper Snapple Group	61,600	2,034	2,477
Estee Lauder Companies Inc	97,300	3,270	6,027
General Mills Inc	64,400	2,205	2,541
Heinz HJ Company	81,200	3,804	4,348
Hershey Foods Corp	101,500	5,758	6,225
Hormel Foods Corp	99,900	2,264	2,949
Kellogg Company	70,600	3,748	3,786
Kimberly Clark Corporation	62,400	4,007	4,611
Kraft Foods Inc	313,200	10,031	11,905
Kroger Co	116,100	2,809	2,813
Lorillard, Inc	53,700	5,588	6,953
McCormick & Company Inc	38,300	1,592	2,085
Mead Johnson Nutrition Co-A	76,709	4,206	6,327
Molson Coors Brewing Co	40,700	1,843	1,842
Pepsico Inc	244,364	14,764	16,214
Philip Morris International	300,620	15,579	26,638
Proctor & Gamble Company	417,432	25,064	28,056
Reynolds American Inc	122,300	3,366	5,068
Safeway Inc	23,600	465	477
Sara Lee Corp	328,400	4,829	7,070
Smucker JM Company	33,500	2,333	2,726
Supervalu Inc	168,300	1,400	961
Sysco Corp	81,100	2,127	2,422
The Mosaic Company	29,400	1,649	1,626
Tyson Foods, Inc	136,500	2,561	2,614
Walgreen Co	104,300	3,839	3,493
Wal-Mart Stores Inc	255,100	13,379	15,612
Whole Foods Market Inc	35,400	1,783	2,945
<i>Total Consumer Staples - 11.5%</i>		206,790	257,377
<i>Energy</i>			
Anadarko Petroleum Corp	60,000	3,340	4,700
Apache Corporation	33,500	3,123	3,365
Baker Hughes Inc	115,842	6,531	4,858
Cabot Oil & Gas Corporation	181,400	6,000	5,654
Cameron International Corp	45,400	2,056	2,398
Chesapeake Energy Corp	114,000	3,091	2,641
ChevronTexaco Corp	369,355	29,993	39,599
ConocoPhillips	196,580	11,725	14,942
CONSOL Energy Inc	38,800	1,742	1,323
Denbury Resources Inc	132,800	2,348	2,421
Devon Energy Corporation	36,200	2,363	2,575
Diamond Offshore Drilling Inc	6,100	588	407
El Paso Corporation	191,100	2,776	5,647
EOG Resources Inc	25,500	2,212	2,833

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

Security Name	Shares	Cost	Fair Value
Exxon Mobil Corporation	894,194	63,444	77,553
First Solar Inc	5,400	752	135
FMC Technologies Inc	52,100	2,115	2,627
Halliburton Company	157,800	5,111	5,237
Helmerich & Payne Inc	56,400	2,991	3,043
Hess Corp	27,600	1,435	1,627
Marathon Oil Corp	181,900	4,268	5,766
Marathon Petroleum Corporation	117,850	3,707	5,110
Murphy Oil Corporation	17,800	983	1,002
Nabors Industries Ltd	96,000	1,991	1,679
National-Oilwell Varco Inc	124,900	7,805	9,926
Newfield Exploration Company	11,400	720	395
Noble Corp	22,500	803	843
Noble Energy Inc	25,200	1,983	2,464
Occidental Petroleum Corp	76,100	5,861	7,247
Pioneer Natural Resources Co	28,900	1,946	3,225
QEP Resources Inc	30,500	837	930
Range Resources Corporation	54,100	3,225	3,145
Rowan Companies Inc	20,200	607	665
Schlumberger Ltd	165,511	10,703	11,574
Spectra Energy Corp	108,800	2,347	3,433
Sunoco Inc	11,100	313	423
Tesoro Petroleum Corporation	104,900	2,332	2,816
Valero Energy Corporation	108,200	2,299	2,788
Williams Companies Inc	113,200	2,249	3,488
WPX Energy Inc	24,200	290	436
<i>Total Energy - 11.2%</i>		209,005	250,940
<i>Financial Services</i>			
Ace Ltd	58,700	3,462	4,297
AFLAC Inc	52,200	2,247	2,401
Allstate Corp	41,800	1,221	1,376
American Express Co	139,500	5,425	8,071
American International Group	80,500	2,309	2,482
Ameriprise Financial Inc	43,500	1,704	2,485
Aon Corporation	152,700	7,172	7,491
Apartment Investment & Mgmt Co	11,700	163	309
Assurant Inc	22,000	809	891
Avalonbay Communities Inc	17,200	1,754	2,431
Bank of America Corporation	979,677	16,745	9,376
Bank of New York Mellon Corp	102,100	3,279	2,464
BB&T Corporation	110,400	2,756	3,465
Berkshire Hathaway Inc	168,196	12,613	13,649
BlackRock Inc	8,500	1,618	1,742
Boston Properties Inc	16,300	1,222	1,711
Capital One Financial Corp	81,100	3,479	4,521
CBRE Group Inc	77,600	1,245	1,549
Charles Schwab Corp	93,100	1,481	1,338
Chubb Corp	38,500	2,090	2,661
Cincinnati Financial Corp	14,700	387	507
Citigroup Inc	318,160	15,120	11,629
CME Group Inc	5,600	1,655	1,620
Comerica Inc	52,400	1,543	1,696
Discover Financial Services	207,100	4,470	6,905
E*Trade Group Inc	86,620	957	948
Equity Residential	59,100	2,468	3,701
Federated Investors Inc	9,400	248	211
Fifth Third Bancorp	197,100	2,279	2,768
First Horizon National Corp	78,568	713	816
Franklin Resources Inc	14,500	1,253	1,798
Genworth Financial Inc	142,600	1,367	1,186
Goldman Sachs Group Inc	48,900	6,153	6,082
H&R Block Inc	130,600	2,108	2,151

*See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Hartford Financial Services Gp	55,300	1,265	1,166
HCP Inc	42,000	1,389	1,657
Health Care REIT	16,700	754	918
Host Hotels & Resorts Inc	112,462	1,504	1,847
Hudson City Bancorp Inc	46,100	731	337
Huntington Bancshares Inc	222,700	1,220	1,435
Intercontinental Exchange Inc	8,700	901	1,196
Invesco Limited	50,600	970	1,350
JP Morgan Chase & Co	503,053	18,421	23,130
KeyCorp	131,100	962	1,114
Kimco Realty Corporation	35,900	430	691
Legg Mason Inc	21,200	627	592
Leucadia National Corporation	138,700	4,324	3,620
Lincoln National Corp	37,700	948	994
Loews Corp	31,900	1,113	1,272
M & T Bank Corporation	15,000	1,127	1,303
Marsh & McLennan Co Inc	211,500	6,106	6,935
MasterCard Inc	21,000	6,192	8,831
MetLife Inc	129,200	4,671	4,826
Moody's Corp	130,900	4,157	5,511
Morgan Stanley	228,300	5,432	4,484
Nasdaq Stock Market Inc	9,500	208	246
Northern Trust Corp	21,500	1,110	1,020
NYSE Euronext	31,800	897	954
People's United Financial Inc	212,100	2,646	2,806
Plum Creek Timber Co Inc	22,900	778	952
PNC Financial Services Group	51,300	2,574	3,308
Principal Financial Group Inc	47,200	1,205	1,393
Progressive Corp	101,400	1,834	2,350
Prologis Inc	49,074	1,428	1,768
Prudential Financial Inc	65,600	3,272	4,158
Public Storage	26,200	2,750	3,620
Regions Financial Corp	163,700	825	1,079
Simon Property Group	32,102	2,818	4,677
SLM Corp	77,600	863	1,223
State Street Corp	52,400	2,360	2,384
SunTrust Banks Inc	75,800	1,642	1,832
T Rowe Price Associates Inc	21,800	1,008	1,424
Torchmark Corporation	43,400	1,576	2,163
Travelers Cos Inc	45,900	2,187	2,717
UnumProvident Corp	37,700	765	923
US Bancorp	216,500	5,177	6,859
Ventas Inc	25,600	1,186	1,462
Visa Inc-Class A Shares	78,900	7,267	9,310
Vornado Realty Trust	15,940	1,123	1,342
Wells Fargo & Company	592,100	15,610	20,214
XL Group PLC	29,000	503	629
Zions Bancorporation	48,000	846	1,030
<i>Total Financial Services - 12.1%</i>		241,217	271,780
<i>Health Care</i>			
Abbott Laboratories	149,900	7,721	9,187
Aetna Inc	65,500	2,287	3,285
Allergan Inc	60,600	4,544	5,783
AmerisourceBergen Corp	100,900	3,336	4,002
Amgen Inc	67,477	3,651	4,586
Bard CR Inc	26,700	2,431	2,636
Baxter International Inc	137,100	7,766	8,196
Becton Dickinson & Company	26,100	1,881	2,027
Biogen Idec Inc	89,700	7,549	11,302
Boston Scientific Corp	148,400	1,217	887
Bristol-Myers Squibb Company	275,642	7,127	9,303
Cardinal Health Inc	100,200	3,787	4,320

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
CareFusion Corporation	37,000	887	959
Celgene Corporation	45,200	2,683	3,504
Cerner Corporation	68,800	4,088	5,240
CIGNA Corporation	78,100	2,989	3,846
Coventry Health Care Inc	29,100	837	1,035
Covidien PLC	101,100	5,111	5,528
DaVita Inc	12,800	821	1,154
DENTSPLY International Inc	50,300	1,755	2,019
Edwards Lifesciences Corp	10,200	849	742
Eli Lilly and Company	220,100	8,358	8,862
Express Scripts Inc	41,000	1,664	2,221
Forest Laboratories Inc	21,900	651	760
Gilead Sciences Inc	123,800	5,185	6,049
Hospira Inc	15,400	563	576
Humana Inc	37,400	1,963	3,459
Intuitive Surgical Inc	10,100	3,799	5,472
Johnson & Johnson	456,300	28,121	30,098
Laboratory Corp of Amer Hldgs	25,200	2,069	2,307
Life Technologies Corp	16,000	703	781
McKesson HBOC Inc	29,900	1,995	2,624
Medco Health Solutions	32,800	1,688	2,306
Medtronic Inc	103,900	3,857	4,072
Merck & Co Inc	369,880	12,496	14,203
Mylan Laboratories Inc	58,800	989	1,379
Patterson Companies Inc	7,600	207	254
PerkinElmer Inc	9,500	181	263
Perrigo Company	15,000	1,480	1,550
Pfizer Inc	1,163,383	24,039	26,345
Quest Diagnostics Inc	28,300	1,494	1,731
St Jude Medical Inc	112,500	4,386	4,985
Stericycle Inc	29,200	2,169	2,442
Stryker Corporation	27,200	1,260	1,509
Tenet Healthcare Corporation	38,300	208	203
Thermo Electron Corporation	41,600	1,915	2,345
UnitedHealth Group Inc	167,100	6,194	9,849
Varian Medical Systems Inc	10,400	466	717
Waters Corporation	8,100	482	751
Watson Pharmaceuticals Inc	88,600	5,044	5,942
WellPoint Inc	89,300	5,560	6,590
Zimmer Holdings Inc	21,900	1,175	1,408
<i>Total Health Care - 10.8%</i>		203,678	241,594
<i>Technology</i>			
Accenture PLC	145,700	8,505	9,398
Adobe Systems Inc	44,700	1,362	1,534
Advanced Micro Devices Inc	47,500	270	381
Agilent Technologies Inc	59,700	2,177	2,657
Akamai Technologies Inc	22,800	672	837
Altera Corporation	52,300	1,527	2,083
Amphenol Corp	14,200	546	849
Analog Devices Inc	33,600	1,049	1,357
Apple Computer Inc	141,400	29,482	84,776
Applied Materials Inc	108,300	1,352	1,348
Autodesk Inc	19,300	509	817
Automatic Data Processing Inc	174,600	8,588	9,636
BMC Software Inc	13,300	429	534
Broadcom Corp	57,300	1,855	2,252
CA Inc	34,000	616	937
Cisco Systems Inc	696,200	13,583	14,725
Citrix Systems Inc	52,700	2,687	4,159
Cognizant Tech Solutions Corp	81,300	3,577	6,256
Computer Sciences Corp	12,600	634	377
Coming Inc	128,400	2,139	1,808

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Dell Inc	327,300	5,191	5,432
eBay Inc	118,200	3,020	4,362
Electronic Arts Inc	283,600	5,788	4,675
EMC Corporation	204,100	3,299	6,099
F5 Networks Inc	14,700	1,930	1,984
Fidelity Ntl Information Svcs	32,600	808	1,080
Fiserv Inc	32,600	1,820	2,262
FLIR Systems Inc	12,700	355	321
Google Inc	28,300	14,073	18,147
Harris Corporation	9,000	323	406
Hewlett-Packard Company	168,300	6,571	4,011
IBM Corp	223,500	26,796	46,633
Ingersoll-Rand PLC	24,700	947	1,021
Intel Corporation	660,300	14,389	18,564
Intuit Inc	24,800	833	1,492
Jabil Circuit Inc	34,900	692	877
JDS Uniphase Corporation	17,800	89	258
Juniper Networks Inc	45,200	1,120	1,034
KLA-Tencor Corporation	37,700	1,610	2,052
Lexmark International Inc	6,100	132	203
Linear Technology Corp	20,100	554	677
LSI Logic Corporation	123,200	742	1,069
Microchip Technology Inc	99,800	3,449	3,713
Micron Technology Inc	81,000	587	656
Microsoft Corporation	974,802	24,632	31,442
Molex Inc	27,100	663	762
Motorola Mobility Holdings Inc	22,600	9	887
Motorola Solutions Inc	88,227	4,110	4,485
NetApp Inc.	31,700	975	1,419
Novellus Systems Inc	12,000	397	599
NVIDIA Corporation	53,900	553	830
Oracle Corporation	543,144	11,863	15,838
Paychex Inc	91,200	2,715	2,826
Qualcomm Inc	235,500	11,321	16,028
Red Hat Inc	48,500	2,115	2,905
SAIC INC	64,100	959	846
Salesforce.com Inc	16,100	1,436	2,488
SanDisk Corporation	46,900	1,846	2,326
Scripps Networks Interactive	8,000	229	390
Symantec Corporation	84,200	1,309	1,575
TE Connectivity Ltd	83,800	2,895	3,080
Teradata Corporation	89,500	4,254	6,099
Teradyne Inc	50,600	668	855
Texas Instruments Inc	209,800	5,980	7,051
Total System Services Inc	71,300	1,248	1,645
VeriSign Inc	20,300	460	779
Western Digital Corp	20,500	587	848
Western Union Company	188,500	3,539	3,318
Xerox Corporation	117,495	1,001	949
Xilinx Inc	82,100	2,436	2,995
Yahoo! Inc	102,100	1,771	1,554
<i>Total Technology - 17.3%</i>		266,648	388,568
<i>Utilities</i>			
AES Corporation	92,900	1,222	1,214
AGL Resources Inc	97,137	3,949	3,810
Ameren Corporation	79,300	2,288	2,584
American Electric Power Co Inc	63,500	2,068	2,450
CenterPoint Energy Inc	233,900	3,694	4,613
CMS Energy Corporation	113,300	1,932	2,493
Consolidated Edison Inc	102,800	4,857	6,006
Dominion Resources Inc	212,200	9,589	10,867
DTE Energy Company	58,000	2,680	3,192

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Duke Energy Corp	162,500	3,010	3,414
Edison International	41,700	1,552	1,773
Energy Corporation	39,300	2,794	2,641
EQT Corp	117,500	6,327	5,665
Exelon Corp	203,838	8,556	7,991
FirstEnergy Corp	150,232	6,140	6,848
Integrus Energy Group Inc	6,600	237	350
NextEra Energy Inc	140,300	8,047	8,569
NiSource Inc	192,200	3,686	4,679
Northeast Utilities	46,700	1,295	1,734
NRG Energy Inc	171,100	3,283	2,680
ONEOK Inc	68,300	3,701	5,576
PG&E Corp	35,100	1,460	1,524
Pinnacle West Capital Corp	18,600	697	891
Potomac Electric Power	38,200	600	722
PPL Corporation	203,400	5,719	5,747
Progress Energy Inc	75,200	3,568	3,993
Public Service Enterprise Grp	186,700	5,961	5,714
Quanta Services Inc	30,100	645	629
SCANA Corporation	26,000	1,064	1,186
Sempra Energy	39,400	2,129	2,361
Southern Company	150,000	5,505	6,739
Southwestern Energy Company	44,200	1,694	1,353
TECO Energy Inc	17,200	242	302
Wisconsin Energy Corporation	107,300	2,863	3,774
Xcel Energy Inc	149,800	3,429	3,964
Xylem Inc	15,400	424	427
<i>Total Utilities - 5.7%</i>		116,907	128,475
Total Equity Securities - 97.1%		1,759,331	2,175,876
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund	15,266,085	15,266	15,266
Total Short-term Issues - 0.7%		15,266	15,266
Total Investment Securities - 97.8%		\$ 1,774,597	\$ 2,191,142
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 15,902	\$ 15,902
Mellon SL DBT II Liquidating Fund		272	265
Mellon GSL DBT II Liquidating Trust		3,079	-
Total Collateral for Securities Loaned		\$ 19,253	\$ 16,167

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends	\$ 3,345	\$ 34,960
Securities lending income	1	66
Securities lending borrower premiums	41	199
Net shareholder litigation proceeds	-	91
	<b>3,387</b>	<b>35,316</b>
<b>Expenses</b>		
Investment advisor fees	(93)	(1,271)
Trustee fees	(1)	(6)
Custodian bank fees	(6)	(54)
Management fees	(54)	(489)
Fiduciary bond fees	-	(6)
Professional service fees	(10)	(91)
Securities lending agent fees	(8)	(47)
Futures commission expense	(4)	(19)
	<b>(176)</b>	<b>(1,983)</b>
	<b>3,211</b>	<b>33,333</b>
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	19,255	53,451
Net increase in the fair value of investments	46,308	99,985
	<b>65,563</b>	<b>153,436</b>
	<b>\$ 68,774</b>	<b>\$ 186,769</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.*

## Large Cap Domestic Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,211	\$ 33,333
Net realized gain from investments	19,255	53,451
Net increase in the fair value of investments	46,308	99,985
<b>Net increase in net assets from operations</b>	68,774	186,769
<b>Unit transactions</b>		
Proceeds from sale of units	15	262,304
Amount paid for repurchase of units	(57,109)	(289,448)
<b>Net decrease in net assets from unit transactions</b>	(57,094)	(27,144)
<b>Increase in net assets</b>	11,680	159,625
<b>Net assets, beginning of period</b>	2,229,492	2,081,547
<b>Net assets, end of period</b>	\$ 2,241,172	\$ 2,241,172
<b>Unit data</b>		
Units sold	1,090	22,236,598
Units repurchased	(4,151,385)	(22,483,852)
<b>Net decrease in units</b>	(4,150,295)	(247,254)

*\*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 March 31, 2012.

### 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 March 31, 2012:

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	
Equity contracts	Unrealized gain on futures contracts	\$ 479		\$ -

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 March 31, 2012:

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	\$ 1,178	Net increase in the fair value of investments	\$ 138

### 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 2,175,876	\$ -	\$ -	\$ 2,175,876
Futures	479	-	-	479
Regulated investment companies	-	15,266	-	15,266
Securities lending collateral funds	-	16,167	-	16,167
Total	<u>\$ 2,176,355</u>	<u>\$ 31,433</u>	<u>\$ -</u>	<u>\$ 2,207,788</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

### NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at March 31, 2012.

Fair value of securities on loan	\$	20,291		
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>
Cash	\$	<u>19,253</u>	\$ 16,167	<u>\$ (3,086)</u>
Non-cash			<u>1,558</u>	
Total			<u>\$ 17,725</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 March 31, 2012, 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 March 2012, the pool has recorded, but not distributed \$2,268 of net securities lending income.

# Large Cap Domestic Equity Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 6. FUTURES CONTRACTS

At March 31, 2012, open positions in futures contracts were as follows:

<u>Expiration</u>	<u>Open Contracts</u>	<u>Position</u>	<u>Value at March 31, 2012</u>	<u>Value Upon Entering Contract</u>	<u>Unrealized Gain (Loss)</u>
Jun 2012	622 S&P 500	Long	<u>\$ 43,641</u>	<u>\$ 43,162</u>	<u>\$ 479</u>

At March 31, 2012, the Pool had pledged cash of \$1,856 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	0.20
Net realized and unrealized gain on investment transactions	<u>0.83</u>
Total from investment operations	<u>1.03</u>
Net asset value at March 31, 2012	<u>\$ 14.19</u>

**Time-weighted Total Return \*** 7.9%

**Supplemental Data:**

Net assets, end of period	\$ 2,241,172
Ratio to average net assets:	
Expenses **	0.12%
Net investment income **	2.12%
Portfolio turnover rate	41.71%

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

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



# 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 March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 981,548
Public Employees' Retirement System	867,331
State Police Death, Disability and Retirement Fund	90,908
Workers' Compensation Old Fund	73,902
West Virginia Retiree Health Benefit Trust	60,795
Revenue Shortfall Reserve Fund - Part B	25,740
Judges' Retirement System	25,170
Deputy Sheriff's Retirement System	22,727
West Virginia Prepaid Tuition Trust Fund	21,523
Coal Workers' Pneumoconiosis Fund	20,520
State Police Retirement System	14,991
Board of Risk and Insurance Management	10,844
Wildlife Endowment Fund	7,746
Public Employees Insurance Agency	7,178
Emergency Medical Services Retirement System	6,800
West Virginia Department of Environmental Protection Trust	1,850
Workers' Compensation Self-Insured Guaranty Risk Pool	845
Workers' Compensation Uninsured Employers' Fund	729
Municipal Police Officers' and Firefighters' Retirement System	25
Total	<u>\$ 2,241,172</u>



**Financial Statements - Unaudited**

**March 31, 2012**



# Non-Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited March 31, 2012

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# Non-Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	769,356
Collateral for securities loaned at fair value (Note 4)		46,008
Receivables:		
Investments sold		11,997
Dividends		591
Securities lending income		54
Foreign tax withholding		1
		<u>1</u>
<b>Total assets</b>		<b>828,007</b>

### Liabilities

Accrued expenses		299
Payable for investments purchased		218
Payable upon return of securities loaned (Note 4)		48,159
		<u>48,159</u>
<b>Total liabilities</b>		<b>48,676</b>
<b>Net assets</b>	<b>\$</b>	<b><u>779,331</u></b>

### Analysis of net assets

Paid-in capital	\$	523,240
Accumulated undistributed net investment income		35,250
Accumulated undistributed net realized gain from investments		106,735
Accumulated undistributed net realized loss from foreign currency transactions		(506)
Unrealized net appreciation of investments		114,612
		<u>114,612</u>
<b>Net assets</b>	<b>\$</b>	<b><u>779,331</u></b>

### Unit data

Units outstanding		41,396,723
Net asset value, unit price	\$	<u>18.83</u>

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b><u>Equity Securities</u></b>			
<i>Basic Materials</i>			
Airgas Inc	42,800	\$ 2,804	\$ 3,808
Alpha Natural Resources Inc	186,921	8,138	2,843
Buckeye Technologies Inc	45,700	930	1,552
Celanese Corp	125,990	3,525	5,818
Crown Holdings Inc	172,380	5,104	6,349
Cytec Industries Inc	30,400	1,735	1,848
Domtar Corporation	41,900	3,246	3,996
Eastman Chemical Company	62,200	3,232	3,215
Glatfelter PH Company	113,300	1,675	1,788
Neenah Paper Inc	55,500	1,043	1,651
Packaging Corp of America	215,660	5,939	6,381
Schulman A Inc	195,000	4,138	5,269
Schweitzer-Mauduit Intl Inc	75,300	4,950	5,200
Westlake Chemical Corporation	121,510	5,417	7,873
<i>Total Basic Materials - 7.4%</i>		51,876	57,591
<i>Capital Goods</i>			
Aegean Marine Petroleum Networ	217,700	1,618	1,504
AGCO Corporation	37,000	1,554	1,747
Alaska Air Group Inc	57,200	1,696	2,049
Alliant Techsystems Inc	60,300	3,730	3,022
Apollo Group	39,200	1,660	1,515
Applied Industrial Tech Inc	78,900	2,404	3,245
BE Aerospace Inc	165,835	4,437	7,706
Crane Company	128,720	4,547	6,243
Dycom Industries Inc	81,100	1,827	1,894
Foster Wheeler AG	119,700	2,778	2,724
Gardner Denver Inc	91,620	7,005	5,774
Harsco Corporation	82,300	2,219	1,931
Hubbell Inc	114,410	6,491	8,990
IDEX Corporation	134,340	3,940	5,660
ITT Educational Services Inc	38,400	2,979	2,540
KBR Inc	182,000	4,543	6,470
Landstar System Inc	134,490	5,292	7,763
NACCO Industries Inc	31,600	2,669	3,677
Oshkosh Truck Corporation	128,800	3,251	2,984
Ryder System Inc	142,050	7,367	7,500
Strayer Education Inc	27,400	2,179	2,583
Timken Company	212,440	9,029	10,779
Toro Company	50,500	3,102	3,591
TransDigm Group Inc	48,370	4,044	5,599
United Rentals Inc	146,610	3,632	6,288
URS Corp	75,400	2,952	3,206
Waste Connections Inc	185,190	4,764	6,024
WESCO International Inc	86,750	3,241	5,666
<i>Total Capital Goods - 16.5%</i>		104,950	128,674
<i>Communication Services</i>			
NII Holdings Inc	185,730	4,744	3,401
<i>Total Communication Services - 0.4%</i>		4,744	3,401
<i>Consumer Discretionary</i>			
Aaron Rents Inc	120,600	3,189	3,124
Aerpostale Inc	131,400	2,257	2,841
AMERCO	28,300	2,896	2,986
American Eagle Outfitters Inc	299,440	5,096	5,147
Ann Inc	119,800	3,122	3,431
Arctic Cat Inc	91,000	3,505	3,898
Asbury Automotive Group Inc	69,500	1,755	1,877
Ascena Retail Group Inc	49,000	2,042	2,172
Bridgepoint Education Inc	61,600	1,703	1,525

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Coinstar Inc	38,800	1,859	2,466
Copart Inc	90,600	2,104	2,362
DeVry Inc	85,060	3,243	2,881
Foot Locker Inc	408,170	8,535	12,674
Hertz Global Holdings Inc	503,170	6,101	7,568
Interpublic Group of Co Inc	164,600	1,809	1,878
Kirkland's Inc	110,300	1,867	1,785
Lear Corporation	40,000	1,884	1,860
Lithia Motors Inc	72,100	1,782	1,889
Men's Wearhouse Inc	20,400	685	791
Meritor Inc	305,500	1,545	2,465
Michael Kors Holdings Ltd	12,980	260	605
O'Reilly Automotive Inc	77,050	3,439	7,039
Signet Jewelers Ltd	123,290	4,464	5,829
Thor Industries Inc	58,000	1,897	1,830
Williams Sonoma Inc	167,250	6,274	6,269
Wyndham Worldwide Corporation	158,900	5,815	7,390
<i>Total Consumer Discretionary - 12.1%</i>		79,128	94,582
<i>Consumer Staples</i>			
Alliance One International Inc	320,000	970	1,206
Andersons, Inc	35,800	1,525	1,743
Cal-Maine Foods Inc	44,700	1,666	1,710
Dean Foods Company	257,900	2,606	3,123
Nash Fich Company	35,800	1,331	1,017
Ralcorp Holdings Inc	124,210	7,088	9,203
<i>Total Consumer Staples - 2.3%</i>		15,186	18,002
<i>Energy</i>			
Denbury Resources Inc	399,630	6,139	7,285
Enesco International PLC	79,170	3,297	4,190
Gran Tierra Energy	510,500	2,608	3,211
Nabors Industries Ltd	136,300	2,529	2,384
Patterson-UTI Energy Inc	116,600	2,130	2,016
Rowan Companies Inc	177,020	6,225	5,829
Sunoco Inc	116,300	4,605	4,437
Tesoro Petroleum Corporation	585,650	13,599	15,719
VAALCO Energy Inc	214,500	1,495	2,027
Western Refining Inc	87,300	1,662	1,643
<i>Total Energy - 6.3%</i>		44,289	48,741
<i>Financial Services</i>			
Advance America Cash Advance	167,200	962	1,754
Allied World Assurance	24,100	1,677	1,655
American Financial Group	70,000	1,741	2,701
AmTrust Financial Services Inc	118,800	2,173	3,193
Assurant Inc	142,500	4,693	5,771
Assured Guaranty Ltd	96,000	1,618	1,586
Banco Latinoamericano Export	164,100	2,831	3,464
Boston Private Finl Hldgs Inc	207,200	1,684	2,053
Brandywine Realty Trust	134,100	1,636	1,539
CapitalSource Inc	467,100	3,173	3,083
Capitol Federal Financial Inc	101,300	1,181	1,203
Cathay General Bancorp	97,900	1,702	1,733
Chemical Financial Corp	83,600	1,671	1,960
Citizens Republic Bancorp	43,100	538	673
City Holding Company	52,200	1,725	1,813
Columbia Banking System Inc	80,400	1,730	1,832
Comerica Inc	317,300	8,482	10,268
Commonwealth REIT	234,300	4,738	4,363
East West Bancorp Inc	129,900	2,422	2,999
Everest Re Group Ltd	67,610	5,478	6,255
EZCORP Inc	56,500	1,199	1,834

See accompanying notes to financial statements.



## Non-Large Cap Domestic Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
First Citizens BancShares Inc	9,900	1,724	1,809
First Republic Bank	209,960	6,417	6,916
FleetCor Technologies Inc	141,780	3,812	5,497
Hospitality Properties Trust	236,900	5,193	6,271
Huntington Bancshares Inc	805,800	4,662	5,193
Interactive Brokers Group Inc	297,500	4,786	5,058
International Bancshares Corp	251,300	5,057	5,315
Jones Lang LaSalle Inc	100,310	7,835	8,357
Lazard Ltd	174,910	4,751	4,995
Lincoln National Corp	89,400	1,509	2,357
Maiden Holdings Ltd	383,600	3,417	3,452
Nasdaq Stock Market Inc	152,600	3,148	3,952
National Health Investors Inc	61,600	2,181	3,005
Nelnet Inc	57,600	1,252	1,492
Net 1 UEPS Technologies Inc	232,500	2,966	2,102
Pacwest Bancorp	212,300	4,074	5,159
Penn Real Estate Invest Tst	116,100	1,691	1,773
Popular Inc	748,300	1,561	1,534
ProAssurance Corporation	28,800	1,998	2,538
Protective Life Corporation	103,100	2,522	3,054
PS Business Parks Inc	89,500	4,695	5,866
Raymond James Financial Inc	134,680	4,663	4,920
Regions Financial Corp	813,400	3,066	5,360
Reinsurance Group of America	109,900	6,565	6,536
Republic Bancorp Inc	38,600	712	923
Retail Opportunity Investments	125,200	1,405	1,507
Torchmark Corporation	33,800	1,124	1,685
Tower Group Inc	73,700	1,713	1,653
Triple-S Management Corp	72,200	1,685	1,668
Urstadt Biddle Properties	89,300	1,727	1,763
Washington Federal Inc	323,600	5,245	5,446
Winthrop Realty Trust	212,200	2,020	2,459
<i>Total Financial Services - 23.3%</i>		158,230	181,347
<i>Health Care</i>			
Community Health Systems Inc	137,300	2,425	3,054
Coventry Health Care Inc	222,050	5,647	7,898
DENTSPLY International Inc	219,550	7,577	8,811
Elan Corporation PLC	558,480	4,622	8,383
Health Net Inc	121,000	2,633	4,806
Hill-Rom Holdings Inc	105,460	3,377	3,523
IDEXX Laboratories Inc	38,953	2,820	3,406
Magellan Health Services Inc	63,000	2,850	3,075
Myriad Genetics Inc	178,600	3,859	4,226
PDL BioPharma Inc	753,300	4,443	4,791
PetMed Express Inc	291,300	3,052	3,606
Sun Healthcare Group Inc	271,500	1,749	1,857
Wellcare Health Plans Inc	25,200	714	1,811
<i>Total Health Care - 7.6%</i>		45,768	59,247
<i>Technology</i>			
Alliance Data Systems Corp	71,520	4,883	9,009
Amdocs Ltd	112,600	3,333	3,556
Avnet Inc	117,900	3,691	4,290
CACI International Inc	78,600	4,406	4,896
Calamos Asset Management	78,500	788	1,029
Capella Education Company	73,600	2,260	2,646
Cbeyond, Inc	203,000	1,589	1,624
IHS Inc	73,320	5,981	6,866
Informatica Corporation	153,740	7,909	8,133
Ingram Micro Inc	116,400	2,297	2,160
JDS Uniphase Corporation	326,670	4,257	4,733
Lihua International Inc	190,800	1,667	1,097

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
LSI Logic Corporation	674,900	4,846	5,858
Mettler-Toledo International	45,700	5,693	8,443
MSCI Inc	113,890	3,030	4,192
Neutral Tandem Inc	235,500	2,536	2,871
Nuance Communications Inc	224,520	3,651	5,743
NXP Semiconductor NV	137,020	2,371	3,646
ON Semiconductor Corp	365,430	2,912	3,293
Polycom Inc	134,850	2,586	2,572
Sanmina Corporation	137,000	1,560	1,569
Skyworks Solutions Inc	233,590	4,768	6,459
Synnex Corporation	56,000	1,627	2,136
Syntel Inc	66,000	3,119	3,696
Tech Data Corporation	72,200	3,128	3,918
Teradyne Inc	254,070	3,478	4,291
Unisys Corporation	187,900	3,865	3,705
United Online Inc	873,000	4,986	4,269
Xyratex Ltd	303,600	3,166	4,830
<i>Total Technology - 15.6%</i>		100,383	121,530
<i>Utilities</i>			
Alliant Energy Corp	102,400	3,339	4,437
American Water Works Co Inc	158,800	3,797	5,405
CMS Energy Corporation	139,500	2,930	3,069
El Paso Electric Company	94,100	2,202	3,057
NeuStar Inc	59,100	1,554	2,201
NV Energy Inc	125,500	1,937	2,023
OGE Energy Corp	86,400	3,190	4,622
Pinnacle West Capital Corp	115,300	4,973	5,524
PNM Resources	184,400	2,318	3,375
Portland General Electric Co	129,000	2,596	3,222
Vectren Corp	69,100	1,905	2,008
<i>Total Utilities - 5.0%</i>		30,741	38,943
Total Equity Securities - 96.5%		635,295	752,058
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 2.2%	17,297,641	17,298	17,298
Total Investment Securities - 98.7%		\$ 652,593	\$ 769,356
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 45,254	\$ 45,254
Mellon SL DBT II Liquidating Fund		774	754
Mellon GSL DBT II Liquidating Trust		2,131	-
Total Collateral for Securities Loaned		\$ 48,159	\$ 46,008

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

### Statement of Operations - Unaudited

Period Ended March 31, 2012\*

*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes	\$ 1,029	\$ 7,409
Securities lending income	8	79
Securities lending borrower premiums	59	322
Net shareholder litigation proceeds	9	132
Commission recapture	8	43
<b>Total investment income</b>	1,113	7,985
<b>Expenses</b>		
Investment advisor fees	(181)	(1,171)
Trustee fees	-	(2)
Custodian bank fees	(3)	(19)
Management fees	(19)	(167)
Fiduciary bond fees	-	(2)
Professional service fees	(4)	(31)
Securities lending agent fees	(13)	(71)
<b>Total expenses</b>	(220)	(1,463)
<b>Investment income, net</b>	893	6,522
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	9,428	34,211
Net increase (decrease) in the fair value of investments	4,132	(11,539)
<b>Net gain from investments</b>	13,560	22,672
<b>Net increase in net assets from operations</b>	\$ 14,453	\$ 29,194

*\*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 March 31, 2012\*

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 893	\$ 6,522
Net realized gain from investments	9,428	34,211
Net increase (decrease) in the fair value of investments	4,132	(11,539)
<b>Net increase in net assets from operations</b>	14,453	29,194
<b>Unit transactions</b>		
Proceeds from sale of units	-	73,734
Amount paid for repurchase of units	(26,574)	(56,720)
<b>Net increase (decrease) in net assets from unit transactions</b>	(26,574)	17,014
<b>Increase (decrease) in net assets</b>	(12,121)	46,208
<b>Net assets, beginning of period</b>	791,452	733,123
<b>Net assets, end of period</b>	\$ 779,331	\$ 779,331
<b>Unit data</b>		
Units sold	-	4,676,940
Units repurchased	(1,438,182)	(3,233,256)
<b>Net increase (decrease) in units</b>	(1,438,182)	1,443,684

*\*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 March 31, 2012.

### 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 752,058	\$ -	\$ -	\$ 752,058
Regulated investment companies	-	17,298	-	17,298
Securities lending collateral funds	-	46,008	-	46,008
Total	<u>\$ 752,058</u>	<u>\$ 63,306</u>	<u>\$ -</u>	<u>\$ 815,364</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at March 31, 2012.

Fair value of securities of loan	\$	47,080		
Initial collateral received:		Cost	Fair Value	Unrealized loss
Cash	\$	<u>48,159</u>	\$ 46,008	<u>\$ (2,151)</u>
Non-cash			-	
Total			<u>\$ 46,008</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 March 31, 2012, 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 March 2012, the pool has recorded, but not distributed \$1,465 of net securities lending income.

# Non-Large Cap Domestic 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	\$	18.35
Net investment income		0.16
Net asset value at March 31, 2012	\$	18.83

**Time-weighted Total Return \*** 2.6%

**Supplemental Data:**

Net assets, end of period	\$	779,331
Ratio to average net assets:		
Expenses **		0.26%
Net investment income **		1.21%
Portfolio turnover rate		86.89%

\* 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 March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 342,253
Public Employees' Retirement System	301,226
State Police Death, Disability and Retirement Fund	32,344
Workers' Compensation Old Fund	26,148
West Virginia Retiree Health Benefit Trust	21,530
Revenue Shortfall Reserve Fund - Part B	9,103
Judges' Retirement System	8,650
Deputy Sheriff's Retirement System	7,928
Coal Workers' Pneumoconiosis Fund	7,290
State Police Retirement System	5,181
West Virginia Prepaid Tuition Trust Fund	4,980
Board of Risk and Insurance Management	3,853
Wildlife Endowment Fund	2,753
Public Employees Insurance Agency	2,539
Emergency Medical Services Retirement System	2,345
West Virginia Department of Environmental Protection Trust	651
Workers' Compensation Self-Insured Guaranty Risk Pool	293
Workers' Compensation Uninsured Employers' Fund	255
Municipal Police Officers' and Firefighters' Retirement System	9
Total	\$ 779,331



**Financial Statements - Unaudited**

**March 31, 2012**



# International Qualified Pool

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## **Financial Statements - Unaudited March 31, 2012**

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# International Qualified Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	855,507
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### Liabilities

Accrued expenses		<u>51</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>855,456</u></b>
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### Analysis of net assets

Paid-in capital	\$	379,691
Accumulated undistributed net investment loss		(30,662)
Accumulated undistributed net realized gain from investments		25,668
Unrealized net appreciation of investments		<u>480,759</u>

<b>Net assets</b>	<b>\$</b>	<b><u>855,456</u></b>
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### Unit data

Units outstanding		20,623,537
Net asset value, unit price	\$	<u>41.48</u>

See accompanying notes to financial statements.

# International Qualified Pool

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## Schedule of Investments in Securities - Unaudited

March 31, 2012

(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 - 100.0%	12,167,657	\$ 374,748	\$ 855,507
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.			

See accompanying notes to financial statements.

## International Qualified Pool

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**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(369)	(3,225)
Trustee fees	-	(2)
Management fees	(22)	(196)
Fiduciary bond fees	(1)	(3)
Professional service fees	(4)	(36)
	<u>(396)</u>	<u>(3,462)</u>
<b>Total expenses</b>	<u>(396)</u>	<u>(3,462)</u>
<b>Investment loss, net</b>	(396)	(3,462)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	208	1,981
Net increase (decrease) in the fair value of investments	<u>2,193</u>	<u>(26,133)</u>
<b>Net gain (loss) from investments</b>	<u>2,401</u>	<u>(24,152)</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ 2,005</u>	<u>\$ (27,614)</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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (396)	\$ (3,462)
Net realized gain from investments	208	1,981
Net increase (decrease) in the fair value of investments	2,193	(26,133)
<b>Net increase (decrease) in net assets from operations</b>	2,005	(27,614)
<b>Unit transactions</b>		
Proceeds from sale of units	27	10,846
Amount paid for repurchase of units	-	(10,639)
<b>Net increase in net assets from unit transactions</b>	27	207
<b>Increase (decrease) in net assets</b>	2,032	(27,407)
<b>Net assets, beginning of period</b>	853,424	882,863
<b>Net assets, end of period</b>	\$ 855,456	\$ 855,456
<b>Unit data</b>		
Units sold	617	255,029
Units repurchased	-	(249,842)
<b>Net increase in units</b>	617	5,187

*\*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 March 31, 2012\***  
*(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	\$ 2,005	\$ (27,614)
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash used in operating activities:		
Proceeds from disposition of investment securities	369	3,607
Decrease in accrued expenses	-	(352)
Net realized gain from investments	(208)	(1,981)
Net decrease (increase) in the fair value of investments	(2,193)	26,133
	<u>(27)</u>	<u>(207)</u>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	27	10,846
Amount paid for repurchase of units	-	(10,639)
	<u>27</u>	<u>207</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 March 31, 2012.

### 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 March 31, 2012:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in other funds	<u>\$ -</u>	<u>\$ 855,507</u>	<u>\$ -</u>	<u>\$ 855,507</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

# International Qualified 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	\$	42.82
Income from investment operations:		
Net investment loss		(0.17)
Net realized and unrealized loss on investment transactions		(1.17)
Total from investment operations		(1.34)
Net asset value at March 31, 2012	\$	41.48

**Time-weighted Total Return \*** -3.2%

#### Supplemental Data:

Net assets, end of period	\$	855,456
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 March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 420,072
Public Employees' Retirement System	366,372
State Police Death, Disability and Retirement Fund	39,925
Judges' Retirement System	10,566
Deputy Sheriff's Retirement System	9,643
State Police Retirement System	6,101
Emergency Medical Services Retirement System	2,767
Municipal Police Officers' and Firefighters' Retirement System	10
Total	\$ 855,456



**Financial Statements - Unaudited**

**March 31, 2012**



# International Nonqualified Pool

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## **Financial Statements - Unaudited March 31, 2012**

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# International Nonqualified Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	93,444
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### Liabilities

Accrued expenses		<u>5</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>93,439</u></b>
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### Net assets

Paid-in capital	\$	42,177
Accumulated undistributed net investment loss		(3,978)
Accumulated undistributed net realized gain from investments		27,945
Unrealized net appreciation of investments		<u>27,295</u>

<b>Net assets</b>	<b>\$</b>	<b><u>93,439</u></b>
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### Unit data

Units outstanding		2,424,477
Net asset value, unit price	\$	<u>38.54</u>

See accompanying notes to financial statements.



# International Nonqualified Pool

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## Schedule of Investments in Securities - Unaudited

March 31, 2012

(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 - 100.0%	1,263,175	\$ 66,149	\$ 93,444
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.			

See accompanying notes to financial statements.

# International Nonqualified Pool

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## Statement of Operations - Unaudited

Period Ended March 31, 2012\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(52)	(459)
Management fees	(2)	(21)
Professional service fees	-	(4)
	<u>(54)</u>	<u>(484)</u>
<b>Total expenses</b>	<u>(54)</u>	<u>(484)</u>
<b>Investment loss, net</b>	(54)	(484)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	15	121
Net increase (decrease) in the fair value of investments	<u>202</u>	<u>(2,802)</u>
<b>Net gain (loss) from investments</b>	<u>217</u>	<u>(2,681)</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ 163</u>	<u>\$ (3,165)</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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (54)	\$ (484)
Net realized gain from investments	15	121
Net increase (decrease) in the fair value of investments	202	(2,802)
<b>Net increase (decrease) in net assets from operations</b>	163	(3,165)
<b>Unit transactions</b>		
Proceeds from sale of units	3	29,026
Amount paid for repurchase of units	-	(504)
<b>Net increase in net assets from unit transactions</b>	3	28,522
<b>Increase in net assets</b>	166	25,357
<b>Net assets, beginning of period</b>	93,273	68,082
<b>Net assets, end of period</b>	\$ 93,439	\$ 93,439
<b>Unit data</b>		
Units sold	72	730,006
Units repurchased	-	(14,162)
<b>Net increase in units</b>	72	715,844

*\*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 March 31, 2012\*

*(Amounts in thousands)*

	Month	Year To Date
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ 163	\$ (3,165)
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	52	459
Increase (decrease) in accrued expenses	(1)	3
Net realized gain from investments	(15)	(121)
Net decrease (increase) in the fair value of investments	(202)	2,802
<b>Net cash used in operating activities</b>	(3)	(28,522)
<b>Cash flows from financing activities</b>		
Proceeds from sale of units	3	29,026
Amount paid for repurchase of units	-	(504)
<b>Cash provided by financing activities</b>	3	28,522
<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.*

# 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

## 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 March 31, 2012.

### 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 March 31, 2012:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in other funds	\$ -	\$ 93,444	\$ -	\$ 93,444

There were no transfers in or out of Levels 1 and 2 for the period ended March 31, 2012.

# 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		(0.20)
Net realized and unrealized loss on investment transactions		(1.11)
Total from investment operations		(1.31)
Net asset value at March 31, 2012	\$	38.54

**Time-weighted Total Return \*** -3.3%

#### Supplemental Data:

Net assets, end of period	\$	93,439
Ratio to average net assets:		
Expenses **		0.73%
Net investment income **		-0.73%
Portfolio turnover rate		0.52%

\* 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 March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 31,790
West Virginia Retiree Health Benefit Trust	25,530
Revenue Shortfall Reserve Fund - Part B	10,558
Coal Workers' Pneumoconiosis Fund	8,761
West Virginia Prepaid Tuition Trust Fund	4,632
Board of Risk and Insurance Management	4,624
Wildlife Endowment Fund	3,339
Public Employees Insurance Agency	2,895
West Virginia Department of Environmental Protection Trust	644
Workers' Compensation Self-Insured Guaranty Risk Pool	355
Workers' Compensation Uninsured Employers' Fund	311
Total	\$ 93,439





**Financial Statements - Unaudited**

**March 31, 2012**



# International Equity Pool

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## **Financial Statements - Unaudited March 31, 2012**

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# International Equity Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,030,666
Collateral for securities loaned at fair value (Note 4)		95,985
Cash denominated in foreign currencies (cost \$12,477)		12,482
Receivables:		
Investments sold		3,902
Dividends		9,955
Securities lending income		79
Foreign tax withholding		1,293
Unrealized gain on foreign currency forward contracts (Note 5)		<u>2</u>
<b>Total assets</b>		<b>2,154,364</b>

### Liabilities

Accrued expenses		2,316
Payable for investments purchased		3,920
Payable upon return of securities loaned (Note 4)		99,334
Unrealized loss on foreign currency forward contracts (Note 5)		<u>1</u>
<b>Total liabilities</b>		<b><u>105,571</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>2,048,793</u></u></b>

### Analysis of net assets

Paid-in capital	\$	1,243,375
Accumulated undistributed net investment income		295,746
Accumulated undistributed net realized gain from investments		356,637
Accumulated undistributed net realized gain from foreign currency transactions		95,675
Unrealized net appreciation of investments		49,464
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		<u>7,896</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>2,048,793</u></u></b>

### Unit data

Units outstanding		95,161,745
Net asset value, unit price	\$	<u><u>21.53</u></u>

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited March 31, 2012

(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	\$ 1,231
Nortel Inversora SA	123,040	2,538	2,567
<i>Total Argentina - 0.2%</i>		4,072	3,798
<i>Australia</i>			
BlueScope Steel Ltd	1,549,600	4,967	634
Caltex Australia Ltd	415,600	4,159	5,980
Downer EDI Ltd	720,314	2,422	3,000
DUET Group	1,357,581	1,931	2,560
Flight Centre Ltd	57,227	1,258	1,304
Goodman Fielder Ltd	3,139,617	3,417	2,244
John Fairfax Holdings Ltd	1,863,870	2,569	1,400
Macquarie Group Ltd	278,000	6,160	8,375
Medusa Mining Ltd	383,713	2,483	2,003
Metcash Ltd	1,480,513	5,855	6,595
National Australia Bank Ltd	404,300	11,114	10,303
OneSteel Ltd	2,545,600	6,194	3,270
Rio Tinto Ltd	133,800	11,080	9,065
SAI Global Limited	485,186	2,565	2,513
Southern Cross Media Group	285,367	940	392
Telstra Corporation Ltd	1,738,800	5,111	5,926
Wotif.com Holdings Ltd	456,126	1,888	2,169
<i>Total Australia - 3.3%</i>		74,113	67,733
<i>Austria</i>			
Andritz AG	20,106	1,940	1,965
OMV AG	214,600	8,816	7,616
Voestalpine AG	137,600	4,958	4,620
<i>Total Austria - 0.7%</i>		15,714	14,201
<i>Belgium</i>			
Barco NV	22,300	1,603	1,609
Delhaize Le Lion SA	119,900	7,837	6,299
D'leteren SA NV	55,372	2,779	2,572
KBC Groep NV	113,900	5,008	2,853
Mobistar SA	39,818	2,493	1,981
Tessenderlo Chemie NV	65,300	2,990	2,177
<i>Total Belgium - 0.9%</i>		22,710	17,491
<i>Bermuda</i>			
African Minerals Ltd	182,213	1,661	1,613
China Yuchai International Ltd	226,207	3,831	3,590
Credicorp Ltd	26,100	2,372	3,441
Dickson Concepts Ltd	1,628,500	1,191	898
First Pacific Company Ltd	10,890,314	4,430	12,077
Haier Electronics Group	1,621,000	1,715	1,837
Peoples Food Holdings Ltd	13,272,000	10,065	6,017
Skworth Digital Holdings Ltd	5,046,000	2,429	2,359
Varitronix International Ltd	783,000	784	390
Yue Yuen Industrial Holdings	1,682,000	3,440	5,903
<i>Total Bermuda - 1.9%</i>		31,918	38,125
<i>Brazil</i>			
Banco Bradesco SA	126,300	2,383	2,210
Banco do Brasil SA	522,601	7,729	7,434
Banco do Estado do Rio Grande	705,400	5,052	7,617
Banco Santander Brasil SA	1,162,160	13,891	10,657
BRF-Brasil Foods SA	100,100	1,923	2,003
Centrais Elect de Sata Catarin	155,600	4,108	3,471
Centrais Eletricas Brasileiras	1,100,260	12,214	11,693
CETIP	129,200	2,011	2,146
CIA Paranaense De Energia	198,080	2,402	3,800
Companhia de Bebidas das Amer	69,700	2,227	2,880

See accompanying notes to financial statements.

# International Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Companhia de Saneamento	263,700	4,440	10,069
Companhia Energetica de Minas	235,600	3,794	5,632
Companhia Energetica do Ceara	218,650	3,704	4,777
Companhia Paranaense	148,020	2,928	3,480
Ecorodovias Infra E Log	260,900	2,122	2,281
Eletropaulo Metropolitana SA	134,600	2,452	2,833
Embraer SA	396,598	8,322	12,683
Gerdau SA	227,600	2,350	2,192
Inpar SA	2,577,740	4,582	3,575
Itau Unibanco Holding SA	341,820	6,120	6,560
Localiza Rent A Car	135,400	2,234	2,494
Marcopolo SA	447,300	1,922	2,293
Marfrig Frigorificos e Comerci	926,285	7,548	5,839
OGX Petroleo e Gas Participac	168,700	1,486	1,396
Oi SA	401,924	10,442	4,998
PDG Realty SA	259,000	1,386	896
Petroleo Brasileiro SA	1,209,472	28,997	23,026
Tele Norte Leste Participacoes	321,447	5,052	4,581
Telefonica Brasil	316,589	2,915	9,697
Tim Participacoes SA	277,760	4,568	8,961
Vale SA	477,000	13,045	10,934
<i>Total Brazil - 8.9%</i>		174,349	183,108
<i>Canada</i>			
Alimentation Couche-Tard Inc	127,900	1,812	4,191
ATCO Ltd	11,600	346	812
Canadian Imperial Bank	99,300	6,267	7,575
Celestica Inc	597,200	3,867	5,730
Cogeco Cable Inc	55,900	2,514	2,927
Ensign Energy Services Inc	215,500	3,383	3,215
Genworth MI Canada Inc	89,100	2,443	1,973
Laurentian Bank of Canada	83,174	2,496	3,861
Lundin Mining Corporation	699,600	2,492	3,129
Magna International Inc	164,000	8,605	7,804
Metro Inc	154,500	6,876	8,222
National Bank of Canada	100,800	5,026	8,005
Pacific Rubiales Energy Corp	91,500	2,387	2,668
Precision Drilling Corporation	410,600	4,276	4,116
Rogers Communications Inc	132,100	5,094	5,234
Sherritt International Company	604,400	3,606	3,290
Teck Corporation	187,800	6,177	6,691
Transcontinental Inc	239,200	3,637	2,984
Westjet Airlines LTD	275,500	3,515	3,735
<i>Total Canada - 4.2%</i>		74,819	86,162
<i>Cayman Islands</i>			
Baidu Inc	25,310	3,172	3,689
Belle International Holdings	1,334,500	2,455	2,396
Chaoda Modern Agricultures Ltd	19,491,636	12,313	25
Comba Telecom Systems Holdings	1,935,500	1,637	1,072
Daphne International Holdings	1,798,000	1,699	2,464
Kingboard Laminates Holding	3,250,500	2,844	1,536
Longking Holdings Ltd	10,369,000	3,897	3,646
New World Department Store	2,153,000	2,017	1,395
Tencent Holdings Ltd	86,400	2,225	2,410
TPK Holdings Co Ltd	71,600	1,628	1,158
VST Holdings Limited	6,194,000	1,847	1,492
Yingde Gases	2,890,500	3,104	3,284
<i>Total Cayman Islands - 1.2%</i>		38,838	24,567
<i>China</i>			
Bank of China Ltd	19,058,000	6,228	7,683
China Construction Bank Corp	7,004,100	5,851	5,413
China Merchants Bank	1,236,000	2,816	2,528
China Pet & Chem Cor (Sinopec)	8,680,000	7,227	9,458

See accompanying notes to financial statements.

# International Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
China South Locomotive	1,707,000	1,158	1,165
Chongqing Machinery & Electric	7,926,000	1,644	1,480
Dongfeng Motor Group Company	2,208,000	3,171	3,987
Great Wall Motor Company Ltd	4,665,999	3,450	9,075
Harbin Power Equipment Company	5,206,000	5,896	5,458
Jiangxi Copper Company Ltd	892,000	2,581	2,052
PetroChina Company Ltd	12,990	1,837	1,825
Sichuan Xinhua Winshare	6,391,000	1,553	3,375
Sinotrans Ltd	35,607,000	6,371	6,650
Weiqiao Textile Company Ltd	12,431,908	15,893	6,405
<i>Total China - 3.2%</i>		65,676	66,554
<i>Czech Republic</i>			
Telefonica O2 Czech Republic - 0.4%	386,860	8,973	8,084
<i>Denmark</i>			
D/S Norden A/S	69,847	2,446	2,075
Danske Bank A/S	144,600	3,042	2,446
DSV A/S	147,778	3,114	3,346
SimCorp A/S	17,397	2,254	3,036
<i>Total Denmark - 0.5%</i>		10,856	10,903
<i>Finland</i>			
Elisa Oyj	88,583	1,816	2,120
Huhtamaki	224,400	2,469	3,257
TietoEnator Oyj	171,000	4,238	3,209
<i>Total Finland - 0.4%</i>		8,523	8,586
<i>France</i>			
Altran Technologies SA	313,790	2,222	1,960
Axa	343,200	8,663	5,681
BNP Paribas	111,600	8,205	5,287
Compagnie Generale de Geophy	86,610	2,613	2,559
Credit Agricole SA	510,196	3,980	3,166
Etablissements Maurel et Prom	106,723	1,910	1,874
France Telecom SA	289,000	8,066	4,274
Ingenico SA	49,252	2,117	2,381
Ipsos	66,835	2,290	2,393
Rallye SA	35,300	2,308	1,324
Sanofi-Synthelabo SA	217,400	14,899	16,858
SCOR SE	234,848	5,793	6,336
Teleperformance	87,475	3,001	2,496
Total SA	232,600	14,724	11,845
Valeo SA	151,663	6,798	7,941
Vivendi Universal	491,700	14,198	9,010
<i>Total France - 4.2%</i>		101,787	85,385
<i>Germany</i>			
ADVA AG Optical Networking	280,171	1,926	2,004
Allianz AG	67,400	9,038	8,031
BASF AG	100,500	4,292	8,778
Bayer AG	103,100	5,498	7,241
Deutsche Bank AG	96,600	8,016	4,799
Deutsche Post AG	338,800	4,756	6,513
E.On AG	252,600	7,276	6,042
Fielmann AG	24,274	2,423	2,330
Fuchs Petrolub AG	69,948	1,692	3,910
GEA Group AG	29,588	672	1,019
Kabel Deutschland Holding AG	60,979	3,313	3,761
Krones AG	42,184	2,200	2,113
Muenchener Rueckversicherungs	51,800	8,810	7,798
MUT Aero Engines Holding AG	37,939	2,786	3,051
Pfeiffer Vacuum Technology AG	22,681	1,492	2,566
Rheinmetall AG	35,322	2,095	2,088
RWE AG	83,300	6,579	3,972

See accompanying notes to financial statements.

# International Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Symrise AG	61,627	1,501	1,781
ThyssenKrupp AG	146,200	3,770	3,634
TUI AG	354,304	3,152	2,631
Volkswagen AG	68,000	8,689	10,948
<i>Total Germany - 4.6%</i>		89,976	95,010
<i>Greece</i>			
Alapis Holding Ind & Commer	46,477	1,132	3
Alpha Bank AE	91,300	2,833	119
Hellenic Petroleum SA	43,638	608	337
<i>Total Greece - 0.0%</i>		4,573	459
<i>Hong Kong</i>			
Beijing Enterprises Holdings	323,500	1,788	1,973
China Mobile (Hong Kong) Ltd	1,567,000	14,942	17,246
China Resources Power	4,626,500	8,339	8,569
China Taiping Insurance	752,400	1,484	1,471
Citic Pacific Ltd	2,143,000	4,154	3,610
CNOOC Ltd	2,119,000	4,706	4,356
Erste Group Bank AG	268,167	11,163	6,175
Esprit Holding Ltd	818,200	993	1,644
Fushan Intl Energy Group Ltd	1,770,000	635	600
Galaxy Entertainment Group	956,000	2,045	2,641
Global Bio-Chem Technology	1,824,000	429	357
Oriental Watch Holdings	3,382,000	1,724	1,442
Xinyi Glass Holdings Co Ltd	2,556,000	1,475	1,560
<i>Total Hong Kong - 2.5%</i>		53,877	51,644
<i>Hungary</i>			
Magyar Telekom - 0.5%	3,864,270	15,829	10,085
<i>India</i>			
Ashok Leyland Ltd	5,364,700	2,817	3,196
Aurobindo Pharma	752,050	2,904	1,757
Dr. Reddy's Laboratories	66,700	2,262	2,305
Grasim Industries Limited	78,900	4,315	4,080
HDFC Bank Ltd	124,600	3,941	4,249
Indiabulls Financial Services	1,075,300	3,920	4,371
Indian Oil Corporation Ltd	504,995	2,765	2,604
Maruti Suzuki India Ltd	84,446	2,189	2,239
McLeod Russel India Ltd	346,493	2,094	1,846
Patni Computer Systems Ltd	29,654	621	560
Reliance Infrastructure Ltd	1,530,315	15,967	17,640
Tata Motors Ltd	230,600	5,851	6,219
<i>Total India - 2.5%</i>		49,646	51,066
<i>Indonesia</i>			
Bank Rakyat Indonesia	2,374,000	1,702	1,804
Semen Gresik (Persero) TBK	2,285,400	2,532	3,062
Timah Tbk PT	15,188,000	3,182	3,089
United Tractors TBK	528,000	1,428	1,906
<i>Total Indonesia - 0.5%</i>		8,844	9,861
<i>Ireland</i>			
Irish Life & Permanent Group	398,100	6,377	23
Total Produce PLC	82,700	92	50
<i>Total Ireland - 0.0%</i>		6,469	73
<i>Israel</i>			
Bank Leumi Le-Israel	976,800	3,243	3,077
Bezeq Israeli Telecommunicatio	795,078	1,130	1,306
Israel Discount Bank	1,644,552	3,628	2,177
Partner Communications Company	472,472	8,118	3,645
Syneron Medical Ltd	259,721	2,711	2,784

See accompanying notes to financial statements.



# International Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Teva Pharmaceutical Ltd	171,700	6,922	7,594
<i>Total Israel - 1.0%</i>		25,752	20,583
<i>Italy</i>			
Amplifon SpA	391,141	1,878	2,016
Banca Popolare di Milano Scarl	4,186,218	2,775	2,326
Enel SpA	1,254,800	6,552	4,532
ENI SpA	424,300	11,514	9,939
Finmeccanica SpA	276,900	4,130	1,497
Lottomatica SPA	75,285	1,434	1,428
Piaggio & C SPA	488,153	1,562	1,433
Pirelli & Company SpA	329,446	2,381	3,913
Prysmian SpA	113,818	1,845	1,998
Sorin SPA	858,072	1,724	1,605
<i>Total Italy - 1.5%</i>		35,795	30,687
<i>Japan</i>			
77 Bank Ltd	442,000	2,068	1,960
Aeon Delight Company Ltd	94,851	1,640	2,010
Asahi Kasei Corp	918,000	5,625	5,700
Brother Industries Ltd	227,200	3,214	3,098
Century Leasing System Inc	214,200	2,725	4,349
Circle K Sunkus Company Ltd	111,900	1,592	2,408
Coca-Cola West Company	113,100	2,046	1,994
Cocokara Fine Holdings Inc	80,100	2,067	2,537
Daiseki Company Ltd	94,260	1,864	1,756
Disco Corp	47,600	2,483	2,646
Don Quijote Co Ltd	71,400	2,507	2,607
Eizo Nannao Corporation	51,700	1,645	1,112
Foster electric Company Ltd	104,300	1,645	1,534
GEO Corporation	1,800	1,846	2,137
Hanwa Company Ltd	600,000	3,094	2,741
Heiwa Corporation	127,000	2,154	2,565
Hitachi Capital Corporation	67,400	608	1,009
Hitachi Metals Ltd	205,000	2,414	2,561
Hoshizaki Electric Company Ltd	102,496	1,667	2,431
Itochu Corp	499,000	3,527	5,475
Itochu Techno-Science Corp	86,200	2,686	3,881
Japan Petroleum Exploration Co	56,600	2,385	2,651
JSR Corporation	137,186	2,461	2,777
JTEKT Corporation	203,100	1,991	2,446
JVC Kenwood Holdings	481,500	2,007	2,147
JX Holdings Inc	958,421	6,146	5,974
KDDI Corporation	1,100	5,634	7,164
Keihin Corporation	160,500	1,387	2,988
Keiyo Bank Ltd	283,007	1,380	1,365
Konica Corporation	317,000	2,250	2,785
Kyorin Co Ltd	109,000	2,005	2,075
Kyowa Exeo Corporation	239,500	2,147	2,168
Marubeni Corporation	654,800	2,948	4,750
Matsumotokiyoshi Holdings Co	167,400	3,080	3,651
Megmilk Snow Brand Co Ltd	110,800	2,142	2,079
Miraca Holdings Inc	144,700	3,107	5,679
Mitsubishi Tokyo Finl Grp Inc	1,467,600	6,590	7,347
Mitsui & Company Ltd	422,100	7,215	6,960
Mizuho Financial Grp Inc	4,206,600	8,886	6,901
Musashi Seimitsu Industry Co	97,731	2,483	2,342
NGK Insulators LTD	194,000	2,383	2,784
Nippon Denko Company Ltd	306,000	1,453	1,506
Nippon Telegraph & Telephone	188,900	8,428	8,619
NTT DoCoMo	5,500	8,422	9,183
Otsuka Holdings Co Ltd	29,500	865	878
Pola Orbis Holdings Inc	94,200	2,285	2,827
Sankyo Company Ltd	48,400	2,199	2,388
Sapporo Hokuyo Holdings Inc	705,600	3,211	2,615

See accompanying notes to financial statements.

# International Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Sapporo Holdings Ltd	649,341	2,678	2,414
Seino Holdings Corporation Ltd	330,000	1,730	2,398
Shimadzu Corporation	277,000	2,361	2,514
Sumitomo Corporation	783,000	10,541	11,379
Sumitomo Mitsui Financial Grp	191,100	5,996	6,323
Sundrug Co Ltd	76,600	2,055	2,383
THK Co Ltd	92,514	1,931	1,892
Toagosei Company Ltd	602,000	2,621	2,787
Tokyo Tatemono Company Ltd	640,700	2,388	2,608
Toshiba Plant Sys & Ser Corp	264,695	2,993	3,062
Toyo Suisan Kaisha Ltd	155,000	3,220	4,048
United Urban Investment Corp	2,133	2,379	2,449
Yaskawa Electric Corporation	203,000	1,661	1,919
Yodogawa Steel Works Ltd	512,000	2,194	2,246
Yokogawa Electric Corp	271,700	2,362	2,763
Yokohama Rubber Company Ltd	433,000	2,232	3,136
<i>Total Japan - 10.5%</i>		193,949	215,881
<i>Korea</i>			
BS Financial Group Inc	637,660	3,510	7,485
E-Mart Co Ltd	2,539	656	560
GS Holdings Corp	35,323	2,463	2,023
Hana Financial Group	175,280	6,605	6,606
Hyundai Motor Co Ltd	19,690	4,048	4,049
Hyundai Motor Company	207,252	9,760	12,402
Hyundai Securities Co Ltd	341,900	2,955	3,183
Industrial Bank of Korea (IBK)	305,000	5,052	3,701
KB Financial Group Inc	317,246	13,783	11,595
Korea Electric Power Corp	333,948	9,158	6,602
Korea Exchange Bank	656,100	7,827	5,015
KT Corporation	112,800	4,761	3,131
LG Chemical Ltd	7,881	2,997	2,574
LG Electronics Inc	32,293	2,612	2,360
Lotte Chilsung Beverage Co	9,274	8,198	9,953
Lotte Confectionery Co Ltd	1,417	1,520	2,075
NHN Corporation	11,912	2,336	2,733
Posco	50,377	15,184	12,440
Samsung Electronics Co Ltd	15,327	11,325	17,247
Samsung Engineering Co	11,437	2,514	2,443
Samsung Heavy Industries	74,350	2,700	2,477
Shinhan Financial Group	254,130	10,007	9,813
SK Holdings Co Ltd	31,100	2,711	4,049
SK Telecom Company Ltd	83,000	11,227	10,219
<i>Total Korea - 7.1%</i>		143,909	144,735
<i>Luxembourg</i>			
Ternium - 0.1%	46,470	893	1,100
<i>Malaysia</i>			
Axiata Group Berhad	1,415,800	2,341	2,403
Petronas Chemicals Group	372,900	842	820
Sime Darby Berhad	716,200	2,343	2,277
<i>Total Malaysia - 0.3%</i>		5,526	5,500
<i>Mauritius</i>			
Golden Agri-Resources Ltd - 0.1%	3,189,779	1,217	1,991
<i>Mexico</i>			
Alfa SA A Shares	453,400	2,692	6,513
America Movil	304,833	7,251	7,569
Cemex SAB de CV	1,380,202	10,301	10,710
Fibra Uno Administracion SA	3,692,834	6,052	7,261
Fomento Economico Mexicano SAB	28,790	1,922	2,369
Grupo Financiero Banorte	714,100	3,085	3,176
Grupo Televisa MM	1,368,013	5,172	5,780

See accompanying notes to financial statements.

# International Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Grupo Televisa SA	122,200	2,708	2,576
<i>Total Mexico - 2.2%</i>		39,183	45,954
<i>Netherlands</i>			
Aegon NV	879,800	7,090	4,879
ASM International NV	89,050	1,949	3,421
Delta Lloyd NV	150,800	3,505	2,647
Koninklijke (Royal) KPN NV	569,500	8,070	6,255
Koninklijke Ahold NV	577,000	7,790	7,984
Koninklijke DSM NV	139,700	5,192	8,071
Nutreco Holding NV	58,914	3,308	4,230
Nutreco Holding NV Rights	58,914	-	-
<i>Total Netherlands - 1.8%</i>		36,904	37,487
<i>New Zealand</i>			
Chorus Ltd	402,320	943	1,220
Telecom Corp of New Zealand	2,030,560	3,134	4,035
<i>Total New Zealand - 0.3%</i>		4,077	5,255
<i>Norway</i>			
Cermaq ASA	178,900	2,702	2,352
DNB Holding ASA	230,200	3,057	2,954
Marine Harvest	3,035,738	2,208	1,565
StatoilHydro ASA	275,900	7,095	7,478
Stolt-Nielsen Ltd	96,500	2,011	1,827
TGS Nopec Geophysical Company	112,649	1,434	3,083
Veidekke ASA	272,143	2,467	2,309
<i>Total Norway - 1.1%</i>		20,974	21,568
<i>Pakistan</i>			
Nishat Mills Ltd - 0.1%	1,831,640	2,114	1,113
<i>Panama</i>			
Banco Latinoamericano de Exp	604,261	9,560	12,756
Copa Holdings	54,000	3,531	4,277
<i>Total Panama - 0.8%</i>		13,091	17,033
<i>Philippines</i>			
First Philippine Holdings Corp	2,879,117	1,819	4,349
Metropolitan Bank & Trust Co	1,792,429	2,903	3,647
<i>Total Philippines - 0.4%</i>		4,722	7,996
<i>Poland</i>			
KGHM Polska Miedz - 0.3%	154,400	5,140	7,084
<i>Portugal</i>			
Banco Espirito Santo - 0.1%	675,000	3,718	1,231
<i>Russia</i>			
Fed Hydro (RusHydro) ADR	1,624,023	6,222	5,954
Gazprom	1,169,750	12,328	14,271
Lukoil	424,177	25,568	25,777
Magnit	120,710	3,352	3,517
MMC Norilsk Nickel	402,961	6,648	7,374
Mobile TeleSystems	274,700	3,923	5,038
NovaTek OAO	16,832	2,148	2,281
OAO TMK	133,224	1,622	1,785
Sberbank	1,433,655	4,640	4,631
<i>Total Russia - 3.4%</i>		66,451	70,628
<i>Singapore</i>			
ComfortDelGro Corporation	1,329,000	1,449	1,649
DBS Group Holdings Ltd	429,000	3,783	4,838
Flextronics International Ltd	1,736,940	8,107	12,541
Haw Par Corporation Ltd	532,000	2,330	2,547

See accompanying notes to financial statements.

# International Equity Pool

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

**March 31, 2012**

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Hong Leong Asia Ltd	1,164,000	2,220	1,801
Venture Corp Ltd	157,000	800	1,064
<i>Total Singapore - 1.2%</i>		18,689	24,440
<i>South Africa</i>			
Astral Foods Ltd	161,900	2,256	2,637
Barloworld Ltd	191,571	2,139	2,496
Clicks Group Ltd	421,240	2,432	2,455
Exxaro Resources Ltd	85,496	2,062	2,207
FirstRand Ltd	1,157,098	3,286	3,573
Imperial Holdings Ltd	559,760	3,787	11,305
Metropolitan Holdings Ltd	1,946,300	3,206	4,491
MTN Group Ltd	620,520	9,381	10,917
Nampak Ltd	1,627,100	3,355	4,919
<i>Total South Africa - 2.2%</i>		31,904	45,000
<i>Spain</i>			
Banco Santander Ctrl Hisp SA	763,400	8,451	5,866
Bolsas y Mercados Espanoles	67,027	1,777	1,716
Repsol SA	282,500	8,211	7,076
Telefonica SA	332,800	7,121	5,445
Viscofan SA	72,202	2,521	3,226
<i>Total Spain - 1.1%</i>		28,081	23,329
<i>Sweden</i>			
Alliance Oil Company Ltd	138,862	2,326	1,528
Boliden AB	577,000	8,085	9,035
Meda AB	274,998	2,284	2,615
NCC AB	212,300	3,788	4,463
<i>Total Sweden - 0.9%</i>		16,483	17,641
<i>Switzerland</i>			
Baloise Holding Ltd	73,300	4,946	5,896
BKW SA	30,721	1,946	1,101
Credit Suisse Group	254,400	11,023	7,242
DKSH Holdings Ltd	31,112	1,666	1,664
Informa PLC	567,571	2,543	4,004
Kuoni Reisen Holding AG	8,489	2,880	3,118
Novartis AG	266,800	10,898	14,747
Partners Group Holding AG	14,487	1,431	2,823
Roche Holding AG	78,600	11,321	13,662
Swiss Re Ltd	78,300	3,982	4,994
Zurich Financial Services AG	28,300	6,612	7,596
<i>Total Switzerland - 3.3%</i>		59,248	66,847
<i>Taiwan</i>			
Catcher Technology Co Ltd	168,000	1,220	1,187
Chinatrust Financial Holding Rights	202,492	-	15
Chinatrust Financial Holding	4,375,583	3,331	2,750
Chipbond Technology Corp	1,946,900	2,454	2,523
Compal Electronics Inc	15,114,938	14,094	17,002
Gigabyte Technology Company	2,968,000	2,206	2,494
Hon Hai Precision Industry Co	1,222,000	3,536	4,741
Largan Precision Co Ltd	36,000	1,005	707
Lite-On-It Corp	2,747,000	2,565	2,899
Novatek Microelectronics Corp	3,842,000	9,282	11,703
Taiwan Prosperity Chemical	1,410,600	5,642	3,972
Taiwan Semiconductor	359,000	4,567	5,486
Wistron Corporation	3,238,000	3,847	4,882
<i>Total Taiwan - 2.9%</i>		53,749	60,361
<i>Thailand</i>			
Banpu Public Company Ltd	133,400	2,992	2,629
Kasikornbank Public Co Ltd	636,300	2,448	3,176
Krung Thai Bank Public Co Ltd	16,010,900	4,677	9,082

See accompanying notes to financial statements.

# International Equity Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
PTT PLC	253,100	2,739	2,904
<i>Total Thailand - 0.9%</i>		12,856	17,791
<i>Turkey</i>			
Dogus Otomotiv Servis	828,060	1,859	2,387
Ford Otomotiv Sanayi AS	398,700	3,789	3,757
Koza Altin Isletmeleri AS	168,700	2,432	3,198
Selcuk Exza Deposu Ticaret AS	3,454,524	4,463	3,468
Türkiye Garanti Bankasi AS	1,899,910	6,983	7,523
Türkiye Sinai Kalkinma Bank	1,421,432	1,987	1,786
Türkiye Vakiflar Bankasi T-D	4,234,600	4,474	8,028
<i>Total Turkey - 1.5%</i>		25,987	30,147
<i>United Arab Emirates</i>			
Air Arabia - 0.5%	49,680,491	9,983	9,685
<i>United Kingdom</i>			
Afren PLC	1,234,960	2,577	2,632
Arcos Dorados Holdings Inc	91,300	2,139	1,652
AstraZeneca Group PLC	424,400	18,737	18,844
Aviva PLC	814,200	6,345	4,312
Babcock International Group	309,037	3,220	3,933
Barclays PLC	1,178,654	9,498	4,430
Barratt Developments PLC	1,369,756	2,637	3,086
BBA Aviation PLC	828,708	2,472	2,834
BP Amoco PLC	2,203,400	18,852	16,284
British Aerospace PLC	1,491,800	7,408	7,148
BT Group PLC	3,380,900	9,759	12,230
Cable & Wireless Communication	7,168,000	4,198	3,698
Computacenter PLC	900,800	3,344	6,347
Cookson Group PLC	268,428	1,887	2,964
Daily Mail & General Trust PLC	414,887	2,428	2,993
Debenhams PLC	3,379,730	3,475	4,363
Derwent London PLC	81,657	2,003	2,277
Domino Printing Sciences	244,731	2,518	2,182
Drax Group PLC	434,000	4,706	3,776
Enquest PLC	1,468,233	2,805	2,958
GlaxoSmithKline PLC	374,400	7,614	8,354
Greene King PLC	72,815	343	597
HSBC Bank Plc	73,700	1,243	1,272
Hunting PLC	240,686	2,175	3,644
IG Group Holdings PLC	429,785	2,125	3,090
Inchcape PLC	603,600	2,657	3,628
International Personal Finance	403,472	1,530	1,728
J Sainsbury PLC	1,464,800	7,455	7,286
Jazztel PLC	317,032	1,985	2,054
Legal & General Group PLC	2,319,500	4,876	4,844
Logica PLC	2,046,300	2,035	3,256
Mail.ru Group Ltd	36,383	1,423	1,435
Marston's PLC	893,188	2,333	1,400
Meggitt PLC	309,773	684	1,999
Melrose PLC	534,768	2,420	3,615
Mitchells & Butlers PLC	643,849	3,211	2,780
Mondi PLC	779,100	5,721	7,338
Old Mutual PLC	2,992,800	6,274	7,584
Premier Farnell PLC	628,144	1,924	2,154
Premier Oil PLC	550,263	2,566	3,449
Royal & Sun Alliance Insurance	1,524,400	2,770	2,548
Royal Dutch Shell B Shares	689,200	19,372	24,220
RPS Group PLC	684,658	1,671	2,594
Spectris PLC	137,083	1,851	3,949
Spirax-Sarco Engineering	87,048	1,962	2,905
Spirent Communications PLC	1,223,705	2,175	3,138
St. James Place PLC	492,611	1,753	2,779
Thomas Cook Group	959,500	3,433	345

See accompanying notes to financial statements.

# International Equity Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
Vodafone Group PLC	2,467,200	5,000	6,788
William Morrison Supermarkets	1,471,000	6,991	7,015
<i>Total United Kingdom - 11.5%</i>		218,580	236,731
<i>United States</i>			
Cognizant Tech Solutions A	45,100	3,087	3,470
First Cash Finl Svcs Inc	35,600	1,399	1,527
<i>Total United States - 0.2%</i>		4,486	4,997
Total Equities - 97.9%		1,945,023	2,005,690
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 1.2%	24,976,062	24,976	24,976
Total Investment Securities - 99.1%		\$ 1,969,999	\$ 2,030,666
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 94,411	\$ 94,411
Mellon SL DBT II Liquidating Fund		1,618	1,574
Mellon GSL DBT II Liquidating Trust		3,305	-
Total Collateral for Securities Loaned		\$ 99,334	\$ 95,985

*See accompanying notes to financial statements.*

# International Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes	\$ 8,289	\$ 35,297
Interest	-	5
Securities lending income	16	118
Securities lending borrower premiums	81	820
Net shareholder litigation process	-	3
Commission recapture	1	4
<b>Total investment income</b>	8,387	36,247
<b>Expenses</b>		
Investment advisor fees	(1,021)	(8,005)
Trustee fees	(1)	(5)
Custodian bank fees	(78)	(523)
Management fees	(52)	(419)
Fiduciary bond fees	-	(5)
Professional service fees	(10)	(77)
Securities lending agent fees	(19)	(156)
<b>Total expenses</b>	(1,181)	(9,190)
<b>Investment income, net</b>	7,206	27,057
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain from:		
Investments	7,429	14,053
Foreign currency transactions	449	3,886
Net decrease in the fair value of:		
Investments	(22,176)	(88,436)
Translation of assets and liabilities in foreign currencies	(22,494)	(83,597)
<b>Net loss from investments and foreign currency</b>	(36,792)	(154,094)
<b>Net decrease in net assets from operations</b>	\$ (29,586)	\$ (127,037)

*\*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 March 31, 2012\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 7,206	\$ 27,057
Net realized gain from investments	7,429	14,053
Net realized gain from foreign currency transactions	449	3,886
Net decrease in the fair value of investments	(22,176)	(88,436)
Net decrease in the translation of assets and liabilities in foreign currencies	(22,494)	(83,597)
	<b>Net decrease in net assets from operations</b>	<b>(127,037)</b>
<b>Unit transactions</b>		
Proceeds from sale of units	12,609	366,423
Amount paid for repurchase of units	(88)	(37,238)
	<b>Net increase in net assets from unit transactions</b>	<b>329,185</b>
	<b>Increase (decrease) in net assets</b>	<b>202,148</b>
	<b>Net assets, beginning of period</b>	<b>1,846,645</b>
	<b>Net assets, end of period</b>	<b>\$ 2,048,793</b>
<b>Unit data</b>		
Units sold	577,316	18,340,028
Units repurchased	(3,984)	(1,655,950)
	<b>Net increase in units</b>	<b>16,684,078</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

## 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 March 31, 2012.

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.

## International Equity Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

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

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 2,005,690	\$ -	\$ -	\$ 2,005,690
Regulated investment companies	-	24,976	-	24,976
Foreign currency forward contracts	-	2	-	2
Securities lending collateral funds	-	95,985	-	95,985
Total	<u>\$ 2,005,690</u>	<u>\$ 120,963</u>	<u>\$ -</u>	<u>\$ 2,126,653</u>
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (1)</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at March 31, 2012.

Fair value of securities on loan	\$	94,262		
Initial collateral received:		Cost	Fair Value	Unrealized loss
Cash	\$	<u>99,334</u>	\$ 95,985	<u>\$ (3,349)</u>
Non-cash			-	
Total			<u>\$ 95,985</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 March 31, 2012 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 March 2012, the pool has recorded, but not distributed \$4,985 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 March 31, 2012, 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	British Pound vs. Japanese Yen	03/30/2012	04/03/2012	319	\$ 509	41,860	\$ 509	\$ -
Long	Euro Currency Unit vs. Japanese Yen	03/29/2012	04/02/2012	26	35	2,862	35	-
Long	Hong Kong Dollar	03/29/2012	04/02/2012	69	9		9	-
Long	Hong Kong Dollar vs. Canadian Dollar	03/30/2012	04/03/2012	383	49	49	49	-
Long	Indonesian Rupiah	03/28/2012	04/02/2012	136,651	15		15	-
Long	Indonesian Rupiah	03/29/2012	04/03/2012	116,572	13		13	-
Long	Indonesian Rupiah	03/30/2012	04/04/2012	744,766	81		81	-
Long	Japanese Yen	03/28/2012	04/02/2012	11,292	137		136	1
Long	Japanese Yen	03/29/2012	04/03/2012	11,496	140		140	-
Long	Japanese Yen vs. Canadian Dollar	03/30/2012	04/04/2012	4,634	56	56	56	-
Long	Japanese Yen vs. Euro Currency Unit	03/30/2012	04/02/2012	9,428	115	86	115	-
Long	Japanese Yen vs. Hong Kong Dollar	03/29/2012	04/02/2012	3,354	41	317	41	-
Long	Japanese Yen vs. Hong Kong Dollar	03/30/2012	04/03/2012	35,618	433	3,359	433	-
Long	South Korean Won	03/29/2012	04/02/2012	198,887	176		176	-
Long	New Taiwan Dollar	03/29/2012	04/02/2012	16,694	566		567	(1)
Long	Swiss Franc vs. Japanese Yen	03/29/2012	04/02/2012	84	93	7,668	93	-
Long	Swiss Franc vs. Japanese Yen	03/30/2012	04/03/2012	201	222	18,295	222	-
Short	Brazil Real	03/29/2012	04/02/2012		5	9	5	-
Short	Canadian Dollar	03/30/2012	04/03/2012		140	139	139	1
Short	Canadian Dollar	03/30/2012	04/03/2012		13	13	13	-
Short	Canadian Dollar	03/30/2012	04/04/2012		81	81	81	-
Short	Hong Kong Dollar	03/29/2012	04/02/2012		390	3,025	390	-
Short	Japanese Yen	03/30/2012	04/02/2012		-	27	-	-
Short	Japanese Yen	03/30/2012	04/02/2012		-	14	-	-
Short	Japanese Yen	03/30/2012	04/02/2012		2	147	2	-
Short	Japanese Yen	03/30/2012	04/02/2012		2	148	2	-
Short	Japanese Yen	03/30/2012	04/02/2012		1	84	1	-
					<u>\$ 3,324</u>		<u>\$ 3,323</u>	<u>\$ 1</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.

# International Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 6. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2011	\$ 23.53
Income from investment operations:	
Net investment income	0.31
Net realized and unrealized loss on investment transactions	(1.39)
Net realized gain from foreign currency transactions	0.05
Net decrease in the translation of assets and liabilities in foreign currencies	(0.97)
Total from investment operations	(2.00)
Net asset value at March 31, 2012	\$ 21.53

**Time-weighted Total Return \*** -8.4%

**Supplemental Data:**

Net assets, end of period	\$2,048,793
Ratio to average net assets:	
Expenses **	0.68%
Net investment income **	2.03%
Portfolio turnover rate	46.05%

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

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

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 900,670
Public Employees' Retirement System	795,973
State Police Death, Disability and Retirement Fund	84,191
Workers' Compensation Old Fund	68,340
West Virginia Retiree Health Benefit Trust	56,232
Revenue Shortfall Reserve Fund - Part B	24,084
Judges' Retirement System	22,800
Deputy Sheriff's Retirement System	21,005
Coal Workers' Pneumoconiosis Fund	19,000
State Police Retirement System	13,900
Board of Risk and Insurance Management	10,056
West Virginia Prepaid Tuition Trust Fund	9,530
Wildlife Endowment Fund	7,235
Public Employees Insurance Agency	6,720
Emergency Medical Services Retirement System	6,294
West Virginia Department of Environmental Protection Trust	1,298
Workers' Compensation Self-Insured Guaranty Risk Pool	778
Workers' Compensation Uninsured Employers' Fund	663
Municipal Police Officers' and Firefighters' Retirement System	24
Total	\$ 2,048,793

**Financial Statements - Unaudited**

**March 31, 2012**





# Short-Term Fixed Income Pool

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## Financial Statements - Unaudited March 31, 2012

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# Short-Term Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at amortized cost	\$	236,131
Accrued interest receivable		<u>26</u>
<b>Total assets</b>		<b>236,157</b>

### Liabilities

Accrued expenses		37
Payable for investments purchased		<u>5,999</u>
<b>Total liabilities</b>		<b><u>6,036</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>230,121</u></u></b>

### Analysis of net assets

Paid-in capital	\$	230,072
Accumulated undistributed net realized gain from investments		<u>49</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>230,121</u></u></b>

### Unit data

Units outstanding		230,072,156
Net asset value, unit price	\$	<u><u>1.00</u></u>

See accompanying notes to financial statements.

# Short-Term Fixed Income Pool

## Schedule of Investments in Securities - Unaudited March 31, 2012

(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 %	0.095 %	05/15/2012	1,000	\$ 1,002	\$ 1,001
United States Treasury	0.380	0.088	08/31/2012	2,000	2,002	2,002
United States Treasury	3.880	0.166	10/31/2012	1,000	1,021	1,021
United States Treasury	1.380	0.208	03/15/2013	2,000	2,022	2,022
Total U. S. Treasury Issues - 2.6%					6,047	6,046
<b><u>U. S. Government Agency Issues</u></b>						
Federal Farm Credit Bank	0.300	0.220	07/23/2012	1,000	1,000	1,000
Federal Home Loan Bank	0.370	0.330	03/01/2013	1,000	1,000	1,001
Federal Home Loan Mortgage	0.130	0.168	08/08/2012	1,000	1,000	1,000
Federal Home Loan Mortgage	2.130	0.163	09/21/2012	2,736	2,761	2,761
Total U. S. Government Agency Issues - 2.5%					5,761	5,762
<b><u>Short-term Issues</u></b>						
Alpine Securitization	0.000	0.183	04/17/2012	6,000	6,000	6,000
Aspen Funding Corp	0.000	0.284	04/10/2012	2,000	2,000	2,000
Bank of Nova Scotia	0.000	0.167	06/11/2012	5,000	4,998	4,998
Barclays US Funding Corp	0.000	0.233	05/21/2012	4,000	3,999	3,999
Deutsche Bank Finl LLC	0.000	0.375	04/16/2012	7,000	6,999	6,999
Dreyfus Cash Management Institutional Fund	0.010	0.760		892	1	1
Federal Home Loan Bank	0.000	0.069	04/04/2012	9,000	9,000	9,000
Federal Home Loan Bank	0.000	0.091	04/09/2012	5,000	5,000	5,000
Federal Home Loan Bank	0.000	0.041	04/13/2012	8,000	8,000	8,000
Federal Home Loan Bank	0.000	0.101	04/25/2012	3,000	3,000	3,000
Federal Home Loan Bank	0.000	0.059	04/27/2012	15,000	14,999	15,000
Federal Home Loan Bank	0.000	0.081	05/02/2012	5,000	5,000	5,000
Federal Home Loan Bank	0.000	0.104	05/18/2012	9,000	8,999	8,999
Federal Home Loan Bank	0.000	0.081	05/30/2012	5,000	4,999	4,999
Federal Home Loan Bank	0.000	0.076	06/01/2012	6,000	5,999	5,999
Federal Home Loan Bank	0.000	0.183	10/17/2012	1,000	999	999
Federal Home Loan Mort Corp	0.000	0.091	05/08/2012	1,000	1,000	1,000
Federal Home Loan Mort Corp	0.000	0.091	05/16/2012	8,000	7,999	7,999
Federal Home Loan Mort Corp	0.000	0.086	05/21/2012	3,000	3,000	3,000
Federal Home Loan Mort Corp	0.000	0.086	06/04/2012	7,000	6,999	6,999
Federal Home Loan Mort Corp	0.000	0.122	06/18/2012	1,000	1,000	1,000
Federal Home Loan Mort Corp	0.000	0.081	07/02/2012	2,000	2,000	1,999
Federal Home Loan Mort Corp	0.000	0.122	07/17/2012	1,000	1,000	1,000
Federal Home Loan Mort Corp	0.000	0.122	08/06/2012	4,000	3,998	3,998
Federal Home Loan Mort Corp	0.000	0.071	08/10/2012	4,000	3,999	3,999
Federal National Mortgage Assn	0.000	0.041	04/11/2012	4,000	4,000	4,000
Federal National Mortgage Assn	0.000	0.076	04/18/2012	6,000	6,000	6,000
Federal National Mortgage Assn	0.000	0.112	05/01/2012	1,000	1,000	1,000
Federal National Mortgage Assn	0.000	0.101	05/02/2012	1,000	1,000	1,000
Federal National Mortgage Assn	0.000	0.091	05/21/2012	7,000	6,999	6,999
Federal National Mortgage Assn	0.000	0.152	07/02/2012	2,000	1,999	2,000
ING Funding LLC	0.000	0.284	05/21/2012	4,000	3,998	3,998
Mizuho Funding LLC	0.000	0.365	06/06/2012	3,000	2,998	2,998
Nordea NA Inc	0.000	0.152	04/23/2012	2,000	2,000	2,000
Repurchase Agreement	0.030	0.030	04/02/2012	29,347	29,347	29,347
Sheffield Receivables	0.000	0.172	04/11/2012	4,000	4,000	4,000
United States Treasury	0.000	0.089	04/19/2012	5,000	5,000	5,000
United States Treasury	0.000	0.054	04/26/2012	10,000	9,999	10,000
United States Treasury	0.000	0.091	05/24/2012	4,000	3,999	3,999
United States Treasury	0.000	0.081	06/07/2012	9,000	8,999	8,999
United States Treasury	0.000	0.051	07/05/2012	10,000	9,999	9,999
United States Treasury	0.000	0.081	08/02/2012	2,000	1,999	1,999
Total Short-Term Issues - 97.5%					224,323	224,324
Total Investment Securities - 102.6%					\$ 236,131	\$ 236,132

See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

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### Statement of Operations - Unaudited

Period Ended March 31, 2012\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 18	\$ 208
Net accretion (amortization)	<u>7</u>	<u>(18)</u>
<b>Total investment income</b>	25	190
<b>Expenses</b>		
Investment advisor fees	(11)	(92)
Trustee fee	-	(1)
Custodian bank fees	(1)	(7)
Management fees	(7)	(62)
Fiduciary bond fees	-	(1)
Professional service fees	<u>(1)</u>	<u>(11)</u>
<b>Total expenses</b>	<u>(20)</u>	<u>(174)</u>
<b>Investment income, net</b>	5	16
<b>Net realized gain from investments</b>	<u>2</u>	<u>3</u>
<b>Net increase in net assets from operations</b>	<u>\$ 7</u>	<u>\$ 19</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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 5	\$ 16
Net realized gain from investments	2	3
	7	19
<b>Distributions to unitholders</b>		
Investment income, net	(5)	(16)
<b>Unit transactions</b>		
Proceeds from sale of units	158,848	1,364,625
Reinvestment of distributions	5	16
	158,853	1,364,641
Amount paid for repurchase of units	(123,012)	(1,493,293)
	35,841	(128,652)
	35,843	(128,649)
	194,278	358,770
	\$ 230,121	\$ 230,121
<b>Unit data</b>		
Units sold	158,848,339	1,364,625,348
Units issued from reinvestment of distributions	5,122	15,627
	158,853,461	1,364,640,975
Units repurchased	(123,012,323)	(1,493,292,969)
	35,841,138	(128,651,994)

*\*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 March 31, 2012.

### 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Short-term issues	\$ -	\$ 224,323	\$ -	\$ 224,323
U.S. government agency issues	-	5,761	-	5,761
U.S. Treasury issues	-	6,047	-	6,047
Total	<u>\$ -</u>	<u>\$ 236,131</u>	<u>\$ -</u>	<u>\$ 236,131</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

#### 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 March 31, 2012	<u>\$ 1.00</u>

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

##### Supplemental Data:

Net assets, end of period	\$ 230,121
Ratio to average net assets:	
Expenses ***	0.09%
Net investment income ***	0.01%
Weighted average days to maturity	47
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 March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 93,907
Teachers' Employers Contribution Collection Account	59,208
Teachers' Retirement System	24,250
Public Employees' Retirement System	18,476
Coal Workers' Pneumoconiosis Fund	12,071
Public Employees Insurance Agency	9,110
Board of Risk and Insurance Management	6,924
State Police Retirement System	1,145
West Virginia Prepaid Tuition Trust Fund	1,007
Deputy Sheriff's Retirement System	736
State Police Death, Disability and Retirement Fund	598
Wildlife Endowment Fund	557
Workers' Compensation Self-Insured Guaranty Risk Pool	512
Workers' Compensation Uninsured Employers' Fund	461
Emergency Medical Services Retirement System	383
Judges' Retirement System	351
West Virginia Retiree Health Benefit Trust	329
Revenue Shortfall Reserve Fund - Part B	22
Municipal Police Officers' and Firefighters' Retirement System	22
West Virginia Department of Environmental Protection Trust	2
Revenue Shortfall Reserve Fund	1
Total	<u>\$ 230,072</u>



**Financial Statements - Unaudited**

**March 31, 2012**



# Total Return Fixed Income Pool

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## Financial Statements - Unaudited March 31, 2012

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# Total Return Fixed Income Pool

## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,315,486
Collateral for securities loaned at fair value (Note 5)		8,088
Cash denominated in foreign currencies (cost \$2,841)		2,913
Unrealized gain on futures contracts (Note 6)		5,025
Unrealized gain on swap contracts (Note 7)		1,455
Unrealized gain on foreign currency forward contracts (Note 9)		376
Receivables:		
Accrued interest		16,700
Investments sold		24,053
Dividends		11
Securities lending income		19
		<hr/>
<b>Total assets</b>		<b>2,374,126</b>

### Liabilities

Cash overdraft		1,171
Accrued expenses		235
Dividends payable		5,470
Payable for investments purchased		45,050
Payable upon return of securities loaned (Note 5)		9,706
Unrealized loss on futures contracts (Note 6)		243
Unrealized loss on foreign currency forward contracts (Note 9)		373
Option contracts written		155
		<hr/>
<b>Total liabilities</b>		<b>62,403</b>
		<hr/>
<b>Net assets</b>	<b>\$</b>	<b>2,311,723</b>

### Analysis of net assets

Paid-in capital	\$	1,826,246
Accumulated undistributed net investment income		797
Accumulated undistributed net realized gain from investments		324,632
Accumulated undistributed net realized gain from foreign currency transactions		13,822
Unrealized net appreciation of investments		146,150
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		76
		<hr/>
<b>Net assets</b>	<b>\$</b>	<b>2,311,723</b>

### Unit data

Units outstanding		163,381,174
Net asset value, unit price	\$	14.15

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited

**March 31, 2012**

(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	7.500 %	7.337 %	04/01/2034	16,575	\$ 16,859	\$ 21,058	
California	7.550	6.884	04/01/2039	9,340	10,098	12,118	
California	7.300	7.353	10/01/2039	2,155	2,141	2,698	
California	7.630	7.196	03/01/2040	1,600	1,682	2,084	
County of Carroll KY	0.220 A	1.073	10/01/2032	4,800	4,041	3,805	
Illinois State	4.960	3.643	03/01/2016	7,550	7,910	8,043	
Illinois State	5.370	5.365	03/01/2017	6,600	6,600	7,171	
Illinois State	5.670	5.057	03/01/2018	4,275	4,405	4,679	
Los Angeles Unified Sch Dist	6.760	6.025	07/01/2034	6,625	7,203	8,513	
New Jersey Turnpike Authority	7.100	6.679	01/01/2041	6,015	6,322	8,229	
Pennsylvania St Higher Ed Assn	13.260 A	12.293	05/01/2046	8,125	6,766	7,475	
Pennsylvania St Higher Ed Assn	13.280 A	5.846	05/01/2046	2,750	2,109	2,530	
Wake County Indl FACS-B-ARS	0.280 A	1.494	10/01/2022	6,700	5,888	5,440	
Wake County Indl FACS-D-ARS	0.280 A	1.620	10/01/2022	3,350	2,913	2,714	
Total Municipal Bonds - 4.2%						84,937	96,557
<b><u>U. S. Treasury Issues</u></b>							
United States Treasury	2.000	(0.094)	04/15/2012	6,660	7,446	7,459	
United States Treasury	1.000	0.238	04/30/2012	6,450	6,454	6,454	
United States Treasury	0.750	0.094	05/31/2012	5,000	5,005	5,005	
United States Treasury	0.630	0.202	07/31/2012	24,295	24,329	24,335	
United States Treasury	0.500	0.186	11/30/2012	12,000	12,025	12,025	
United States Treasury	0.630	0.228	04/30/2013	7,300	7,331	7,331	
United States Treasury	1.880	0.526	02/28/2014	1,370	1,405	1,410	
United States Treasury	1.250	0.859	04/15/2014	30,000	30,236	30,537	
United States Treasury	1.500	1.481	06/30/2016	580	580	595	
United States Treasury	1.000	0.948	08/31/2016	4,140	4,149	4,158	
United States Treasury	1.380	1.379	11/30/2018	56,560	56,547	56,026	
United States Treasury	1.380	1.418	02/28/2019	5,160	5,145	5,087	
United States Treasury	2.000	1.912	11/15/2021	96,750	97,494	95,246	
United States Treasury	2.000	2.278	02/15/2022	1,580	1,541	1,550	
United States Treasury *	2.000	1.808	01/15/2026	26,670	31,174	37,349	
United States Treasury	4.380	3.583	05/15/2040	9,370	10,619	11,260	
United States Treasury	4.380	4.263	05/15/2041	1,540	1,569	1,851	
United States Treasury	3.130	3.123	11/15/2041	19,560	19,567	18,762	
Total U. S. Treasury Issues - 14.1%						322,616	326,440
<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 Issues	5.685	4.113	06/23/2036	54,501	58,844	59,874	
FNMA Issues	5.823	3.091	11/28/2033	325,152	352,757	358,940	
<i>Total U. S. Government Agency MBS</i>						411,601	418,814
<i>U.S. Government Agency TBAs</i>							
Federal National Mortgage Assn	6.000	5.159	05/01/2042	15,400	16,957	16,942	
<i>U. S. Government Agency CMO</i>							
Federal Home Loan Mortgage	1.240 A	6.885	04/25/2020	4,133	265	298	
Federal Home Loan Mortgage	1.680 A	7.287	06/25/2020	4,341	382	433	
Federal Home Loan Mortgage	1.510 A	7.328	08/25/2020	38,297	3,015	3,363	
Federal Home Loan Mortgage	1.040	0.000	03/15/2034	186	186	186	
Federal Home Loan Mortgage	6.000	2.102	05/15/2036	709	824	826	
Federal National Mortgage Assn	7.000	3.170	11/25/2040	18,456	20,482	21,030	
Federal National Mortgage Assn	5.500	2.251	04/25/2042	2,700	3,040	3,060	
Federal National Mortgage Assn	6.500	5.176	09/25/2042	52	57	60	
Federal National Mortgage Assn	6.500	4.558	12/25/2042	2,291	2,516	2,663	
Federal National Mortgage Assn	7.500	4.579	12/25/2045	2,528	2,856	2,964	
<i>Total U. S. Government Agency CMO</i>						33,623	34,883
Total U. S. Government Agency Issues - 20.4%						462,181	470,639

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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)

**March 31, 2012**

(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	7,344
Ally Financial Inc	4.500	5.526	02/11/2014	17,420	17,105	17,442
American Express Co	6.150	6.072	08/28/2017	1,250	1,254	1,469
American Express Co	6.800	6.550	09/01/2066	1,660	1,721	1,693
American International Group	4.250	4.448	09/15/2014	3,200	3,185	3,301
American International Group	5.850	5.922	01/16/2018	910	907	990
American International Group	8.250	5.087	08/15/2018	4,825	5,646	5,792
American International Group	6.400	6.435	12/15/2020	2,390	2,384	2,705
Amgen Inc	4.500	4.506	03/15/2020	1,290	1,289	1,405
Anadarko Finance Co	7.500	6.559	05/01/2031	1,240	1,366	1,532
Anadarko Petroleum Corp	6.380	6.071	09/15/2017	740	750	879
AOL Time Warner Inc	7.630	6.150	04/15/2031	4,500	5,239	5,762
AOL Time Warner Inc	7.700	5.911	05/01/2032	9,474	11,450	12,356
Asciano Finance	3.130	3.158	09/23/2015	4,890	4,885	4,861
Asciano Finance	4.630	4.654	09/23/2020	1,480	1,477	1,431
ASIF Global Financing XIX	4.900	4.777	01/17/2013	510	510	518
AT&T Corp	8.000	6.053	11/15/2031	2,750	3,360	3,863
AT&T Inc	5.500	5.575	02/01/2018	5,076	5,057	5,980
AT&T Inc	6.550	5.508	02/15/2039	925	1,057	1,126
AT&T Inc	5.350	4.605	09/01/2040	5,000	5,587	5,317
BAC Capital Trust XI	6.630	7.267	05/23/2036	15,130	14,005	15,278
Bank of America Corp	4.880	1.532	09/15/2012	20	20	20
Bank of America Corp	6.500	6.500	08/01/2016	410	410	451
Bank of America Corp	5.420	3.544	03/15/2017	600	651	613
Bank of America Corp	7.630	5.211	06/01/2019	15,000	17,140	17,297
Bank of America Corp	5.630	5.979	07/01/2020	1,510	1,476	1,574
Bank of America Corp	5.000	5.091	05/13/2021	1,380	1,371	1,382
Barclays Bank PLC	6.750	5.134	05/22/2019	2,900	3,177	3,335
Barclays Bank PLC	5.130	4.728	01/08/2020	2,290	2,347	2,395
BNSF Railway Co 2007-1 P	6.000	4.731	04/01/2024	963	1,073	1,110
Boston Properties LP	5.880	5.323	10/15/2019	4,950	5,118	5,674
Boston Properties LP	5.630	4.370	11/15/2020	4,600	5,011	5,238
Boston Scientific Corp	6.400	4.792	06/15/2016	9,415	9,985	10,840
Boston Scientific Corp	6.000	6.466	01/15/2020	500	486	574
BP Capital Markets PLC	3.130	3.187	10/01/2015	3,010	3,004	3,181
Burlington NO SF 00-1 TR	8.250	3.785	01/15/2021	313	370	384
Burlington NO SF 06-2 TR	5.630	3.991	04/01/2024	473	523	542
Burlington North Santa Fe	5.650	4.016	05/01/2017	3,600	3,868	4,189
Burlington North Santa Fe	4.700	4.757	10/01/2019	850	847	951
Burlington North Santa Fe	4.100	4.153	06/01/2021	7,075	7,047	7,549
Calpine Corp	7.880	7.875	01/15/2023	2,500	2,500	2,700
Canada Pacific Railroad Co	5.750	5.922	01/15/2042	1,950	1,903	2,008
Capital One Financial Corp	6.750	4.404	09/15/2017	9,775	10,870	11,512
Capital One Financial Corp	4.750	4.838	07/15/2021	3,250	3,229	3,420
CIGNA Corporation	8.500	4.320	05/01/2019	3,399	4,257	4,329
CIGNA Corporation	7.650	6.813	03/01/2023	1,925	2,046	2,323
CIGNA Corporation	7.880	6.865	05/15/2027	1,545	1,690	1,928
CIGNA Corporation	6.150	5.839	11/15/2036	3,488	3,627	3,881
CIGNA Corporation	5.880	5.921	03/15/2041	1,135	1,128	1,258
Citigroup Inc	5.000	4.901	09/15/2014	6,750	6,765	6,991
Citigroup Inc	3.950	3.505	06/15/2016	2,160	2,197	2,220
Citigroup Inc	6.130	5.111	11/21/2017	15,745	16,513	17,574
Citigroup Inc	5.380	4.754	08/09/2020	1,610	1,678	1,729
Citigroup Inc	6.880	6.929	03/05/2038	3,460	3,438	3,995
Comcast Cable Communication	8.880	4.655	05/01/2017	2,615	3,109	3,397
Comcast Corp	6.500	4.573	01/15/2017	4,500	4,869	5,384
Comcast Corp	6.300	3.377	11/15/2017	2,700	3,101	3,257
Comcast Corp	5.880	3.492	02/15/2018	2,000	2,251	2,367
Comcast Corp	6.400	5.508	05/15/2038	2,600	2,919	3,100
Continental Airlines Inc	9.250	9.250	05/10/2017	1,148	1,148	1,234
Continental Airlines Inc	7.250	7.250	11/10/2019	5,404	5,404	6,052
Corp Bond Backed CTF-CCE	0.000	7.000	05/15/2098	5,000	3,282	3,750
Countrywide Financial Corp	5.800	7.825	06/07/2012	10	10	10

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*See accompanying notes to financial statements.*



# Total Return Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Countrywide Financial Corp	6.250	7.951	05/15/2016	2,550	2,400	2,657
Cox Communications Inc	9.380	4.731	01/15/2019	11,495	14,558	15,401
Credit Agricole SA	8.380	8.375	12/13/2049	4,130	4,130	3,841
CVS Pass Through Trust	6.940	7.044	01/10/2030	1,932	1,932	2,223
Delta Air Lines	6.820	6.823	08/10/2022	2,052	2,052	2,242
Deutsche Telekom Int Fin	5.750	5.903	03/23/2016	1,635	1,626	1,846
Dow Chemical Company	8.550	5.414	05/15/2019	6,709	7,937	8,792
Dow Chemical Company	9.400	5.987	05/15/2039	7,240	10,527	11,133
El Paso Corporation	7.800	11.247	08/01/2031	469	338	533
El Paso Corporation	7.750	7.814	01/15/2032	222	221	253
ERP Operating-LP	4.630	4.504	12/15/2021	4,400	4,441	4,633
Export-Import Bank Korea	4.000	4.043	01/11/2017	6,675	6,663	6,948
Ford Motor Credit Company	5.630	5.306	09/15/2015	9,200	9,290	9,784
Ford Motor Credit Company	5.750	5.750	02/01/2021	10,300	10,300	11,113
General Electric Capital Corp	5.450	5.188	01/15/2013	570	571	591
General Electric Capital Corp	5.900	3.549	05/13/2014	2,000	2,095	2,198
General Electric Capital Corp	5.500	4.531	01/08/2020	7,755	8,240	8,796
General Electric Capital Corp	4.380	4.185	09/16/2020	3,550	3,598	3,739
General Electric Capital Corp	4.630	4.118	01/07/2021	2,550	2,644	2,721
General Electric Capital Corp	6.380	4.058	11/15/2067	4,910	4,852	5,008
Glitmir BankI HF	0.000	N	N/A	3,390	941	915
Glitmir BankI HF	0.000	N	N/A	5,000	6	6
Glitmir BankI HF	0.000	N	N/A	600	1	1
Goldman Sachs Capital II	5.790	2.682	12/29/2049	3,960	3,254	2,718
Goldman Sachs Group Inc	6.150	6.141	04/01/2018	3,680	3,682	3,969
Goldman Sachs Group Inc	6.250	6.241	02/01/2041	2,810	2,813	2,775
Greenpoint Manufacture Housing	3.740	A	5.373	1,025	830	798
Greenpoint Manufacture Housing	3.740	A	5.514	500	400	361
Greenpoint Manufacture Housing	3.740	A	5.466	575	461	418
Greenpoint Manufacture Housing	2.240	A	3.375	4,125	3,451	3,010
Greenpoint Manufacture Housing	2.240	A	3.238	825	700	686
Greenpoint Manufacture Housing	3.740	A	5.024	850	713	644
Greenpoint Manufacture Housing	3.740	A	3.726	1,175	985	886
Groupe BPCE	12.500	9.578		3,317	4,329	3,513
HCA Inc	6.300	5.640	10/01/2012	9,500	9,530	9,643
HCA Inc	6.250	6.252	02/15/2013	8,000	8,000	8,210
HCA Inc	6.750	5.618	07/15/2013	1,400	1,419	1,456
HCA Inc	5.750	5.630	03/15/2014	3,300	3,307	3,424
HCA Inc	6.500	5.853	02/15/2016	3,500	3,577	3,728
Health Net Inc	6.380	7.209	06/01/2017	2,850	2,749	3,050
Hewlett-Packard Company	3.300	3.346	12/09/2016	4,300	4,291	4,474
HSBC Finance Corp	7.000	5.660	05/15/2012	20	20	20
HSBC Finance Corp	6.380	6.462	11/27/2012	440	440	455
HSBC Finance Corp	6.680	7.080	01/15/2021	1,450	1,412	1,548
HSBC Holdings PLC	5.100	5.128	04/05/2021	3,125	3,119	3,378
HSBC Holdings PLC	6.500	6.137	05/02/2036	10,725	11,208	11,923
HSBC Holdings PLC	6.500	6.601	09/15/2037	490	484	550
Humana Inc	7.200	6.671	06/15/2018	2,030	2,084	2,432
Humana Inc	8.150	8.095	06/15/2038	730	734	948
ICICI Bank Limited	6.380	6.674	04/30/2022	1,994	1,784	1,874
ILFC E-Capital Trust II	6.250	3.431	12/21/2065	4,520	4,030	3,311
John Deere Capital Corp	5.350	5.235	04/03/2018	1,550	1,559	1,840
JP Morgan Chase & Co	5.750	5.268	01/02/2013	1,590	1,596	1,647
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	786	859
JP Morgan Chase & Co	4.950	4.276	03/25/2020	7,140	7,461	7,701
JP Morgan Chase & Co	4.350	4.050	08/15/2021	1,800	1,842	1,839
JP Morgan Chase XVII	5.850	6.301	08/01/2035	807	763	811
JPM Chase Capital XXV	6.800	6.684	10/01/2037	1,000	1,014	1,006
Kaupthing Bank HF	0.000	N	N/A	7,930	1,963	2,101
Kerr-McGee Corporation	6.950	5.911	07/01/2024	490	534	592
Kerr-McGee Corporation	7.880	6.593	09/15/2031	1,665	1,897	2,147
Kinder Morgan Energy Partners	5.850	7.004	09/15/2012	150	149	153
Kinder Morgan Energy Partners	5.000	6.163	12/15/2013	940	923	998
Kinder Morgan Energy Partners	6.000	6.219	02/01/2017	1,610	1,595	1,856

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See accompanying notes to financial statements.

# Total Return Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
KLA-Tencor Corporation	6.900	3.149	05/01/2018	4,900	5,910	5,842
Kroger Co	6.400	5.641	08/15/2017	220	228	265
Lafarge SA	6.200	4.488	07/09/2015	6,175	6,492	6,498
Lafarge SA	6.500	5.317	07/15/2016	7,250	7,574	7,696
Lehman Bros CAP TR VII	0.000	N/A	12/28/2017	8,860	4	-
Lloyds TSB Bank PLC	4.200	4.163	03/28/2017	5,675	5,684	5,718
Lloyds TSB Bank PLC	5.800	5.831	01/13/2020	2,145	2,141	2,203
Lorillard Tobacco Company	8.130	6.688	06/23/2019	2,680	2,898	3,327
Macys Retail Holdings Inc	6.650	7.294	07/15/2024	6,415	6,082	7,462
Macys Retail Holdings Inc	6.900	6.746	04/01/2029	3,000	3,046	3,499
Macys Retail Holdings Inc	6.700	6.501	07/15/2034	1,990	2,036	2,233
Macys Retail Holdings Inc	6.380	6.832	03/15/2037	4,100	3,876	4,618
Merrill Lynch & Company Inc	6.880	6.887	04/25/2018	8,890	8,885	9,883
MetLife Inc	6.400	7.089	12/15/2036	3,170	2,917	3,107
MMC Corporation Berhad	6.250	4.223	01/15/2018	4,775	5,266	5,836
Morgan Stanley	6.630	6.224	04/01/2018	360	367	379
National Semiconductor	6.600	5.898	06/15/2017	2,580	2,660	3,183
Newfield Exploration Company	6.630	5.817	04/15/2016	4,650	4,783	4,755
News America Inc	6.400	5.095	12/15/2035	2,260	2,663	2,562
News America Inc	6.650	5.993	11/15/2037	2,785	3,022	3,246
Nordea Bank AB	4.880	4.938	05/13/2021	2,980	2,966	2,900
Pacific Gas & Electric Corp	6.050	5.913	03/01/2034	870	884	1,058
Pacific Life Global Funding	5.150	5.161	04/15/2013	450	450	469
Pernod Ricard SA	2.950	2.890	01/15/2017	650	652	657
Pernod Ricard SA	4.450	4.213	01/15/2022	2,140	2,180	2,171
Petrobras Intl Fin Co	3.880	3.061	01/27/2016	1,050	1,081	1,105
Petrobras Intl Fin Co	5.380	4.274	01/27/2021	2,625	2,835	2,826
Pfizer Inc	6.200	4.552	03/15/2019	6,250	6,858	7,821
Rabobank Nederland	11.000	10.092		544	593	691
Reed Elsevier Capital	7.750	3.463	01/15/2014	2,300	2,469	2,553
Reed Elsevier Capital	8.630	4.357	01/15/2019	3,975	4,961	5,012
Reynolds American Inc	6.750	6.619	06/15/2017	2,330	2,343	2,776
Reynolds Group Holdings	6.880	6.875	02/15/2021	1,360	1,360	1,408
Reynolds Group ISS/Reynold	7.130	6.778	04/15/2019	400	408	417
Royal Bank of Scotland Grp PLC	5.000	7.737	10/01/2014	3,960	3,718	3,912
Royal Bank of Scotland Grp PLC	0.000	0.000		1,200	1,200	822
Royal Bank of Scotland PLC	4.380	4.419	03/16/2016	3,225	3,220	3,293
Royal Bank of Scotland PLC	5.630	5.850	08/24/2020	6,000	5,911	6,184
Royal Bank of Scotland PLC	6.130	6.175	01/11/2021	5,325	5,307	5,700
Safeway Inc	3.950	4.684	08/15/2020	570	541	565
Seariver Maritime Inc	0.000	3.908	09/01/2012	3,180	3,129	3,156
Southern Natural Gas Co	5.900	5.897	04/01/2017	570	570	645
Springleaf Finance Corp	6.900	7.000	12/15/2017	720	717	562
Sprint Capital Corp	6.900	7.701	05/01/2019	1,145	1,096	990
Sprint Capital Corp	8.750	7.015	03/15/2032	680	806	583
Sprint Nextel Corporation	6.000	6.742	12/01/2016	8,075	7,836	7,207
State Street Corp	4.960	4.727	03/15/2018	1,980	2,003	2,068
Student Loan Marketing Assn	6.000	6.250	01/25/2017	2,225	2,202	2,292
Student Loan Marketing Assn	8.450	8.317	06/15/2018	5,225	5,257	5,826
Teachers Insurance & Annuity	6.850	6.860	12/16/2039	1,230	1,228	1,523
Telecom Italia Capital	5.250	5.095	11/15/2013	2,825	2,832	2,903
Telecom Italia Capital	6.170	8.076	06/18/2014	2,075	1,997	2,184
Telecom Italia Capital	7.000	5.598	06/04/2018	3,880	4,160	4,132
Telecom Italia Capital	7.170	7.026	06/18/2019	2,900	2,924	3,089
Tenet Healthcare Corporation	8.880	9.625	07/01/2019	250	240	280
Tennessee Gas Pipeline	7.500	4.308	04/01/2017	3,380	3,860	3,999
Time Warner Cable Inc	8.750	4.805	02/14/2019	9,990	12,268	13,023
Time Warner Cable Inc	8.250	4.876	04/01/2019	975	1,168	1,247
Time Warner Cable Inc	4.000	4.081	09/01/2021	5,685	5,649	5,825
Time Warner Cable Inc	5.500	5.558	09/01/2041	230	228	241
Time Warner Entertainment	8.380	8.068	07/15/2033	3,050	3,145	4,074
TNK-BP Finance SA	7.880	8.692	03/13/2018	2,820	2,715	3,285
Travelers Cos Inc	6.250	4.048	06/20/2016	1,150	1,247	1,345
Travelers Cos Inc	5.750	4.273	12/15/2017	1,623	1,743	1,933
Union Pacific Corp	4.160	4.011	07/15/2022	4,812	4,873	5,199

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# Total Return Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Union Pacific RR Co 07-3	6.180	4.877	01/02/2031	800	870	921
United Business Media LT	5.750	5.979	11/03/2020	3,330	3,279	3,293
UNP RR Co 1999 Pass Trust	7.600	3.775	01/02/2020	580	672	701
UNP RR Co 2005 Pass Trust	5.080	4.325	01/02/2029	4,198	4,383	4,501
Vale Overseas Ltd	6.880	6.914	11/21/2036	2,812	2,799	3,261
Vedanta Resources PLC	8.750	8.751	01/15/2014	952	952	978
Verizon Communications	6.100	5.595	04/15/2018	1,710	1,754	2,059
Vulcan Materials	6.500	6.521	12/01/2016	2,850	2,848	3,057
Vulcan Materials	7.500	7.500	06/15/2021	2,925	2,925	3,239
Wachovia Capital Trust	5.570	5.635	12/29/2049	2,540	2,535	2,400
Wachovia Corp	5.630	6.046	10/15/2016	1,050	1,033	1,171
Wachovia Corp	5.750	4.262	02/01/2018	7,280	7,831	8,464
Wal-Mart Stores Inc	5.800	5.143	02/15/2018	610	630	742
WellPoint Inc	5.880	4.695	06/15/2017	5,096	5,370	5,950
WellPoint Inc	7.000	4.134	02/15/2019	6,250	7,311	7,760
Wells Fargo & Company	5.250	3.972	10/23/2012	140	141	144
Wells Fargo Capital X	5.950	6.338	12/15/2036	3,280	3,121	3,310
Xerox Corporation	6.400	4.485	03/15/2016	8,525	9,110	9,718
Xerox Corporation	6.350	3.960	05/15/2018	7,452	8,411	8,646
<i>Total Corporate Bonds</i>					714,122	754,509
<i>Corporate Asset Backed Issues</i>						
EDUCAP Student Loan Asset Back	1.890 A	11.581	06/25/2038	5,170	4,975	4,549
Education Funding Capital Trst	1.740 A	1.774	12/15/2042	900	801	833
Hertz Vehicle Financing LLC	5.290	5.350	03/25/2016	1,600	1,600	1,753
Lehman XZ Trust	0.460	8.509	04/25/2046	4,376	2,522	2,405
Mid-State Trust	3.500	3.531	12/15/2045	1,325	1,322	1,338
NC State Education Authority	1.460	1.953	07/25/2030	11,400	10,759	10,454
Nelnet Student Loan Trust	0.700 A	1.663	03/22/2032	10,700	9,606	8,588
Pegasus Aviation Lease Sec	8.370	16.049	03/25/2030	500	325	198
Public Service New Hampshire	6.480	5.468	05/01/2015	165	168	170
<i>Total Corporate Asset Backed Issues</i>					32,078	30,288
<i>Corporate CMO</i>						
Banc of America Mortgage Sec	5.250 A	6.975	12/01/2034	3,511	3,358	3,246
Banc of America Mortgage Sec	2.940 A	3.261	04/25/2035	800	783	624
Bear Stearns Adj Rate Mortgage	2.330	4.258	12/25/2046	1,476	1,363	899
Countrywide Alternative Loan T	2.630 A	2.723	12/25/2035	1,935	1,923	1,133
Countrywide Home Loans	2.820 A	2.818	06/20/2036	1,053	1,053	670
Indymac Inda Mtg Loan Trust	5.650 A	5.619	09/25/2037	1,519	1,519	1,216
Indymac Indx Mtg Loan Trust	0.450	19.522	04/25/2046	1,859	1,009	1,083
IndyMac Residential Asset Sec	4.750	4.363	02/25/2019	2,264	2,276	2,288
JP Morgan Mortgage Trust	2.730 A	3.114	08/25/2035	1,433	1,409	1,080
MASTR ARM Trust	2.700 A	3.111	01/25/2036	978	960	782
MASTR Performing Loan Trust	7.000	6.329	08/25/2034	76	77	78
MLCC Mortgage Investors Inc	2.590 A	3.004	12/25/2034	32	32	32
Morgan Stanley Mortgage Loan	2.730 A	2.786	10/25/2034	1,239	1,234	999
Morgan Stanley Mortgage Loan	3.900 A	3.825	06/25/2037	4,092	4,102	2,029
WAMU Mortgage Pass-Through Cer	2.540 A	2.841	08/25/2035	1,405	1,382	1,232
WAMU Mortgage Pass-Through Cer	2.470 A	2.887	10/25/2035	445	442	420
WAMU Mortgage Pass-Through Cer	2.460 A	2.762	12/25/2035	1,694	1,669	1,477
Washington Mutual Mortgage	2.280 A	2.358	11/25/2036	178	178	126
Washington Mutual Mortgage	2.370 A	2.373	12/25/2036	671	670	467
Washington Mutual Mortgage	2.630 A	17.418	02/25/2037	580	322	413
Washington Mutual Mortgage	2.680 A	2.893	03/01/2037	202	200	129
Wells Fargo Mortgage Backed	2.610 A	7.165	12/25/2034	2,556	2,089	2,507
Wells Fargo Mortgage Backed	2.690 A	3.157	04/25/2036	222	221	169
<i>Total Corporate CMO</i>					28,271	23,099
<i>Corporate Preferred Securities</i>						
Citigroup Capital XIII	0.000	1.694		314	8,345	8,544
<i>Total Corporate Issues - 35.3%</i>					782,816	816,440

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)

**March 31, 2012**

*(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					49,652	44,843
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					23,197	25,560
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					18,033	23,828
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					62,180	83,172
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					48,816	53,290
Investment Objective - To maximize total return by investing in investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Asian Securities Portfolio, LLC					43,343	53,064
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					4,909	5,165
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					23,724	33,604
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					57,959	81,239
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					22,282	34,230
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 - 19.0%					354,095	437,995
<b>Short-term Issues</b>						
Dreyfus Cash Management Institutional Fund	0.010	0.760		108,971,462	108,971	108,971
Federal Home Loan Mort Corp	0.000	0.152	06/01/2012	58,400	58,385	58,392
Total Short-term Issues - 7.2%					167,356	167,363

*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)

**March 31, 2012**

*(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>Put, strike price, expiration</i>						
Euro 90 Day Future Option, 99.5, June 2012				1	128	52
Total Investment Securities - 100.2%					<u>\$ 2,174,129</u>	<u>\$ 2,315,486</u>
<b><u>Collateral for Securities Loaned</u></b>						
BNY Mellon Securities Lending Overnight Fund					\$ 7,955	\$ 7,955
Mellon SL DBT II Liquidating Fund					136	133
Mellon SGSL DBT II Liquidating Trust					1,615	-
Total Collateral for Securities Loaned					<u>\$ 9,706</u>	<u>\$ 8,088</u>

*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

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### Option Contracts Written - Unaudited

March 31, 2012

(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	US Treasury 10 Yr Note Option	5/25/2012	133.500	(357)	\$ (147)	\$ (28)
Put	US Treasury 10 Yr Note Option	5/25/2012	127.500	(231)	(57)	(15)
Put	Euro 90 Day Future Option	6/18/2012	99.250	(592)	<u>(126)</u>	<u>(112)</u>
Total Option Contracts Written - (0.0%)					<u>\$ (330)</u>	<u>\$ (155)</u>

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

### Statement of Operations - Unaudited

Period Ended March 31, 2012\*

*(Amounts in thousands)*

	Month	Year To Date
<b>Investment income</b>		
Interest	\$ 6,692	\$ 59,842
Dividends	11	2,693
Net amortization	(791)	(8,832)
Securities lending income	21	132
Securities lending borrower premiums	4	47
Net shareholder litigation proceeds	(1)	14
	<b>5,936</b>	<b>53,896</b>
<b>Expenses</b>		
Investment advisor fees	(359)	(3,207)
Trustee fees	(1)	(6)
Custodian bank fees	(5)	(51)
Management fees	(58)	(539)
Fiduciary bond fees	(1)	(7)
Professional service fees	(11)	(100)
Securities lending agent fees	(5)	(31)
Futures commission expense	(7)	(127)
	<b>(447)</b>	<b>(4,068)</b>
	<b>5,489</b>	<b>49,828</b>
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	2,576	(11,433)
Foreign currency transactions	(1)	(547)
Net increase (decrease) from:		
Investments	(3,094)	37,101
Translation of assets and liabilities in foreign currencies	52	16
	<b>(467)</b>	<b>25,137</b>
	<b>\$ 5,022</b>	<b>\$ 74,965</b>

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

## Total Return Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 5,489	\$ 49,828
Net realized gain (loss) from investments	2,576	(11,433)
Net realized loss from foreign currency transactions	(1)	(547)
Net increase (decrease) in the fair value of investments	(3,094)	37,101
Net increase in the translation of assets and liabilities in foreign currencies	52	16
<b>Net increase in net assets from operations</b>	5,022	74,965
<b>Distributions to unitholders</b>		
Investment income, net	(5,470)	(49,680)
<b>Unit transactions</b>		
Proceeds from sale of units	32,230	173,237
Reinvestment of distributions	4,780	51,221
	37,010	224,458
Amount paid for repurchase of units	(2,241)	(271,936)
<b>Net increase (decrease) in net assets from unit transactions</b>	34,769	(47,478)
<b>Increase (decrease) in net assets</b>	34,321	(22,193)
<b>Net assets, beginning of period</b>	2,277,402	2,333,916
<b>Net assets, end of period</b>	\$ 2,311,723	\$ 2,311,723
<b>Unit data</b>		
Units sold	2,277,415	12,389,296
Units issued from reinvestment of distributions	337,768	3,682,405
	2,615,183	16,071,701
Units repurchased	(158,281)	(19,581,764)
<b>Net increase (decrease) in units</b>	2,456,902	(3,510,063)

*\*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 March 31, 2012.

## 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 March 31, 2012:

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	\$ 52	Option contracts written	\$ (155)
Fixed income / Interest rate contracts	Unrealized gain on swap contracts	1,455		-
Fixed income / Interest rate contracts	Unrealized gain on futures contracts	5,025	Unrealized loss on futures contracts	(243)
Foreign exchange contracts	Unrealized gain on foreign currency forward contracts	376	Unrealized loss on foreign currency forward contracts	(373)
Total		<u>\$ 6,908</u>		<u>\$ (771)</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 March 31, 2012:

Derivatives not designated as hedging instruments under ASC 815	Statement of Operations Location	Realized Gain (Loss)	Statement of Operations Location	Unrealized Gain (Loss)
Fixed income / Interest rate contracts	Net realized gain (loss) from investments	\$ (35,270)	Net increase (decrease) in the fair value of investments	\$ 13,834
Foreign exchange contracts	Net realized gain (loss) from foreign currency transactions	(547)	Net increase (decrease) in the fair value of translation of assets and liabilities in foreign currencies	274
Total		<u>\$ (35,817)</u>		<u>\$ 14,108</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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Commingled funds	\$ -	\$ 437,995	\$ -	\$ 437,995
Corporate issues	-	807,896	-	807,896
Foreign currency forward contracts	-	376	-	376
Futures	5,025	-	-	5,025
Municipal bonds	-	96,557	-	96,557
Options	52	-	-	52
Preferred Securities	8,544	-	-	8,544
Regulated investment companies	-	108,971	-	108,971
Securities lending collateral funds	-	8,088	-	8,088
Short-term issues	-	58,392	-	58,392
Swaps	-	1,455	-	1,455
U.S. government agency issues	-	470,639	-	470,639
U.S. Treasury issues	-	326,440	-	326,440
Total	<u>\$ 13,621</u>	<u>\$ 2,316,809</u>	<u>\$ -</u>	<u>\$ 2,330,430</u>
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	\$ -	\$ (373)	\$ -	\$ (373)
Futures	(243)	-	-	(243)
Options	(155)	-	-	(155)
Total	<u>\$ (398)</u>	<u>\$ (373)</u>	<u>\$ -</u>	<u>\$ (771)</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

## 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 March 31, 2012.

Fair value of securities on loan	\$	281,334			
Initial collateral received:					
		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Loss</u>	
Cash	\$	9,706	\$ 8,088	\$ (1,618)	
Non-cash			277,439		
Total			<u>\$ 285,527</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 \$1,703 was assigned to the Total Return Fixed Income Pool. A loss reserve was established for the entire amount. Through March 31, 2012 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 March 2012, the pool has recorded, but not distributed \$796 of net securities lending income.

#### NOTE 6. FUTURES CONTRACTS

At March 31, 2012, open positions in futures contracts denominated in U.S. dollars were as follows:

Expiration	Open Contracts	Position	Value at March 31, 2012	Value Upon Entering Contract	Unrealized Gain (Loss)
Jun 2012	40 US Ultra Bond Future	Long	\$ 6,039	\$ 6,273	\$ (234)
Jun 2012	(571) US Long Bond Future	Short	(78,655)	(81,091)	2,436
Jun 2012	(1,496) US Treasury 10 Yr Note Future	Short	(193,709)	(195,677)	1,968
Jun 2012	(163) US Treasury 2 Yr Note Future	Short	(35,883)	(35,909)	26
Jun 2012	(844) US Treasury 5 Yr Note Future	Short	(103,423)	(104,018)	595
			<u>\$ (405,631)</u>	<u>\$ (410,422)</u>	<u>\$ 4,791</u>

At March 31, 2012, open positions in futures contracts denominated in foreign currencies were as follows:

Expiration	Open Contracts	Currency	Position	Value at March 31, 2012 Local Currency	Initial Value in Local Currency	March 31, 2012 Exchange Rate	Unrealized Gain (Loss)
Jun 2012	79 Euro-BOBL Future	Euro	Long	<u>13,057</u>	<u>13,064</u>	1.3317	<u>\$ (9)</u>

At March 31, 2012, the Pool had an overdraft of \$(62) in the broker cash collateral account and pledged securities of \$5,559 to cover margin requirements on open futures contracts.

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 7. SWAPS

At March 31, 2012, the open positions in interest rate swaps are as follows:

Counterparty	Notional Value	Maturity Date	Receiving			Paying			Unrealized Gain (Loss)
			Rate	Type	Base	Rate	Type	Base	
Barclays Capital	\$24,170	01/17/2022	0.6%	Floating	3M Libor	2.1%	Fixed	N/A	\$ 437
RBS Holdings USA Inc	23,930	01/17/2022	0.6%	Floating	3M Libor	2.1%	Fixed	N/A	443
Barclays Bank	22,750	01/27/2022	0.6%	Floating	3M Libor	2.1%	Fixed	N/A	355
Deutsche Bank	14,660	01/27/2022	0.6%	Floating	3M Libor	2.1%	Fixed	N/A	220
Total	<u>\$85,510</u>								<u>\$ 1,455</u>

At March 31, 2012, the Pool had no pledged cash as collateral on open swap contracts.

#### NOTE 8. OPTION CONTRACTS

A summary of the activity in short (written) option positions for the period ended March 31, 2012 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	(2,012)	(615)	(1,230)	(966)
Options closed	2,661	4,383	2,437	4,045
Options expired	872	167	121	81
Options outstanding at March 31, 2012	<u>(823)</u>	<u>\$ (183)</u>	<u>(357)</u>	<u>\$ (147)</u>

#### NOTE 9. FOREIGN CURRENCY FORWARD CONTRACTS

At March 31, 2012, 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 Unit	02/06/2012	05/16/2012	11,289	\$ 15,038		\$ 14,731	\$ 307
Long	Euro Currency Unit	02/29/2012	05/16/2012	11,289	15,037		15,107	(70)
Long	Mexican Peso	02/06/2012	05/16/2012	133,952	10,409		10,463	(54)
Short	Euro Currency Unit	02/06/2012	05/16/2012		6,300	4,829	6,433	(133)
Short	Euro Currency Unit	02/08/2012	05/16/2012		20,462	15,449	20,578	(116)
Short	Euro Currency Unit	02/29/2012	05/16/2012		15,107	11,289	15,038	69
					<u>\$ 82,353</u>		<u>\$ 82,350</u>	<u>\$ 3</u>



## Total Return Fixed Income Pool

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### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 10. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2011	\$ 13.98
Income from investment operations:	
Net investment income	0.30
Net realized and unrealized gain on investment transactions	0.17
Total from investment operations	0.47
Less distributions from net investment income	(0.30)
Net asset value at March 31, 2012	<u>\$ 14.15</u>
<b>Time-weighted Total Return *</b>	3.4%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 2,311,723
Ratio to average net assets:	
Expenses **	0.23%
Net investment income **	2.89%
Portfolio turnover rate	41.85%

\* 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 11. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at March 31, 2012. 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	\$ 630,294
Public Employees' Retirement System	621,534
Workers' Compensation Old Fund	364,166
Revenue Shortfall Reserve Fund - Part B	137,862
Revenue Shortfall Reserve Fund	136,325
West Virginia Retiree Health Benefit Trust	103,493
Coal Workers' Pneumoconiosis Fund	75,974
Public Employees Insurance Agency	71,676
State Police Death, Disability and Retirement Fund	65,649
Board of Risk and Insurance Management	40,466
Judges' Retirement System	17,736
Deputy Sheriff's Retirement System	16,803
State Police Retirement System	11,245
Wildlife Endowment Fund	5,510
Emergency Medical Services Retirement System	5,149
Workers' Compensation Self-Insured Guaranty Risk Pool	3,210
Workers' Compensation Uninsured Employers' Fund	2,669
West Virginia Department of Environmental Protection Trust	1,076
AccessWV	869
Municipal Police Officers' and Firefighters' Retirement System	17
Total	<u>\$ 2,311,723</u>



**Financial Statements - Unaudited**

**March 31, 2012**



# Core Fixed Income Pool

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## Financial Statements - Unaudited March 31, 2012

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# Core Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,179,254
Collateral for securities loaned at fair value (Note 4)		31,258
Receivables:		
Accrued interest		7,211
Investments sold		460
Dividends		2
Securities lending income		9
Other		211
		<hr/>
<b>Total assets</b>		1,218,405

### Liabilities

Accrued expenses		557
Dividends payable		4,169
Payable for investments purchased		1,540
Payable upon return of securities loaned (Note 4)		31,272
		<hr/>
<b>Total liabilities</b>		37,538

**Net assets** \$ 1,180,867

### Analysis of net assets

Paid-in capital	\$	1,042,790
Accumulated undistributed net realized gain from investments		65,765
Unrealized net appreciation of investments		72,312
		<hr/>
<b>Net assets</b>	<u><u>\$</u></u>	<u><u>1,180,867</u></u>

### Unit data

Units outstanding		105,420,865
Net asset value, unit price	\$	<u><u>11.20</u></u>

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited March 31, 2012

(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	\$ 745
Illinois	5.100	5.763	06/01/2033	350	322	330
New York St Dorm Authority	5.600	5.787	03/15/2040	260	253	307
Ohio State University	4.800	4.853	06/01/2111	761	753	781
Port Authority NY and NJ	5.650	5.647	11/01/2040	600	600	708
Tennessee Valley Authority	4.630	4.693	09/15/2060	400	395	437
Total Municipal Bonds - 0.3%					2,917	3,308
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	2.000	0.721	04/15/2012	1,000	1,118	1,120
United States Treasury	0.000	1.446	11/15/2014	2,550	2,455	2,518
United States Treasury	11.250	0.514	02/15/2015	900	1,175	1,174
United States Treasury	0.000	2.704	02/15/2015	150	139	148
United States Treasury	2.630	2.861	02/29/2016	200	198	214
United States Treasury	2.630	1.976	04/30/2016	1,670	1,712	1,791
United States Treasury	0.000	3.086	08/15/2016	5,300	4,634	5,080
United States Treasury	3.130	3.241	10/31/2016	9,300	9,255	10,202
United States Treasury	0.000	2.256	11/15/2016	3,120	2,813	2,973
United States Treasury	3.250	3.132	12/31/2016	10,560	10,614	11,662
United States Treasury	4.630	3.056	02/15/2017	6,500	6,958	7,611
United States Treasury	0.000	3.274	02/15/2017	6,122	5,224	5,801
United States Treasury	3.250	2.910	03/31/2017	11,600	11,782	12,843
United States Treasury	3.130	2.432	04/30/2017	6,715	6,936	7,395
United States Treasury	2.750	2.381	05/31/2017	2,280	2,320	2,468
United States Treasury	8.880	3.186	08/15/2017	9,360	11,969	13,145
United States Treasury	4.750	2.706	08/15/2017	18,645	20,534	22,141
United States Treasury	0.000	2.162	08/15/2017	500	445	468
United States Treasury	4.250	1.181	11/15/2017	600	700	698
United States Treasury	0.000	3.492	11/15/2017	7,050	5,803	6,549
United States Treasury	2.750	2.731	12/31/2017	15,000	15,015	16,239
United States Treasury	2.630	2.849	01/31/2018	6,000	5,928	6,452
United States Treasury	3.500	2.488	02/15/2018	1,000	1,055	1,124
United States Treasury	0.000	3.537	02/15/2018	3,950	3,215	3,641
United States Treasury	0.000	3.743	08/15/2018	500	395	454
United States Treasury	1.750	1.519	10/31/2018	11,000	11,158	11,174
United States Treasury	1.380	1.286	11/30/2018	9,895	9,951	9,801
United States Treasury	3.130	3.136	05/15/2019	6,090	6,085	6,706
United States Treasury	0.000	4.013	05/15/2019	4,550	3,429	4,019
United States Treasury	0.000	4.021	08/15/2019	300	224	263
United States Treasury	3.380	1.596	11/15/2019	400	451	447
United States Treasury	8.500	3.516	02/15/2020	1,750	2,345	2,623
United States Treasury	0.000	4.006	05/15/2020	4,500	3,261	3,843
United States Treasury	8.750	3.409	05/15/2020	900	1,238	1,374
United States Treasury	0.000	3.270	05/15/2020	15,037	11,548	12,764
United States Treasury	8.750	3.032	08/15/2020	8,550	12,126	13,145
United States Treasury	2.630	1.863	08/15/2020	400	424	422
United States Treasury	0.000	3.411	08/15/2020	8,550	6,436	7,195
United States Treasury	0.000	3.773	11/15/2020	700	507	583
United States Treasury	0.000	4.230	02/15/2021	200	138	165
United States Treasury	8.130	3.524	05/15/2021	1,000	1,356	1,513
United States Treasury	0.000	3.501	11/15/2021	5,000	3,581	3,995
United States Treasury	0.000	3.851	02/15/2022	1,250	858	988
United States Treasury	7.130	3.585	02/15/2023	1,000	1,316	1,466
United States Treasury	0.000	2.453	05/15/2023	900	686	671
United States Treasury	0.000	4.526	05/15/2024	1,100	639	782
United States Treasury	0.000	4.240	08/15/2024	1,100	654	773
United States Treasury	0.000	6.392	11/15/2024	250	136	174
United States Treasury	0.000	6.934	02/15/2025	700	364	480
United States Treasury	6.000	4.435	02/15/2026	400	464	552
United States Treasury	0.000	4.862	05/15/2026	850	431	549
United States Treasury	6.750	4.073	08/15/2026	625	806	923
United States Treasury	6.500	4.024	11/15/2026	550	699	797
United States Treasury	0.000	4.129	11/15/2026	5,500	3,021	3,470

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
United States Treasury	6.630	3.883	02/15/2027	800	1,046	1,174
United States Treasury	0.000	3.224	02/15/2027	15,825	9,804	9,872
United States Treasury	6.380	4.079	08/15/2027	400	504	577
United States Treasury	0.000	4.707	08/15/2027	950	464	580
United States Treasury	6.130	4.343	11/15/2027	150	180	212
United States Treasury	0.000	4.358	11/15/2027	1,500	765	906
United States Treasury	0.000	4.552	02/15/2028	2,050	1,004	1,225
United States Treasury	0.000	4.851	05/15/2028	100	46	59
United States Treasury	5.500	4.534	08/15/2028	1,050	1,166	1,405
United States Treasury	0.000	4.822	11/15/2028	2,000	906	1,161
United States Treasury	0.000	4.655	02/15/2029	300	138	173
United States Treasury	0.000	4.554	05/15/2029	150	69	85
United States Treasury	6.130	2.572	08/15/2029	100	150	144
United States Treasury	0.000	3.206	08/15/2029	800	460	451
United States Treasury	0.000	4.399	11/15/2029	700	325	390
United States Treasury	0.000	4.598	02/15/2030	1,100	488	607
United States Treasury	6.250	4.023	05/15/2030	600	771	878
United States Treasury	0.000	3.768	05/15/2030	400	203	219
United States Treasury	0.000	4.619	08/15/2030	900	389	487
United States Treasury	0.000	4.447	11/15/2030	950	419	510
United States Treasury	5.380	4.031	02/15/2031	1,300	1,526	1,749
United States Treasury	0.000	5.044	11/15/2032	1,150	563	567
United States Treasury	0.000	6.997	05/15/2033	1,200	484	580
United States Treasury	0.000	7.445	08/15/2033	700	270	335
United States Treasury	0.000	7.666	11/15/2033	1,000	376	474
United States Treasury	0.000	4.533	02/15/2034	750	281	351
United States Treasury	0.000	7.942	05/15/2034	500	181	232
United States Treasury	0.000	4.829	08/15/2034	250	120	115
United States Treasury	4.500	3.159	02/15/2036	1,500	1,834	1,831
United States Treasury	0.000	4.591	05/15/2036	200	67	86
Total U. S. Treasury Issues - 22.3%					241,723	263,003
<b>U. S. Government Agency Issues</b>						
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Issues	5.069	2.905	06/14/2033	50,618	53,851	55,025
FNMA Issues	4.758	2.346	03/17/2026	105,036	109,369	114,754
GNMA Issues	6.615	3.950	01/30/2036	3,274	3,534	3,740
<i>Total U. S. Government Agency MBS</i>					166,754	173,519
<i>U. S. Government Agency CMO (coupon, yield, and maturity date are weighted averages)</i>						
FDIC Issues	2.980	3.027	12/06/2020	1,236	1,234	1,286
FHLB Issues	5.300	(0.196)	06/15/2012	497	501	500
FHLMC Issues	5.962	5.199	11/21/2033	128,302	98,257	104,069
FNMA Issues	5.922	5.177	06/22/2033	166,348	129,046	137,771
GNMA Issues	8.064	14.021	07/12/2034	77,582	27,115	33,369
<i>Total U. S. Government Agency CMO</i>					256,153	276,995
<i>U. S. Government Agency Bonds</i>						
FannieMae STRIPS	0.000	5.737	11/15/2021	1,000	644	753
Federal Farm Credit Bank	5.130	3.384	11/15/2018	1,000	1,102	1,200
Federal Home Loan Mortgage	5.500	3.324	08/23/2017	2,900	3,209	3,529
Federal National Mortgage Assn	0.000	2.342	07/05/2014	2,300	2,184	2,251
Federal National Mortgage Assn	5.000	2.195	05/11/2017	3,000	3,404	3,548
Federal National Mortgage Assn	5.380	3.276	06/12/2017	2,000	2,199	2,408
FICO	0.000	5.655	09/26/2019	700	492	587
RFCO Strip Principal	0.000	2.606	07/15/2020	2,700	2,220	2,215
<i>Total U. S. Government Agency Bonds</i>					15,454	16,491
Total U. S. Government Agency Issues - 39.5%					438,361	467,005
<b>Corporate Issues</b>						
<i>Corporate Bonds</i>						
Ace Ina Hldg Inc	5.880	3.570	06/15/2014	240	252	264
Ace Ina Hldg Inc	5.600	2.613	05/15/2015	430	468	485

A - Adjustable rate security.

See accompanying notes to financial statements.



## Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
AFLAC Inc	8.500	5.066	05/15/2019	100	120	131
AFLAC Inc	6.450	6.488	08/15/2040	108	107	120
AGL Capital Corporation	4.450	2.753	04/15/2013	260	264	269
AGL Capital Corporation	5.250	4.313	08/15/2019	400	423	453
AGL Capital Corporation	3.500	3.683	09/15/2021	353	348	354
AGL Capital Corporation	5.880	5.887	03/15/2041	120	120	141
Aid-Israel	0.000	2.110	08/15/2017	1,000	893	916
Aid-Israel	0.000	1.950	03/15/2018	5,000	4,455	4,486
AIG Sunamer Global Fin X	6.900	6.417	03/15/2032	110	116	126
Alabama Power Co	6.130	5.106	05/15/2038	128	147	161
Alberta Energy Company Ltd	8.130	5.675	09/15/2030	200	256	254
Allied Waste North America	6.880	6.978	06/17/2015	250	249	261
Allstate Corp	5.000	3.585	08/15/2014	470	485	512
Allstate Life Global Fn Trust	5.380	1.804	04/30/2013	300	311	315
American Airlines PT TRS 11-1	5.250	5.250	01/31/2021	115	115	117
American Airlines PT TRS 11-2	8.630	8.625	10/15/2021	126	126	133
American Express Co	7.000	4.743	03/19/2018	595	664	730
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	621	649
American Express Credit Co	5.130	3.580	08/25/2014	825	854	897
American Express Credit Co	2.800	2.818	09/19/2016	340	340	349
American Honda Finance	2.600	2.601	09/20/2016	410	410	421
American Honda Finance	7.630	4.560	10/01/2018	500	585	635
American Water Cap Corp	6.090	3.499	10/15/2017	300	339	349
American Water Cap Corp	6.590	5.338	10/15/2037	300	352	350
Ameritech Capital Funding	6.450	5.178	01/15/2018	70	74	81
Amgen Inc	6.150	3.425	06/01/2018	285	328	341
Amgen Inc	5.700	5.035	02/01/2019	210	218	242
Amgen Inc	3.450	3.826	10/01/2020	610	593	611
Amgen Inc	4.950	5.002	10/01/2041	200	198	195
Amgen Inc	5.650	5.684	06/15/2042	103	102	110
Anadarko Petroleum Corp	7.630	3.498	03/15/2014	130	140	145
Anadarko Petroleum Corp	8.700	8.259	03/15/2019	300	307	394
Anadarko Petroleum Corp	6.950	5.873	06/15/2019	285	303	348
Anheuser-Busch	1.500	1.501	07/14/2014	264	264	268
Anheuser-Busch	7.750	5.150	01/15/2019	580	665	757
Anheuser-Busch	8.200	5.072	01/15/2039	255	371	387
ANR Pipeline	9.630	5.447	11/01/2021	240	314	350
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	127
Apache Corporation	6.000	1.594	09/15/2013	480	510	517
Appalachian Power Company	5.950	6.624	05/15/2033	250	231	267
Arizona Public Service	4.500	4.557	04/01/2042	103	102	101
Arrow Electronics Inc	6.880	6.098	07/01/2013	175	177	187
Arrow Electronics Inc	3.380	2.440	11/01/2015	140	144	144
Arrow Electronics Inc	6.880	5.965	06/01/2018	235	246	271
Arrow Electronics Inc	7.500	6.484	01/15/2027	225	247	239
ASIF Global Financing XIX	4.900	1.744	01/17/2013	907	929	922
Associates Corp NA	6.950	9.377	11/01/2018	350	308	396
AT&T Corp	8.000	6.187	11/15/2031	41	49	58
AT&T Inc	5.500	4.564	02/01/2018	370	388	436
AT&T Inc	5.600	5.166	05/15/2018	565	577	668
AT&T Inc	5.800	3.067	02/15/2019	200	234	237
AT&T Inc	4.450	4.232	05/15/2021	500	508	552
AT&T Inc	6.300	6.621	01/15/2038	600	574	705
AT&T Inc	5.350	5.341	09/01/2040	1,374	1,376	1,461
Atmos Energy Corp	6.350	2.858	06/15/2017	875	1,022	1,024
Atmos Energy Corp	8.500	8.529	03/15/2019	150	150	196
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	210	209
Bank of America Corp	4.900	3.276	05/01/2013	500	509	515
Bank of America Corp	7.380	7.510	05/15/2014	600	598	651
Bank of America Corp	5.130	8.762	11/15/2014	300	275	314
Bank of America Corp	6.500	6.545	08/01/2016	500	499	550
Bank of America Corp	5.630	5.039	10/14/2016	250	256	266

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Bank of America Corp	5.650	5.545	05/01/2018	2,100	2,111	2,242
Bank of America Corp	5.630	5.431	07/01/2020	190	192	198
Bank of America Corp	5.000	5.056	05/13/2021	145	144	145
Bank of America Corp	5.700	5.506	01/24/2022	574	582	608
Bank of Nova Scotia	3.400	3.428	01/22/2015	127	127	134
Bank of Nova Scotia	1.650	1.686	10/29/2015	345	345	351
Bank of Nova Scotia	4.380	4.395	01/13/2021	214	214	232
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	424
Barclays Bank PLC	6.750	5.145	05/22/2019	950	1,040	1,092
Barclays Bank PLC	5.130	5.231	01/08/2020	500	497	523
BB&T Corporation	5.700	1.547	04/30/2014	340	369	372
BB&T Corporation	3.200	2.245	03/15/2016	365	378	384
BB&T Corporation	4.900	5.999	06/30/2017	800	761	878
BB&T Corporation	6.850	7.048	04/30/2019	225	223	277
BellSouth Corporation	5.200	4.342	09/15/2014	300	306	330
BellSouth Corporation	6.000	5.368	11/15/2034	149	161	161
Berkshire Hathaway Fin	4.600	4.335	05/15/2013	100	100	104
Berkshire Hathaway Fin	5.100	1.733	07/15/2014	600	645	656
Berkshire Hathaway Fin	2.450	2.497	12/15/2015	477	476	497
Berkshire Hathaway Fin	5.400	3.505	05/15/2018	300	331	354
Berkshire Hathaway Inc	1.900	1.901	01/31/2017	190	190	192
BG Energy Capital PLC	5.130	5.239	10/15/2041	200	197	215
BHP Billiton Financial USA	5.500	5.577	04/01/2014	200	200	219
BHP Billiton Financial USA	6.500	4.225	04/01/2019	720	818	893
BlackRock Inc	6.250	4.677	09/15/2017	500	537	604
Blackstone Holdings Financial	5.880	5.938	03/15/2021	550	548	561
BNY Mellon	4.500	2.783	04/01/2013	305	310	317
BNY Mellon	5.130	3.868	08/27/2013	350	356	371
BNY Mellon	2.950	2.978	06/18/2015	500	500	527
BNY Mellon	4.600	4.625	01/15/2020	115	115	128
Boeing Company	5.130	4.019	02/15/2013	100	101	104
Boeing Company	4.880	4.664	02/15/2020	230	233	272
Boeing Company	6.130	5.181	02/15/2033	150	168	186
Boston Gas Company	4.490	4.487	02/15/2042	85	85	85
BP Capital Markets PLC	3.630	3.625	05/08/2014	100	100	105
BP Capital Markets PLC	3.880	3.148	03/10/2015	730	745	783
British Telecom PLC	5.950	5.942	01/15/2018	275	275	319
British Telecom PLC	9.630 A	6.540	12/15/2030	145	193	213
Bunge Limited Finance Co	5.880	6.484	05/15/2013	50	50	52
Bunge Limited Finance Co	8.500	7.219	06/15/2019	373	399	456
Bunge NA Finance LP	5.900	7.617	04/01/2017	54	50	60
Burlington North Santa Fe	5.900	4.746	07/01/2012	150	150	152
Burlington North Santa Fe	5.650	4.368	05/01/2017	225	238	262
Burlington North Santa Fe	4.700	4.722	10/01/2019	350	350	391
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	101
Canadian Natural Resources Ltd	5.700	3.408	05/15/2017	300	332	355
Canadian Natural Resources Ltd	5.900	4.608	02/01/2018	615	655	731
Capital One Bank USA NA	6.500	10.704	06/13/2013	100	95	106
Capital One Financial Corp	7.380	5.321	05/23/2014	295	307	327
Capital One Financial Corp	5.500	10.399	06/01/2015	200	174	218
Capital One Financial Corp	6.750	4.904	09/15/2017	1,055	1,146	1,242
Capital One Financial Corp	4.750	4.860	07/15/2021	400	397	421
Cargill Inc	7.350	5.427	03/06/2019	250	277	310
Cargill Inc	4.310	4.716	05/14/2021	106	103	112
Cargill Inc	3.300	3.343	03/01/2022	485	483	478
Caterpillar Financial Services	5.850	4.754	09/01/2017	820	862	982
Caterpillar Financial Services	5.450	3.907	04/15/2018	280	303	332
Caterpillar Financial Services	7.150	6.149	02/15/2019	395	416	510
CBS Corp	5.750	5.766	04/15/2020	53	53	61
Cellco Partnership/Verizon Wir	8.500	3.044	11/15/2018	220	229	302
Centel Capital Corp	9.000	6.495	10/15/2019	200	291	232
Centerpoint Energy Houston	5.750	5.100	01/15/2014	185	187	200
Centerpoint Energy Houston	7.000	5.151	03/01/2014	185	191	205

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Centerpoint Energy Inc	6.500	3.256	05/01/2018	310	365	365
Centerpoint Energy Resources	5.950	3.744	01/15/2014	165	171	177
Centerpoint Energy Resources	6.130	2.810	11/01/2017	300	351	347
Charles Schwab Corp	4.950	1.864	06/01/2014	500	533	542
Cisco Systems Inc	5.500	4.491	02/22/2016	210	217	244
Cisco Systems Inc	4.450	4.555	01/15/2020	250	248	284
Cisco Systems Inc	5.500	5.644	01/15/2040	300	294	350
Citigroup Inc	6.380	6.536	08/12/2014	295	294	320
Citigroup Inc	6.010	3.809	01/15/2015	300	317	326
Citigroup Inc	4.750	4.876	05/19/2015	87	87	92
Citigroup Inc	4.590	3.858	12/15/2015	563	577	593
Citigroup Inc	6.000	5.587	08/15/2017	1,865	1,898	2,074
Citigroup Inc	6.130	7.046	11/21/2017	555	531	619
Citigroup Inc	8.500	6.857	05/22/2019	470	511	579
Citigroup Inc	5.380	5.507	08/09/2020	300	297	322
Citigroup Inc	7.000	6.049	12/01/2025	490	533	549
Citigroup Inc	8.130	8.310	07/15/2039	350	343	454
Cleveland Electric Illum	7.880	5.053	11/01/2017	300	341	373
Cleveland Electric Illum	8.880	7.005	11/15/2018	225	247	297
CME Group Inc	5.750	1.734	02/15/2014	507	544	553
CNA Financial Corp	5.850	3.764	12/15/2014	250	263	269
CNA Financial Corp	6.500	4.776	08/15/2016	285	304	320
CNA Financial Corp	5.880	5.917	08/15/2020	170	170	182
Coca-Cola Company	3.630	3.725	03/15/2014	100	100	106
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 Refresh USA	4.250	2.511	03/01/2015	250	262	273
Comcast Cable Comm Holdings	9.460	7.135	11/15/2022	775	905	1,124
Comcast Cable Holdings	10.130	5.959	04/15/2022	240	315	348
Comcast Corp	5.900	4.626	03/15/2016	625	653	722
Comcast Corp	4.950	3.412	06/15/2016	95	101	107
Comcast Corp	6.500	5.409	01/15/2017	200	209	239
Comerica Bank	5.200	4.930	08/22/2017	250	253	275
Commonwealth REIT	6.650	9.687	01/15/2018	430	373	462
Commonwealth REIT	5.880	6.166	09/15/2020	325	319	331
Connecticut Light and Power	5.650	2.391	05/01/2018	435	515	513
ConocoPhillips	5.200	3.086	05/15/2018	501	560	597
ConocoPhillips	6.650	3.716	07/15/2018	294	342	363
ConocoPhillips	5.750	5.911	02/01/2019	100	99	122
ConocoPhillips	6.000	4.520	01/15/2020	940	1,030	1,165
Cons Edison Co of NY	5.100	4.756	06/15/2033	200	209	212
Cons Edison Co of NY	6.300	5.749	08/15/2037	150	161	193
Cons Edison Co of NY	5.500	5.713	12/01/2039	350	340	413
Consumers Energy Company	6.700	5.661	09/15/2049	394	457	495
Corp Andina De Fomento	3.750	3.542	01/15/2016	532	536	552
Countrywide Financial Corp	6.250	5.331	05/15/2016	600	620	625
Cox Communications Inc	5.450	3.845	12/15/2014	225	234	250
Credit Suisse New York	5.000	2.419	05/15/2013	200	206	208
Credit Suisse New York	5.500	5.524	05/01/2014	170	170	182
Credit Suisse New York	5.400	5.020	01/14/2020	230	236	237
Credit Suisse USA Inc	4.880	6.376	01/15/2015	250	241	270
Credit Suisse USA Inc	5.130	3.775	08/15/2015	680	709	745
Credit Suisse USA Inc	5.850	4.659	08/16/2016	400	418	451
Credit Suisse USA Inc	7.130	5.535	07/15/2032	275	328	331
CRH America Inc	6.000	3.793	09/30/2016	254	277	277
Crown Castle Towers LLC	3.210	3.009	08/15/2015	350	353	354
CSX Corp	6.250	3.731	03/15/2018	640	725	769
CSX Corp	7.380	6.722	02/01/2019	200	207	251
CSX Corp	4.250	3.511	06/01/2021	335	354	359
CVS Pass Through Trust	5.930	6.000	01/10/2034	249	249	266
CVS Pass Through Trust	6.130	6.066	09/15/2039	735	741	859
Daimler Finance NA LLC	6.500	4.175	11/15/2013	610	632	664
Daimler Finance NA LLC	2.950	2.988	01/11/2017	300	299	311
Danaher Corp	3.900	3.903	06/23/2021	275	275	301
Dell Inc	5.650	4.846	04/15/2018	317	330	369

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Dell Inc	5.880	3.475	06/15/2019	550	633	653
Delta Air Lines 2010 -2A	4.950	4.950	05/23/2019	129	129	136
Delta Air Lines 2011-1	5.300	5.300	04/15/2019	74	74	79
Detroit Edison Company	3.900	2.752	06/01/2021	310	339	332
Deutsche Bank AG London	2.380	2.409	01/11/2013	435	435	438
Deutsche Bank AG London	3.880	3.962	08/18/2014	305	304	319
Deutsche Telekom Int Fin	6.750	4.691	08/20/2018	200	222	242
Deutsche Telekom Int Fin	6.000	5.652	07/08/2019	635	648	742
Deutsche Telekom Int Fin	8.750 A	5.629	06/15/2030	170	230	234
Devon Energy Corporation	6.300	3.229	01/15/2019	495	587	604
Diageo Capital PLC	5.200	1.199	01/30/2013	200	207	208
Diageo Capital PLC	4.830	4.387	07/15/2020	402	414	459
Diageo Finance BV	5.500	2.552	04/01/2013	265	273	278
Directv Holdings/Fing	4.600	4.608	02/15/2021	400	400	421
Directv Holdings/Fing	6.000	6.098	08/15/2040	750	740	801
DnB Boligkreditt AS	2.100	2.193	10/14/2015	300	299	304
Dominion Resources Inc	6.400	4.717	06/15/2018	465	507	569
Dominion Resources Inc	5.200	3.297	08/15/2019	50	56	57
Dominion Resources Inc	4.900	4.999	08/01/2041	64	63	67
Dow Chemical Company	7.600	2.207	05/15/2014	235	261	266
Dow Chemical Company	5.900	2.031	02/15/2015	335	371	377
Dow Chemical Company	8.550	5.720	05/15/2019	417	485	546
Dow Chemical Company	4.250	4.284	11/15/2020	64	64	67
Dow Chemical Company	4.130	4.174	11/15/2021	114	114	117
Duke Energy Carolinas	7.000	4.034	11/15/2018	250	293	320
Duke Energy Carolinas	4.300	4.304	06/15/2020	211	211	235
Duke Energy Carolinas	3.900	2.696	06/15/2021	210	230	227
Duke Energy Corp	3.550	3.552	09/15/2021	116	116	120
Duke Energy Ohio Inc	5.450	5.010	04/01/2019	395	405	466
DuPont EI de Nemours Co	6.000	3.208	07/15/2018	608	704	751
DuPont EI de Nemours Co	5.600	4.670	12/15/2036	320	363	378
DuPont EI de Nemours Co	4.900	4.987	01/15/2041	125	123	136
Eaton Corporation	7.630	4.412	04/01/2024	325	421	438
eBay Inc	3.250	4.072	10/15/2020	630	593	641
Encana Corp	6.500	5.141	05/15/2019	100	108	118
Enel Finance International NV	5.130	5.144	10/07/2019	700	699	688
Eni SpA	5.700	5.741	10/01/2040	250	249	261
Entergy Gulf States LA	6.000	3.328	05/01/2018	380	435	437
EOG Resources Inc	5.630	5.356	06/01/2019	200	203	236
EOG Resources Inc	4.400	2.949	06/01/2020	340	376	375
Erac USA Finance Company	2.250	2.317	01/10/2014	286	286	288
ERP Operating-LP	4.630	4.673	12/15/2021	85	85	89
Exelon Generation Co LLC	5.350	1.710	01/15/2014	360	383	386
Exelon Generation Co LLC	4.000	4.013	10/01/2020	288	288	296
Exelon Generation Co LLC	5.750	5.778	10/01/2041	86	86	96
Federal Home Loan Bank	5.500	3.658	07/15/2036	400	518	502
Fifth Third Bancorp	3.630	2.956	01/25/2016	455	466	479
Florida Power & Light	5.950	4.176	10/01/2033	120	150	148
Florida Power & Light	5.960	5.307	04/01/2039	335	366	424
Florida Power Corp	6.400	5.331	06/15/2038	280	322	364
FMR LLC	6.450	6.504	11/15/2039	250	248	266
France Telecom	4.380	2.476	07/08/2014	700	729	748
France Telecom	8.500	5.770	03/01/2031	130	171	184
Fuel Trust	4.210	4.207	04/15/2016	220	220	226
Gap Inc	5.950	6.848	04/12/2021	243	228	245
General Electric Capital Corp	0.590	3.520	04/10/2012	500	500	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	700	734
General Electric Capital Corp	2.250	2.266	11/09/2015	675	675	694
General Electric Capital Corp	5.630	5.801	09/15/2017	400	396	466
General Electric Capital Corp	5.630	4.501	05/01/2018	1,290	1,363	1,495
General Electric Capital Corp	6.000	5.091	08/07/2019	2,435	2,569	2,843
General Electric Capital Corp	5.500	5.614	01/08/2020	1,320	1,311	1,497
General Electric Capital Corp	4.380	4.424	09/16/2020	445	443	469
General Electric Capital Corp	5.880	8.520	01/14/2038	200	145	220

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
General Electric Company	5.250	4.382	12/06/2017	605	630	700
General Mills Inc	5.200	4.836	03/17/2015	100	101	111
General Mills Inc	5.650	4.103	02/15/2019	470	513	558
Georgia Power Company	5.250	5.030	12/15/2015	200	201	228
Glaxosmithkline Cap Inc	4.380	3.625	04/15/2014	215	218	231
Glaxosmithkline Cap Inc	6.380	5.354	05/15/2038	275	314	363
Goldman Sachs Group Inc	5.250	2.371	10/15/2013	300	313	314
Goldman Sachs Group Inc	3.630	3.576	02/07/2016	415	416	415
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	279	318
Goldman Sachs Group Inc	5.950	5.036	01/18/2018	200	209	215
Goldman Sachs Group Inc	6.150	5.859	04/01/2018	535	542	577
Goldman Sachs Group Inc	7.500	5.618	02/15/2019	2,980	3,294	3,405
Goldman Sachs Group Inc	5.380	5.493	03/15/2020	450	447	457
Goldman Sachs Group Inc	6.000	5.227	06/15/2020	240	252	253
Goldman Sachs Group Inc	5.250	5.257	07/27/2021	138	138	137
Goldman Sachs Group Inc	6.750	6.519	10/01/2037	140	144	137
Goldman Sachs Group LP	8.000	3.407	03/01/2013	210	219	220
GTE Corporation	6.840	3.750	04/15/2018	200	233	244
GTE Corporation	8.750	5.975	11/01/2021	250	300	344
GTP Acquisition Partners	4.350	4.387	06/15/2041	606	606	622
Halliburton Company	6.150	4.627	09/15/2019	360	394	439
Halliburton Company	7.450	7.646	09/15/2039	100	98	140
HCP Inc	3.750	3.828	02/01/2019	105	105	104
Hewlett-Packard Company	6.130	2.327	03/01/2014	375	401	408
Hewlett-Packard Company	4.750	1.527	06/02/2014	105	112	112
Hewlett-Packard Company	5.400	4.620	03/01/2017	280	290	315
Hewlett-Packard Company	4.380	4.398	09/15/2021	492	491	505
Hewlett-Packard Company	6.000	6.010	09/15/2041	485	484	530
Historic TW Inc	9.150	6.368	02/01/2023	945	1,148	1,287
Home Depot Inc	5.400	5.920	03/01/2016	500	491	577
Honeywell International	5.400	3.475	03/15/2016	360	385	413
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	121
HSBC Bank PLC	3.100	3.108	05/24/2016	229	229	233
HSBC Bank PLC	4.130	4.199	08/12/2020	389	387	397
HSBC Bank PLC	4.750	4.761	01/19/2021	300	300	317
HSBC Bank USA	4.630	3.425	04/01/2014	320	327	336
HSBC Finance Corp	4.750	7.304	07/15/2013	17	16	18
HSBC Finance Corp	0.820	7.547	01/15/2014	500	444	486
HSBC Finance Corp	5.000	7.410	06/30/2015	455	423	483
HSBC Finance Corp	5.500	4.032	01/19/2016	300	315	325
HSBC Holdings PLC	4.880	4.389	01/14/2022	350	363	371
IBM Corp	1.950	2.071	07/22/2016	168	167	172
IBM Corp	7.630	5.057	10/15/2018	330	377	440
IBM Corp	8.380	3.316	11/01/2019	460	615	646
IBM Corp	8.000	5.720	10/15/2038	300	393	465
Indiana Michigan Power	7.000	4.840	03/15/2019	145	163	178
Intel Corporation	3.300	3.328	10/01/2021	456	455	471
Intuit Inc	5.750	3.576	03/15/2017	863	947	990
Jackson National Life Global	6.130	1.249	05/30/2012	535	539	539
Jackson National Life Global	5.380	2.699	05/08/2013	500	514	522
Jefferies Group Inc	5.130	5.082	04/13/2018	340	341	330
Jefferies Group Inc	8.500	6.802	07/15/2019	490	537	544
Jefferies Group Inc	6.450	8.192	06/08/2027	330	281	325
John Deere Capital Corp	5.100	1.753	01/15/2013	185	190	192
John Deere Capital Corp	5.750	4.607	09/10/2018	233	248	284
John Sevier Comb Cycle	4.630	4.275	01/15/2042	1,158	1,209	1,193
Johnson Controls Inc	5.000	4.342	03/30/2020	500	522	562
Johnson Controls Inc	4.250	4.101	03/01/2021	80	81	85
Kansas City Power and Light	5.300	5.343	10/01/2041	385	383	406
KCP&L Greater Missouri	11.880	2.285	07/01/2012	270	276	277
Kellogg Company	4.250	3.896	03/06/2013	100	100	103
Kellogg Company	3.250	2.783	05/21/2018	333	342	352
Key Bank NA	5.800	5.972	07/01/2014	350	349	380

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Keycorp	6.500	1.971	05/14/2013	200	210	211
Kimberly Clark Corporation	7.500	4.845	11/01/2018	250	287	335
Kohl's Corporation	6.250	5.839	12/15/2017	90	92	107
Kraft Foods Inc	6.500	3.648	08/11/2017	700	796	844
Kraft Foods Inc	6.130	5.169	08/23/2018	435	457	525
Kraft Foods Inc	5.380	4.838	02/10/2020	734	759	849
Kroger Co	7.500	3.797	01/15/2014	278	296	310
Kroger Co	6.400	6.119	08/15/2017	100	101	121
Kroger Co	6.150	4.862	01/15/2020	540	584	656
Lincoln National Corp	4.850	4.867	06/24/2021	89	89	94
Lincoln National Corp	4.200	4.200	03/15/2022	94	94	94
Lockheed Martin Corp	4.250	3.666	11/15/2019	305	317	330
Lockheed Martin Corp	5.720	5.765	06/01/2040	300	298	349
Lowe's Companies Inc	7.110	5.609	05/15/2037	195	234	252
M & T Bank Corporation	5.380	3.575	05/24/2012	190	190	191
Macquarie Group	7.300	4.639	08/01/2014	560	593	600
Macquarie Group	7.630	7.269	08/13/2019	475	485	511
Macquarie Group	6.250	6.395	01/14/2021	237	235	240
Macy's Retail Holdings Inc	7.450	3.417	07/15/2017	300	358	364
Manitoba Province	2.130	2.165	04/22/2013	43	43	44
Manuf & Traders Trust Co	6.630	6.106	12/04/2017	715	730	822
Marathon Oil Corp	6.000	3.633	10/01/2017	200	223	234
Marathon Oil Corp	5.900	3.517	03/15/2018	110	124	128
Mass Mutual Global Funding	3.630	2.405	07/16/2012	350	351	353
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	147
Massachusetts Electric	5.900	5.924	11/15/2039	182	181	217
McDonnell Douglas Corp	9.750	2.232	04/01/2012	260	260	260
Medco Health Solutions	7.130	3.921	03/15/2018	485	567	581
Merrill Lynch & Company Inc	6.400	5.451	08/28/2017	1,100	1,148	1,200
Merrill Lynch & Company Inc	6.880	6.034	04/25/2018	650	677	723
Met Life Global Funding I	2.500	2.011	01/11/2013	915	918	925
Met Life Global Funding I	5.130	3.301	04/10/2013	600	611	627
Met Life Global Funding I	5.130	3.070	06/10/2014	200	209	217
Met Life Global Funding I	3.650	3.670	06/14/2018	1,000	999	1,047
Metlife Institutional Funding	1.370	1.481	04/04/2014	250	250	251
Microsoft Corporation	1.630	1.717	09/25/2015	360	359	371
Monsanto Company	5.130	5.008	04/15/2018	160	161	187
Monumental Global Funding	5.500	4.142	04/22/2013	100	101	104
Morgan Stanley	5.300	4.052	03/01/2013	550	556	566
Morgan Stanley	4.750	8.248	04/01/2014	250	234	254
Morgan Stanley	6.000	4.817	05/13/2014	825	844	863
Morgan Stanley	4.200	4.209	11/20/2014	331	331	334
Morgan Stanley	5.450	4.660	01/09/2017	800	827	817
Morgan Stanley	6.250	7.603	08/28/2017	430	405	453
Morgan Stanley	5.950	6.577	12/28/2017	685	665	705
Morgan Stanley	6.630	5.923	04/01/2018	650	673	684
Morgan Stanley	5.630	6.198	09/23/2019	1,310	1,265	1,295
Morgan Stanley	5.750	5.667	01/25/2021	115	116	113
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	205
National Australia Bank	3.000	3.060	07/27/2016	500	499	509
National Bank of Canada	1.650	1.659	01/30/2014	451	451	459
National City Bank	5.800	5.680	06/07/2017	850	855	943
National Rural Utilities Co-op	2.630	2.677	09/16/2012	60	60	61
National Rural Utilities Co-op	5.450	2.605	02/01/2018	195	225	228
National Rural Utilities Co-op	10.380	4.904	11/01/2018	410	533	595
National Semiconductor	6.600	2.140	06/15/2017	430	524	530
Nationwide Mutual Insurance	9.380	7.512	08/15/2039	615	747	779
NBC Universal	5.150	3.184	04/30/2020	200	228	226
NBC Universal	4.380	4.528	04/01/2021	150	148	161
NBC Universal	5.950	5.969	04/01/2041	175	175	201
Nevada Power Company	6.500	2.997	08/01/2018	355	426	437
Nevada Power Company	7.130	5.401	03/15/2019	300	330	377
Nevada Power Company	5.380	5.396	09/15/2040	51	51	58

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
New York Life Global Fdg	4.650	3.682	05/09/2013	285	288	297
New York Life Global Fdg	3.000	2.610	05/04/2015	515	521	542
News America Inc	7.250	5.514	05/18/2018	64	70	77
News America Inc	8.880	7.608	04/26/2023	450	490	566
News America Inc	7.750	5.876	01/20/2024	150	174	173
News America Inc	7.300	7.225	04/30/2028	250	252	279
News America Inc	6.650	6.115	11/15/2037	125	134	146
Nextera Energy Capital	6.000	6.006	03/01/2019	125	125	144
Niagara Mohawk Power	4.880	4.881	08/15/2019	100	100	110
Nissan Motor Acceptance	4.500	2.640	01/30/2015	500	525	533
Noble Holding International	3.950	3.979	03/15/2022	45	45	45
Nomura Holdings Inc	5.000	2.878	03/04/2015	195	207	203
Nomura Holdings Inc	6.700	6.403	03/04/2020	200	204	216
Nordea Bank AB	4.880	4.938	05/13/2021	355	353	345
Norfolk Southern Corp	7.250	5.354	02/15/2031	575	703	766
Northern States Power- Minn	6.250	5.620	06/01/2036	360	390	472
Northern States Power- Minn	5.350	5.363	11/01/2039	64	64	76
Northern Trust Company	6.500	4.266	08/15/2018	250	281	303
Northern Trust Corp	5.500	4.130	08/15/2013	102	104	109
Northrop Grumman Corp	5.050	3.698	08/01/2019	490	532	546
Nova Scotia Province	9.250	4.643	03/01/2020	200	260	285
Nucor Corporation	5.750	4.303	12/01/2017	242	259	289
Nucor Corporation	5.850	2.905	06/01/2018	615	716	737
Ohio Power Company	6.050	6.649	05/01/2018	205	199	242
Oncor Electric Delivery	6.800	4.099	09/01/2018	615	707	743
Ontario Providence Canada	2.950	2.975	02/05/2015	1,000	999	1,060
Ontario Providence Canada	2.700	2.710	06/16/2015	500	500	528
Oracle Corporation	4.950	0.926	04/15/2013	125	130	131
Oracle Corporation	5.750	5.177	04/15/2018	250	257	304
Oracle Corporation	5.000	4.688	07/08/2019	400	408	467
Oracle Corporation	6.500	5.656	04/15/2038	605	674	785
Oracle Corporation	5.380	5.278	07/15/2040	270	274	312
Oversea-Chinese Banking	1.630	1.694	03/13/2015	598	597	600
Paccar Financial Corp	1.550	1.168	09/29/2014	230	232	234
Pacific Gas & Electric Corp	8.250	4.653	10/15/2018	345	414	457
Pacific Gas & Electric Corp	3.250	3.312	09/15/2021	49	49	50
Pacific Life Global Funding	5.150	4.551	04/15/2013	170	171	177
Pacific Life Global Funding	5.000	4.976	05/15/2017	400	400	420
PacifiCorp	5.500	4.874	01/15/2019	350	363	411
PacifiCorp	6.100	5.153	08/01/2036	316	357	391
Parker-Hannifin Corp	3.500	3.059	09/15/2022	600	624	617
PC Financial Partnership	5.000	2.386	11/15/2014	180	192	197
Pennsylvania Electric Co	6.050	3.448	09/01/2017	210	237	239
Pepsico Inc	7.900	4.259	11/01/2018	171	206	230
Petro-Canada	6.050	5.383	05/15/2018	447	462	533
Petro-Canada	6.800	6.466	05/15/2038	225	234	287
Pfizer Inc	4.650	2.187	03/01/2018	205	233	231
PG&E Corp	5.750	5.875	04/01/2014	150	150	163
Pharmacia Corporation	6.500	4.660	12/01/2018	700	773	872
Philips Electronics NV	5.750	3.507	03/11/2018	80	90	93
Philips Electronics NV	7.200	4.879	06/01/2026	180	222	230
Pitney Bowes Inc	4.880	2.626	08/15/2014	200	210	213
Pitney Bowes Inc	5.600	4.431	03/15/2018	100	106	105
Pitney Bowes Inc	6.250	5.189	03/15/2019	240	255	253
PNC Bank NA	6.880	4.989	04/01/2018	250	274	297
PNC Funding Corp	5.250	5.106	11/15/2015	300	301	334
PNC Funding Corp	5.630	3.845	02/01/2017	300	323	335
PNC Funding Corp	5.130	5.150	02/08/2020	160	160	181
Potash Corp-Saskatchewan	3.750	2.830	09/30/2015	500	515	535
Potomac Electric Power	7.900	5.749	12/15/2038	335	433	511
PPG Industries Inc	7.400	4.939	08/15/2019	260	299	316
PPG Industries Inc	9.000	6.096	05/01/2021	625	750	829
PPL Energy Supply LLC	4.600	4.604	12/15/2021	590	590	601
Praxair Inc	3.950	3.652	06/01/2013	130	130	135
Praxair Inc	4.380	4.446	03/31/2014	200	200	214

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Praxair Inc	5.200	3.733	03/15/2017	510	544	592
Prcoa Global Funding 1	5.450	5.499	06/11/2014	350	350	378
Principal Life Global	5.050	8.354	03/15/2015	500	458	529
Principal Life Inc Fdg	5.100	3.519	04/15/2014	400	412	426
Progress Energy Carolina	5.300	4.589	01/15/2019	200	208	235
Progress Energy Inc	6.050	6.115	03/15/2014	150	150	164
Progress Energy Inc	7.750	5.834	03/01/2031	100	122	136
Prudential Insurance Company	8.300	5.843	07/01/2025	650	796	862
PSEG Power LLC	5.130	4.780	04/15/2020	504	515	551
PSEG Power LLC	4.150	4.161	09/15/2021	152	152	157
Public Service Colorado	3.200	3.247	11/15/2020	45	45	47
Public Service Electric & Gas	5.380	5.083	11/01/2039	169	176	198
Public Service Oklahoma	5.150	5.186	12/01/2019	118	118	133
Public Service Oklahoma	4.400	4.494	02/01/2021	137	136	146
Quebec Province	6.350	4.145	01/30/2026	900	1,107	1,177
Rabobank Nederland	3.200	3.310	03/11/2015	500	498	514
Rabobank Nederland	2.130	2.177	10/13/2015	114	114	115
Rabobank Nederland	4.500	4.534	01/11/2021	219	218	226
Rabobank Nederland	3.880	3.970	02/08/2022	426	423	412
Rabobank Nederland	5.800	6.007	09/30/2110	300	290	288
Rabobank Nederland Utrec	3.380	3.394	01/19/2017	82	82	84
Republic Services Inc	5.500	3.442	09/15/2019	360	408	417
Rio Tinto Fin USA Ltd	8.950	2.510	05/01/2014	605	683	701
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	607
Royal Bank of Canada	2.300	2.357	07/20/2016	855	853	878
Ryder System Inc	3.600	3.623	03/01/2016	180	180	187
Ryder System Inc	2.500	2.534	03/01/2017	158	158	159
Ryder System Inc	3.500	3.533	06/01/2017	96	96	100
Sabmiller PLC	5.500	2.681	08/15/2013	500	519	528
San Diego Gas & Electric	5.350	5.359	05/15/2040	27	27	32
Sempra Energy	8.900	4.592	11/15/2013	347	370	388
Sempra Energy	6.500	6.539	06/01/2016	100	100	118
Sempra Energy	9.800	5.167	02/15/2019	450	568	613
Shell International Fin	1.880	1.916	03/25/2013	75	75	76
Shell International Fin	4.000	3.738	03/21/2014	575	578	613
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	323
Shell International Fin	4.380	4.434	03/25/2020	290	289	332
Shell International Fin	6.380	6.026	12/15/2038	140	146	185
Siemens Financieringsmat	6.130	5.126	08/17/2026	470	517	572
Simon Property Group LP	6.750	6.413	05/15/2014	140	141	155
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	293	374
Simon Property Group LP	6.130	5.748	05/30/2018	140	143	165
Simon Property Group LP	7.380	6.200	06/15/2018	166	176	212
Simon Property Group LP	5.650	4.549	02/01/2020	275	295	315
Southern Cal Edison	4.150	4.153	09/15/2014	100	100	108
Southern Cal Edison	6.050	6.110	03/15/2039	250	248	321
Southern Cal Edison	5.500	5.634	03/15/2040	170	167	203
Southern Company	4.150	3.106	05/15/2014	500	511	534
Southern Company	1.950	1.982	09/01/2016	130	130	132
Southtrust Bank NA	7.690	5.873	05/15/2025	400	466	467
Southwestern Electric Power	6.450	5.261	01/15/2019	115	123	136
Southwestern Public Service	8.750	5.352	12/01/2018	288	342	386
Spectra Energy Capital	6.200	5.537	04/15/2018	445	459	520
Spectra Energy Capital	6.750	8.473	07/15/2018	160	147	184
Spectra Energy Capital	8.000	5.666	10/01/2019	450	513	569
Stadshypotek AB	1.450	1.457	09/30/2013	697	697	703
Staples Inc	9.750	6.067	01/15/2014	325	345	369
State Street Corp	4.300	3.342	05/30/2014	500	510	536
Statoil ASA	3.130	2.280	08/17/2017	692	721	742
Statoil ASA	3.150	3.172	01/23/2022	350	349	353
SunTrust Banks Inc	5.250	2.676	11/05/2012	371	377	380
SunTrust Banks Inc	3.600	3.282	04/15/2016	630	638	651

A - Adjustable rate security.

See accompanying notes to financial statements.



# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Svenska Handelsbanken AB	3.130	3.127	07/12/2016	494	494	503
Svenska Handelsbanken AB	2.880	2.895	04/04/2017	463	463	463
Talisman Energy	7.750	4.568	06/01/2019	475	566	581
Target Corp	7.000	5.065	01/15/2038	440	562	592
TCI Communications Inc	7.880	7.698	02/15/2026	100	101	130
Telecom Italia Capital	4.950	4.108	09/30/2014	400	408	412
Telecom Italia Capital	7.000	8.462	06/04/2018	100	93	107
Telefonica Emisiones SAU	5.860	3.741	02/04/2013	200	203	207
Telefonica Emisiones SAU	6.420	4.065	06/20/2016	500	545	533
Telefonica Emisiones SAU	6.220	5.139	07/03/2017	300	315	317
Telefonica Emisiones SAU	5.880	5.877	07/15/2019	50	50	51
Telefonica Emisiones SAU	5.460	5.462	02/16/2021	117	117	114
Tennessee Valley Authority	5.250	5.275	09/15/2039	98	98	118
The Mosiac Company	3.750	3.667	11/15/2021	363	365	369
The Mosiac Company	4.880	4.971	11/15/2041	33	33	33
Thomson Reuters Corp	4.700	4.744	10/15/2019	150	150	164
Time Warner Cable Inc	8.250	4.375	02/14/2014	730	780	826
Time Warner Cable Inc	6.750	4.658	07/01/2018	150	167	183
Time Warner Cable Inc	8.750	4.412	02/14/2019	300	376	391
Time Warner Cable Inc	7.300	6.397	07/01/2038	300	334	378
Time Warner Entertainment	8.380	4.362	03/15/2023	225	303	299
Time Warner Entertainment	8.380	6.560	07/15/2033	325	392	434
Toronto-Dominion Bank	2.200	2.140	07/29/2015	1,350	1,353	1,396
Total Capital SA	2.300	2.129	03/15/2016	540	543	546
Toyota Motor Credit Corp	3.200	2.095	06/17/2015	70	72	74
Toyota Motor Credit Corp	2.000	2.110	09/15/2016	2,950	2,936	3,010
Trans-Canada Pipelines	6.500	6.574	08/15/2018	250	249	308
Trans-Canada Pipelines	7.130	3.903	01/15/2019	220	262	279
Trans-Canada Pipelines	3.800	2.870	10/01/2020	300	321	322
Trans-Canada Pipelines	7.630	7.632	01/15/2039	50	50	71
Transocean Inc	6.500	6.390	11/15/2020	960	967	1,073
Travelers PPTY Casualty	7.750	5.666	04/15/2026	410	492	541
Tyco International Finance	8.500	4.733	01/15/2019	495	602	642
Tyco/Tyco International Fin SA	7.000	4.057	12/15/2019	200	239	245
UBS AG Stamford CT	3.880	3.970	01/15/2015	500	499	520
UBS AG Stamford CT	5.880	5.576	12/20/2017	300	304	333
UBS AG Stamford CT	5.750	4.472	04/25/2018	100	107	109
Union Carbide Corp	7.500	5.809	06/01/2025	250	289	291
Union Pacific Corp	4.160	4.011	07/15/2022	358	363	387
Union Pacific Corp	5.780	4.235	07/15/2040	310	389	366
United Mexican States	6.380	3.627	01/16/2013	630	643	656
United Mexican States	4.750	4.839	03/08/2044	564	556	553
United Mexican States	5.750	5.959	10/12/2110	326	315	335
United Technologies Corp	6.130	4.007	02/01/2019	485	546	596
United Technologies Corp	5.400	5.468	05/01/2035	170	168	197
UNP RR CO 2003 PASS TRUST	4.700	5.675	01/02/2024	81	77	89
UPS of America Inc	8.380	4.731	04/01/2020	125	155	174
UPS of America Inc	8.380	5.178	04/01/2030	230	306	324
US Bancorp	2.880	2.977	11/20/2014	450	449	469
US Bancorp	2.450	2.059	07/27/2015	456	462	471
US Bancorp	4.130	4.000	05/24/2021	275	278	296
Verizon Communications	5.550	3.794	02/15/2016	165	175	190
Verizon Communications	5.500	4.896	02/15/2018	720	742	844
Verizon Communications	8.750	4.820	11/01/2018	345	421	468
Verizon Communications	8.950	5.546	03/01/2039	170	250	263
Verizon Communications	7.350	7.564	04/01/2039	400	390	537
Verizon Maryland Inc	7.150	7.864	05/01/2023	400	379	421
Verizon New England Inc	7.880	6.381	11/15/2029	330	382	403
Verizon Pennsylvania	8.350	7.266	12/15/2030	400	444	500
Verizon Virginia Inc	4.630	4.968	03/15/2013	375	374	389
Viacom Inc	4.500	3.263	03/01/2021	340	372	367
Viacom Inc	3.880	4.076	12/15/2021	177	174	182
Viacom Inc	7.880	6.380	07/30/2030	380	441	492
Virginia Electric & Power Co	5.400	4.990	04/30/2018	490	500	583
Vodafone Group	5.750	6.019	03/15/2016	200	198	231

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Vodafone Group	5.450	4.869	06/10/2019	369	382	435
Volkswagen Intl Fin NV	1.630	1.728	08/12/2013	100	100	101
Wachovia Bank NA	0.800	3.037	03/15/2016	850	779	803
Wachovia Corp	5.500	4.293	05/01/2013	1,400	1,418	1,470
Wachovia Corp	5.250	2.817	08/01/2014	102	108	110
Wachovia Corp	5.750	5.126	06/15/2017	775	797	893
Wachovia Corp	5.750	5.584	02/01/2018	775	780	901
Wal-Mart Stores Inc	7.550	5.479	02/15/2030	350	432	509
Wal-Mart Stores Inc	5.250	5.736	09/01/2035	425	399	483
Walt Disney Company	4.130	4.194	12/01/2041	305	301	297
Waste Management Inc	7.380	3.801	03/11/2019	437	531	546
Waste Management Inc	4.750	4.596	06/30/2020	622	628	690
WEA Finance/WT Fin Aust	6.750	5.450	09/02/2019	658	709	761
WellPoint Inc	5.880	5.233	06/15/2017	500	514	584
Wells Fargo & Company	5.000	7.000	11/15/2014	100	95	107
Wells Fargo & Company	3.680	3.008	06/15/2016	390	400	416
Wells Fargo & Company	5.630	5.428	12/11/2017	865	873	1,002
Wells Fargo & Company	4.600	4.319	04/01/2021	380	388	408
Wells Fargo Bank NA	4.750	2.821	02/09/2015	565	595	606
Westpac Banking Corp	4.200	2.749	02/27/2015	345	359	371
Westpac Banking Corp	4.880	4.884	11/19/2019	406	406	438
Wisconsin Electric Power	6.000	0.833	04/01/2014	257	283	284
Wisconsin Electric Power	2.950	3.070	09/15/2021	11	11	11
Wyeth	5.500	1.972	02/01/2014	190	202	207
Xcel Energy Inc	4.700	4.741	05/15/2020	45	45	50
Xerox Corporation	6.750	4.601	02/01/2017	191	209	221
Xerox Corporation	5.630	5.438	12/15/2019	350	354	389
<i>Total Corporate Bonds</i>					237,642	253,690
<i>Corporate Asset Backed Issues</i>						
AH Mortgage Advance Trust	2.630	2.650	05/10/2012	691	691	689
AH Mortgage Advance Trust	2.980	3.000	03/13/2013	753	753	753
AH Mortgage Advance Trust	3.370	3.400	05/10/2013	2,334	2,334	2,339
AH Mortgage Advance Trust	3.720	3.750	03/13/2014	1,575	1,575	1,579
Ally Auto Receivables Trust	1.110	1.115	11/15/2013	920	920	924
Ally Auto Receivables Trust	1.450	1.458	05/15/2014	181	181	182
Ally Auto Receivables Trust	1.550	1.576	10/15/2014	357	357	362
Ally Auto Receivables Trust	1.380	1.393	01/15/2015	285	285	287
American Credit Acceptance Rec	1.960	1.970	01/15/2014	267	267	267
American Credit Acceptance Rec	3.040	3.060	10/15/2015	320	320	320
Americredit Auto Receivables	1.660	1.669	03/17/2014	29	29	30
Americredit Auto Receivables	0.840	0.849	11/10/2014	642	642	643
Americredit Auto Receivables	1.140	1.155	04/08/2015	445	445	446
Banc of America Auto Trust	1.310	1.315	07/15/2014	170	170	171
Banc of America Auto Trust	1.940	1.954	06/15/2017	510	510	519
Bank of America Auto Trust	2.130	2.140	09/16/2013	41	41	41
Bank of America Auto Trust	3.520	3.555	06/15/2016	189	189	192
Bank of America Auto Trust	2.180	2.198	02/15/2017	310	310	315
Carmax Auto Owner Trust	1.560	1.572	07/15/2014	155	155	156
Chase Funding Mortgage Loan	4.500	5.860	11/25/2034	404	397	412
Chase Funding Mortgage Loan	5.350	6.675	11/25/2034	500	459	438
Chase Funding Mortgage Loan	4.280	6.248	11/25/2034	681	604	638
Chrysler Financial Auto Sec	2.820	2.842	01/15/2016	45	45	45
CNH Equipment Trust	1.540	1.552	07/15/2014	83	83	83
CNH Equipment Trust	0.650	0.651	07/15/2015	354	354	354
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	263
CNH Equipment Trust	0.940	0.945	05/15/2017	328	328	328
CPS Auto Trust	4.210	4.250	09/15/2016	515	515	515
CPS Auto Trust	2.780	2.802	11/15/2016	400	400	400
Ford Credit Auto Owner Trust	2.790	2.811	08/15/2013	46	46	46
Ford Credit Auto Owner Trust	4.500	4.548	07/15/2014	300	300	309
Honda Auto Receivables Trust	2.310	2.329	05/15/2013	23	23	23
Honda Auto Receivables Trust	0.770	0.774	03/16/2015	189	189	189
Honda Auto Receivables Trust	3.300	3.329	09/15/2015	250	250	254

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Honda Auto Receivables Trust	0.970	0.972	03/16/2016	68	68	68
Huntington Auto Trust	0.810	0.823	05/15/2015	308	308	308
Huntington Auto Trust	1.010	1.016	01/15/2016	400	400	402
Huntington Auto Trust	1.310	1.313	11/15/2016	400	400	402
Hyuandai Auto Receivables Trst	0.970	0.984	11/15/2013	344	344	345
Hyuandai Auto Receivables Trst	1.630	1.638	07/15/2015	400	400	408
Hyundai Auto Receivables Trust	0.720	0.726	03/15/2016	346	346	346
John Deere Owner Trust	1.570	1.577	10/15/2013	73	73	73
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	357	357	357
Mercedes-Benz Auto Rec Trust	1.420	1.433	07/15/2013	155	155	156
Mercedes-Benz Auto Rec Trust	0.850	0.853	03/15/2014	273	273	274
NCUA Guaranteed Notes	0.590 A	0.593	12/07/2020	246	246	247
Newcastle Investment Trust	2.450	2.447	12/10/2033	245	245	248
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
Park Place Securities Inc	0.870	1.215	10/25/2034	932	886	884
Residential Asset Mtg Prod	0.580	11.063	10/25/2035	600	571	515
Residential Asset Sec Corp	0.610	6.133	10/25/2035	500	494	480
Santander Drive Auto Rec Trust	2.060	2.070	08/15/2013	172	172	172
Santander Drive Auto Rec Trust	2.390	1.421	06/15/2017	400	407	407
Saxon Asset Securities Trust	4.790 A	4.205	06/25/2033	305	309	305
Toyota Auto Rec Owner Trust	0.770	0.775	04/15/2014	738	738	739
USAA Auto Owner Trust	2.530	2.544	07/15/2015	295	295	300
Westlake Auto Receivables Trst	1.080	1.083	07/15/2013	111	111	111
Westlake Auto Receivables Trst	1.490	1.496	06/16/2014	303	303	304
<i>Total Corporate Asset Backed Issues</i>					24,029	24,084
<i>Corporate CMO</i>						
AH Mortgage Advance Trust	3.270	3.306	09/15/2013	1,334	1,334	1,336
AH Mortgage Advance Trust	6.900	7.000	09/15/2013	500	500	505
American General Mortgage Loan	5.150	3.637	03/25/2040	542	552	557
American General Mortgage Loan	5.750	4.066	09/25/2048	1,525	1,536	1,543
American General Mortgage Loan	5.750	4.877	09/25/2048	1,100	1,105	1,121
American General Mortgage Loan	5.750	8.302	09/25/2048	1,300	1,250	1,334
ASG Resecuritization Trust	5.210 A	5.168	05/24/2036	400	400	389
ASG Resecuritization Trust	5.210 A	9.611	05/24/2036	782	746	775
ASG Resecuritization Trust	0.330 A	0.479	10/28/2036	398	387	386
ASG Resecuritization Trust	2.680 A	5.760	03/26/2037	1,305	1,246	1,286
ASG Resecuritization Trust	4.830 A	18.614	06/26/2037	812	702	808
ASG Resecuritization Trust	6.000	9.136	06/28/2037	1,040	1,025	1,060
Banc of Amer Altern Loan Trust	5.000	4.750	09/25/2018	465	467	475
Banc of Amer Altern Loan Trust	5.500	7.118	02/25/2019	424	406	434
Banc of Amer Altern Loan Trust	5.500	5.566	09/25/2019	294	293	294
Banc of Amer Altern Loan Trust	5.500	7.899	09/25/2033	304	271	309
Banc of Amer Altern Loan Trust	5.500	5.696	11/25/2033	347	345	356
Banc of Amer Altern Loan Trust	6.000	6.572	01/25/2034	330	320	342
Banc of Amer Altern Loan Trust	6.000	6.771	01/25/2034	540	521	562
Banc of America Commercial Mtg	5.410	3.765	09/10/2016	150	159	166
Banc of America Commercial Mtg	4.670	5.024	07/10/2043	400	396	435
Banc of America Commercial Mtg	4.730	7.964	07/10/2043	600	547	624
Banc of America Commercial Mtg	5.890	6.051	07/10/2044	1,000	996	1,122
Banc of America Commercial Mtg	5.370	10.517	09/10/2045	660	564	735
Banc of America Commercial Mtg	5.120	5.057	10/10/2045	230	230	255
Banc of America Commercial Mtg	5.630	6.516	07/10/2046	700	681	790
Banc of America Funding Corp	5.500	5.809	10/25/2034	756	749	776
Banc of America Funding Corp	5.500	4.670	10/25/2034	37	37	37
Banc of America Funding Corp	5.040 A	5.441	12/20/2034	226	224	223
Banc of America Funding Corp	5.360 A	4.315	02/26/2035	910	946	955
Banc of America Mortgage Sec	0.690	1.727	08/25/2018	278	273	266
Banc of America Mortgage Sec	5.000	3.937	04/25/2019	159	162	162
Banc of America Mortgage Sec	6.500	6.758	09/25/2032	233	231	245
Banc of America Mortgage Sec	3.030 A	3.257	04/25/2033	322	320	328
Banc of America Mortgage Sec	5.500	4.675	05/25/2033	882	895	904

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(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	2.890 A	2.878	06/25/2033	326	326	321
Banc of America Mortgage Sec	2.990 A	3.116	04/25/2034	989	982	977
Banc of America Mortgage Sec	5.500	2.848	04/25/2034	1,400	1,462	1,430
Bank of America Corp	5.750	9.455	09/20/2034	442	390	464
BCAP LLC Trust	4.980 A	4.347	08/26/2012	276	276	276
BCAP LLC Trust	5.500	7.333	11/26/2034	1,055	1,001	1,075
BCAP LLC Trust	5.000 A	4.337	04/26/2035	400	403	392
BCAP LLC Trust	1.040	4.409	01/26/2036	441	402	417
BCAP LLC Trust	5.250	5.219	05/26/2037	94	94	93
BCAP LLC Trust	5.750	6.055	06/26/2037	753	743	759
BCAP LLC Trust	5.260 A	4.730	07/26/2045	1,341	1,362	1,270
Bear Stearns Adj Rate Mortgage	4.990 A	4.784	07/25/2033	322	323	324
Bear Stearns Adj Rate Mortgage	5.040 A	4.796	05/25/2034	271	273	272
Bear Stearns Adj Rate Mortgage	2.220 A	2.858	08/25/2035	462	447	446
Bear Stearns Commercial Mtg	5.450 A	4.655	03/11/2039	235	238	263
Bear Stearns Commercial Mtg	0.240 A	5.934	06/11/2041	14,621	222	194
Bear Stearns Commercial Mtg	5.470	2.094	06/11/2041	500	529	537
Bear Stearns Commercial Mtg	5.540	10.089	10/12/2041	300	261	340
Chase Mortgage Finance Corp	5.000	2.938	03/25/2018	276	285	279
Chase Mortgage Finance Corp	2.750 A	3.238	02/25/2037	903	885	897
Chase Mortgage Finance Corp	2.770 A	2.844	02/25/2037	209	209	205
Chase Mortgage Finance Corp	2.800 A	4.374	07/25/2037	551	511	494
Citicorp Mortgage Securities	5.500	2.272	06/25/2034	720	753	752
Citigroup Commercial Mortgage	4.830 A	4.789	05/15/2043	400	400	416
Citigroup Mortgage Loan Trust	5.250	16.348	10/25/2033	441	361	449
Citigroup Mortgage Loan Trust	5.070 A	4.892	08/25/2034	209	209	214
Citigroup Mortgage Loan Trust	2.610 A	2.732	02/25/2035	357	355	356
Citigroup Mortgage Loan Trust	5.500	5.498	05/25/2035	407	407	404
Citigroup Mortgage Loan Trust	6.000	10.653	06/25/2036	901	823	941
Citigroup Mortgage Loan Trust	4.000	2.810	11/25/2036	2,969	3,026	3,048
Citigroup Mortgage Loan Trust	4.500	2.801	12/25/2036	3,182	3,273	3,283
Citigroup Mortgage Loan Trust	3.040 A	2.481	11/25/2038	976	981	973
Citigroup/Deutsche Bank Commer	0.080 A	7.725	01/15/2046	78,819	227	188
Citigroup/Deutsche Bank Commer	0.160 A	8.712	12/11/2049	44,212	388	429
Commercial Mortgage Pass-Thru	4.980	9.224	05/10/2043	1,000	909	1,097
Countrywide Home Loans	4.500	5.864	06/25/2019	450	437	460
Countrywide Home Loans	5.250	5.251	09/25/2033	175	175	176
Countrywide Home Loans	5.000	6.249	10/25/2033	767	728	759
Countrywide Home Loans	5.250	5.860	04/25/2034	1,547	1,507	1,580
Credit Suisse Mortgage Capital	5.500	5.500	10/27/2035	141	140	141
Credit Suisse Mortgage Capital	3.250	3.162	07/27/2037	1,000	1,003	1,003
Credit Suisse Mortgage Capital	4.750 A	3.980	10/26/2037	209	209	204
Credit Suisse Mortgage Capital	5.660	5.701	03/15/2039	500	502	549
Credit Suisse Mortgage Capital	1.240 A	1.882	02/27/2047	1,649	1,644	1,644
Credit Suisse Mortgage Capital	1.240 A	1.575	06/28/2047	208	208	206
Credit Suisse Mortgage Capital	4.250 A	8.080	06/25/2050	300	280	275
CS First Boston Mortgage Sec	2.890 A	3.282	06/25/2033	500	481	466
CS First Boston Mortgage Sec	5.250	6.134	11/25/2033	1,238	1,206	1,277
CS First Boston Mortgage Sec	5.500	3.263	09/25/2034	706	745	744
CS First Boston Mortgage Sec	5.500	3.352	12/25/2034	761	799	800
CS First Boston Mortgage Sec	18.170 A	19.625	06/25/2035	122	119	124
CS First Boston Mortgage Sec	4.730	4.846	07/15/2037	400	398	424
Deutsche ALT-A Sec Inc Mtg	5.600 A	5.863	02/25/2020	289	286	297
Deutsche Mortgage Securities	0.370 A	8.626	04/26/2037	453	447	436
First Horizon Mortgage Ps Thru	4.500	4.452	09/25/2018	570	569	575
GE Capital Commercial Mortgage	4.830	4.279	06/10/2048	1,000	1,014	1,037
GE Capital Commercial Mortgage	4.850	4.385	06/10/2048	500	506	505
GMAC Commercial Mortgage Sec	5.240	10.435	11/10/2045	1,810	1,550	1,975
GMAC Mortgage Corp Loan Trust	5.000	4.073	01/25/2020	301	305	309
GMAC Mortgage Corp Loan Trust	3.030 A	4.543	10/19/2033	809	776	810
GMAC Mortgage Corp Loan Trust	5.000	6.078	10/25/2033	455	438	451
GMAC Mortgage Corp Loan Trust	5.000	8.701	11/25/2033	947	877	982
GMAC Mortgage Corp Loan Trust	2.990 A	3.202	12/19/2033	1,268	1,250	1,255
GMAC Mortgage Corp Loan Trust	6.500	5.374	01/25/2035	568	584	593
Greenwich Capital Comm Funding	4.860 A	5.694	01/10/2015	210	206	219

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(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	9.295	04/10/2038	1,000	890	1,108
GSR Mortgage Loan Trust	6.000	7.713	09/25/2034	711	681	745
GSR Mortgage Loan Trust	0.590	8.533	03/25/2035	566	360	463
GSR Mortgage Loan Trust	5.500	3.037	06/25/2035	1	1	1
GSR Mortgage Loan Trust	0.740	4.453	06/25/2035	276	250	244
GSR Mortgage Loan Trust	5.500	11.519	01/25/2037	99	85	96
Household Home Equity Loan Tst	0.510	4.609	01/20/2035	203	179	190
Household Home Equity Loan Tst	0.730	5.414	01/20/2035	406	351	365
Household Home Equity Loan Tst	0.400	4.561	01/20/2036	420	365	385
Household Home Equity Loan Tst	0.390	3.376	03/20/2036	361	325	333
Household Home Equity Loan Tst	0.440	1.778	03/20/2036	241	218	206
Household Home Equity Loan Tst	5.600	5.191	03/20/2036	481	481	486
Household Home Equity Loan Tst	1.440	4.462	11/20/2036	548	474	493
IMPAC CMB Trust	0.540	2.717	05/25/2035	446	400	408
IMPAC Secured Assets Corp	5.500	7.158	08/25/2033	697	654	734
IMPAC Secured Assets Corp	0.590	3.342	05/25/2036	570	491	523
IMPAC Secured Assets Corp	0.590	2.685	08/25/2036	950	818	848
JP Morgan Chase Commercial Mtg	5.570 A	2.207	07/12/2014	700	747	759
JP Morgan Chase Commercial Mtg	5.370 A	4.225	08/12/2037	700	722	718
JP Morgan Chase Commercial Mtg	4.400	2.085	01/12/2039	700	726	737
JP Morgan Chase Commercial Mtg	5.550	3.506	05/12/2045	500	539	559
JP Morgan Chase Commercial Mtg	5.400	9.292	05/15/2045	950	829	1,069
JP Morgan Chase Commercial Mtg	0.400	5.266	05/15/2047	800	737	736
JP Morgan Mortgage Trust	2.650 A	2.815	11/25/2033	1,203	1,194	1,192
JP Morgan Mortgage Trust	2.750 A	4.033	08/25/2034	1,559	1,486	1,523
JP Morgan Mortgage Trust	5.010 A	4.941	02/25/2035	1,000	1,001	997
JP Morgan Mortgage Trust	4.440 A	3.646	02/25/2035	201	202	202
JP Morgan Mortgage Trust	2.850 A	2.788	07/25/2035	919	920	889
JP Morgan Re-REMIC	4.270 A	4.068	08/26/2035	511	512	504
Lake Country Mortgage Loan Tst	0.590	1.204	07/25/2034	647	621	620
LB-UBS Commercial Mortgage Tst	5.160	7.515	01/15/2016	300	281	334
LB-UBS Commercial Mortgage Tst	4.370	2.169	03/15/2036	598	621	629
LB-UBS Commercial Mortgage Tst	0.150 A	9.884	02/15/2041	24,538	256	282
LVII Resecuritization Trust	2.870 A	2.725	09/27/2037	175	175	177
Master Adjustable Rate Mtgage	2.720 A	5.310	11/21/2034	304	298	305
Master Adjustable Rate Mtgage	2.720 A	2.909	11/21/2034	1,350	1,337	1,320
Master Reperforming Loan Trust	0.590	7.375	05/25/2035	796	534	605
Master Resecuritization Trust	13.630	4.028	05/28/2035	492	289	341
MASTR Asset Securitization	5.500	11.166	09/25/2033	145	128	151
MASTR Asset Securitization	5.250	3.713	12/25/2033	1,083	1,120	1,139
Merrill Lynch Mortgage Invest	2.720 A	3.127	07/25/2033	193	189	194
Merrill Lynch Mortgage Trust	5.660 A	5.342	05/12/2039	260	263	295
Merrill Lynch/Countrywide Comm	0.200 A	2.460	12/12/2049	16,164	205	205
MLCC Mortgage Investors Inc	0.990	5.240	04/25/2029	397	328	363
MLCC Mortgage Investors Inc	1.110	2.745	08/25/2029	422	392	389
MLCC Mortgage Investors Inc	2.600 A	2.936	08/25/2034	306	300	297
MLCC Mortgage Investors Inc	2.240 A	2.673	12/25/2034	639	623	638
Morgan Stanley Capital I	4.050	3.906	06/15/2021	340	343	365
Morgan Stanley Capital I	5.640 A	5.610	06/11/2042	250	251	287
Morgan Stanley Capital I	0.140 A	2.152	12/15/2043	15,918	197	223
Morgan Stanley Capital I	0.230 A	6.594	02/12/2044	43,631	370	319
Morgan Stanley Capital Inc	0.990 A	5.488	01/25/2035	98	85	96
Morgan Stanley Mortgage Loan	5.650 A	5.279	04/25/2034	345	350	350
Morgan Stanley Mortgage Loan	5.500	29.629	08/25/2034	4,571	561	565
Morgan Stanley Reremic Trust	2.000	1.853	09/27/2017	2,560	2,567	2,560
Morgan Stanley Reremic Trust	0.250	6.841	03/27/2019	400	267	266
Morgan Stanley Re-REMIC Trust	4.970	2.440	04/16/2040	1,400	1,457	1,487
Morgan Stanley Re-REMIC Trust	3.000	2.636	07/17/2056	246	247	248
Morgan Stanley Re-REMIC Trust	5.000	3.110	07/17/2056	1,450	1,477	1,479
NCUA Guaranteed Notes	2.650	2.865	01/01/2018	3,501	3,482	3,630
NCUA Guaranteed Notes	0.800 A	0.804	12/08/2020	905	905	908
NCUA Guaranteed Notes	2.400	2.461	12/08/2020	489	488	497
Prime Mortgage Trust	6.000	5.106	02/25/2034	286	294	304
RBSSP Resecuritization Trust	6.500	3.758	02/26/2036	622	636	660
RBSSP Resecuritization Trust	4.000	4.225	05/26/2037	470	466	465

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Residential Accredit Loans	16.120	16.538	10/25/2017	171	171	193
Residential Accredit Loans	0.890	3.540	07/25/2033	473	423	410
Residential Accredit Loans	5.500	5.536	08/25/2033	641	641	659
Residential Accredit Loans	5.750	7.317	10/25/2033	507	475	525
Residential Accredit Loans	5.500	14.394	05/25/2034	1,537	1,073	1,383
Residential Asset Mtg Prod	0.540	8.451	03/25/2036	1,300	1,116	1,112
Salomon Brothers Mortgage Sec	3.950 A	10.054	04/25/2032	215	184	182
Salomon Brothers Mortgage Sec	2.740 A	3.421	09/25/2033	691	670	672
Springleaf Mortgage Loan Trust	4.050 A	4.005	01/25/2058	1,049	1,048	1,064
Springleaf Mortgage Loan Trust	5.450	5.625	01/25/2058	1,000	989	1,000
Structured Asset Investment	0.510 A	7.499	06/25/2035	300	295	284
Structured Asset Mortgage Inv	0.000	6.837	07/25/2032	176	122	150
Structured Asset Mortgage Inv	0.900 A	2.132	10/19/2034	615	557	555
Structured Asset Securities Co	3.450	5.118	02/25/2032	316	291	289
Structured Asset Securities Co	0.740	6.839	06/25/2033	587	541	560
Structured Asset Securities Co	5.500	6.080	10/25/2033	723	707	731
Structured Asset Securities Co	5.270 A	5.716	11/25/2033	205	202	214
Structured Asset Securities Co	5.020 A	5.120	12/25/2033	258	257	260
Structured Asset Securities Co	5.540	6.477	12/25/2033	1,257	1,209	1,226
Structured Asset Securities Co	5.550 A	6.493	03/25/2034	585	564	585
Structured Asset Securities Co	4.690 A	4.484	02/25/2035	1,027	1,039	1,016
Structured Asset Securities Co	5.000	18.301	05/25/2035	193	148	191
Thornburg Mtg Securities Trust	0.880	2.423	09/25/2043	711	661	688
TIAA Seasoned Commercial Mtg	5.660 A	5.115	08/15/2039	2,500	2,519	2,697
Vendee Mortgage Trust	6.750	5.737	06/15/2026	729	767	851
Vendee Mortgage Trust	6.750	4.384	06/15/2028	603	684	694
Wachovia Bank Comm Mtg Trust	5.210	2.725	01/15/2041	652	689	699
Wachovia Bank Comm Mtg Trust	5.740 A	8.068	05/15/2043	1,440	1,342	1,625
WAMU Mortgage Pass-Through Cer	5.500	5.566	08/25/2019	567	565	592
WAMU Mortgage Pass-Through Cer	2.440 A	3.015	08/25/2033	237	230	232
WAMU Mortgage Pass-Through Cer	2.490 A	2.636	08/25/2033	263	261	262
WAMU Mortgage Pass-Through Cer	2.460 A	2.685	09/25/2033	926	915	933
WAMU Mortgage Pass-Through Cer	2.550 A	2.975	09/25/2033	344	336	348
WAMU Mortgage Pass-Through Cer	5.250	8.031	10/25/2033	2,341	2,184	2,406
WAMU Mortgage Pass-Through Cer	16.390	15.683	11/25/2033	279	283	290
WAMU Mortgage Pass-Through Cer	0.640	2.758	03/25/2034	209	205	204
WAMU Mortgage Pass-Through Cer	2.550 A	4.101	06/25/2034	255	237	254
WAMU Mortgage Pass-Through Cer	2.550 A	2.628	06/25/2034	638	635	630
WAMU Mortgage Pass-Through Cer	5.500	6.214	06/25/2034	845	815	866
WAMU Mortgage Pass-Through Cer	5.000	3.271	07/25/2034	629	649	650
Washington Mutual MSC Mortgage	0.000	23.684	07/25/2033	208	145	156
Washington Mutual MSC Mortgage	5.500	48.609	05/25/2035	691	65	127
Wells Fargo Mortgage Backed	4.750	4.579	12/25/2018	877	878	906
Wells Fargo Mortgage Backed	5.000	2.906	01/25/2020	306	315	313
Wells Fargo Mortgage Backed	5.000	4.088	11/25/2020	259	263	272
Wells Fargo Mortgage Backed	4.430 A	4.571	11/25/2033	866	862	880
Wells Fargo Mortgage Backed	4.730 A	2.464	12/25/2033	272	274	274
Wells Fargo Mortgage Backed	4.930 A	4.642	02/25/2034	478	480	491
Wells Fargo Mortgage Backed	2.680 A	4.275	09/25/2034	1,494	1,399	1,491
Wells Fargo Mortgage Backed	2.720 A	3.559	10/25/2034	599	568	597
Wells Fargo Mortgage Backed	2.710 A	3.356	10/25/2034	517	502	511
Wells Fargo Mortgage Backed	2.710 A	4.772	10/25/2034	356	326	354
Wells Fargo Mortgage Backed	2.700 A	4.214	12/25/2034	731	688	728
Wells Fargo Mortgage Backed	2.760 A	7.033	12/25/2034	357	317	359
Wells Fargo Mortgage Backed	2.700 A	4.047	12/25/2034	487	462	487
Wells Fargo Mortgage Backed	2.760 A	3.609	12/25/2034	357	349	360
Wells Fargo Mortgage Backed	2.680 A	4.876	06/25/2035	192	182	184
Wells Fargo Mortgage Loan Trst	2.850 A	2.724	08/27/2037	502	502	502
WF-RBS Commercial Mortgage Tst	4.380	4.266	05/15/2021	600	605	643
WF-RBS Commercial Mortgage Tst	3.440	3.324	01/15/2022	400	404	406
<i>Total Corporate CMO</i>					139,267	145,175
Total Corporate Issues - 35.9%					400,938	422,949

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>Short-term Issues</u></b>						
Dreyfus Cash Management Institutional Fund				22,989,053	22,989	22,989
Total Short-term Issues - 1.9%					22,989	22,989
Total Investment Securities - 99.9%					\$ 1,106,928	\$ 1,179,254
<b><u>Collateral for Securities Loaned</u></b>						
BNY Mellon Securities Lending Overnight Fund					\$ 30,746	\$ 30,746
Mellon SL DBT II Liquidating Fund					526	512
Total Collateral for Securities Loaned					\$ 31,272	\$ 31,258

A - Adjustable rate security.

See accompanying notes to financial statements.

## Core Fixed Income Pool

**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 4,750	\$ 43,398
Dividends	2	6
Net amortization	(395)	(7,131)
Securities lending income	12	100
<b>Total investment income</b>	4,369	36,373
<b>Expenses</b>		
Investment advisor fees	(155)	(1,348)
Trustee fees	-	(3)
Custodian bank fees	(5)	(46)
Management fees	(30)	(279)
Fiduciary bond fees	(1)	(4)
Professional service fees	(6)	(52)
Securities lending agent fees	(2)	(16)
Securities lending borrower rebates	(1)	(6)
<b>Total expenses</b>	(200)	(1,754)
<b>Investment income, net</b>	4,169	34,619
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	2	9,711
Net increase (decrease) in the fair value of investments	(8,348)	23,260
<b>Net gain (loss) from investments</b>	(8,346)	32,971
<b>Net increase (decrease) in net assets from operations</b>	\$ (4,177)	\$ 67,590

*\*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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 4,169	\$ 34,619
Net realized gain from investments	2	9,711
Net increase (decrease) in the fair value of investments	(8,348)	23,260
<b>Net increase (decrease) in net assets from operations</b>	(4,177)	67,590
<b>Distributions to unitholders</b>		
Investment income, net	(4,169)	(34,619)
<b>Unit transactions</b>		
Proceeds from sale of units	20,616	121,648
Reinvestment of distributions	3,674	34,924
	24,290	156,572
Amount paid for repurchase of units	(523)	(198,691)
<b>Net increase (decrease) in net assets from unit transactions</b>	23,767	(42,119)
<b>Increase (decrease) in net assets</b>	15,421	(9,148)
<b>Net assets, beginning of period</b>	1,165,446	1,190,015
<b>Net assets, end of period</b>	\$ 1,180,867	\$ 1,180,867
<b>Unit data</b>		
Units sold	1,827,560	10,926,310
Units issued from reinvestment of distributions	325,598	3,134,388
	2,153,158	14,060,698
Units repurchased	(46,363)	(17,795,374)
<b>Net increase (decrease) in units</b>	2,106,795	(3,734,676)

*\*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 March 31, 2012.

### 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Corporate issues	\$ -	\$ 422,949	\$ -	\$ 422,949
Municipal bonds	-	3,308	-	3,308
Regulated investment companies	-	22,989	-	22,989
Securities lending collateral funds	-	31,258	-	31,258
U.S. government agency issues	-	467,005	-	467,005
U.S. Treasury issues	-	263,003	-	263,003
Total	\$ -	\$ 1,210,512	\$ -	\$ 1,210,512

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

# Core Fixed Income Pool

## 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 March 31, 2012.

Fair value of securities on loan	\$	139,939		
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Loss</u>
Cash	\$	<u>31,272</u>	\$ 31,258	\$ (14)
Non-cash			111,522	
Total			<u>\$ 142,780</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		0.33
Net realized and unrealized gain on investment transactions		<u>0.30</u>
Total from investment operations		0.63
Less distributions from net investment income		<u>(0.33)</u>
Net asset value at March 31, 2012	\$	<u>11.20</u>

**Time-weighted Total Return \*** 5.8%

#### Supplemental Data:

Net assets, end of period	\$	1,180,867
Ratio to average net assets:		
Expenses **		0.19%
Net investment income **		3.89%
Portfolio turnover rate		16.27%

\* 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 March 31, 2012. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 293,938
Teachers' Retirement System	293,874
Workers' Compensation Old Fund	193,181
Revenue Shortfall Reserve Fund - Part B	73,124
Revenue Shortfall Reserve Fund	72,319
West Virginia Retiree Health Benefit Trust	54,732
Coal Workers' Pneumoconiosis Fund	40,286
West Virginia Prepaid Tuition Trust Fund	38,077
Public Employees Insurance Agency	37,992
State Police Death, Disability and Retirement Fund	31,008
Board of Risk and Insurance Management	21,449
Judges' Retirement System	8,386
Deputy Sheriff's Retirement System	7,961
State Police Retirement System	5,336
Wildlife Endowment Fund	2,606
Emergency Medical Services Retirement System	2,445
Workers' Compensation Self-Insured Guaranty Risk Pool	1,699
Workers' Compensation Uninsured Employers' Fund	1,415
West Virginia Department of Environmental Protection Trust	571
AccessWV	460
Municipal Police Officers' and Firefighters' Retirement System	8
Total	<u>\$ 1,180,867</u>

**Financial Statements - Unaudited**

**March 31, 2012**





# TIPS Pool

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## **Financial Statements - Unaudited March 31, 2012**

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# TIPS Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	699,056
Collateral for securities loaned at fair value (Note 4)		7,330
Receivables:		
Accrued interest		2,574
Investments sold		12,209
Securities lending income		34
		<hr/>
<b>Total assets</b>		721,203

### Liabilities

Accrued expenses		71
Payable for investments purchased		12,581
Payable upon return of securities loaned (Note 4)		7,333
		<hr/>
<b>Total liabilities</b>		19,985

**Net assets**      \$      701,218

### Analysis of net assets

Paid-in capital	\$	632,904
Accumulated undistributed net investment loss		(121)
Accumulated undistributed net realized gain from investments		24,480
Unrealized net appreciation of investments		43,955
		<hr/>
<b>Net assets</b>	\$	701,218

### Unit data

Units outstanding		64,502,561
Net asset value, unit price	\$	10.87
		<hr/>

See accompanying notes to financial statements.

# TIPS Pool

## Schedule of Investments in Securities - Unaudited March 31, 2012

(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 %	(0.833) %	04/15/2013	13,585	\$ 14,792	\$ 14,955
United States Treasury	1.880	(0.554)	07/15/2013	18,620	23,704	24,197
United States Treasury	2.000	(0.388)	01/15/2014	18,067	23,115	23,697
United States Treasury	1.250	(0.409)	04/15/2014	13,991	15,496	15,898
United States Treasury	2.000	(0.368)	07/15/2014	17,683	22,423	23,171
United States Treasury	1.630	(0.314)	01/15/2015	16,289	20,322	21,080
United States Treasury	0.500	(0.362)	04/15/2015	19,542	20,980	21,675
United States Treasury	1.880	(0.163)	07/15/2015	15,487	19,262	20,131
United States Treasury	2.000	(0.025)	01/15/2016	15,343	18,868	19,789
United States Treasury	0.130	(0.712)	04/15/2016	35,361	37,563	38,366
United States Treasury	2.500	0.014	07/15/2016	15,753	19,566	20,654
United States Treasury	2.380	0.178	01/15/2017	13,641	16,938	17,977
United States Treasury	2.630	0.202	07/15/2017	12,019	14,820	15,817
United States Treasury	1.630	0.307	01/15/2018	12,829	14,930	15,965
United States Treasury	1.380	0.339	07/15/2018	13,024	14,573	15,688
United States Treasury	2.130	0.446	01/15/2019	12,088	14,193	15,281
United States Treasury	1.880	0.490	07/15/2019	13,632	15,905	17,210
United States Treasury	1.380	0.573	01/15/2020	16,744	18,623	20,159
United States Treasury	1.250	0.633	07/15/2020	25,950	28,315	30,831
United States Treasury	1.130	0.899	01/15/2021	29,899	31,573	34,911
United States Treasury	0.630	0.169	07/15/2021	32,571	34,135	35,479
United States Treasury	0.130	(0.226)	01/15/2022	26,057	26,986	26,739
United States Treasury	2.380	1.135	01/15/2025	20,047	27,653	30,680
United States Treasury	2.000	1.190	01/15/2026	15,324	19,295	21,460
United States Treasury	2.380	1.237	01/15/2027	12,502	16,205	18,035
United States Treasury	1.750	1.274	01/15/2028	13,026	15,046	16,800
United States Treasury	3.630	1.361	04/15/2028	11,698	21,721	24,167
United States Treasury	2.500	1.299	01/15/2029	12,906	16,084	17,984
United States Treasury	3.880	1.381	04/15/2029	13,928	26,447	29,615
United States Treasury	3.380	1.421	04/15/2032	4,291	7,339	8,346
United States Treasury	2.130	1.561	02/15/2040	8,653	10,223	11,937
United States Treasury	2.130	1.466	02/15/2041	15,931	18,958	21,753
United States Treasury	0.750	0.722	02/15/2042	8,375	8,465	8,029
Total U.S. Treasury Issues - 99.6%					654,518	698,476
<b><u>Short-term Issues</u></b>						
Dreyfus Cash Management Institutional Fund - 0.1%				580	580	580
Total Investment Securities - 99.7%					\$ 655,098	\$ 699,056
<b><u>Collateral for Securities Loaned</u></b>						
BNY Mellon Securities Lending Overnight Fund				\$	7,210	\$ 7,210
Mellon SL DBT II Liquidating Fund					123	120
Total Collateral for Securities Loaned					\$ 7,333	\$ 7,330

See accompanying notes to financial statements.

# TIPS Pool

**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 898	\$ 10,055
Dividends	1	1
Net accretion (amortization)	2,274	(630)
Securities lending income	43	234
<b>Total investment income</b>	3,216	9,660
 <b>Expenses</b>		
Investment advisor fees	(12)	(140)
Trustee fees	-	(2)
Custodian bank fees	(1)	(15)
Management fees	(18)	(202)
Fiduciary bond fees	(1)	(3)
Professional service fees	(3)	(37)
Securities lending agent fees	(9)	(42)
Securities lending borrower rebates	-	(1)
<b>Total expenses</b>	(44)	(442)
<b>Investment income, net</b>	3,172	9,218
 <b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	950	24,254
Net increase (decrease) in the fair value of investments	(11,606)	38,072
<b>Net gain (loss) from investments</b>	(10,656)	62,326
<b>Net increase (decrease) in net assets from operations</b>	\$ (7,484)	\$ 71,544

*\*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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,172	\$ 9,218
Net realized gain from investments	950	24,254
Net increase (decrease) in the fair value of investments	(11,606)	38,072
<b>Net increase (decrease) in net assets from operations</b>	(7,484)	71,544
<b>Distributions to unitholders</b>		
Investment income, net	-	(9,339)
<b>Unit transactions</b>		
Proceeds from sale of units	875	82,124
Reinvestment of distributions	-	15,329
	875	97,453
Amount paid for repurchase of units	(839)	(350,133)
<b>Net increase (decrease) in net assets from unit transactions</b>	36	(252,680)
<b>Decrease in net assets</b>	(7,448)	(190,475)
<b>Net assets, beginning of period</b>	708,666	891,693
<b>Net assets, end of period</b>	\$ 701,218	\$ 701,218
<b>Unit data</b>		
Units sold	79,646	7,755,382
Units issued from reinvestment of distributions	-	1,471,557
	79,646	9,226,939
Units repurchased	(76,362)	(32,645,150)
<b>Net increase (decrease) in units</b>	3,284	(23,418,211)

*\*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.

# TIPS 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, 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 March 31, 2012.

# 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Regulated investment companies	\$ -	\$ 580	\$ -	\$ 580
Securities lending collateral funds	-	7,330	-	7,330
U.S. Treasury issues	-	698,476	-	698,476
Total	\$ -	\$ 706,386	\$ -	\$ 706,386

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at March 31, 2012.

Fair value of securities on loan	\$	471,225		
Initial collateral received:		Cost	Fair Value	Unrealized loss
Cash	\$	<u>7,333</u>	\$ 7,330	<u>\$ (3)</u>
Non-cash			473,571	
Total			<u>\$ 480,901</u>	



# TIPS Pool

## 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	\$	10.14
Income from investment operations:		
Net investment income		0.11
Net realized and unrealized gain on investment transactions		0.74
Total from investment operations		0.85
Less distributions from net investment income		(0.12)
Net asset value at March 31, 2012	\$	10.87

**Time-weighted Total Return \*** 8.2%

**Supplemental Data:**

Net assets, end of period	\$	701,218
Ratio to average net assets:		
Expenses **		0.06%
Net investment income **		1.42%
Portfolio turnover rate		17.92%

\* 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 March 31, 2012.

Participant	Account Value
Revenue Shortfall Reserve Fund	\$ 204,639
Teachers' Retirement System	119,202
Public Employees' Retirement System	105,050
Workers' Compensation Old Fund	91,694
Revenue Shortfall Reserve Fund - Part B	47,861
West Virginia Retiree Health Benefit Trust	42,974
Public Employees Insurance Agency	26,684
Coal Workers' Pneumoconiosis Fund	25,432
Board of Risk and Insurance Management	13,441
State Police Death, Disability and Retirement Fund	11,241
Judges' Retirement System	3,024
Deputy Sheriff's Retirement System	2,770
State Police Retirement System	1,815
AccessWV	1,066
Workers' Compensation Self-Insured Guaranty Risk Pool	1,027
Wildlife Endowment Fund	956
Workers' Compensation Uninsured Employers' Fund	890
Emergency Medical Services Retirement System	821
West Virginia Department of Environmental Protection Trust	628
Municipal Police Officers' and Firefighters' Retirement System	3
Total	\$ 701,218



**Financial Statements - Unaudited**

**March 31, 2012**



# TRS Annuity Pool

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## Financial Statements - Unaudited March 31, 2012

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# TRS Annuity Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at amortized cost \$ 107,348

### Liabilities

Accrued expenses 9

**Net assets** \$ 107,339

### Analysis of net assets

Paid-in capital \$ 83,463

Accumulated undistributed net investment income 23,876

**Net assets** \$ 107,339

### Unit data

Units outstanding 9,296,657

Net asset value, unit price \$ 11.55

*See accompanying notes to financial statements.*

# TRS Annuity Pool

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## Schedule of Investments in Securities - Unaudited

March 31, 2012

(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 - 100.0%	107,348,475	\$ 107,348	\$ 107,348

See accompanying notes to financial statements.

## TRS Annuity Pool

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**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 399	\$ 3,498
<b>Expenses</b>		
Management fees	(3)	(25)
Professional service fees	<u>(2)</u>	<u>(35)</u>
<b>Total expenses</b>	<u>(5)</u>	<u>(60)</u>
<b>Investment income, net</b>	<u>394</u>	<u>3,438</u>
<b>Net increase in net assets from operations</b>	<u>\$ 394</u>	<u>\$ 3,438</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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<u>Month</u>	<u>Year To Date</u>
<b>Operations</b>		
Investment income, net	\$ 394	\$ 3,438
<b>Unit transactions</b>		
Proceeds from sale of units	<u>4</u>	<u>56</u>
<b>Increase in assets from unit transactions</b>	<u>4</u>	<u>56</u>
<b>Increase in net assets</b>	398	3,494
<b>Net assets, beginning of period</b>	<u>106,941</u>	<u>103,845</u>
<b>Net assets, end of period</b>	<u><u>\$ 107,339</u></u>	<u><u>\$ 107,339</u></u>
<b>Unit data</b>		
Units sold	<u>385</u>	<u>5,026</u>
<b>Increase in units</b>	<u><u>385</u></u>	<u><u>5,026</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 March 31, 2012\***  
*(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	\$ 394	\$ 3,438
Adjustments to reconcile net increase in net assets from operations to net cash used in operating activities:		
Purchase of investment securities	(399)	(3,498)
Increase in accrued expenses	1	4
	<u>(4)</u>	<u>(56)</u>
<b>Net cash used in operating activities</b>		
<b>Cash flows from financing activities</b>		
Proceeds from units sold	<u>4</u>	<u>56</u>
	<u>4</u>	<u>56</u>
<b>Cash provided by financing activities</b>		
	-	-
<b>Net change in cash</b>		
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

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

# TRS Annuity Pool

## Notes to Financial Statements - 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 March 31, 2012 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 March 31, 2012.

### 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Annuity Contracts	\$ -	\$ -	\$ 107,348	\$ 107,348

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended March 31, 2012 was as follows:

	Annuity contract
Balance at June 30, 2011	\$ 103,850
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	-
Purchases	3,498
Sales	-
Net transfers in/(out) of Level 3	-
Balance at March 31, 2012	\$ 107,348

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 11.18
Net investment income from investment operations	0.37
Net asset value at March 31, 2012	\$ 11.55

**Time-weighted Total Return \*** 3.3%

#### Supplemental Data:

Net assets, end of period	\$ 107,339
Ratio to average net assets:	
Expenses **	0.08%
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**

**March 31, 2012**





# Private Equity Pool

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## Financial Statements - Unaudited March 31, 2012

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# Private Equity Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,012,551
Receivables:		
Partnership distributions		280
Dividends		4
		<hr/>
<b>Total assets</b>		1,012,835

### Liabilities

Accrued expenses		204
		<hr/>
<b>Net assets</b>	\$	<u>1,012,631</u>

### Analysis of net assets

Paid-in capital	\$	839,866
Accumulated undistributed net investment loss		(4,716)
Accumulated undistributed net realized loss from investments		(41,397)
Unrealized net appreciation of investments		218,878
		<hr/>
<b>Net assets</b>	\$	<u>1,012,631</u>

### Unit data

Units outstanding		88,631,242
Net asset value, unit price	\$	<u>11.43</u>

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited

**March 31, 2012**

*(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.		\$ 27,867	\$ 31,138
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		29,431	33,064
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.		12,773	14,427
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.		10,070	10,975
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.		5,005	4,719
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.		2,585	2,547
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.		17,577	16,867
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)

**March 31, 2012**

*(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.		8,420	7,773
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.		12,989	10,871
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.		1,411	1,256
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.		11,640	10,066
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.		12,326	12,565
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.		24,560	28,956

*See accompanying notes to financial statements.*

# Private Equity Pool

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

**March 31, 2012**

*(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.		12,637	10,391
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.		38,634	49,384
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.		18,003	21,265
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.		35,314	44,561
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.		24,039	23,502
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.		15,300	15,001

*See accompanying notes to financial statements.*

# Private Equity Pool

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

**March 31, 2012**

*(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.		10,654	10,058
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.		25,521	27,205
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.		4,666	4,059
Total Partnerships - 38.6%		361,422	390,650
<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.	390,872	399,532	589,182
Total Investments in Other Funds - 58.2%		399,532	589,182
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 3.2%	32,718,570	32,719	32,719
Total Investment Securities - 100.0%		\$ 793,673	\$ 1,012,551

*See accompanying notes to financial statements.*

# Private Equity Pool

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**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividends	\$ 4	\$ 19
<b>Expenses</b>		
Trustee fees	-	(2)
Custodian bank fees	-	(2)
Management fees	(25)	(239)
Fiduciary bond fees	-	(3)
Professional service fees	(81)	(653)
Fund closing costs	-	(42)
<b>Total expenses</b>	<u>(106)</u>	<u>(941)</u>
<b>Investment loss, net</b>	(102)	(922)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	1,645	71,836
Net increase in the fair value of investments	<u>6,660</u>	<u>40,286</u>
<b>Net gain from investments</b>	<u>8,305</u>	<u>112,122</u>
<b>Net increase in net assets from operations</b>	<u>\$ 8,203</u>	<u>\$ 111,200</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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (102)	\$ (922)
Net realized gain from investments	1,645	71,836
Net increase in the fair value of investments	6,660	40,286
<b>Net increase in net assets from operations</b>	8,203	111,200
<b>Unit transactions</b>		
Proceeds from sale of units	99	52,771
Amount paid for repurchase of units	1	(172,508)
<b>Net increase (decrease) in net assets from unit transactions</b>	100	(119,737)
<b>Increase (decrease) in net assets</b>	8,303	(8,537)
<b>Net assets, beginning of period</b>	1,004,328	1,021,168
<b>Net assets, end of period</b>	\$ 1,012,631	\$ 1,012,631
<b>Unit data</b>		
Units sold	8,734	4,889,604
Units repurchased	-	(16,068,689)
<b>Net increase (decrease) in units</b>	8,734	(11,179,085)

*\*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 March 31, 2012\* (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	\$ 8,203	\$ 111,200
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(19,350)	(135,142)
Proceeds from disposition of investment securities	2,249	254,780
Purchases and sales of short-term investment securities, net	17,375	1,251
Increase in receivable for partnership distributions	(280)	(280)
Decrease (increase) in dividends receivable	1	(1)
Increase in accrued expenses	7	51
Net realized gain from investments	(1,645)	(71,836)
Net increase in the fair value of investments	(6,660)	(40,286)
	<u>(100)</u>	<u>119,737</u>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	99	52,771
Paid for repurchase of units	1	(172,508)
	<u>100</u>	<u>(119,737)</u>
	<b>Net change in cash</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

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

# Private 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 \$979,832 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 March 31, 2012. 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 March 31, 2012.

### 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Investments in other funds	\$ -	\$ -	\$ 589,182	\$ 589,182
Partnerships	-	-	390,650	390,650
Regulated investment companies	-	32,719	-	32,719
Total	<u>\$ -</u>	<u>\$ 32,719</u>	<u>\$ 979,832</u>	<u>\$ 1,012,551</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended March 31, 2012 was as follows:

	Investments in other funds	Partnerships
Balance at June 30, 2011	\$ 735,267	\$ 252,081
Net realized gain/(loss)	63,359	8,477
Net change in unrealized appreciation/(depreciation)	20,556	19,730
Purchases	-	135,142
Sales	(230,000)	(24,780)
Net transfers in/(out) of Level 3	-	-
Balance at March 31, 2012	<u>\$ 589,182</u>	<u>\$ 390,650</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 March 31, 2012 the IMB had made commitments to twenty-four private equity general partnerships totaling \$892,000. The IMB had funded \$377,271 of these commitments at March 31, 2012, leaving unfunded commitments of \$514,729.

# 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
Income from investment operations:	
Net investment income	(0.01)
Net realized and unrealized gain on investment transactions	<u>1.21</u>
Total from investment operations	<u>1.20</u>
Net asset value at March 31, 2012	<u>\$ 11.43</u>

**Time-weighted Total Return \*** 11.7%

#### Supplemental Data:

Net assets, end of period	\$1,012,631
Ratio to average net assets:	
Expenses **	0.12%
Net investment income **	-0.12%
Portfolio turnover rate	13.63%

\* 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 March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 492,887
Public Employees' Retirement System	434,429
State Police Death, Disability and Retirement Fund	46,527
Judges' Retirement System	12,503
Deputy Sheriff's Retirement System	11,445
State Police Retirement System	7,490
Wildlife Endowment Fund	3,947
Emergency Medical Services Retirement System	3,390
Municipal Police Officers' and Firefighters' Retirement System	<u>13</u>
Total	<u>\$ 1,012,631</u>



**Financial Statements - Unaudited**

**March 31, 2012**





# Real Estate Pool

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## Financial Statements - Unaudited March 31, 2012

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# Real Estate Pool

## Statement of Assets and Liabilities - Unaudited March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	575,243
Collateral for securities loaned at fair value (Note 4)		3,569
Receivables:		
Investments sold		700
Foreign tax withholding		13
Interest		1,438
Dividends		1,470
Securities lending income		4
Unrealized gain on foreign currency forward contracts (Note 6)		1
		<hr/>
<b>Total assets</b>		582,438

### Liabilities

Accrued expenses		465
Payable for investments purchased		550
Payable upon return of securities loaned (Note 4)		3,570
		<hr/>
<b>Total liabilities</b>		4,585
		<hr/>
<b>Net assets</b>	\$	<u>577,853</u>

### Analysis of net assets

Paid-in capital	\$	514,674
Accumulated undistributed net investment income		13,178
Accumulated undistributed net realized gain from investments		23,203
Accumulated undistributed net realized gain from foreign currency transactions		266
Unrealized net appreciation of investments		26,137
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		395
		<hr/>
<b>Net assets</b>	\$	<u>577,853</u>

### Unit data

Units outstanding		61,851,562
Net asset value, unit price	\$	<u>9.34</u>

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments in Securities - Unaudited March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b>Investments in Other Funds</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.		\$ 10,500	\$ 10,450
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.		5,682	6,945
BPG Investment Partnership IX, L.P. Investment Objective -To invest in debt and equity real estate assets which should yield an internal rate of return to limited partners in excess of 12%, net of fees, costs, and carried interest. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		10,759	10,759
DRA Growth & Income Fund VII Investment Objective - To capitalize on inefficiencies in real estate markets and to make real estate investments that provide value add opportunities expected to provide investors a 12-15% rate of return on their investments. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		2,250	2,225
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	38,667
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.		14,266	14,006
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.		2,812	2,615
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.		5,570	6,065
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.		19,869	19,975
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	20,667

See accompanying notes to financial statements.

# Real Estate Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
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	12,317
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.		25,690	22,692
RREEF America REIT II, Inc. 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.		30,000	35,564
UBS Trumbull Property Fund 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.		50,000	55,297
Total Investments in Other Funds - 44.7%		243,898	258,244
<b>Real Estate Investment Trusts</b>			
<i>Australia</i>			
CFS Retail Property Trust	91,957	169	171
Dexus Property Group	265,500	205	239
Goodman Group	452,028	279	323
GPT Group	120,880	345	391
Investa Office Fund	208,400	118	137
Mirvac Group	53,277	68	65
Stockland	167,100	613	509
Westfield Group	89,600	893	820
Westfield Retail Trust	107,590	204	288
<i>Total Australia - 0.5%</i>		2,894	2,943
<i>Bermuda</i>			
Great Eagle Holdings Ltd	15,000	44	42
Hongkong Land Holdings	155,084	933	901
Kerry Properties Ltd	186,800	950	841
Shangri-La Asia Ltd	240,416	544	526
<i>Total Bermuda - 0.4%</i>		2,471	2,310
<i>Brazil</i>			
Sonae Sierra Brasil - 0.0%	3,800	46	60
<i>Canada</i>			
Boardwalk	14,800	671	846
Brookfield Properties Corp	32,800	538	572
Calloway	6,200	141	168
Canadian	3,000	100	111
Cominar Real Estate Investment	2,600	52	61
Primaris Retail	2,500	46	54
RioCan	39,528	935	1,069
<i>Total Canada - 0.5%</i>		2,483	2,881
<i>Cayman Islands</i>			
Agile Property Holdings Ltd	149,000	176	172
China Resources Land Ltd	148,000	270	256
Country Garden Holdings Co	544,060	231	209

See accompanying notes to financial statements.

## Real Estate Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
Evergrande Real Estate Group	517,000	312	277
Lifestyle International Hldngs	310,000	704	787
Longfor Properties	140,500	199	197
<i>Total Cayman Islands - 0.3%</i>		1,892	1,898
<i>China</i>			
Guangzhou R&F Properties Corp - 0.0%	185,000	284	220
<i>France</i>			
Fonciere des Regions	1,556	117	125
ICADE	6,810	716	607
Klepierre	12,789	462	443
Societe Immobiliere de Locatio	860	106	95
Unibail-Rodamco	6,835	1,383	1,365
<i>Total France - 0.5%</i>		2,784	2,635
<i>Germany</i>			
GSW Immobilien AG - 0.0%	3,993	111	138
<i>Hong Kong</i>			
Cheung Kong Holdings Ltd	12,000	165	155
China Overseas Land & Invstmnt	380,000	777	722
Hang Lung Properties Ltd	270,000	1,133	989
Hysan Development Company	193,192	705	774
Link REIT	75,600	229	281
New World Development Co Ltd	-	-	-
Sino Land Company Ltd.	156,200	233	249
Sun Hung Kai Properties Ltd	75,552	1,152	939
Wharf Hldgs Ltd	62,720	381	341
<i>Total Hong Kong - 0.8%</i>		4,775	4,450
<i>Japan</i>			
AEON Mall Company Ltd	26,000	593	608
Daiwa House Industry Co Ltd	42,000	458	558
Japan Real Estate Inv Corp	29	262	257
Japan Retail Fund Inv Corp	75	105	112
Kenedix Realty Investment Corp	22	79	81
Mitsubishi Estate Co Ltd	74,600	1,273	1,338
Mitsui Fudosan Co Ltd	89,900	1,616	1,729
Nippon Accommodations Fund	12	78	78
Nippon Building Fund Inc	14	137	134
Nomura Real Estate Holdings	7,100	130	126
Sumitomo Realty & Development	4,000	83	97
Tokyo Tatemono Company Ltd	45,000	156	183
United Urban Investment Corp	56	59	64
<i>Total Japan - 0.9%</i>		5,029	5,365
<i>Netherlands</i>			
Corio NV - 0.0%	4,660	264	245
<i>Singapore</i>			
CapitaCommercial Trust	208,000	223	202
CapitaLand Ltd	372,500	1,032	924
CapitaMall Trust	140,000	205	201
City Developments Ltd	66,000	582	596
Global Logistic Properties	184,600	289	323
Keppel Land Ltd	31,000	85	86
Wing Tai Holdings Ltd	176,000	230	179
<i>Total Singapore - 0.4%</i>		2,646	2,511
<i>Spain</i>			
Melia International SA - 0.1%	60,000	506	408

See accompanying notes to financial statements.

# Real Estate Pool

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

March 31, 2012

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<i>Sweden</i>			
Castellum AB	27,288	330	343
Hufvudstaden AB	6,280	66	66
<i>Total Sweden - 0.1%</i>		396	409
<i>Thailand</i>			
Central Pattana Public Company - 0.1%	325,200	301	485
<i>United Kingdom</i>			
British Land Company PLC	24,416	191	187
Derwent London PLC	30,740	722	857
Great Portland Estates PLC	67,770	345	390
Hammerson PLC	107,370	706	713
Land Securities Group PLC	88,805	942	1,025
Safestore Holdings PLC	33,000	66	62
SEGRO	35,442	142	133
Shaftesbury PLC	33,433	218	263
<i>Total United Kingdom - 0.6%</i>		3,332	3,630
<i>United States</i>			
Alexandria Real Estate Equity	5,200	374	380
American Campus Communities	8,300	252	371
Apartment Investment & Mgmt Co	135,300	3,329	3,573
Apartment Investment & Mgmt Co - Preferred Stock	315,000	7,881	7,907
Ashford Hospitality Trust - Preferred Stock	13,000	307	315
Avalonbay Communities Inc	36,150	4,616	5,110
BioMed Realty Trust Inc	45,250	836	859
Boston Properties Inc	31,000	2,856	3,255
Brandywine Realty Trust	91,250	904	1,048
Brandywine Realty Trust - Preferred Stock	16,702	415	423
BRE Properties Inc	36,900	1,786	1,865
Camden Property Trust	11,250	701	740
CBL & Associates Properties - Preferred Stock	198,350	4,828	4,959
Cogdell Spencer - Preferred Stock	480,561	12,139	12,120
Colonial Properties Trust	88,850	1,851	1,931
Commonwealth REIT	43,850	804	816
Commonwealth REIT - Preferred Stock	75,000	1,852	1,886
Corporate Office Properties	85,500	1,975	1,984
DDR Corp	50,700	607	740
DDR Corp - Preferred Stock	100,000	2,495	2,509
Douglas Emmett Inc	18,000	317	411
Duke Realty Corp - Preferred Stock	480,000	12,528	12,485
Equity Lifestyle Properties - Preferred Stock	100,000	2,523	2,545
Equity Residential	126,200	7,107	7,903
Essex Property Trust Inc	9,600	1,162	1,454
Extra Space Storage Inc	68,700	1,743	1,978
Federal Realty Investment Trst	15,650	1,354	1,515
General Growth Properties Inc	173,084	2,671	2,941
Glimcher Realty Trust - Preferred Stock	215,000	5,160	5,313
HCP Inc	112,850	4,495	4,453
Health Care REIT	89,550	4,787	4,922
Highwoods Properties Inc	4,400	141	147
Host Hotels & Resorts Inc	167,200	2,602	2,746
Hudson Pacific Properties - Preferred Stock	500,000	12,593	13,175
Kilroy Realty Corporation	3,400	147	158
Kimco Realty Corporation	67,750	1,175	1,305
Liberty Property Trust	10,800	349	386
Macerich Company	35,050	1,744	2,024
Mack-Cali Realty Corp	77,350	2,147	2,229
Pebblebrook Hotel Trust	4,200	83	95
Piedmont Office Realty Trust	72,500	1,265	1,287
Post Properties Inc	5,900	238	276
Prologis Inc	195,031	6,081	7,025
Public Storage	19,150	2,341	2,646

See accompanying notes to financial statements.

## Real Estate Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Regency Centers Corp	20,300	793	903
Regency Centers Corp - Preferred Stock	28,810	724	720
Simon Property Group	72,670	8,834	10,587
SL Green Realty Corp	42,900	3,002	3,327
SL Green Realty Corp - Preferred Stock	389,000	9,741	9,873
STAG Industrial Inc - Preferred Stock	45,750	1,150	1,167
Starwood Hotels & Resorts Inc	30,950	1,639	1,746
Tanger Factory Outlet Centers	5,300	125	158
Taubman Centers Inc	9,400	445	686
Taubman Centers Inc - Preferred Stock	25,000	633	631
UDR Inc	71,650	1,741	1,914
Ventas Inc	88,900	4,571	5,077
Vornado Realty Trust	23,400	1,892	1,970
<i>Total United States - 29.7%</i>		<u>160,851</u>	<u>170,969</u>
Total Real Estate Investment Trusts - 34.9%		191,065	201,557
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 2.7%	15,797,722	<u>15,798</u>	<u>15,798</u>

*(Continued)*

*See accompanying notes to financial statements.*

# Real Estate Pool

## Schedule of Investments in Securities - Unaudited (continued) March 31, 2012

(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>						
Colonial Realty LP	6.250 %	3.959 %	06/15/2014	9,793	\$ 10,262	\$ 10,415
Colonial Realty LP	5.500	4.489	10/01/2015	6,759	6,978	7,130
Colonial Realty LP	6.050	4.951	09/01/2016	2,000	2,086	2,153
Commonwealth REIT	5.750	4.215	11/01/2015	1,226	1,288	1,281
Commonwealth REIT	6.250	4.845	08/15/2016	4,000	4,219	4,235
Commonwealth REIT	6.250	5.024	06/15/2017	5,000	5,277	5,324
Corporate Office Property LP	4.250	4.649	04/15/2030	6,600	6,281	6,427
DDR Corp	9.630	4.919	03/15/2016	2,772	3,235	3,356
Equity One, Inc	6.000	4.272	09/15/2016	400	428	430
Health Care REIT	3.630	3.886	03/15/2016	12,000	11,887	12,177
Health Care REIT	6.200	4.217	06/01/2016	1,100	1,182	1,210
Hospitality Properties Trust	5.130	4.362	02/15/2015	1,440	1,469	1,505
Kilroy Realty Corporation	5.000	3.817	11/03/2015	2,212	2,299	2,357
Prolgois LP	5.630	4.078	11/15/2015	2,560	2,692	2,788
Prolgois LP	5.750	4.069	04/01/2016	6,000	6,369	6,539
Prolgois LP	2.630	2.671	05/15/2038	11,500	11,401	11,485
Reckson Operating Partnership	5.880	4.083	08/15/2014	6,586	6,850	6,982
Reckson Operating Partnership	6.000	4.561	03/31/2016	7,250	7,628	7,704
Rouse Company	5.380	5.375	11/26/2013	4,701	4,701	4,712
Senior Housing Prop Trust	4.300	4.627	01/15/2016	1,435	1,419	1,434
Total Corporate Bonds - 17.2%					97,951	99,644
Total Investment Securities - 99.5%					\$ 548,712	\$ 575,243
<b>Collateral for Securities Loaned</b>						
BNY Mellon Securities Lending Overnight Fund					\$ 3,510	\$ 3,510
Mellon SL DBT II Liquidating Fund					60	59
Total Collateral for Securities Loaned					\$ 3,570	\$ 3,569

See accompanying notes to financial statements.



## Real Estate Pool

**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 427	\$ 1,139
Operating	536	1,322
Dividends, net of foreign withholding taxes	1,797	3,179
Fund closing interest	-	108
Net amortization	(71)	(184)
Securities lending income	-	5
Securities lending borrower premiums	5	18
	<b>2,694</b>	<b>5,587</b>
<b>Expenses</b>		
Investment advisor fees	(172)	(718)
Trustee fees	-	(1)
Custodian bank fees	(9)	(63)
Management fees	(14)	(90)
Fiduciary bond fees	-	(1)
Professional service fees	(36)	(374)
Management fees - external	-	(225)
Securities lending agent fees	(1)	(4)
	<b>(232)</b>	<b>(1,476)</b>
	<b>2,462</b>	<b>4,111</b>
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain from:		
Investments	457	1,501
Foreign currency transactions	8	141
Net increase (decrease) in the fair value of:		
Investments	3,312	16,975
Translation of assets and liabilities in foreign currencies	(312)	(842)
	<b>3,465</b>	<b>17,775</b>
	<b>5,927</b>	<b>21,886</b>
	<b>\$ 5,927</b>	<b>\$ 21,886</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 Changes in Net Assets - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,462	\$ 4,111
Net realized gain from investments	457	1,501
Net realized gain from foreign currency transactions	8	141
Net increase in the fair value of investments	3,312	16,975
Net decrease in the translation of assets and liabilities in foreign currencies	(312)	(842)
<b>Net increase in net assets from operations</b>	5,927	21,886
<b>Unit transactions</b>		
Proceeds from sale of units	229	309,530
Amount paid for repurchase of units	-	(1,394)
<b>Net increase in net assets from unit transactions</b>	229	308,136
<b>Increase in net assets</b>	6,156	330,022
<b>Net assets, beginning of period</b>	571,697	247,831
<b>Net assets, end of period</b>	\$ 577,853	\$ 577,853
<b>Unit data</b>		
Units sold	24,783	34,358,402
Units repurchased	-	(156,003)
<b>Net increase in units</b>	24,783	34,202,399

*\*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 March 31, 2012\***  
*(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	\$ 5,927	\$ 21,886
Adjustments to reconcile net increase in net assets from operations to net cash used in operating activities:		
Purchase of investment securities	(16,420)	(336,646)
Proceeds from disposition of investment securities	5,517	25,523
Purchases and sales of short-term investment securities, net	22,612	1,213
Decrease (increase) in receivable for investments sold	36	(592)
Increase in foreign tax withholding receivable	(2)	(1)
Decrease (increase) in interest receivable	26	(1,438)
Increase in dividends receivable	(1,142)	(1,326)
Increase in securities lending receivable	(1)	(2)
Increase in accrued expenses	2	288
Increase (decrease) in payable for investments purchased	(13,478)	550
Net amortization	71	184
Net realized gain from investments	(457)	(1,501)
Net realized gain from foreign currency transactions	(8)	(141)
Net increase in the fair value of investments	(3,312)	(16,975)
Net decrease in the translation of assets and liabilities in foreign currencies	312	842
<b>Net cash used in operating activities</b>	(317)	(308,136)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	229	309,530
Amount paid for repurchase of units	-	(1,394)
<b>Cash provided by financing activities</b>	229	308,136
<b>Net change in cash</b>	(88)	-
<b>Cash</b>		
Beginning balance	88	-
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.*

# 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 trust (REIT) securities. Courtland Partners, Ltd. has been retained by the IMB to provide consulting services for the real estate funds and limited partnerships. The REIT securities are managed by European Investors, Inc., CBRE Clarion Securities, LLC., and Security Capital Research & Management Inc.

### 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 \$258,244 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 March 31, 2012. 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.

**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.

**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 March 31, 2012.

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:

## Real Estate 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 March 31, 2012:

Assets	Level 1	Level 2	Level 3	Total
Corporate Bonds	\$ -	\$ 99,644	\$ -	\$ 99,644
Foreign currency forward contracts	-	1	-	1
Real estate investment trusts	201,557	-	-	201,557
Regulated investment companies	-	15,798	-	15,798
Investments in other funds	-	-	258,244	258,244
Securities lending collateral funds	-	3,569	-	3,569
Total	<u>\$ 201,557</u>	<u>\$ 119,012</u>	<u>\$ 258,244</u>	<u>\$ 578,813</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended March 31, 2012 was as follows:

	<u>Investments in other funds</u>
Balance at June 30, 2011	\$ 175,132
Net realized gain/(loss)	1,789
Net change in unrealized appreciation/(depreciation)	9,730
Purchases	81,842
Sales	(10,249)
Net transfers in/(out) of Level 3	-
Balance at March 31, 2012	<u>\$ 258,244</u>

## Real Estate Pool

### 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 March 31, 2012.

Fair value of securities of loan	\$	3,421			
Initial collateral received:					
		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>	
Cash	\$	<u>3,570</u>	\$	3,569	<u>\$ (1)</u>
Non-cash				-	
Total			<u>\$</u>	<u>3,569</u>	

#### 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 \$244,222 of these commitments at March 31, 2012, leaving unfunded commitments of \$250,778.

#### NOTE 6. FOREIGN CURRENCY FORWARD CONTRACTS

At March 31, 2012, 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	Japanese Yen	03/28/2012	04/02/2012	8,862	\$ 108		\$ 108	-
Long	Japanese Yen	03/29/2012	04/03/2012	1,464	18		18	-
Long	Japanese Yen	03/30/2012	04/04/2012	8,871	108		107	1
Short	Australian Dollar	03/28/2012	04/02/2012		32	31	32	-
Short	Australian Dollar	03/29/2012	04/03/2012		43	42	43	-
Short	Australian Dollar	03/30/2012	04/04/2012		4	4	4	-
Short	Hong Kong Dollar	03/30/2012	04/03/2012		477	3,702	477	-
					<u>\$ 790</u>		<u>\$ 789</u>	<u>\$ 1</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 to the Pool.



## Real Estate Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 7. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2011	\$ 8.96
Income from investment operations:	
Net investment income	0.10
Net realized and unrealized gain on investment transactions	0.30
Net decrease in the translation of assets and liabilities in foreign currencies	(0.02)
Total from investment operations	0.38
Net asset value at March 31, 2012	\$ 9.34

**Time-weighted Total Return \*** 4.3%

**Supplemental Data:**

Net assets, end of period	\$ 577,853
Ratio to average net assets:	
Expenses **	0.53%
Net investment income **	1.47%
Portfolio turnover rate	7.32%

\* 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 8. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 281,835
Public Employees' Retirement System	247,484
State Police Death, Disability and Retirement Fund	26,614
Judges' Retirement System	7,083
Deputy Sheriff's Retirement System	6,497
State Police Retirement System	4,212
Wildlife Endowment Fund	2,224
Emergency Medical Services Retirement System	1,896
Municipal Police Officers' and Firefighters' Retirement System	8
Total	\$ 577,853



**Financial Statements - Unaudited**

**March 31, 2012**



# Hedge Fund Pool

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## Financial Statements - Unaudited March 31, 2012

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# Hedge Fund Pool

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## Statement of Assets and Liabilities - Unaudited

March 31, 2012

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,107,657
Receivables:		
Investments sold		11,823
Accrued interest		<u>10</u>
<b>Total assets</b>		<b>1,119,490</b>

### Liabilities

Accrued expenses		<u>135</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,119,355</u></u></b>

### Analysis of net assets

Paid-in capital	\$	999,309
Accumulated undistributed net investment loss		(3,209)
Accumulated undistributed net realized gain from investments		8,481
Unrealized net appreciation of investments		<u>114,774</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,119,355</u></u></b>

### Unit data

Units outstanding		100,826,263
Net asset value, unit price	\$	<u><u>11.10</u></u>

See accompanying notes to financial statements.

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited

**March 31, 2012**

*(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	\$ 67,135
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	39,616
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	30,487
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.			
Brevan Howard Fund Limited		38,256	52,859
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		38,624	55,380
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	15,140
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.			
CQS Convertible & Quantitative Strategies		33,234	32,471
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.			

*See accompanying notes to financial statements.*

## Hedge Fund Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
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	72,538
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	61,192
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	41,161
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	26,289
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.		49,831	51,915
Ivory Offshore 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.		36,822	40,599
Magnetar Capital Fund 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.		73,638	73,560

*See accompanying notes to financial statements.*



## Hedge Fund Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Marshall Wace LLP 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.		45,000	49,343
M&G Episode 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.		28,247	31,365
O'Connor Global 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.		51,959	69,337
Och Ziff 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.		40,000	43,490
Perry Partners 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.		60,000	66,412
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	35,228

*See accompanying notes to financial statements.*

## Hedge Fund Pool

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

**March 31, 2012**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
PFM Diversified Offshore Fund Investment Objective - To generate attractive risk-adjusted capital appreciation by employing a variety of strategies primarily focused in liquid equity markets.  Redemption Provisions - Eighty-five percent lockup until January 2015, then every three years with 45 days prior written notice and subject to maximum withdrawal A detail of the underlying investments is not available.		45,000	46,301
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.		4,015	3,930
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	65,260
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.		29,999	30,959
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	5,197
Total Investment in Other Funds - 99.0%		992,390	1,107,164
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 0.0%	492,666	493	493
Total Investment Securities 99.0%		<u>\$ 992,883</u>	<u>\$ 1,107,657</u>

*See accompanying notes to financial statements.*

# Hedge Fund Pool

**Statement of Operations - Unaudited**  
**Period Ended March 31, 2012\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 8	\$ 10
Dividends	-	4
	<u>8</u>	<u>14</u>
<b>Total investment income</b>	8	14
<b>Expenses</b>		
Trustee fees	(1)	(3)
Custodian bank fees	-	(1)
Management fees	(27)	(255)
Fiduciary bond fees	-	(3)
Professional service fees	(39)	(393)
	<u>(67)</u>	<u>(655)</u>
<b>Total expenses</b>	(67)	(655)
<b>Investment loss, net</b>	(59)	(641)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized loss from investments	(20)	(492)
Net increase in the fair value of investments	2,614	12,927
	<u>2,594</u>	<u>12,435</u>
<b>Net gain from investments</b>	2,594	12,435
<b>Net increase in net assets from operations</b>	<u>\$ 2,535</u>	<u>\$ 11,794</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 March 31, 2012\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (59)	\$ (641)
Net realized loss from investments	(20)	(492)
Net increase in the fair value of investments	2,614	12,927
<b>Net increase in net assets from operations</b>	2,535	11,794
<b>Unit transactions</b>		
Proceeds from sale of units	1	59,919
Amount paid for repurchase of units	(2,200)	(25,281)
<b>Net increase (decrease) in net assets from unit transactions</b>	(2,199)	34,638
<b>Increase in net assets</b>	336	46,432
<b>Net assets, beginning of period</b>	1,119,019	1,072,923
<b>Net assets, end of period</b>	\$ 1,119,355	\$ 1,119,355
<b>Unit data</b>		
Units sold	90	5,536,166
Units repurchased	(198,616)	(2,321,162)
<b>Net increase (decrease) in units</b>	(198,526)	3,215,004

*\*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 March 31, 2012\***  
*(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	\$ 2,535	\$ 11,794
Adjustments to reconcile net increase in net assets from operations net cash provided by (used in) operating activities:		
Purchase of investment securities	-	(152,500)
Proceeds from disposition of investment securities	470	46,161
Purchases and sales of short-term investment securities, net	1,792	3,678
Increase in accrued interest receivable	(8)	(10)
Decrease in dividends receivable	-	2
Decrease in receivable for investments sold	6	38,641
Decrease in advance on investment in other funds	-	30,000
Increase (decrease) in accrued expenses	(2)	31
Net realized loss from investments	20	492
Net increase in the fair value of investments	(2,614)	(12,927)
<b>Net cash provided by (used in) operating activities</b>	<b>2,199</b>	<b>(34,638)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	1	59,919
Amount paid for repurchase of units	(2,200)	(25,281)
<b>Net cash provided by (used in) financing activities</b>	<b>(2,199)</b>	<b>34,638</b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

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

# Hedge Fund 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 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 \$1,107,164 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 March 31, 2012. 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 March 31, 2012.

### 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 March 31, 2012:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in other funds	\$ -	\$ -	\$ 1,107,164	\$ 1,107,164
Regulated investment companies	-	493	-	493
Total	<u>\$ -</u>	<u>\$ 493</u>	<u>\$ 1,107,164</u>	<u>\$ 1,107,657</u>

There were no transfers in or out of Levels 1 and 2 during the period ended March 31, 2012.

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended March 31, 2012 was as follows:

	<u>Investments in other funds</u>
Balance at June 30, 2011	\$ 988,390
Net realized gain/(loss)	(492)
Net change in unrealized appreciation/(depreciation)	12,927
Purchase	152,500
Sales	(46,161)
Net transfers in/(out) of Level 3	-
Balance at March 31, 2012	<u>\$ 1,107,164</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2011	\$ 10.99
Net realized and unrealized gain on investment transactions	<u>0.11</u>
Net asset value at March 31, 2012	<u>\$ 11.10</u>

**Time-weighted Total Return \*** 1.0%

#### Supplemental Data:

Net assets, end of period	\$ 1,119,355
Ratio to average net assets:	
Expenses **	0.08%
Net investment income **	-0.08%
Portfolio turnover rate	4.41%

\* - 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 March 31, 2012.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 455,274
Public Employees' Retirement System	401,438
West Virginia Retiree Health Benefit Trust	83,544
Coal Workers' Pneumoconiosis Fund	51,630
State Police Death, Disability and Retirement Fund	43,560
Board of Risk and Insurance Management	26,966
Public Employees Insurance Agency	17,075
Judges' Retirement System	11,618
Deputy Sheriff's Retirement System	10,659
State Police Retirement System	6,841
Wildlife Endowment Fund	3,866
Emergency Medical Services Retirement System	3,116
Workers' Compensation Self-Insured Guaranty Risk Pool	1,967
Workers' Compensation Uninsured Employers' Fund	1,788
Municipal Police Officers' and Firefighters' Retirement System	13
Total	<u>\$ 1,119,355</u>