



**Performance Report
Fourth Quarter 2009**

Ventura County Employees' Retirement Association

CONTENTS

- 1 Highlights**
- 2 Market Environment**
- 3 Asset Allocation**
- 4 Performance Evaluation**
- 5 Appendices**

Ennis, Knupp & Associates calculates rates of return for each investment manager monthly. Occasionally discrepancies arise between returns computed by the managers and those calculated by Ennis, Knupp & Associates due to differences in computational procedures, securities pricing services, etc. We monitor these discrepancies closely and find that they generally do not tend to persist over time. If a material discrepancy does persist, we will bring the matter to your attention. A description of the policy portfolios and fund universes used throughout this report appears in Appendix II. All rates of return contained in this report for time periods greater than one year are annualized. Returns are calculated net of fees and expenses.

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HIGHLIGHTS

HIGHLIGHTS

Market Comments

Global capital markets continued to rebound during the fourth quarter of 2009 with all major markets delivering positive returns. However investors remained uncertain as to the extent of recovery as volatility in the equity markets remained above the ten-year average. The Federal Open Markets Committee met in January, maintaining the target federal funds rate at 0.00-0.25%. The unemployment rate decreased to 9.7% (from 10%) in January but the economy continued to shed jobs as non-farm payrolls declined by 20K (as opposed to the estimate of a 15K decline). These events continue to emphasize the long-term nature of the recovery ahead.

The U.S. stock market, as measured by the Dow Jones U.S. Total Stock Market Index, returned 5.8% for the fourth quarter of 2009. Growth stocks outperformed value stocks across the capitalization spectrum. From a size perspective, large cap stocks outperformed their small cap counterparts. Technology outperformed all other sectors, returning 10.5%, with materials and health care returning 9.9% and 7.9%, respectively. Financials was the poorest performer during the quarter as the only sector with a negative return. Over the past year, telecommunications and utilities have been the poorest performers, however all sectors have yielded positive returns during the time period.

The non-U.S. stock market, as measured by the MSCI All Country World ex-U.S. Index, returned 3.7% during the fourth quarter, underperforming the U.S. stock market for the first time since June 2008. Developed markets gained 2.2%, underperforming emerging markets that gained 8.5% during the quarter. The Latin American and Eastern Europe & Middle East regions were the strongest performers for the quarter, delivering returns of 12.4% and 10.3% respectively.

The U.S. bond market, as measured by the Barclays Capital Aggregate Bond Index, returned 0.2% during the fourth quarter. Government securities underperformed the broad bond market with negative results over both the fourth quarter and trailing year periods. Riskier segments of the market performed well as the Barclays Capital U.S. High Yield Index returned 6.2% over the quarter and 58.2% over the past year.

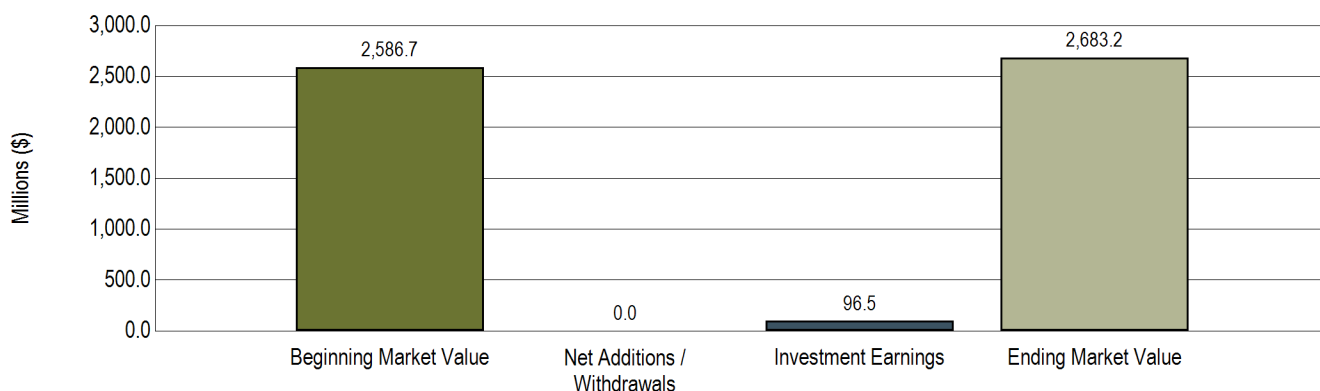
MAJOR MARKET RETURNS

	Fourth Quarter	1 Year Ending 12/31/09	3 Years Ending 12/31/09
Dow Jones US Total Stock Index	5.8%	28.6%	-5.2%
MSCI All Country World ex-U.S. Index	3.7	41.4	-3.5
MSCI EAFE Index	2.2	31.8	-6.0
MSCI Emerging Markets Index	8.5	78.5	5.1
MSCI All Country World Index	4.6	34.6	-4.6
Barclays Capital Aggregate Bond Index	0.2	5.9	6.0

Asset Growth

As shown below, the asset value of VCERA's Total Fund increased by \$96.5 million during the quarter. The increase in assets was a result of investment gains of \$96.5 million.

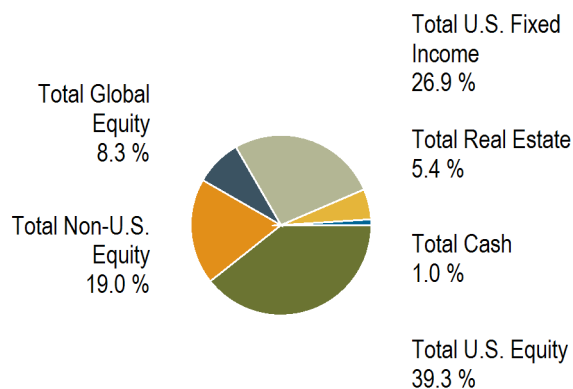
**Change in Market Value
From October 1, 2009 To December 31, 2009**



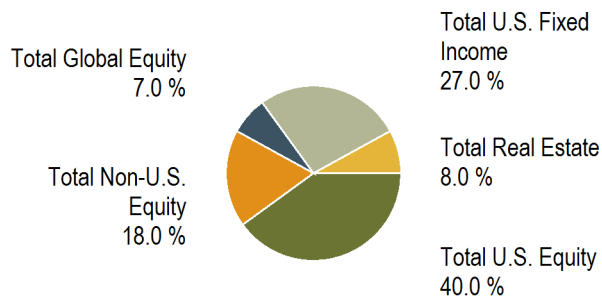
Asset Allocation

The pie charts below illustrate VCERA's investment allocations relative to its policy. As of December 31, 2009, the Fund was overweight relative to its policy within the non-U.S. equity, global equity, and cash components. Corresponding underweights were experienced within the U.S. equity, fixed income, and real estate components.

**ASSET ALLOCATION
ACTUAL AS OF 12/31/09**



**ASSET ALLOCATION
POLICY AS OF 12/31/09**



HIGHLIGHTS

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter	1 Year Ending 12/31/09	3 Years Ending 12/31/09	5 Years Ending 12/31/09	10 Years Ending 12/31/09	Since Inception	Inception Date
Total Fund	3.8%	24.2%	-2.8%	2.5%	3.2%	8.6%	3/31/80
Policy Portfolio	3.2	20.8	-1.5	3.2	2.9	--	
Public Fund Index	3.3	19.8	-1.0	3.6	3.7	--	
Total Fund ex-Clifton	3.7	23.3	-2.8	2.5	3.2	8.6	3/31/80
Total U.S. Equity	6.1	29.2	-6.9	-0.4	0.5	7.1	12/31/93
Performance Benchmark*	5.8	28.6	-5.2	0.9	-0.1	7.7	
Total Non-U.S. Equity	3.2	37.4	-5.0	5.1	2.3	7.3	3/31/94
Performance Benchmark*	3.7	41.4	-3.5	5.8	2.5	5.8	
Total Global Equity	4.4	17.8	-6.3	--	--	2.2	4/30/05
MSCI All Country World Index	4.6	34.6	-4.6	--	--	4.0	
Total U.S. Fixed Income	1.8	25.6	6.8	5.8	7.0	6.4	2/28/94
Barclays Capital Aggregate Bond Index	0.2	5.9	6.0	5.0	6.3	6.3	
Total Real Estate	-3.4	-31.2	-13.3	-0.9	4.3	6.4	3/31/94
Policy Benchmark	-1.7	-18.8	-4.6	3.7	6.8	8.4	

Commentary on Investment Performance

The Total Fund returned 3.8% during the fourth quarter and outperformed the Policy Portfolio by 60 basis points. The Fund's U.S. equity and fixed income components contributed to outperformance. Partially offsetting results was below-benchmark returns from the Fund's non-U.S. equity, global equity, and real estate components.

In 2009, the Total Fund advanced 24.2%, outpacing the return of the Policy Portfolio by 3.4 percentage points. Outperformance was mainly attributed to significant above-benchmark returns from the fixed income component. Relative performance was partially offset by underperformance from the non-U.S. equity, global equity, and real estate components.

The Total Fund's longer-term relative performance remains mixed. While the Total Fund has outperformed the return of its benchmark during the trailing ten-year period, it has lagged the benchmark during the remaining periods. The Fund's since inception return remains favorable in absolute terms at 8.6%.

The attribution analysis exhibits on page 18 provide additional information regarding each sub-component's contribution to performance during the quarter and trailing one-year period.

*The DJ U.S. Total Stock Market Index. The Index was formerly named the DJ Wilshire 5000 Index. Prior to May 2007, the Russell 3000 Index.

**The MSCI All Country World ex-U.S. Index. Prior to May 2002, the MSCI EAFE Index.

MARKET ENVIRONMENT
Fourth Quarter 2009

MARKET ENVIRONMENT

OVERVIEW

MAJOR MARKET RETURNS

	Fourth Quarter	1 Year Ending 12/31/09	3 Years Ending 12/31/09	5 Years Ending 12/31/09	10 Years Ending 12/31/09
Dow Jones US Total Stock Index	5.8 %	28.6 %	-5.2 %	1.0 %	-0.2 %
MSCI All Country World ex-U.S. Index	3.7	41.4	-3.5	5.8	2.7
MSCI EAFE Index	2.2	31.8	-6.0	3.5	1.2
MSCI Emerging Markets Index	8.5	78.5	5.1	15.5	9.8
MSCI All Country World Index	4.6	34.6	-4.6	3.1	0.4
Barclays Capital Aggregate Bond Index	0.2	5.9	6.0	5.0	6.3

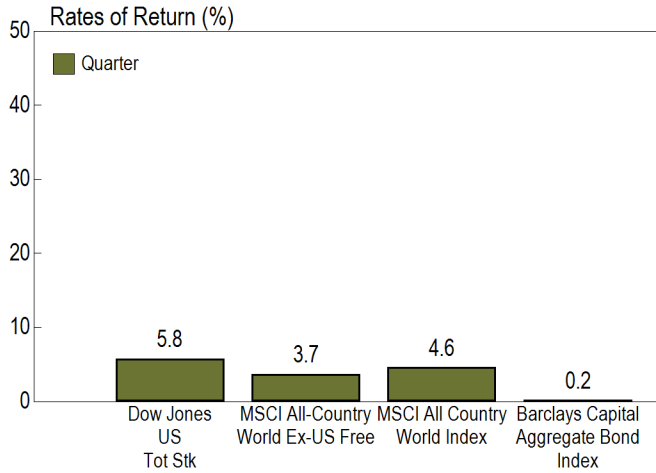
Global capital markets ended the quarter and year up, with all major markets delivering positive, though comparatively modest returns, as economic indicators hinted at stabilization. The Federal Open Markets Committee met twice during the quarter, in November and December, each time maintaining the target federal funds rate at 0.00-0.25%. It also stated that it would complete its purchase of \$1.25 trillion in agency securities and \$175 billion of agency debt by the end of the first quarter of 2010.

The Dow Jones U.S. Total Stock Market Index returned 5.8% for the fourth quarter of 2009, outperforming international equity markets for the first time since the first quarter of 2009. Growth stocks outperformed their value counterparts with the market placing greater emphasis on style than market capitalization. The technology and material sectors yielded the highest returns for both the quarter and trailing one-year period, while financials underperformed during the quarter and telecommunications lagged for the year. Financials returned -1.4% for the quarter and was the only sector to post a negative return during the fourth quarter.

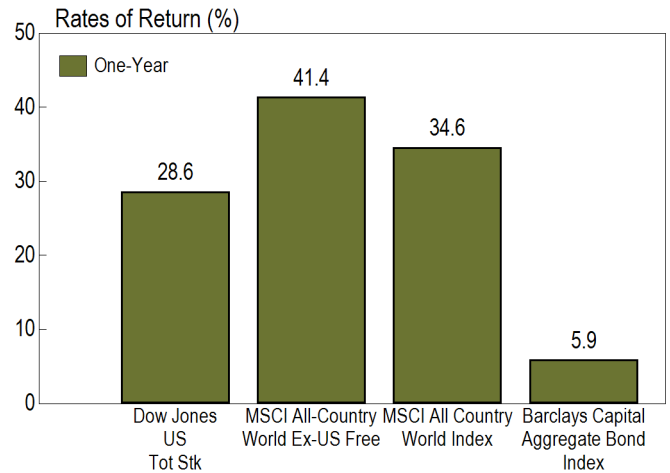
International equity markets underperformed their U.S. counterparts by 2.1 percentage points during the fourth quarter while at the same time significantly outpacing them for the year. In 2009, the MSCI All Country World ex-U.S. Index outperformed the Dow Jones U.S. Total Stock Market Index by 12.8 percentage points. International markets continued to outperform U.S. markets over the trailing one, three, five, and ten-year periods. Emerging markets continued to produce significantly greater returns than developed markets with the Latin America region delivering the highest return for the quarter and one-year period. Japan continued to be the weakest region, yielding a negative return for the quarter and a 6.3% gain for 2009.

The domestic fixed income market, as measured by the Barclays Capital Aggregate Bond Index returned 0.2% for the fourth quarter. High yield bonds continued to outperform all other sectors, returning 6.2% for the quarter and 58.2% for the year. Government securities underperformed the broad bond market amidst concern regarding an increased supply and investors' continued appetite for risk. It remains the only sector with a negative return for the trailing year. Long-term Treasury yields rose during the fourth quarter, leaving the yield curve steeper than it was exactly one year ago.

**MAJOR MARKET RETURNS
FOURTH QUARTER**

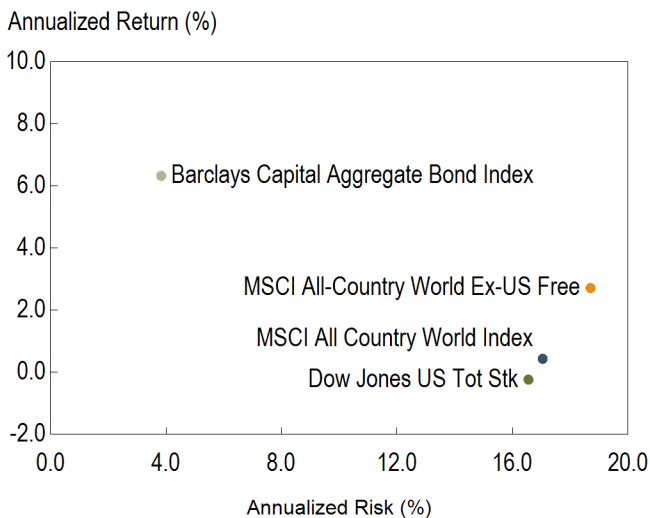


**MAJOR MARKET RETURNS
ONE-YEAR ENDING 12/31/09**

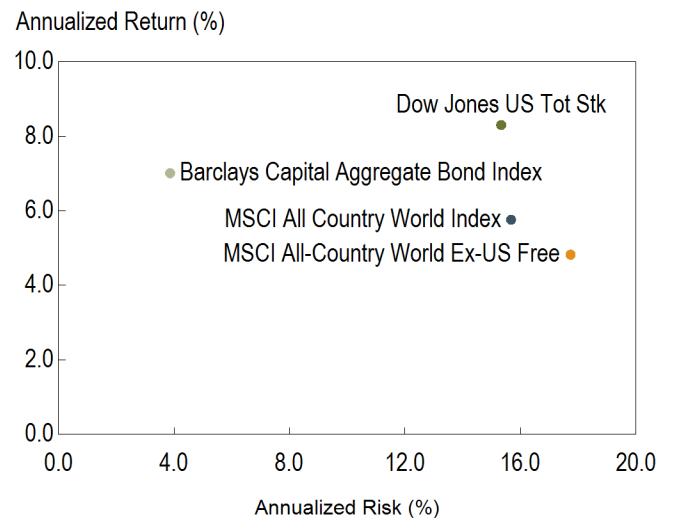


The exhibits above show the performance of the major capital markets during the fourth quarter and one-year periods.

**MARKET RISK/RETURN
10 YEARS ENDING 12/31/09**



**MARKET RISK/RETURN
20 YEARS ENDING 12/31/09**

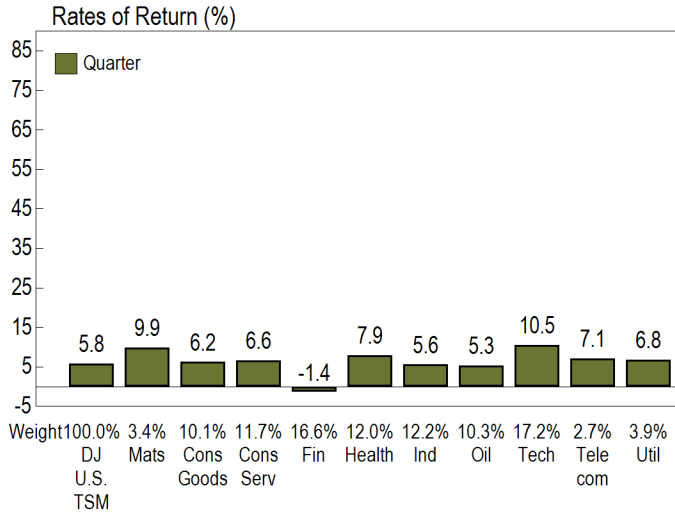


The exhibits above show the historical performance of the major capital markets and the amount of risk (volatility of returns) incurred. Points near the top of the chart represent a greater return and points near the right of the chart indicate greater volatility.

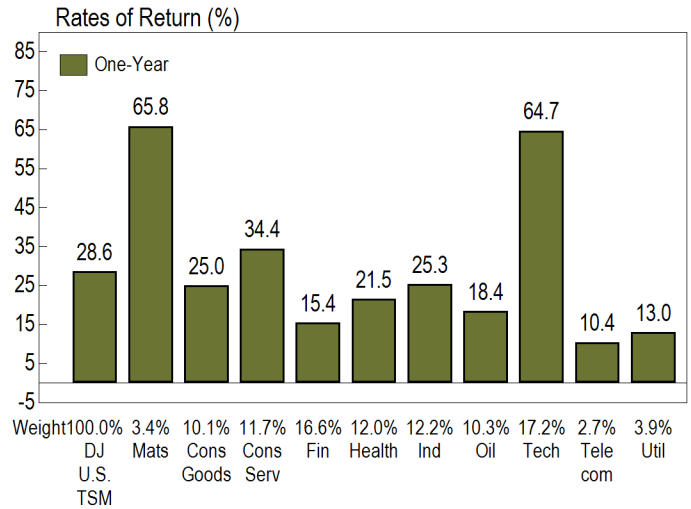
MARKET ENVIRONMENT

U.S. STOCK MARKET

SECTOR RETURNS FOURTH QUARTER



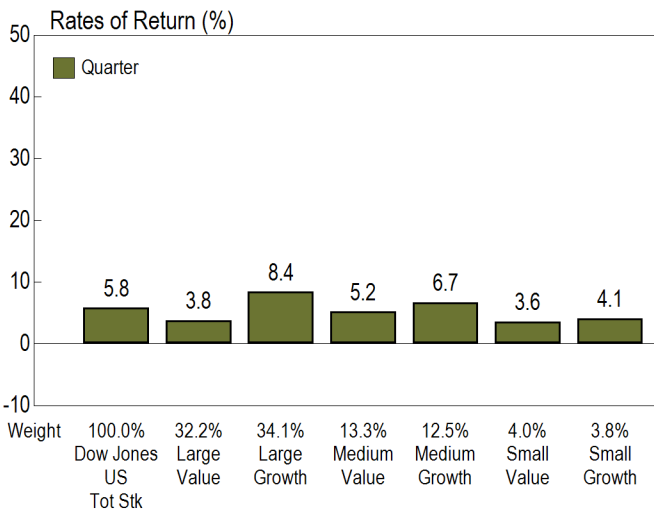
SECTOR RETURNS ONE-YEAR ENDING 12/31/09



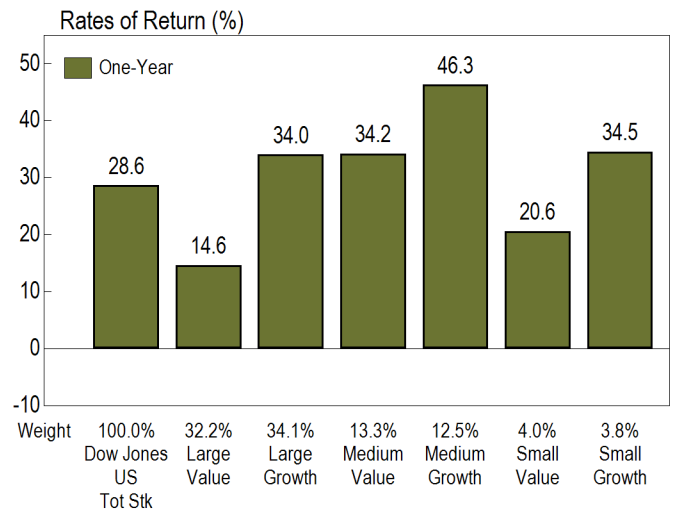
The Dow Jones U.S. Total Stock Market Index is the broadest available measure of the aggregate domestic stock market. It includes all domestic common stocks with readily available price information.

The exhibits above show the performance of the sectors that comprise the Dow Jones U.S. Total Stock Market Index. The percentage below each bar indicates the sector's weight within the Dow Jones U.S. Total Stock Market Index at quarter-end.

STYLE RETURNS FOURTH QUARTER

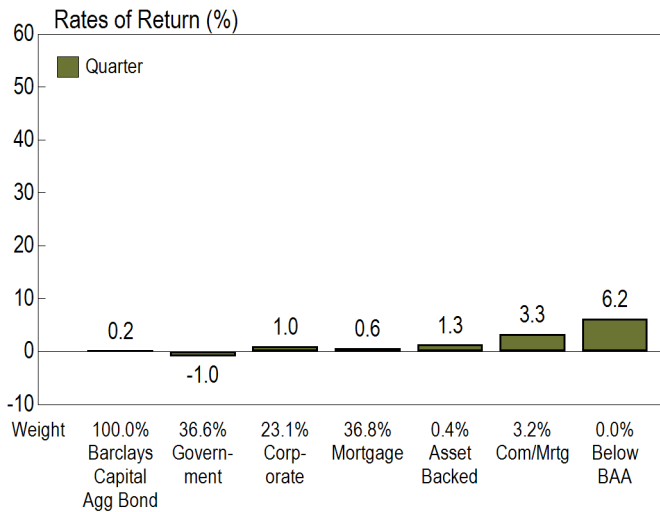


STYLE RETURNS ONE-YEAR ENDING 12/31/09

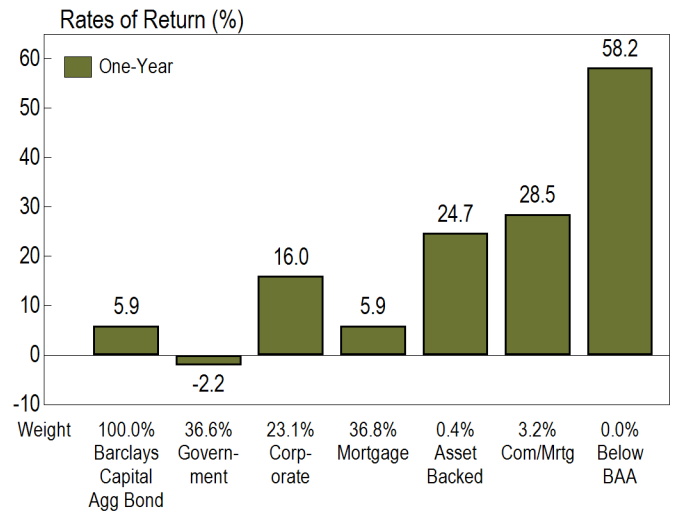


The exhibits above illustrate the performance of stock investment styles according to capitalization (large and small) and style characteristics (value and growth). The percentage below each bar indicates the segment's weight within the Dow Jones U.S. Total Stock Market Index at quarter-end.

**SECTOR RETURNS
FOURTH QUARTER**



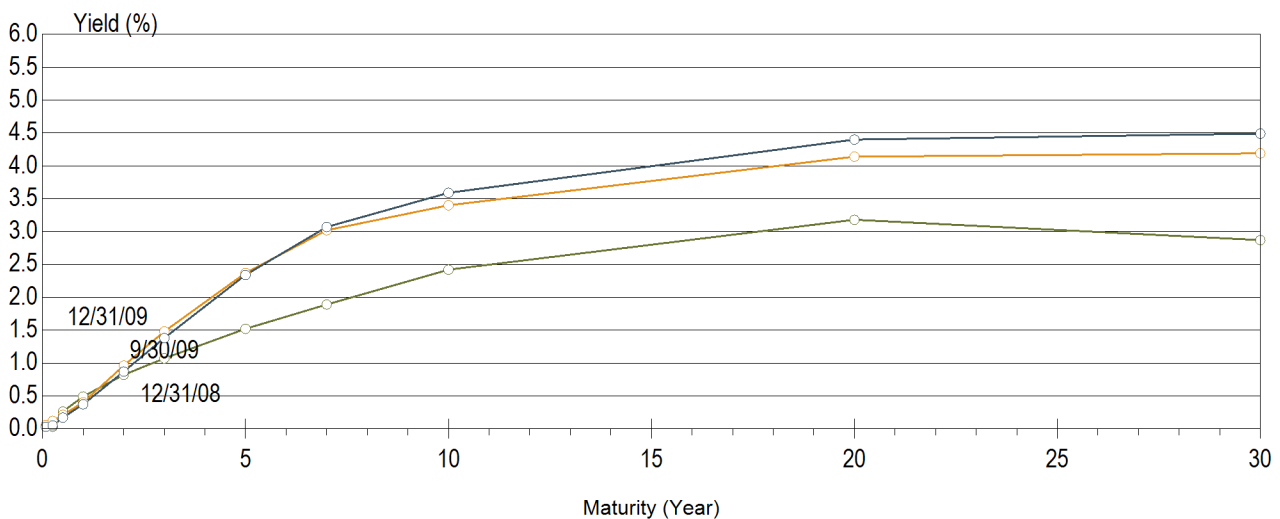
**SECTOR RETURNS
ONE-YEAR ENDING 12/31/09**



The Barclays Capital Aggregate Bond Index is a broad measure of the U.S. investment grade fixed income market. The Index consists of credit, government, and mortgage-backed securities and includes credit card, auto, and home equity loan-backed securities.

The exhibits above show the performance of the sectors that comprise the broad domestic bond market. The percentage below each bar indicates the sector's weight within the Barclays Capital Aggregate Bond Index at quarter-end.

U.S. TREASURY CURVE

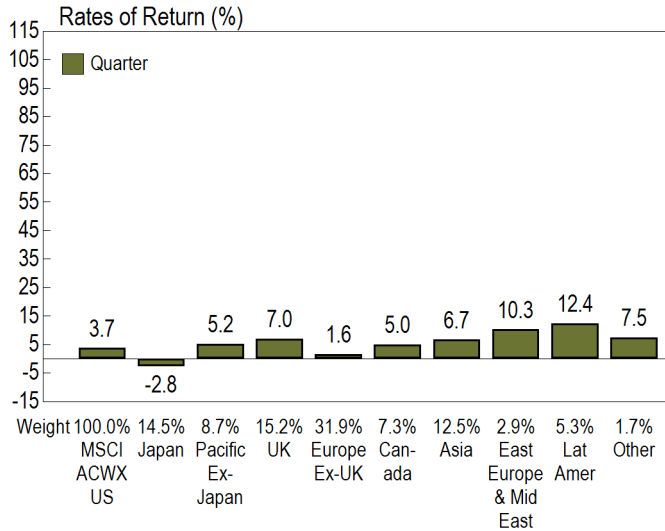


The exhibit above illustrates yields of Treasury securities of various maturities as of December 31, 2008, September 30, 2009, and December 31, 2009.

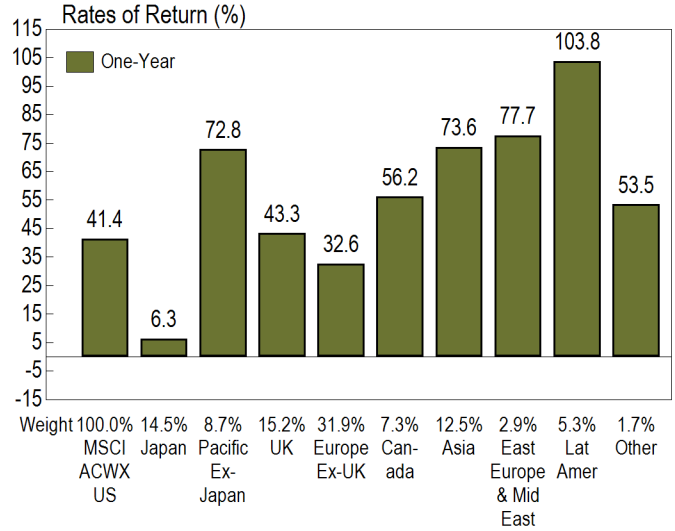
MARKET ENVIRONMENT

NON-U.S. STOCK MARKETS

**NON-U.S. STOCK MARKET RETURNS
FOURTH QUARTER**

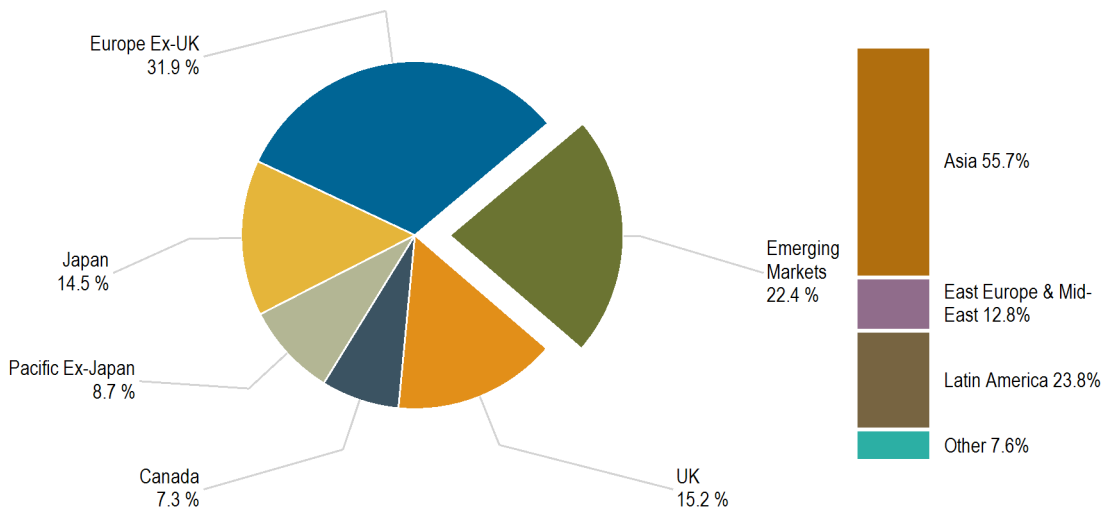


**NON-U.S. STOCK MARKET RETURNS
ONE-YEAR ENDING 12/31/09**



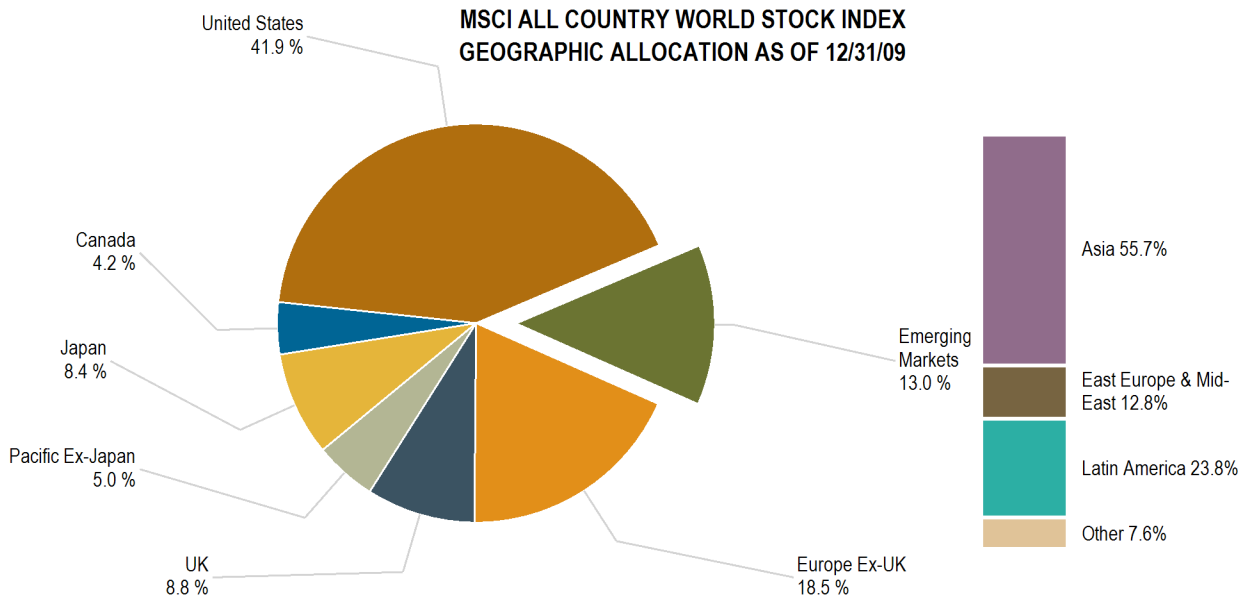
The MSCI All Country World ex-U.S. Index is a capitalization-weighted index of stocks representing 22 developed stock markets and 22 emerging stock markets around the world. The exhibits above show the performance of the regions that comprise the MSCI All Country World ex-U.S. Index at quarter-end.

**MSCI ALL COUNTRY WORLD EX-U.S. STOCK INDEX
GEOGRAPHIC ALLOCATION AS OF 12/31/09**



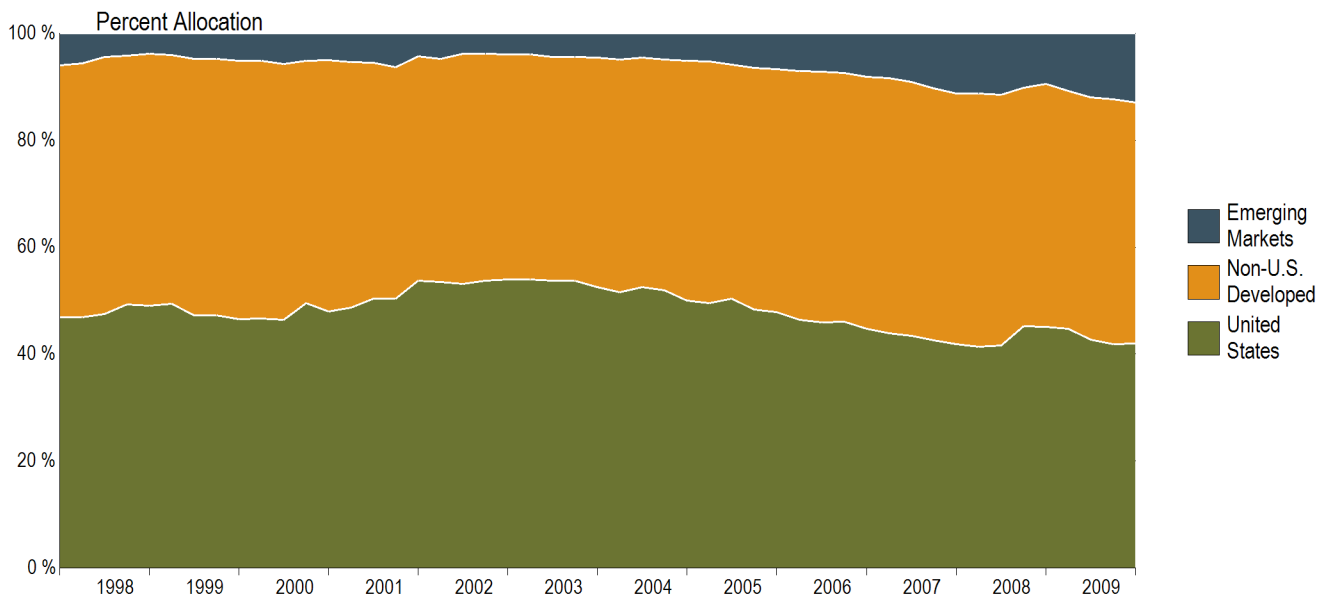
The exhibit above illustrates the percent each region represents of the non-U.S. stock market as measured by the MSCI All Country World ex-U.S. Index.

Note on Other: Includes South Africa, Egypt, and Morocco. Returns expressed are the weighted average returns.



The MSCI All Country World Index is a capitalization-weighted index of stocks representing 23 developed stock markets and 22 emerging stock markets around the world. The graph above shows the allocation to each region at quarter-end. Note on Other: Includes South Africa, Egypt, and Morocco.

ALLOCATION



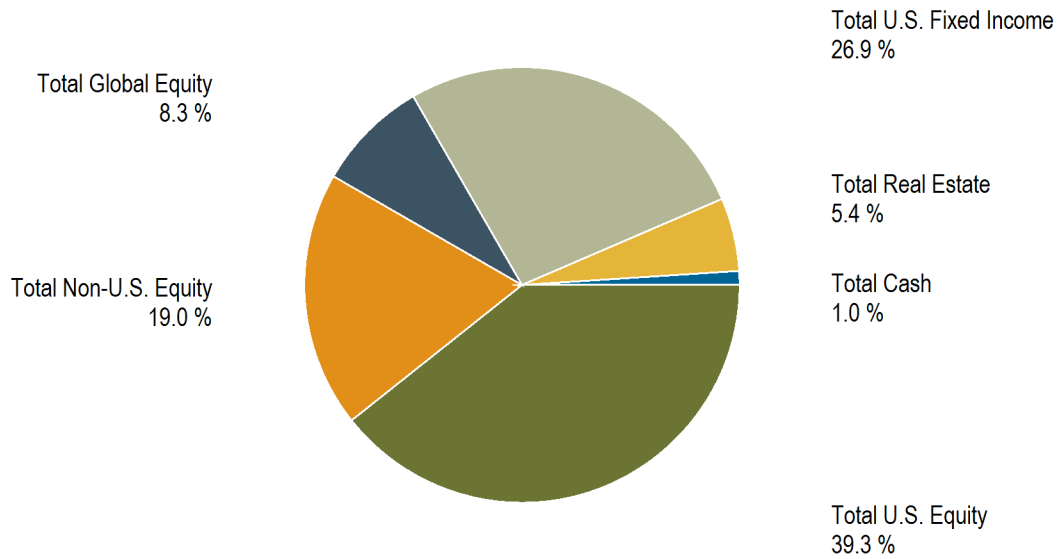
The graph above shows the changes in the breakdown between the United States, non-U.S. developed markets, and emerging markets in the MSCI All Country World Index over time.

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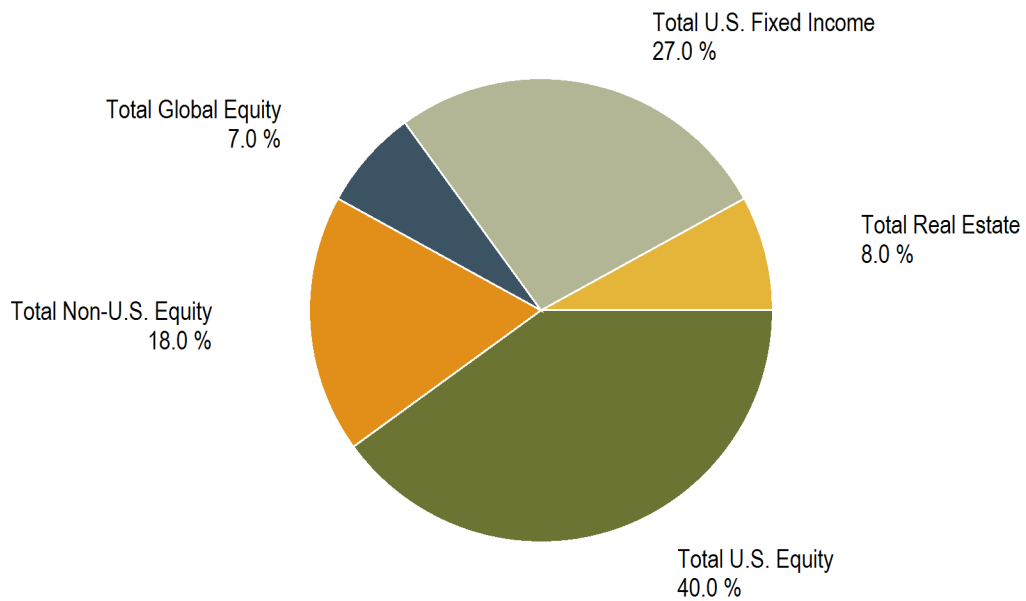
ASSET ALLOCATION

ASSET ALLOCATION

**ASSET ALLOCATION
ACTUAL AS OF 12/31/09**



**ASSET ALLOCATION
POLICY AS OF 12/31/09**



ASSET ALLOCATION

ASSET ALLOCATION AS OF 12/31/09

(\$ in thousands)

	U.S. Equity	Non-U.S. Equity	U.S. Bond	Non-U.S. Bond	Real Estate	Cash	Total	Percent of Total	Policy
BlackRock Extended Equity Index Fund	\$24,788	--	--	--	--	--	\$24,788	0.9%	
Western U.S. Index Plus	\$60,693	--	--	--	--	\$18,150	\$78,843	2.9%	
BlackRock Equity Market Fund	\$962,293	--	--	--	--	--	\$962,293	35.5%	
Total U.S. Equity	\$1,047,775	--	--	--	--	\$18,150	\$1,065,924	39.3%	40.0%
BlackRock ACWI ex-U.S. Index	--	\$226,790	--	--	--	--	\$226,790	8.4%	
Capital Guardian	--	\$108,133	--	--	--	\$1,092	\$109,225	4.0%	
Sprucegrove	--	\$100,274	--	--	--	\$4,069	\$104,343	3.8%	
Artio International Equity II	--	\$73,129	--	--	--	\$1,569	\$74,698	2.8%	
Total Non-U.S. Equity	--	\$508,325	--	--	--	\$6,730	\$515,055	19.0%	18.0%
GMO Global Fund	\$57,964	\$55,885	\$2,813	--	--	\$5,625	\$122,287	4.5%	
Acadian	\$50,388	\$54,010	--	--	--	-\$312	\$104,086	3.8%	
Total Global Equity	\$108,352	\$109,896	\$2,813	--	--	\$5,313	\$226,374	8.3%	7.0%
Western	--	--	\$265,915	\$5,255	--	\$14,422	\$285,593	10.5%	
BlackRock U.S. Debt Fund	--	--	\$80,919	--	--	--	\$80,919	3.0%	
Reams	--	--	\$267,374	--	--	\$1,885	\$269,258	9.9%	
Loomis Sayles	--	--	\$79,213	\$13,049	--	\$417	\$92,679	3.4%	
Total U.S. Fixed Income	--	--	\$693,421	\$18,304	--	\$16,724	\$728,449	26.9%	27.0%
Total Prudential Real Estate	--	--	--	--	\$53,664	--	\$53,664	2.0%	
UBS Real Estate	--	--	--	--	\$73,370	--	\$73,370	2.7%	
Guggenheim	--	--	--	--	\$15,160	--	\$15,160	0.6%	
RREEF	--	--	--	--	\$5,200	--	\$5,200	0.2%	
Total Real Estate	--	--	--	--	\$147,393	--	\$147,393	5.4%	8.0%
Clifton Group	--	--	--	--	--	\$27,879	\$27,879	1.0%	
Total Cash	--	--	--	--	--	\$27,879	\$27,879	1.0%	
Total Fund	\$1,156,127	\$618,221	\$696,233	\$18,304	\$147,393	\$74,796	\$2,711,074	100.0%	100.0%
Percent of Total	42.6%	22.8%	25.7%	0.7%	5.4%	2.8%	100.0%		

Asset Allocation

In the table above, we detail the Total Fund's allocations among managers. On the right side of the table, we show the actual percent of total. The bottom row of the table shows the Fund's percentage investments in each asset class. These allocations reflect both the Board's decisions on manager allocations as well as the managers' active allocation decisions.

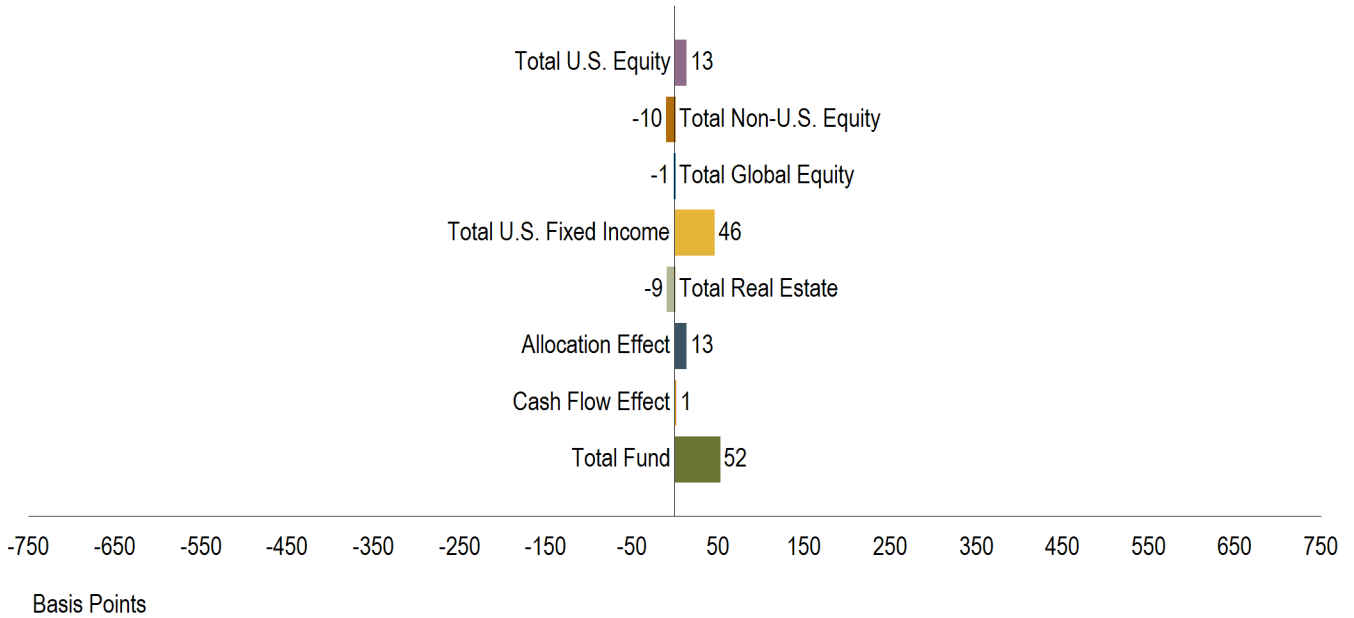
During the quarter, the asset value of VCERA's Total Fund increased by \$96.5 million. The increase in assets was a result of investment gains of \$96.5 million.

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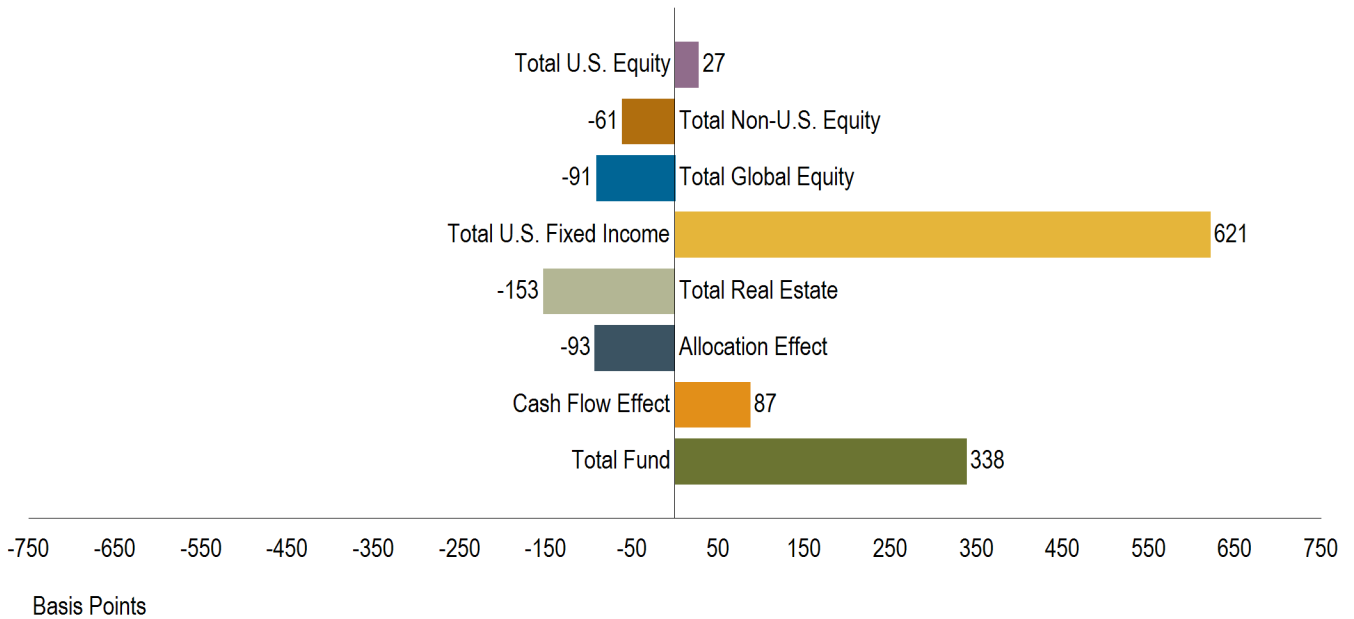
PERFORMANCE EVALUATION

TOTAL FUND

TOTAL FUND ATTRIBUTION ANALYSIS 3 MONTHS ENDING 12/31/09



TOTAL FUND ATTRIBUTION ANALYSIS 1 YEAR ENDING 12/31/09



**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		10 Years Ending 12/31/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Total Fund	3.8 %	31	24.2 %	15	-2.8 %	77	2.5 %	72	3.2 %	54
Policy Portfolio	3.2	56	20.8	38	-1.5	55	3.2	49	2.9	62
Public Fund Index	3.3	51	19.8	48	-1.0	42	3.6	31	3.7	35

Commentary on Investment Performance

The Total Fund returned 3.8% during the fourth quarter and outperformed the Policy Portfolio by 60 basis points. The Fund's U.S. equity and fixed income components contributed to outperformance. Partially offsetting results was below-benchmark returns from the Fund's non-U.S. equity, global equity, and real estate components.

In 2009, the Total Fund advanced 24.2%, outpacing the return of the Policy Portfolio by 3.4 percentage points. Outperformance was mainly attributed to significant above-benchmark returns from the fixed income component. Relative performance was partially offset by underperformance from the non-U.S. equity, global equity, and real estate components.

The Total Fund's longer-term relative performance remains mixed. While the Total Fund has outperformed the return of its benchmark during the trailing ten-year period, it has lagged the benchmark during the remaining periods. The Fund's since inception return remains favorable in absolute terms at 8.6%.

The attribution graphs on the opposite page illustrate each asset class's contribution to the relative performance of the Total Fund over the past three-month and trailing one-year periods. A positive value for a component indicates a positive contribution to the aggregate relative performance. A negative value indicates an unfavorable impact. The top five bars indicate the value added or subtracted by each asset class over the specified time period based on the average weight of each asset class multiplied by the amount of its outperformance (or underperformance). The bar labeled Allocation Effect details the impact on performance due to deviations from the policy allocation targets. If the Fund's asset allocation was always identical to that of its policy, the Allocation Effect would be zero. The bar labeled "Cash Flow Effect" illustrates the effect on the Total Fund's performance by the timing of cash contributions, withdrawals, and asset movements between accounts. All of the effects combine to equal the "Total Fund" bar in these graphs. This is the difference between the Total Fund's return and that of the Policy Portfolio.

TOTAL FUND

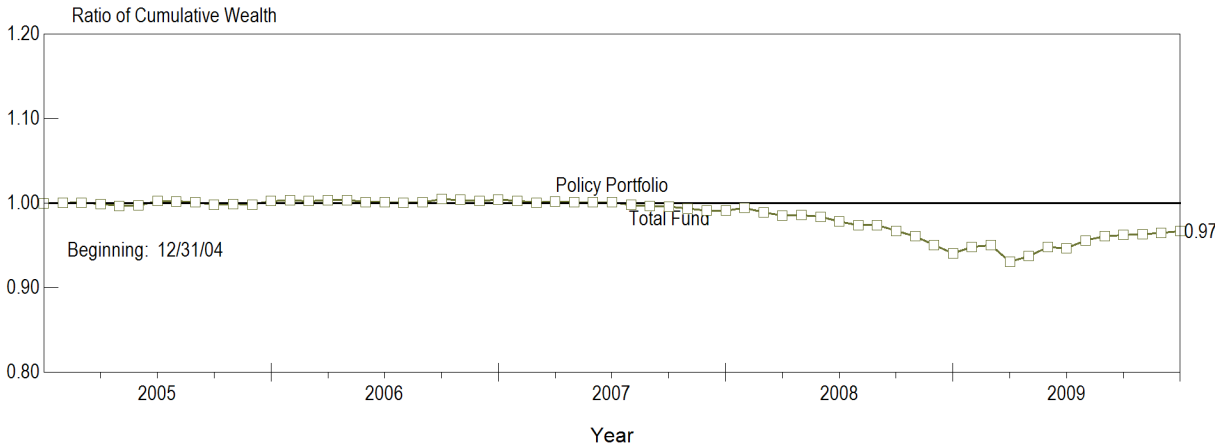
HISTORICAL RETURNS

(BY Years)

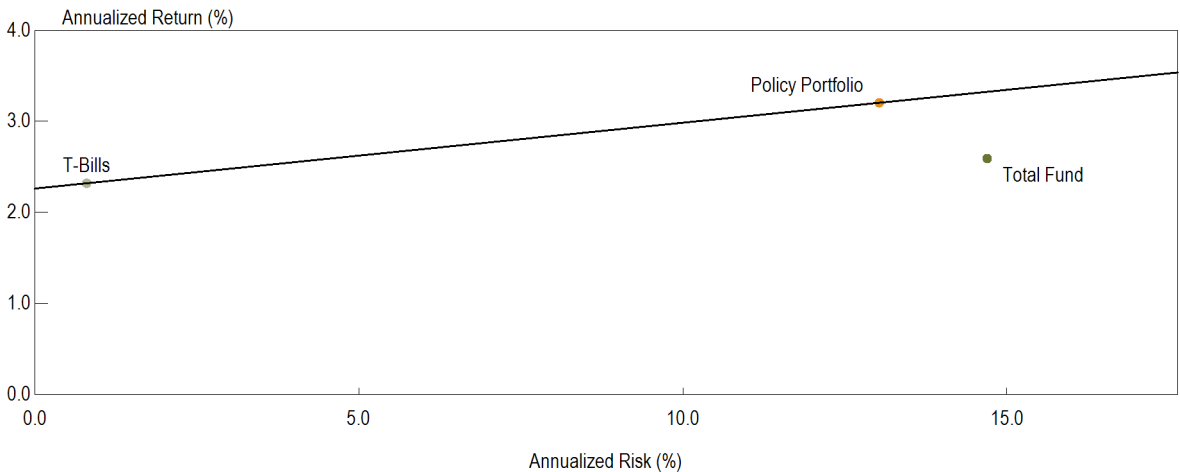
	Total Fund	Policy Portfolio	Return Difference
	Return	Return	
1980	7.7%	9.1%	-1.4
1981	2.2	4.5	-2.3
1982	32.4	26.4	6.0
1983	13.3	11.6	1.7
1984	8.4	11.4	-3.0
1985	22.4	22.8	-0.4
1986	15.4	15.4	0.0
1987	6.6	3.4	3.2
1988	10.1	11.7	-1.6
1989	19.6	21.9	-2.3
1990	6.1	2.9	3.2
1991	19.8	22.1	-2.3
1992	8.6	7.7	0.9
1993	10.0	8.7	1.3
1994	-2.1	0.8	-2.9
1995	25.2	24.6	0.6
1996	14.9	13.6	1.3
1997	18.8	19.9	-1.1
1998	16.8	20.3	-3.5
1999	13.5	14.4	-0.9
2000	0.7	-1.8	2.5
2001	-2.2	-6.0	3.8
2002	-10.4	-10.1	-0.3
2003	24.4	22.9	1.5
2004	10.8	11.3	-0.5
2005	7.9	7.6	0.3
2006	14.0	14.0	0.0
2007	6.9	8.5	-1.6
2008	-30.4	-27.2	-3.2
2009	24.4	20.6	3.8
Trailing 3-Year	-2.7	-1.6	-1.4
Trailing 5-Year	2.6	3.2	-0.6
Trailing 10-Year	3.2	2.9	0.3

The table above compares the historical annual and cumulative annualized returns of VCERA's Total Fund with those of the Policy Portfolio.

**RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 12/31/09**



**ANNUALIZED RISK RETURN
5 YEARS ENDING 12/31/09**

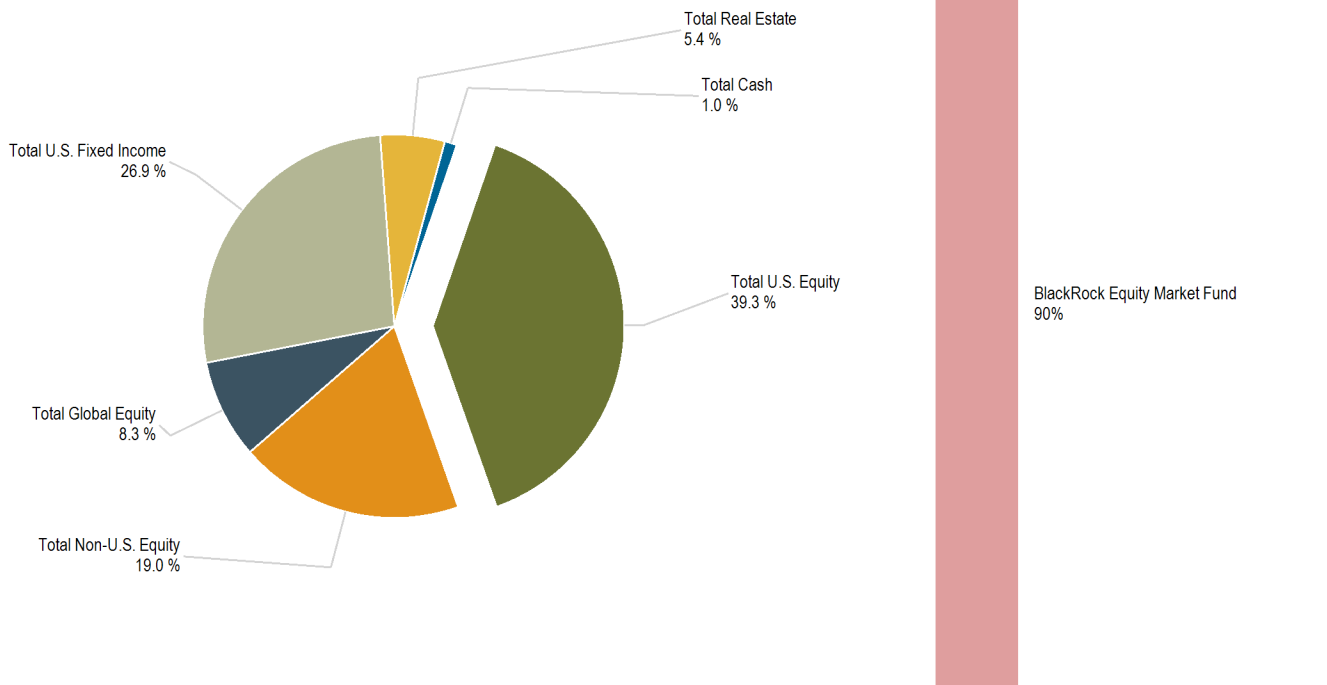


The Ratio of Cumulative Wealth graph on the top of the page illustrates the Total Fund's cumulative performance relative to the Policy Portfolio. An upward sloping line between two points indicates that the component's return exceeded that of the Policy Portfolio, while a downward sloping line indicates a lesser return. A flat line is indicative of benchmark-like performance. As shown, the Total Fund has underperformed the return of the Policy Portfolio over the trailing five-years.

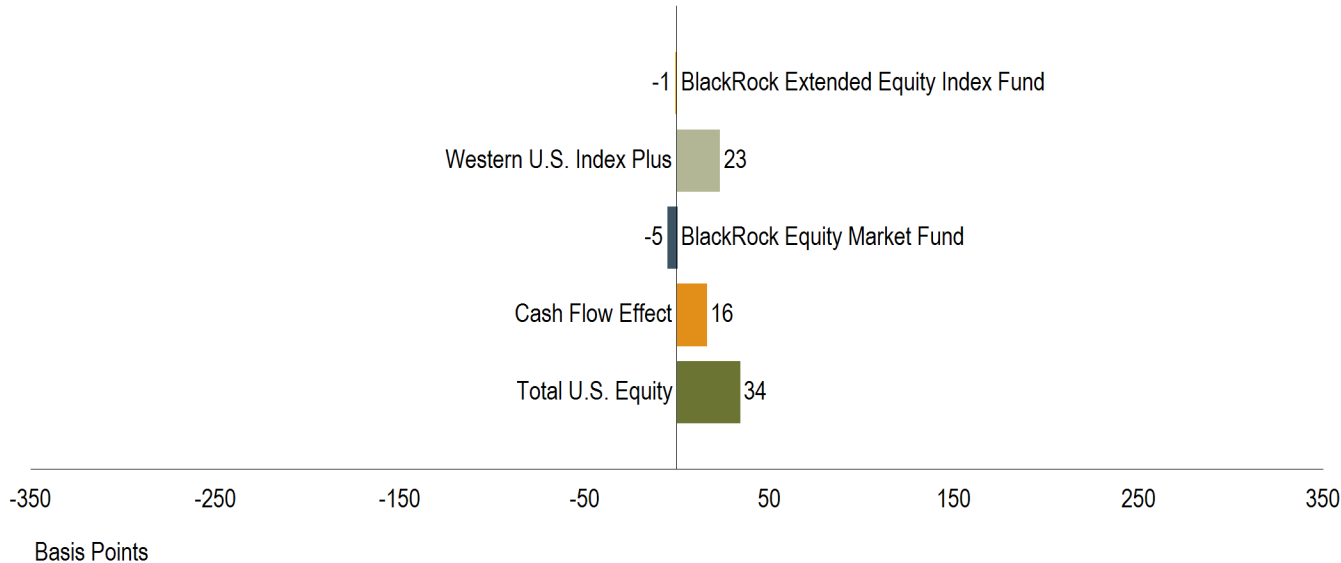
The risk/return graph on the bottom of the page illustrates the historical risk (volatility of returns) and return of VCERA's Total Fund to that of its Policy Portfolio. During the trailing five-years, the Total Fund experienced a lower rate of return while incurring a higher level of risk.

TOTAL U.S. EQUITY

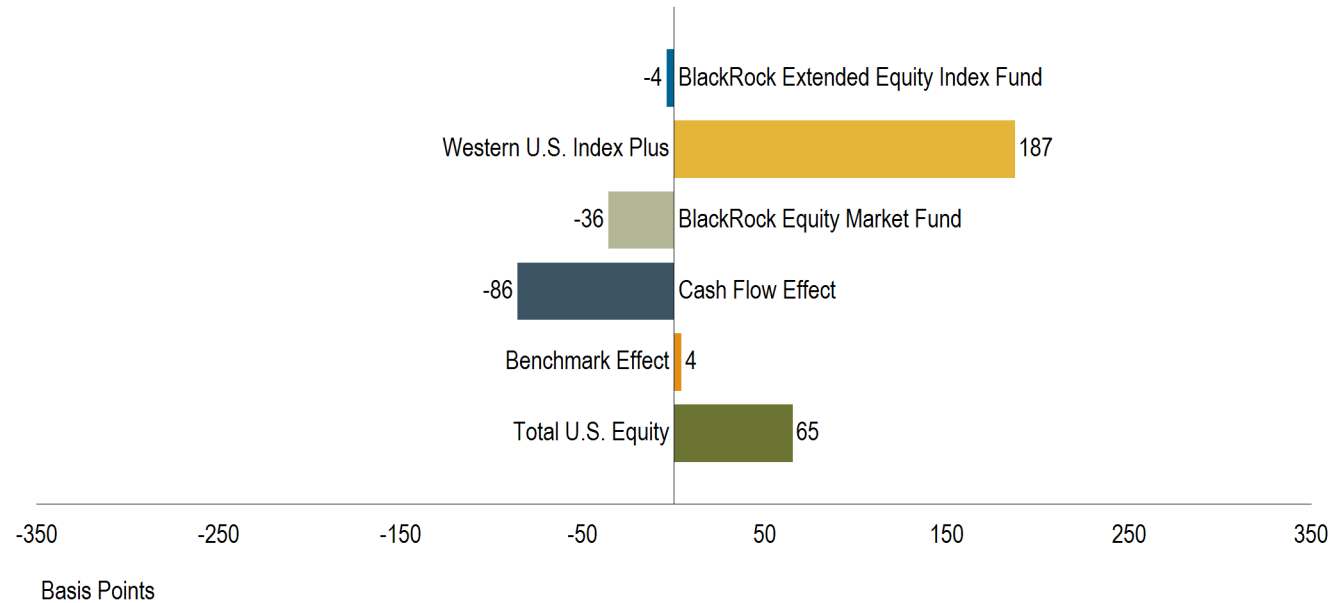
ASSET ALLOCATION ACTUAL AS OF 12/31/09



MANAGER ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/09



MANAGER ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/09



TOTAL U.S. EQUITY

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		10 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Total U.S. Equity	6.1%	25	29.2%	44	-6.9%	83	-0.4%	88	0.5%	46	7.1%	69	12/31/93
Performance Benchmark*	5.8	49	28.6	51	-5.2	43	0.9	41	-0.1	67	7.7	44	
BlackRock Extended Equity Index Fund	4.6	48	35.0	30	-4.3	40	2.2	29	--	--	9.6	--	10/31/02
Dow Jones U.S. Completion Total Stock Market Index	4.9	39	37.5	23	-4.1	39	2.3	28	--	--	9.7	--	
Western U.S. Index Plus	9.6	4	59.6	2	--	--	--	--	--	--	-16.3	--	5/31/07
S&P 500 Index	6.0	48	26.5	57	--	--	--	--	--	--	-9.5	--	
BlackRock Equity Market Fund	5.7	47	28.2	62	--	--	--	--	--	--	-10.9	--	5/31/08
Dow Jones U.S. Total Stock Market Index	5.8	45	28.6	61	--	--	--	--	--	--	-11.0	--	

Commentary on Investment Performance

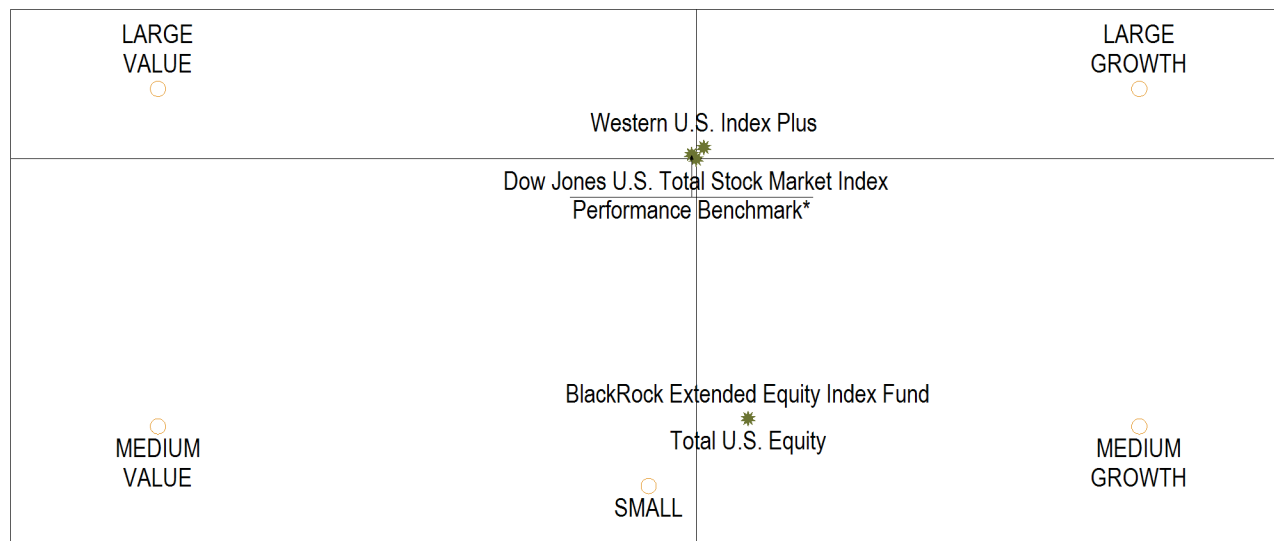
The Total Fund's U.S. equity component advanced 6.1% during the fourth quarter, outpacing the return of the Performance Benchmark by 30 basis points. Once again, Western's significant outperformance was responsible for the component's above-benchmark result. The BlackRock Extended Equity Index Fund experienced a negative tracking error due to not holding publicly traded partnerships, while BlackRock Equity Market Fund approximated the return of its benchmark.

Similar to the quarter, the U.S. equity component outperformed its benchmark during the trailing one-year period. During this period, Western returned an impressive 59.6%, outperforming its benchmark by 33.1 percentage points. Longer-term performance remains mixed, as the component has outperformed during the trailing ten-year period, but has underperformed during the trailing three- and five-years, and since inception.

The attribution analysis on the previous page highlights each manager's contribution to the relative performance within VCERA's U.S. equity component over the past three-month and trailing one-year periods. The bar labeled "Cash Flow Effect" illustrates the effect on performance by the timing of cash contributions, withdrawals, and asset movements between accounts. The benchmark effect in the one-year attribution graph is a result of the combined performance of the individual managers' benchmarks (the S&P 500 Index and the DJ U.S. Completion Total Stock Market Index) outperforming the U.S. equity component's Performance Benchmark (the DJ U.S. Total Stock Index).

*The DJ U.S. Total Stock Market Index. The Index was formerly named the DJ Wilshire 5000 Index. Prior to May 2007, the Russell 3000 Index.

EFFECTIVE STYLE MAP
5 YEARS ENDING 12/31/09



U.S. Equity Style Map

The exhibit above highlights the style and capitalization orientation of the Total U.S. Equity component and the domestic equity managers utilized in VCERA's investment program. Managers plotting above the horizontal crosshair are larger-cap than the DJ U.S. Total Stock Market Index, while those plotting below are smaller-cap. Managers plotting to the left of the vertical crosshair are effectively more value-oriented than the DJ U.S. Total Stock Market Index, while managers plotting to the right are effectively more growth-oriented.

*The DJ U.S. Total Stock Market Index. The Index was formerly named the DJ Wilshire 5000 Index. Prior to May 2007, the Russell 3000 Index.

BLACKROCK EXTENDED EQUITY INDEX FUND

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
BlackRock Extended Equity Index Fund	4.6 %	48	35.0 %	30	-4.3 %	40	2.2 %	29	9.6 %	--	10/31/02
Dow Jones U.S. Completion Total Stock Market Index	4.9	39	37.5	23	-4.1	39	2.3	28	9.7	--	

Philosophy and Process

The BlackRock Extended Market Index Fund provides investment in the U.S. equity market excluding those stocks represented in the S&P 500 Index. The Fund is passively managed using a "fund optimization" technique. The Fund typically invests all, or substantially all, assets in the 1,300 largest stocks in the Index and in a representative sample of the remainder. Stocks are selected based on appropriate industry weightings, market capitalizations, and certain fundamental characteristics (e.g. price/earnings ratio and dividend yield) that closely align the Fund's characteristics with those of its benchmark.

The Fund does not hold publicly traded partnerships (PTPs) because of their potential to distribute unrelated business taxable income. However, the DJ U.S. Completion Total Stock Market Index includes PTPs which result in the Fund experiencing tracking discrepancies. While there will likely be tracking discrepancies on a quarter-to-quarter basis, we expect the difference to be minimal over longer time periods.

HISTORICAL RETURNS (BY YEAR)

	BlackRock Extended Equity Index Fund		Dow Jones U.S. Completion Total Stock Market Index		Return Difference
	Return	Rank	Return	Rank	
2002 (2 months)	2.1 %	--	2.4 %	--	-0.3
2003	43.2	46	43.8	44	-0.6
2004	18.1	70	18.1	70	0.0
2005	10.5	27	10.0	34	0.5
2006	15.2	45	15.3	44	-0.1
2007	5.4	30	5.4	30	0.0
2008	-38.4	58	-39.0	65	0.6
2009	35.0	30	37.5	23	-2.5
Trailing 3-Year	-4.3 %	40	-4.1 %	39	-0.2
Trailing 5-Year	2.2	29	2.3	28	-0.1
Since Inception (10/31/02)	9.6	--	9.7	--	-0.1

**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter		1 Year Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	
Western U.S. Index Plus	9.6%	4	59.6%	2	-16.3%	--	5/31/07
S&P 500 Index	6.0	48	26.5	57	-9.5	--	

Philosophy and Process

Western employs a value-oriented investment approach that has proven successful in adding excess returns across various market cycles. This versatility comes from the manager's multiple sources of value-added and focus on finding long-term fundamental value. Western seeks to achieve balance between multiple sources of value added - duration management, yield curve positioning, sector allocation, and security selection - while diversifying risk. Western has one of the deepest teams of investment/risk professionals in the industry. The manager also has dedicated significant resources to analytics and risk management. We would highlight that active sector rotation and portfolio construction are key strengths of Western.

Manager Monitoring

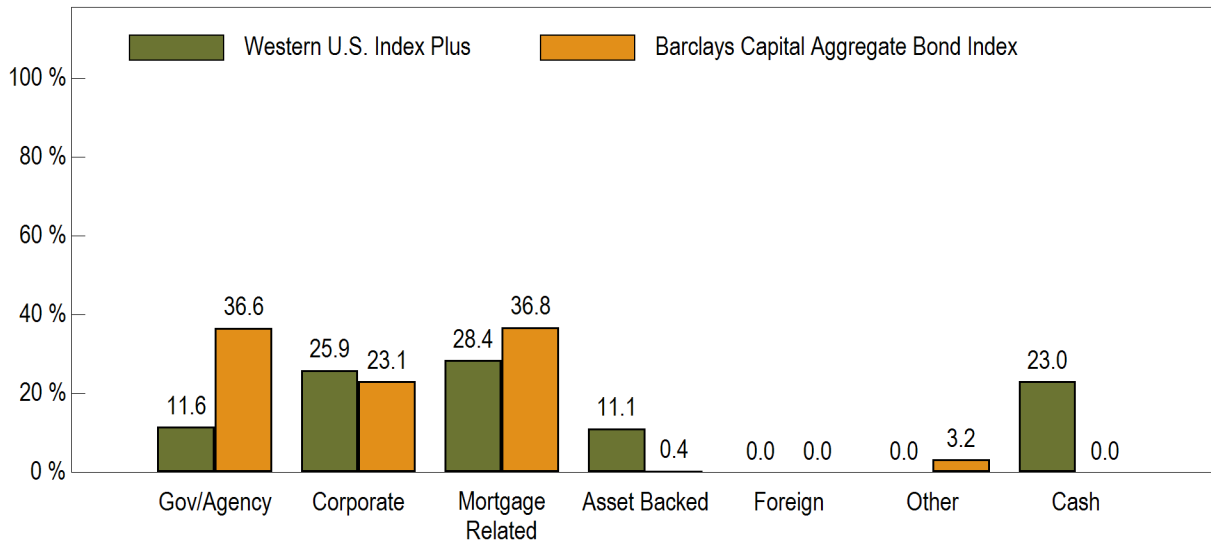
As of December 31, 2009, the manager reported that the portfolio was not in compliance with VCERA's account guidelines, which VCERA was made aware of. Specifically, the portfolio held a 13.0% allocation to U.S. securities rated below investment grade, exceeding the maximum 5% allocation stated in the guidelines. In addition, the portfolio held a 2.2% allocation to GMAC, a 1.1% allocation to Ford, a 2.4% allocation to Bank of America, and a 1.7% allocation to Washington Mutual, which are all rated below investment grade. VCERA's account guidelines allow for a maximum of 1% to any one holding rated below investment grade. Additionally, the portfolio had a 13.4% allocation to below investment grade securities, which was above the allowable 10% allocation.

Quarterly Excess Performance



WESTERN U.S. INDEX PLUS

SECTOR ALLOCATION AS OF 12/31/09
Western U.S. Index Plus



The exhibit above illustrates the sector allocations of the Western U.S. Index Plus portfolio as of December 31, 2009.

**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter		1 Year Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	
BlackRock Equity Market Fund	5.7%	47	28.2%	62	-10.9%	--	5/31/08
Dow Jones U.S. Total Stock Market Index	5.8	45	28.6	61	-11.0	--	

Philosophy and Process

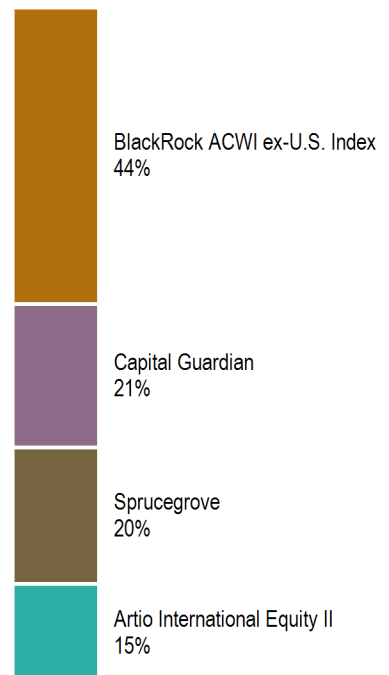
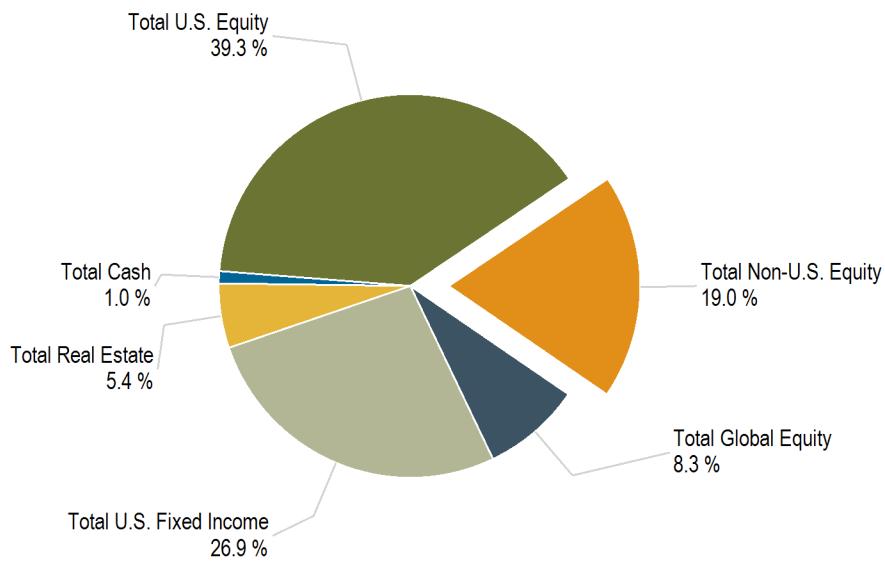
The objective of the BlackRock U.S. Equity Market Fund is to approximate the return of the Dow Jones U.S. Total Stock Market Index. The Dow Jones U.S. Total Stock Market Index contains essentially all publicly traded stocks in the U.S. Accordingly, it is the broadest available measure of the domestic stock market.

Quarterly Excess Performance

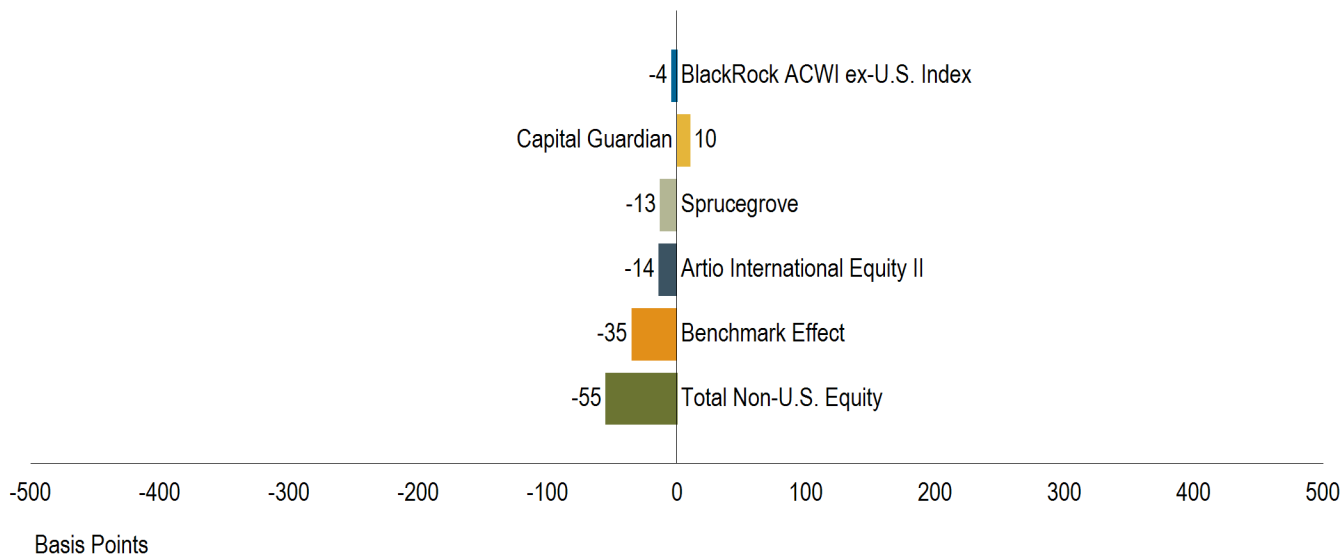


TOTAL NON-U.S. EQUITY

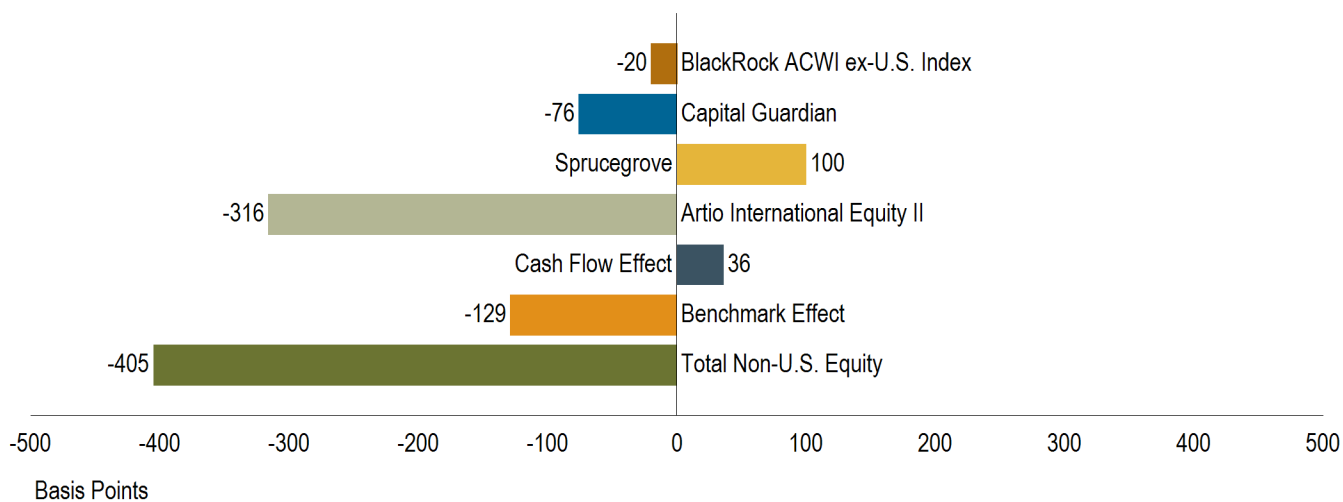
ASSET ALLOCATION ACTUAL AS OF 12/31/09



MANAGER ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/09



MANAGER ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/09



TOTAL NON-U.S. EQUITY

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		10 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Total Non-U.S. Equity	3.2%	54	37.4%	47	-5.0%	60	5.1%	44	2.3%	58	7.3%	37	3/31/94
Performance Benchmark*	3.7	34	41.4	22	-3.5	34	5.8	29	2.5	53	5.8	70	
BlackRock ACWI ex-U.S. Index	3.6	37	43.1	20	--	--	--	--	--	--	-4.7	22	3/31/07
Performance Benchmark	3.7	37	43.6	19	--	--	--	--	--	--	-4.8	22	
Capital Guardian	4.2	27	38.1	30	-3.2	23	6.3	19	--	--	3.0	--	7/31/00
Performance Benchmark*	3.7	35	41.4	21	-3.5	27	5.8	20	--	--	3.6	--	
Sprucegrove	1.6	78	36.1	34	-6.1	62	4.2	44	--	--	8.5	29	3/31/02
MSCI EAFE Index	2.2	62	31.8	55	-6.0	62	3.5	63	--	--	6.7	63	
Artio International Equity II	2.8	51	22.9	92	--	--	--	--	--	--	19.8	--	10/31/08
MSCI All Country World ex-U.S. Index	3.7	35	41.4	21	--	--	--	--	--	--	34.1	--	

Commentary on Investment Performance

Although the non-U.S. equity component gained 3.2% during the quarter, it trailed the MSCI All Country World ex-U.S. Index by 50 basis points. Underperformance was attributed to below-benchmark results by Sprucegrove and Artio. Sprucegrove's stock selection within the healthcare sector was a key factor to its underperformance. Weak stock selection within the financial sector, specifically within the developed markets, hurt Artio's performance. On the other hand, Capital Guardian was the component's only active manager that produced above-benchmark results. Capital Guardian's overweight allocation to consumer staples along with its underweight allocation to the financial sector, and its avoidance of European and Japanese banks proved to be favorable.

With the exception of since-inception, the component has trailed its benchmark during all longer-term periods illustrated above.

The attribution analysis on the previous page highlights each manager's contribution to relative performance within VCERA's non-U.S. equity component. The bar labeled "Cash Flow Effect" illustrates the effect on performance by the timing of cash contributions, withdrawals, and asset movements between accounts. The benchmark effect in the quarter attribution graph is a result of the cumulative performance of the individual managers' benchmarks (the MSCI EAFE Index and the MSCI All Country World ex-U.S. IMI Index) underperforming the non-U.S. equity component's performance benchmark (the MSCI All Country World ex-U.S. Index).

*The MSCI All Country World ex-U.S. Index. Prior to May 2002, the MSCI EAFE Index.

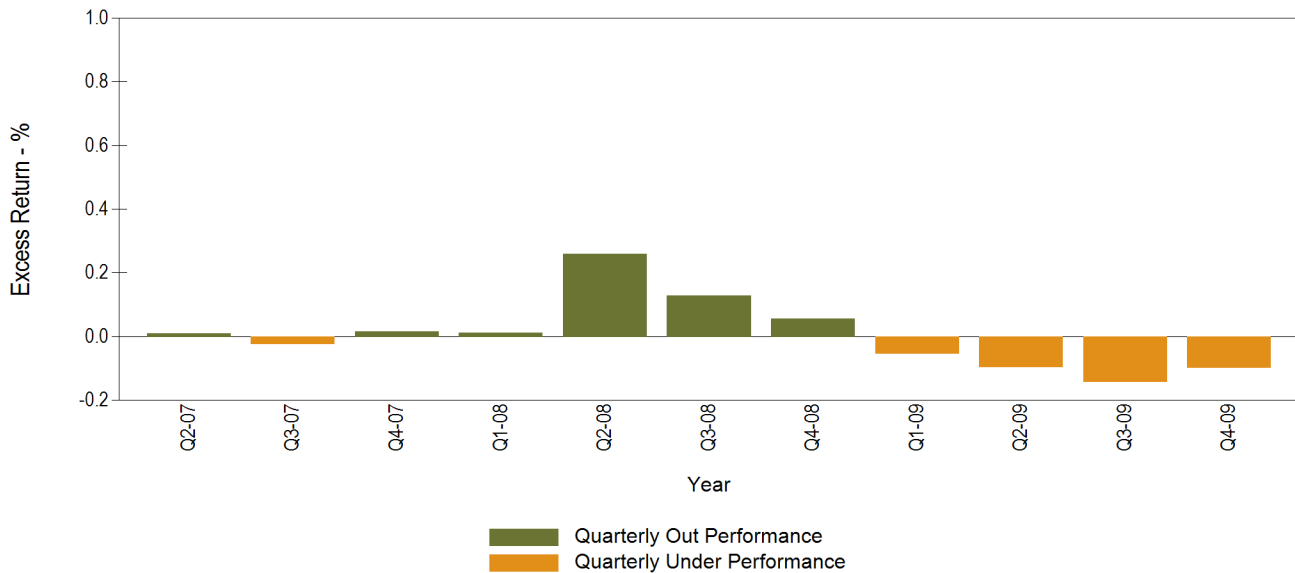
**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter		1 Year Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	
BlackRock ACWI ex-U.S. Index	3.6 %	37	43.1 %	20	-4.7 %	22	3/31/07
Performance Benchmark	3.7	37	43.6	19	-4.8	22	

Philosophy and Process

The BlackRock ACWI ex-U.S. Index Fund is designed to track the performance and risk characteristics of the MSCI All Country World ex-U.S. IM Index.

Quarterly Excess Performance



CAPITAL GUARDIAN

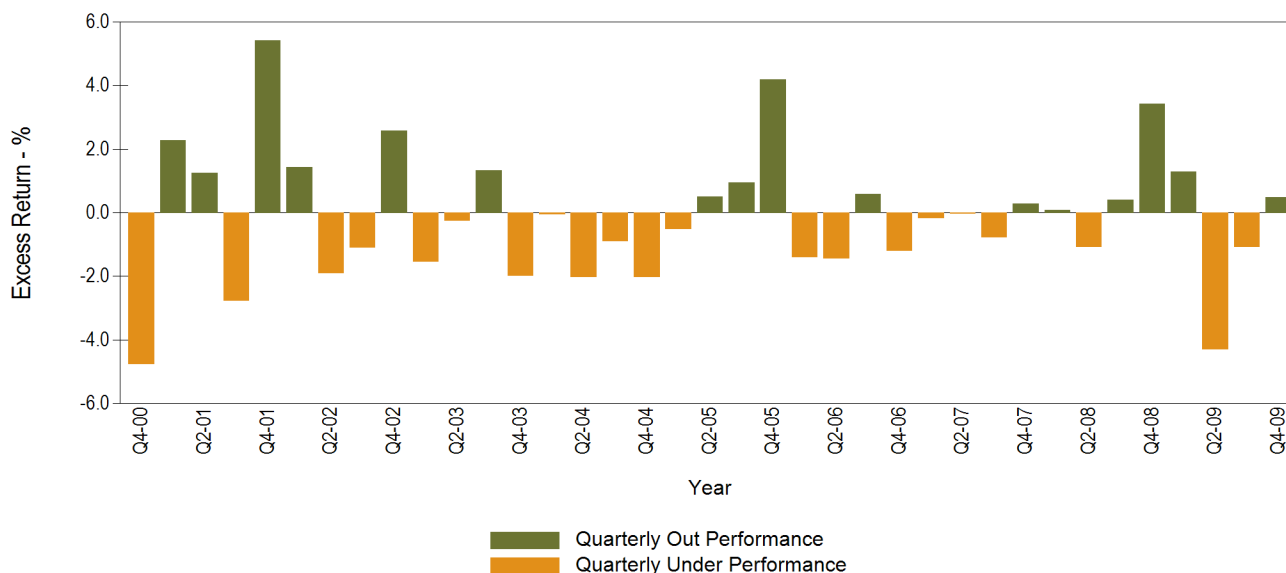
RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Capital Guardian	4.2 %	27	38.1 %	30	-3.2 %	23	6.3 %	19	3.0 %	--	7/31/00
Performance Benchmark*	3.7	35	41.4	21	-3.5	27	5.8	20	3.6	--	

Philosophy and Process

Capital Guardian refers to its investment approach as a multiple-manager system. Under this system, portfolios are divided among the firm's portfolio managers (75%) and research analysts (25%). Each sub-portfolio is invested in an individual portfolio at the discretion of the portfolio manager or analyst team. For the analysts' research portfolio, each analyst manages a small percentage of the portfolio based on their industry and/or country research responsibility. All stocks are selected from the firm's "buy" list of about 200 companies. To minimize transaction costs, all sales are posted to an internal list that other portfolio managers have the opportunity to buy. All portfolio managers have the discretion to hedge their portfolio. The firm's investment process is driven by value-oriented stock selection. The firm attempts to identify the difference between the underlying value of a company and its stock price through fundamental analysis and direct company contact. Individual company analysis is blended with the firm's macroeconomic and political judgments based on its outlook for world economies, industries, markets, and currencies.

Quarterly Excess Performance



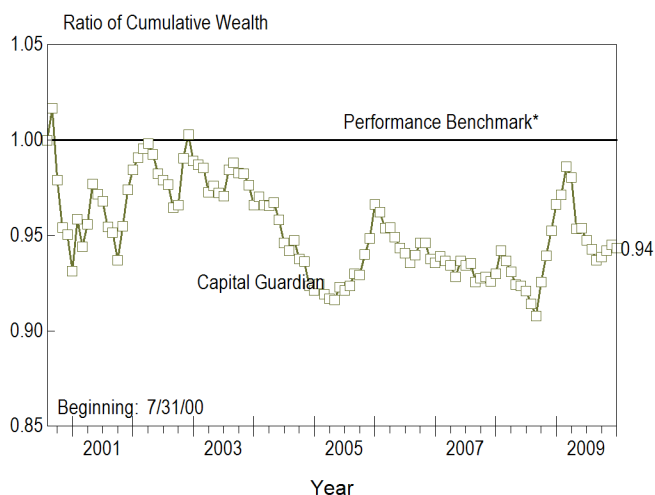
*The MSCI All Country World ex-U.S. Index. Prior to May 2002, the MSCI EAFE Index.

COUNTRY ALLOCATION RETURNS
3 MONTHS ENDING 12/31/09

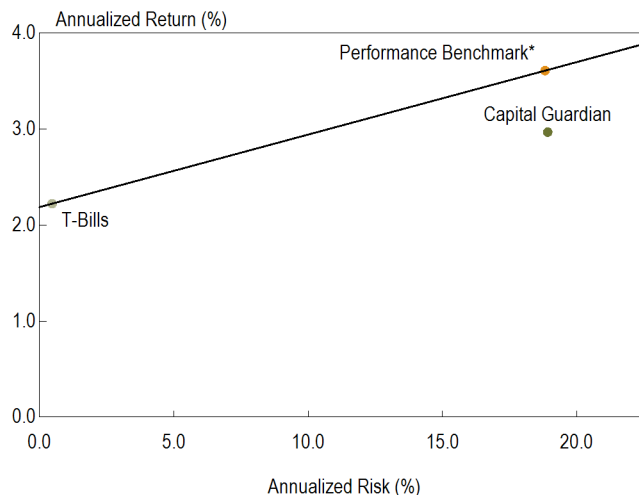
	Manager Allocation	Index Allocation	Index Return
Europe			
Austria	0.4 %	0.2 %	-9.8 %
Belgium	0.1	0.7	1.6
Czech Republic*	0.0	0.1	-6.9
Denmark	1.0	0.6	-2.8
Finland	0.3	0.8	-3.5
France	10.5	7.8	2.1
Germany	6.7	5.7	2.2
Greece	0.0	0.4	-22.4
Hungary*	0.0	0.1	3.5
Ireland	1.4	0.2	-2.7
Italy	0.6	2.4	-2.7
Netherlands	3.3	1.9	3.8
Norway	0.8	0.6	14.9
Poland*	0.3	0.3	12.9
Portugal	0.0	0.2	0.4
Russia*	1.1	1.4	10.5
Spain	2.5	3.2	1.3
Sweden	1.0	1.8	3.6
Switzerland	6.2	5.4	3.8
United Kingdom	12.4	15.2	7.0
Asia/Pacific			
Australia	2.2 %	5.9 %	4.9 %
China*	7.0	4.0	7.7
Hong Kong	2.0	1.6	3.6
India*	3.5	1.7	7.7
Indonesia*	0.2	0.4	5.1
Japan	10.3	14.6	-2.8
Korea*	3.4	2.8	2.3
Malaysia*	0.5	0.6	6.7
New Zealand	0.0	0.1	-0.1
Pakistan*	0.0	--	--
Philippines*	0.0	0.1	9.7
Singapore	0.5	1.0	9.8
Sri Lanka*	0.0	--	--
Taiwan, China*	2.2	2.5	8.1
Thailand*	0.3	0.3	1.1
Americas			
Argentina*	0.1 %	--	--
Brazil*	3.3	3.8 %	12.9 %
Canada	4.4	7.3	5.0
Chile*	0.1	0.3	15.3
Colombia*	0.0	0.1	-1.1
Mexico*	5.0	1.0	13.7
Peru*	0.0	0.1	0.8
United States	0.4	--	5.9
Venezuela*	0.0	--	--
Other			
Egypt*	0.4 %	0.1 %	-6.2 %
Israel*	1.0	0.6	14.0
Morocco*	0.0	0.0	-7.1
Jordan*	0.0	--	--
Other Countries*	0.0	--	--
South Africa*	1.6	1.5	9.4
Turkey*	0.2	0.3	9.1
Cash			
Cash	3.1 %	--	--
Total	100.0 %	100.0 %	3.7 %
Developed	66.8	77.6	
Emerging*	30.1	22.4	
Cash	3.1	--	

CAPITAL GUARDIAN

RATIO OF CUMULATIVE WEALTH 9 YEARS 5 MONTHS ENDING 12/31/09



ANNUALIZED RISK RETURN 9 YEARS 5 MONTHS ENDING 12/31/09



HISTORICAL RETURNS (BY YEAR)

	Capital Guardian		Performance Benchmark*		Return Difference
	Return	Rank	Return	Rank	
2000 (5 months)	-13.0 %	--	-6.6 %	--	-6.4
2001	-17.0	29	-21.4	55	4.4
2002	-15.4	54	-15.8	57	0.4
2003	37.5	45	40.8	22	-3.3
2004	15.3	70	20.9	28	-5.6
2005	22.3	11	16.6	39	5.7
2006	22.6	78	26.7	45	-4.1
2007	15.9	29	16.7	25	-0.8
2008	-43.4	40	-45.5	60	2.1
2009	38.1	30	41.4	21	-3.3
Trailing 3-Year	-3.2 %	23	-3.5 %	27	0.3
Trailing 5-Year	6.3	19	5.8	20	0.5
Since Inception (7/31/00)	3.0	--	3.6	--	-0.6

The table above compares the historical annual and cumulative annualized returns of the Capital Guardian portfolio and its Performance Benchmark.

*The MSCI All Country World ex-U.S. Index. Prior to May 2002, the MSCI EAFE Index.

** Capital Guardian International Non-U.S. Equity Fund

**RETURN SUMMARY
ENDING 12/31/09**

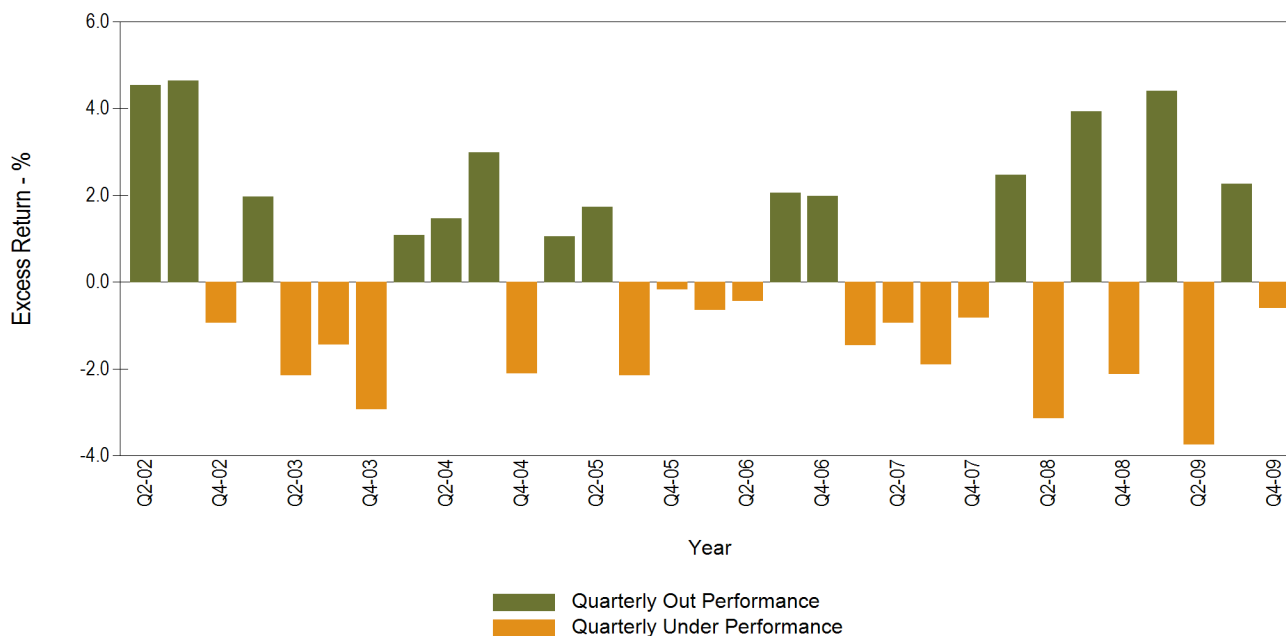
	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Sprucegrove	1.6 %	78	36.1 %	34	-6.1 %	62	4.2 %	44	8.5 %	29	3/31/02
MSCI EAFE Index	2.2	62	31.8	55	-6.0	62	3.5	63	6.7	63	

Philosophy and Process

Sprucegrove is a value manager, following a bottom-up approach, and seeking to invest in quality companies selling at attractive valuations. As a value manager, Sprucegrove believes that the international markets are inefficient and by maintaining a long term perspective, they can capitalize on mispricings in the market. Investment objectives are: to maximize the long-term rate of return while preserving the investment capital of the fund by avoiding investment strategies that expose fund assets to excessive risk; to outperform the benchmark over a full market cycle; and to achieve a high ranking relative to similar funds over a market cycle.

High emphasis is given to balance sheet fundamentals, historical operating results, and company management. If a company is truly promising, the portfolio management team instructs the analyst to do a full research report to ensure the company qualifies for inclusion in Sprucegrove's investable universe. There are approximately 300 companies on Sprucegrove's working list.

Quarterly Excess Performance



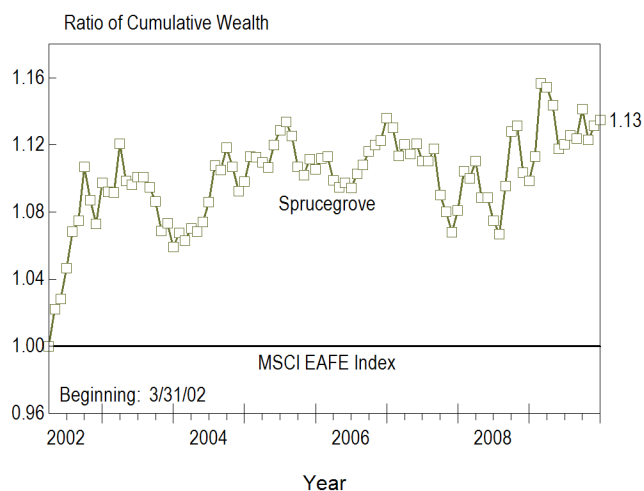
SPRUCEGROVE

COUNTRY ALLOCATION/RETURNS

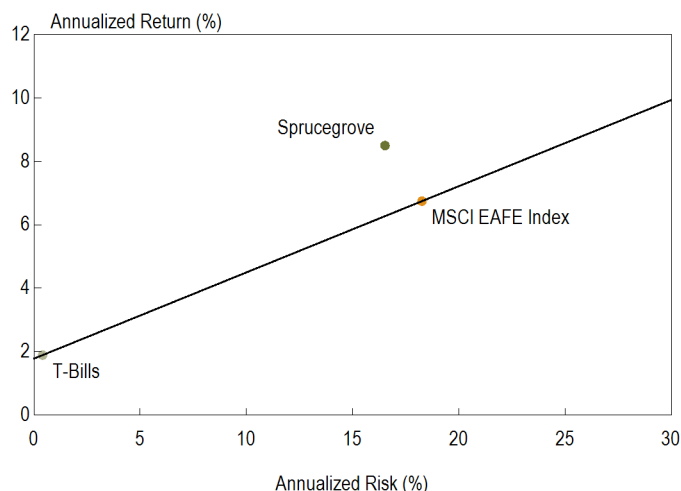
3 MONTHS ENDING 12/31/09

	Manager Allocation	Index Allocation	Index Return
Europe			
Austria	0.0 %	0.3 %	-9.8 %
Belgium	0.0	1.0	1.6
Czech Republic*	0.0	--	-6.9
Denmark	0.0	0.9	-2.8
Finland	1.4	1.1	-3.5
France	3.7	11.1	2.1
Germany	3.8	8.1	2.2
Greece	0.0	0.5	-22.4
Hungary*	0.7	--	3.5
Ireland	4.9	0.3	-2.7
Italy	2.7	3.5	-2.7
Netherlands	2.7	2.7	3.8
Norway	0.0	0.8	14.9
Poland*	0.0	--	12.9
Portugal	0.0	0.3	0.4
Russia*	0.0	--	10.5
Spain	1.2	4.6	1.3
Sweden	0.0	2.5	3.6
Switzerland	12.7	7.7	3.8
United Kingdom	17.7	21.6	7.0
Asia/Pacific			
Australia	2.3 %	8.4 %	4.9 %
China*	0.4	--	7.7
Hong Kong	4.2	2.3	3.6
India*	2.1	--	7.7
Indonesia*	0.0	--	5.1
Japan	20.2	20.7	-2.8
Korea*	3.9	--	2.3
Malaysia*	0.6	--	6.7
New Zealand	0.0	0.1	-0.1
Pakistan*	0.0	--	--
Philippines*	0.0	--	9.7
Singapore	4.9	1.5	9.8
Sri Lanka*	0.0	--	--
Taiwan, China*	0.0	--	8.1
Thailand*	0.0	--	1.1
Americas			
Argentina*	0.0 %	--	--
Brazil*	1.7	--	12.9 %
Canada	2.3	--	5.0
Chile*	0.0	--	15.3
Colombia*	0.0	--	-1.1
Mexico*	0.2	--	13.7
Peru*	0.0	--	0.8
United States	0.0	--	5.9
Venezuela*	0.0	--	--
Other			
Egypt*	0.0 %	--	-6.2 %
Israel*	0.0	--	14.0
Morocco*	0.0	--	-7.1
Jordan*	0.0	--	--
Other Countries*	0.0	--	--
South Africa*	1.8	--	9.4
Turkey*	0.0	--	9.1
Cash			
Cash	3.9 %	--	--
Total	100.0 %	100.0 %	2.2 %
Developed	84.7	100.0	
Emerging*	11.4	--	
Cash	3.9	--	

**RATIO OF CUMULATIVE WEALTH
7 YEARS 9 MONTHS ENDING 12/31/09**



**ANNUALIZED RISK RETURN
7 YEARS 9 MONTHS ENDING 12/31/09**



**HISTORICAL RETURNS
(BY YEAR)**

	Sprucegrove		MSCI EAFE Index		Return Difference
	Return	Rank	Return	Rank	
2002 (9 months)	-8.2 %	22	-16.4 %	57	8.2
2003	33.8	65	38.6	40	-4.8
2004	24.6	9	20.2	33	4.4
2005	14.3	61	13.5	69	0.8
2006	29.9	20	26.3	50	3.6
2007	5.8	88	11.2	56	-5.4
2008	-42.5	33	-43.4	40	0.9
2009	36.1	34	31.8	55	4.3
Trailing 3-Year	-6.1 %	62	-6.0 %	62	-0.1
Trailing 5-Year	4.2	44	3.5	63	0.7
Since Inception (3/31/02)	8.5	29	6.7	63	1.8

The table above compares the historical annual and cumulative annualized returns of the Sprucegrove portfolio and its benchmark, the MSCI EAFE Index.

ARTIO INTERNATIONAL EQUITY II

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	
Artio International Equity II	2.8 %	51	22.9 %	92	19.8 %	--	10/31/08
MSCI All Country World ex-U.S. Index	3.7	35	41.4	21	34.1	--	

Philosophy and Process

Artio's International Equity II strategy is a core, primarily top-down, non-U.S. equity product offering with market capitalization exposure similar to that of the MSCI All Country World ex-U.S. Index. The investment process starts from a macro perspective with focus on how changing global factors will impact individual industries, sectors, and countries. While every member of the investment team is involved at each step of the investment process, it is Mr. Younes who is the primary driver of investment thought and new idea generation. The team applies different fundamental factors to each industry, sector, and country. Country factor analysis is a dominating tool as it pertains to emerging markets. While the investment process is predominately theme-based, bottom-up analysis is employed once specific pockets of relative value are discovered through the top-down process. Artio's bottom-up analysis focuses on industry/country fundamentals, growth expectations, assessment of management, and relative valuation.

ARTIO INTERNATIONAL EQUITY II

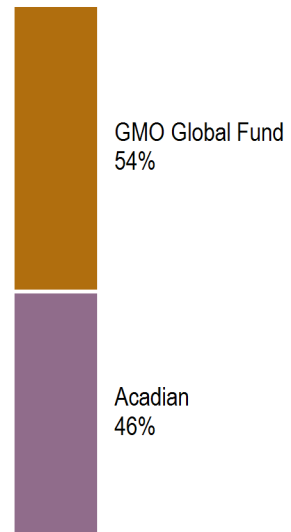
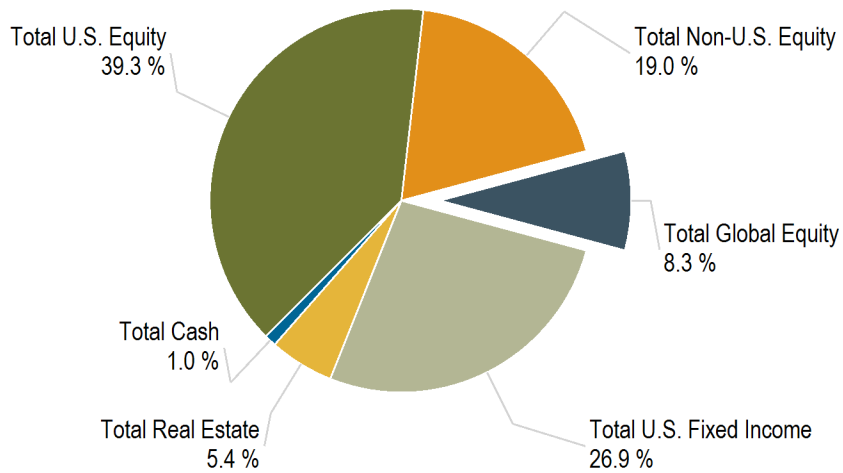
COUNTRY ALLOCATION/RETURNS

3 MONTHS ENDING 12/31/09

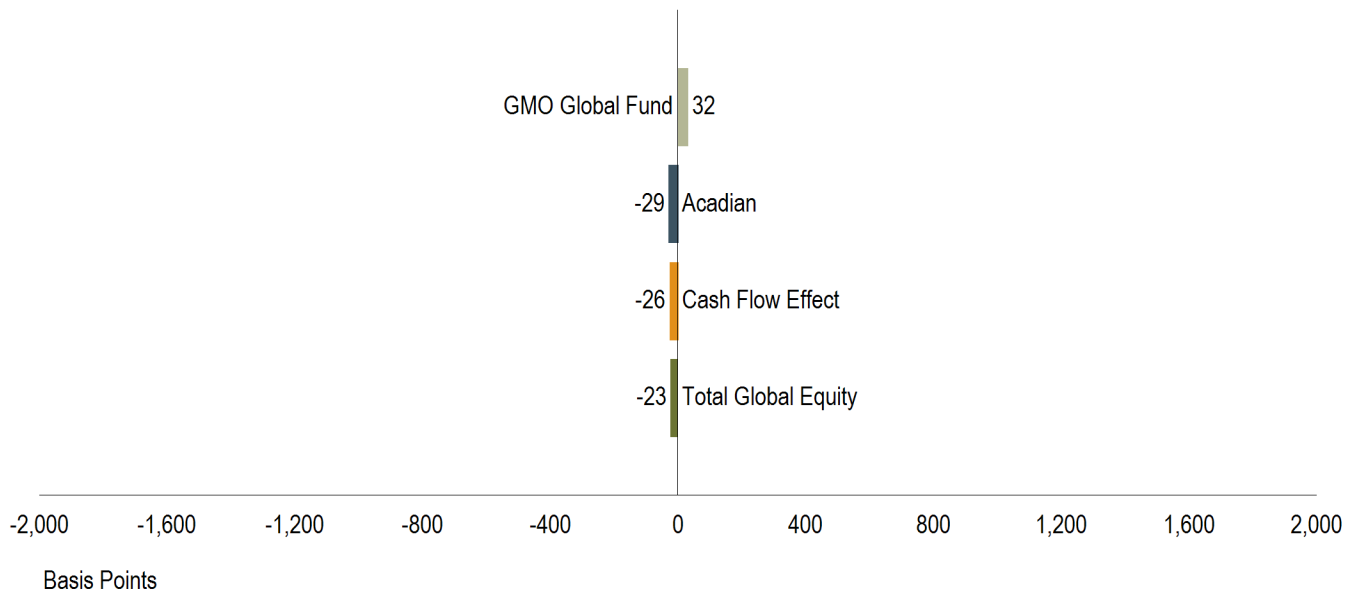
	Manager Allocation	Index Allocation	Index Return
Europe			
Austria	1.1 %	0.2 %	-9.8 %
Belgium	0.5	0.7	1.6
Czech Republic*	1.3	0.1	-6.9
Denmark	0.6	0.6	-2.8
Finland	0.4	0.8	-3.5
France	9.3	7.8	2.1
Germany	6.9	5.7	2.2
Greece	0.1	0.4	-22.4
Hungary*	0.6	0.1	3.5
Ireland	0.4	0.2	-2.7
Italy	2.6	2.4	-2.7
Netherlands	3.8	1.9	3.8
Norway	1.5	0.6	14.9
Poland*	0.9	0.3	12.9
Portugal	0.1	0.2	0.4
Russia*	4.4	1.4	10.5
Spain	2.3	3.2	1.3
Sweden	1.1	1.8	3.6
Switzerland	5.6	5.4	3.8
United Kingdom	13.9	15.2	7.0
Asia/Pacific			
Australia	6.0 %	5.9 %	4.9 %
China*	5.7	4.0	7.7
Hong Kong	0.3	1.6	3.6
India*	2.1	1.7	7.7
Indonesia*	0.3	0.4	5.1
Japan	10.0	14.6	-2.8
Korea*	3.2	2.8	2.3
Malaysia*	0.0	0.6	6.7
New Zealand	0.0	0.1	-0.1
Pakistan*	0.0	--	--
Philippines*	0.0	0.1	9.7
Singapore	0.0	1.0	9.8
Sri Lanka*	0.0	--	--
Taiwan, China*	2.9	2.5	8.1
Thailand*	0.0	0.3	1.1
Americas			
Argentina*	0.0 %	--	--
Brazil*	2.4	3.8 %	12.9 %
Canada	5.2	7.3	5.0
Chile*	0.0	0.3	15.3
Colombia*	0.0	0.1	-1.1
Mexico*	1.4	1.0	13.7
Peru*	0.0	0.1	0.8
United States	0.6	--	5.9
Venezuela*	0.0	--	--
Other			
Egypt*	0.0 %	0.1 %	-6.2 %
Israel*	0.0	0.6	14.0
Morocco*	0.0	0.0	-7.1
Jordan*	0.0	--	--
Other Countries*	0.1	--	--
South Africa*	0.2	1.5	9.4
Turkey*	0.0	0.3	9.1
Cash			
Cash	2.1 %	--	--
Total	100.0 %	100.0 %	3.7 %
Developed	72.6	77.6	
Emerging*	25.3	22.4	
Cash	2.1	--	

TOTAL GLOBAL EQUITY

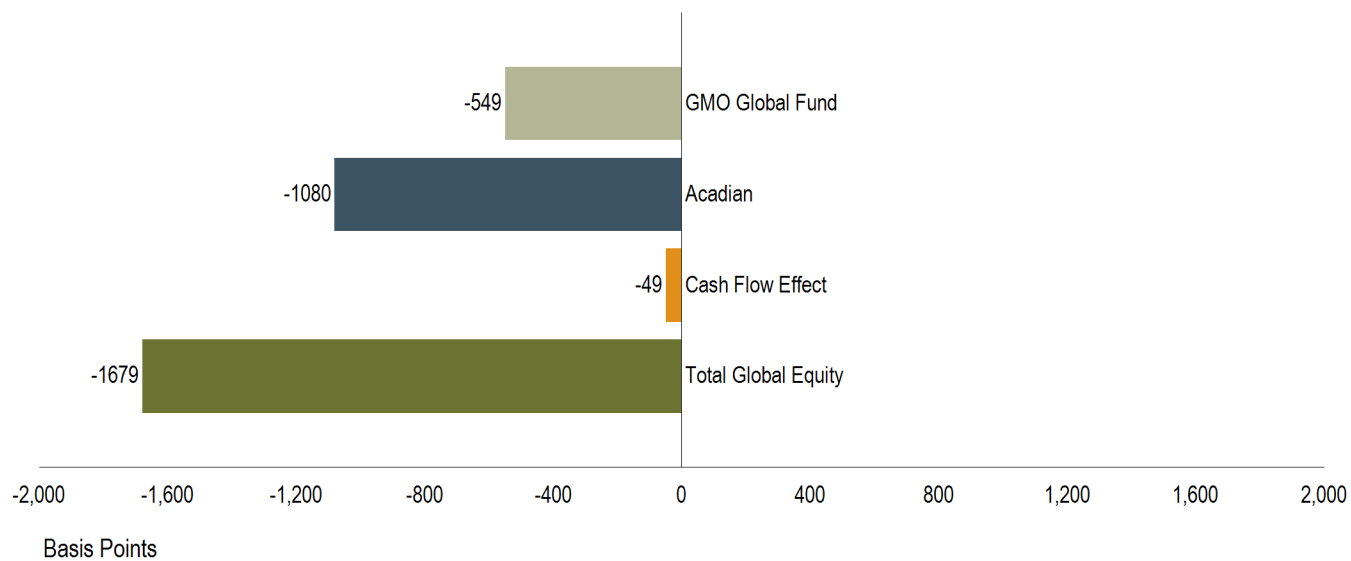
ASSET ALLOCATION
ACTUAL AS OF 12/31/09



MANAGER ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/09



MANAGER ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/09



TOTAL GLOBAL EQUITY

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Total Global Equity	4.4 %	56	17.8 %	97	-6.3 %	57	2.2 %	--	4/30/05
MSCI All Country World Index	4.6	49	34.6	31	-4.6	40	4.0	--	
GMO Global Fund	5.2	34	24.3	86	-2.8	19	4.9	--	4/30/05
MSCI All Country World Index	4.6	49	34.6	31	-4.6	40	4.0	--	
Acadian	3.9	65	11.5	99	--	--	-21.7	--	5/31/08
MSCI All Country World Index	4.6	49	34.6	31	--	--	-13.1	--	

Commentary on Investment Performance

During the fourth quarter, the global equity portfolio returned 4.4%, modestly trailing the MSCI All Country World Index by 20 basis points. GMO's above-benchmark return was offset by Acadian's underperformance. GMO's domestic equity funds contributed most to its outperformance. Conversely, Acadian's stock selection was responsible for its underperformance, specifically holding stocks in Japan and France.

The global equity portfolio has lagged the return of the MSCI All Country World Index during all long-term periods shown above.

The attribution analysis on the previous page highlights each manager's contribution to relative performance within VCERA's global equity component over the past three-month and trailing one-year periods. The bar labeled "Cash Flow Effect" illustrates the effect on performance by the timing of cash contributions, withdrawals, and asset movements between accounts. The "Total" bar in these graphs represents the difference between the global equity component's return and that of the Index.

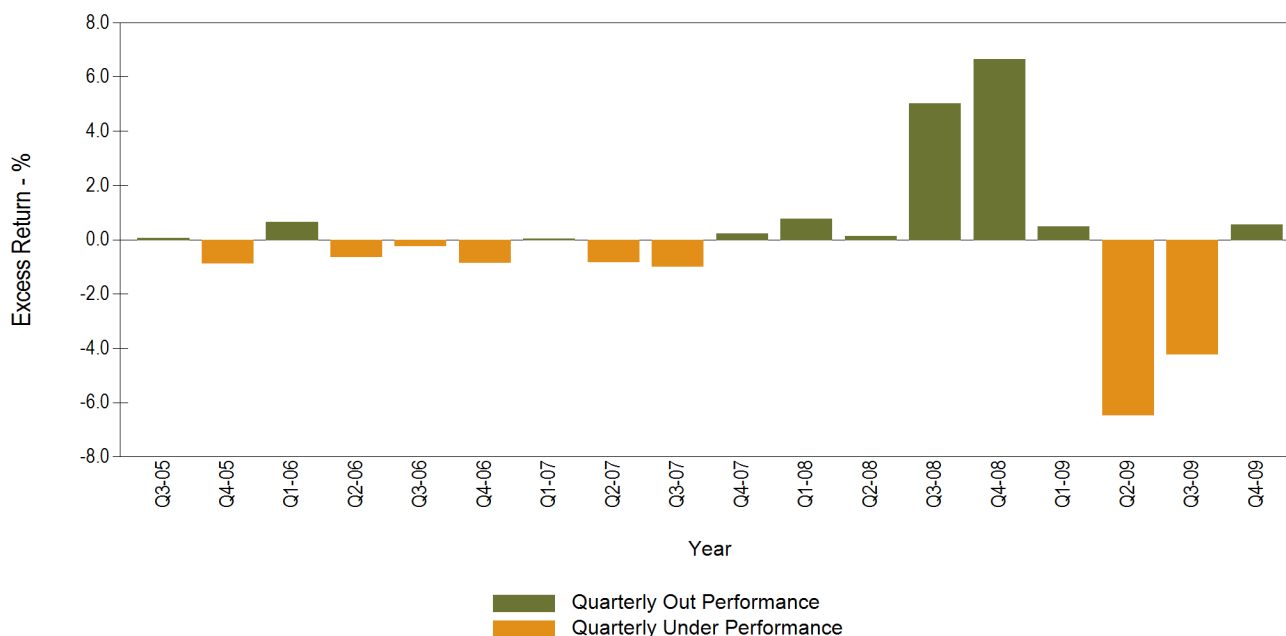
**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
GMO Global Fund	5.2 %	34	24.3 %	86	-2.8 %	19	4.9 %	--	4/30/05
MSCI All Country World Index	4.6	49	34.6	31	-4.6	40	4.0	--	

Philosophy and Process

Grantham Mayo Van Otterloo's (GMO) Global Asset Allocation strategy uses quantitative methods to allocate among the firm's mutual funds including U.S. equity, non-U.S. developed market equity, emerging markets, fixed income, and real estate funds. GMO attempts to add value from allocations across sectors as well as security selection within sectors. The firm desires to make large bets on a few high-conviction opportunities, while still incurring less absolute risk than the benchmark. GMO does not employ a traditional team of fundamental security analysts. Instead, they attempt to exploit market inefficiencies by evaluating asset classes and individual securities largely through quantitative analysis. They believe their edge lies in their ability to interpret already available information, as opposed to an explicit information edge. Although the process will consider both valuation and momentum factors in selecting stocks, the portfolio will tend to exhibit value characteristics.

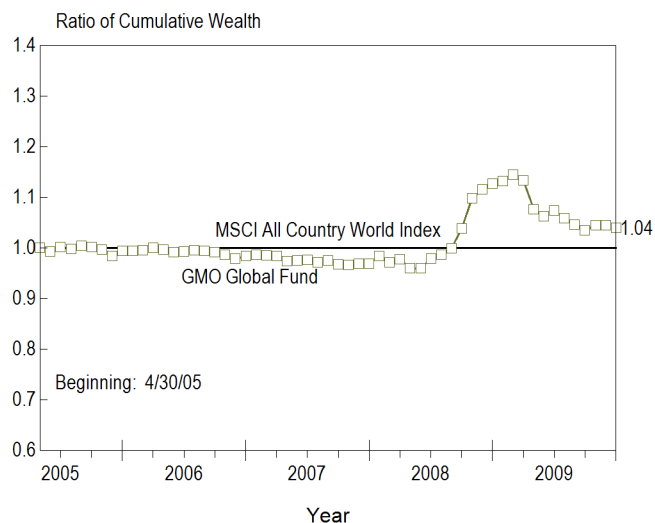
Quarterly Excess Performance



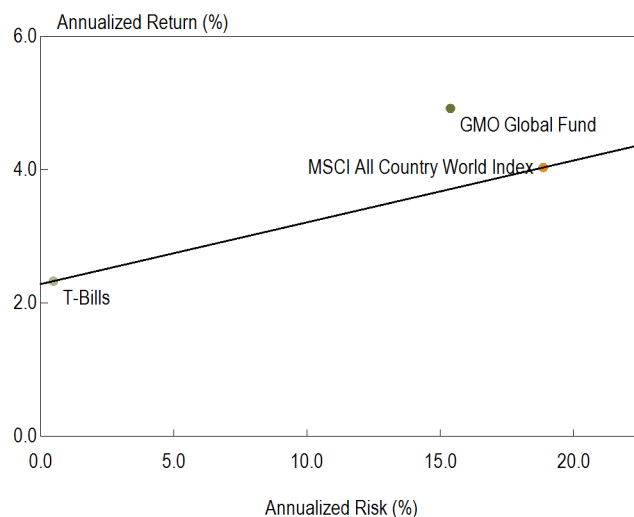
COUNTRY ALLOCATION/RETURNS
3 MONTHS ENDING 12/31/09

	Manager Allocation	Index Allocation	Index Return
Europe			
Austria	0.1 %	0.1 %	-9.8 %
Belgium	0.8	0.4	1.6
Czech Republic*	0.1	0.1	-6.9
Denmark	0.3	0.4	-2.8
Finland	0.3	0.5	-3.5
France	4.3	4.5	2.1
Germany	2.1	3.3	2.2
Greece	0.3	0.2	-22.4
Hungary*	0.2	0.1	3.5
Ireland	0.2	0.1	-2.7
Italy	2.3	1.4	-2.7
Netherlands	1.2	1.1	3.8
Norway	0.3	0.3	14.9
Poland*	0.2	0.2	12.9
Portugal	0.0	0.1	0.4
Russia*	2.0	0.8	10.5
Spain	1.8	1.9	1.3
Sweden	1.7	1.0	3.6
Switzerland	4.2	3.2	3.8
United Kingdom	10.1	8.8	7.0
Asia/Pacific			
Australia	1.6 %	3.4 %	4.9 %
China*	0.0	2.3	7.7
Hong Kong	0.6	1.0	3.6
India*	0.6	1.0	7.7
Indonesia*	0.2	0.2	5.1
Japan	11.1	8.4	-2.8
Korea*	2.3	1.6	2.3
Malaysia*	0.1	0.4	6.7
New Zealand	0.1	0.0	-0.1
Pakistan*	0.0	--	--
Philippines*	0.0	0.1	9.7
Singapore	1.1	0.6	9.8
Sri Lanka*	0.0	--	--
Taiwan, China*	2.2	1.5	8.1
Thailand*	0.6	0.2	1.1
Americas			
Argentina*	0.0 %	--	--
Brazil*	2.2	2.2 %	12.9 %
Canada	0.4	4.2	5.0
Chile*	0.0	0.2	15.3
Colombia*	0.0	0.1	-1.1
Mexico*	0.2	0.6	13.7
Peru*	0.0	0.1	0.8
United States	39.2	41.9	5.9
Venezuela*	0.0	--	--
Other			
Egypt*	0.1 %	0.1 %	-6.2 %
Israel*	0.1	0.4	14.0
Morocco*	0.0	0.0	-7.1
Jordan*	0.0	--	--
Other Countries*	0.0	--	--
South Africa*	0.3	0.9	9.4
Turkey*	1.1	0.2	9.1
Cash			
Cash	3.4 %	--	--
Total	100.0 %	100.0 %	4.6 %
Developed	84.1	87.0	
Emerging*	12.5	13.0	
Cash	3.4	--	

**RATIO OF CUMULATIVE WEALTH
4 YEARS 8 MONTHS ENDING 12/31/09**



**ANNUALIZED RISK RETURN
4 YEARS 8 MONTHS ENDING 12/31/09**



**HISTORICAL RETURNS
(BY YEAR)**

	GMO Global Fund		MSCI All Country World Index		Return Difference
	Return	Rank	Return	Rank	
2005 (8 months)	13.7 %	--	14.4 %	--	-0.7
2006	19.7	52	21.0	47	-1.3
2007	10.0	56	11.7	46	-1.7
2008	-32.8	9	-42.2	53	9.4
2009	24.3	86	34.6	31	-10.3
Trailing 3-Year	-2.8 %	19	-4.6 %	40	1.8
Since Inception (4/30/05)	4.9	--	4.0	--	0.9

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	
Acadian	3.9%	65	11.5%	99	-21.7%	--	5/31/08
MSCI All Country World Index	4.6	49	34.6	31	-13.1	--	

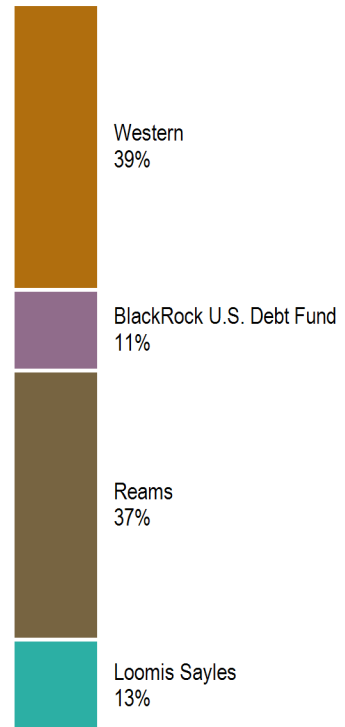
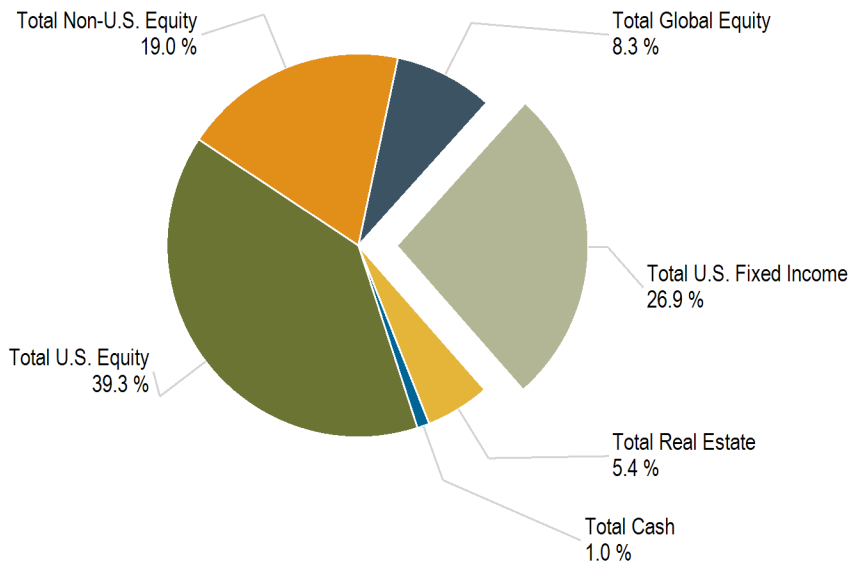
Philosophy and Process

Acadian Asset Management, Inc. applies a disciplined, multi-factor model to a broad universe of equities with the objective of earning superior returns. The firm utilizes both stock factors (micro) and country/sector factors (macro) to forecast returns for the entire 25,000 stock universe. They evaluate four categories of stock factors: valuation, earnings trends, earnings quality, and price momentum. Acadian combines both micro and macro factors to produce forecasted returns for individual stocks. Positions are then sized by optimizing the return forecasts with expected transaction costs, stock borrowing cost, and liquidity. For the global 130-30 fund, the maximum long is 5% and the maximum short is -3% of portfolio value. The strategy targets gross exposures of 130% long and 30% short for a net exposure of 100% long. The maximum short exposure the fund will take is 50%. As shorting local emerging markets stocks is not feasible, Acadian will occasionally utilize ADRs to short emerging markets.

Quarterly Excess Performance

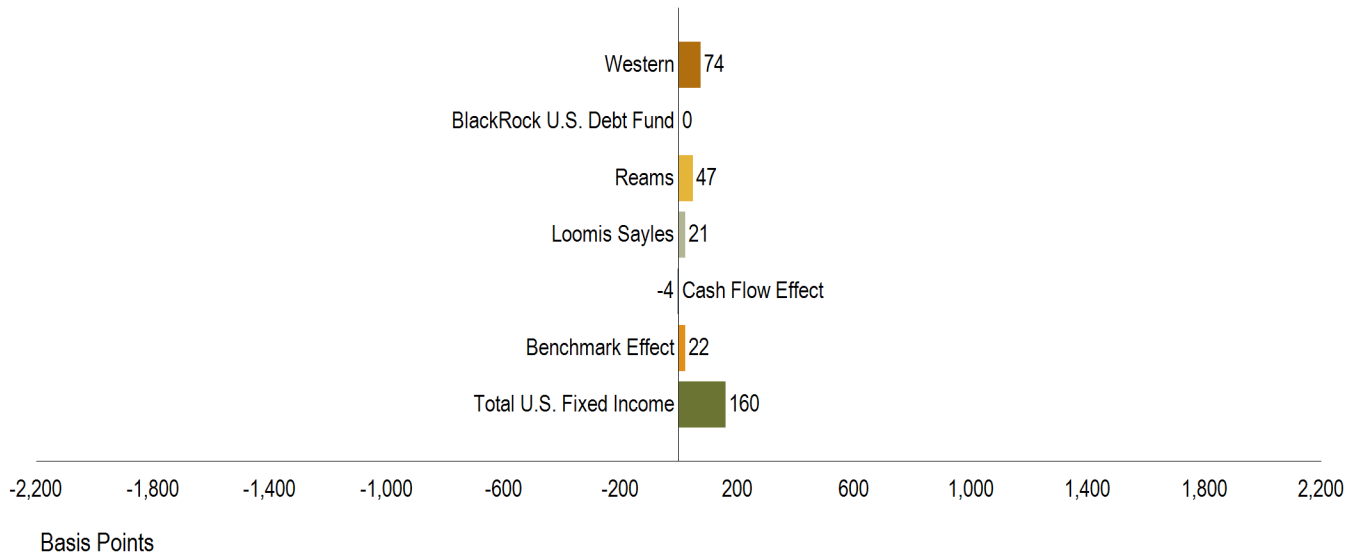


ASSET ALLOCATION
ACTUAL AS OF 12/31/09

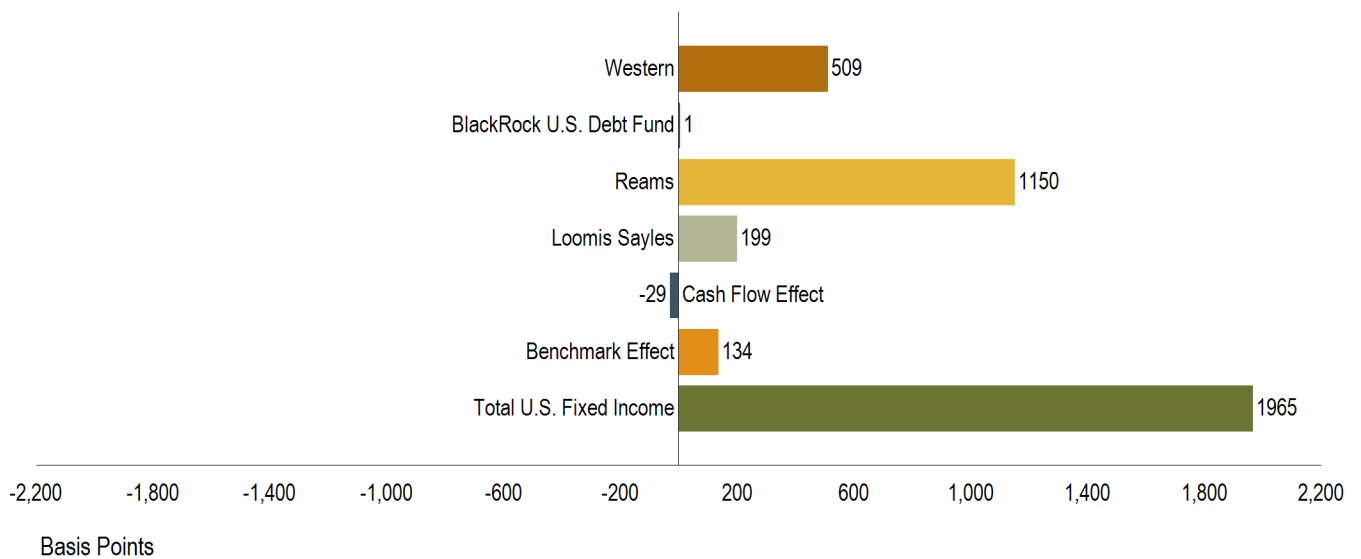


TOTAL U.S. FIXED INCOME

MANAGER ATTRIBUTION ANALYSIS 3 MONTHS ENDING 12/31/09



MANAGER ATTRIBUTION ANALYSIS 1 YEAR ENDING 12/31/09



TOTAL U.S. FIXED INCOME

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		10 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Total U.S. Fixed Income	1.8 %	32	25.6 %	5	6.8 %	14	5.8 %	12	7.0 %	15	6.4 %	--	2/28/94
Barclays Capital Aggregate Bond Index	0.2	85	5.9	84	6.0	31	5.0	31	6.3	49	6.3	--	
Western	2.1	14	18.2	21	4.1	84	4.1	81	6.7	27	6.4	30	12/31/96
Barclays Capital Aggregate Bond Index	0.2	88	5.9	92	6.0	56	5.0	62	6.3	52	6.2	54	
BlackRock U.S. Debt Fund	0.2	86	6.0	91	6.1	54	5.0	55	6.4	49	6.1	--	11/30/95
Barclays Capital Aggregate Bond Index	0.2	88	5.9	92	6.0	56	5.0	62	6.3	52	6.1	--	
Reams	1.4	30	37.3	1	9.0	1	7.2	1	--	--	6.4	7	9/30/01
Barclays Capital Aggregate Bond Index	0.2	88	5.9	92	6.0	56	5.0	62	--	--	5.3	58	
Loomis Sayles	3.7	2	38.1	1	5.7	69	--	--	--	--	6.1	--	7/31/05
Performance Benchmark	2.0	18	18.8	18	6.0	57	--	--	--	--	5.7	--	

Commentary on Investment Performance

The fixed income portfolio gained 1.8% during the quarter, outpacing the return of the BlackRock Bond Index by 1.6 percentage points. Each of the portfolio's underlying active managers outperformed their respective benchmarks. Western's exposure to non-agency MBS helped performance as PPIP purchases increased prices. Reams' outperformance was attributed to its underweight allocation to the government sector. Loomis Sayles benefited from its allocation to CMBS and U.S. investment grade issues.

During the trailing one-year period, the fixed income component outperformed its benchmark by 19.7 percentage points. Each of the component's active managers contributed positively to outperformance. Longer-term performance remains favorable as shown in the table above.

The attribution analysis on the previous page highlights each manager's contribution to relative performance within VCERA's fixed income component over the past three-month and trailing one-year periods. The bar labeled "Cash Flow Effect" illustrates the effect on performance by the timing of cash contributions, withdrawals, and asset movements between accounts. The benchmark effect in the quarter graph is a result of one of the individual manager's benchmark (performance benchmark of Loomis Sayles) outperforming the fixed income component's benchmark (Barclays Capital Aggregate Bond Index). Additionally, the benchmark effect in the quarter and one-year attribution graphs is a result of the cumulative performance of one of the individual manager's benchmark (performance benchmark of Loomis Sayles) outperforming the fixed income component's benchmark (Barclays Capital Aggregate Bond Index).

WESTERN

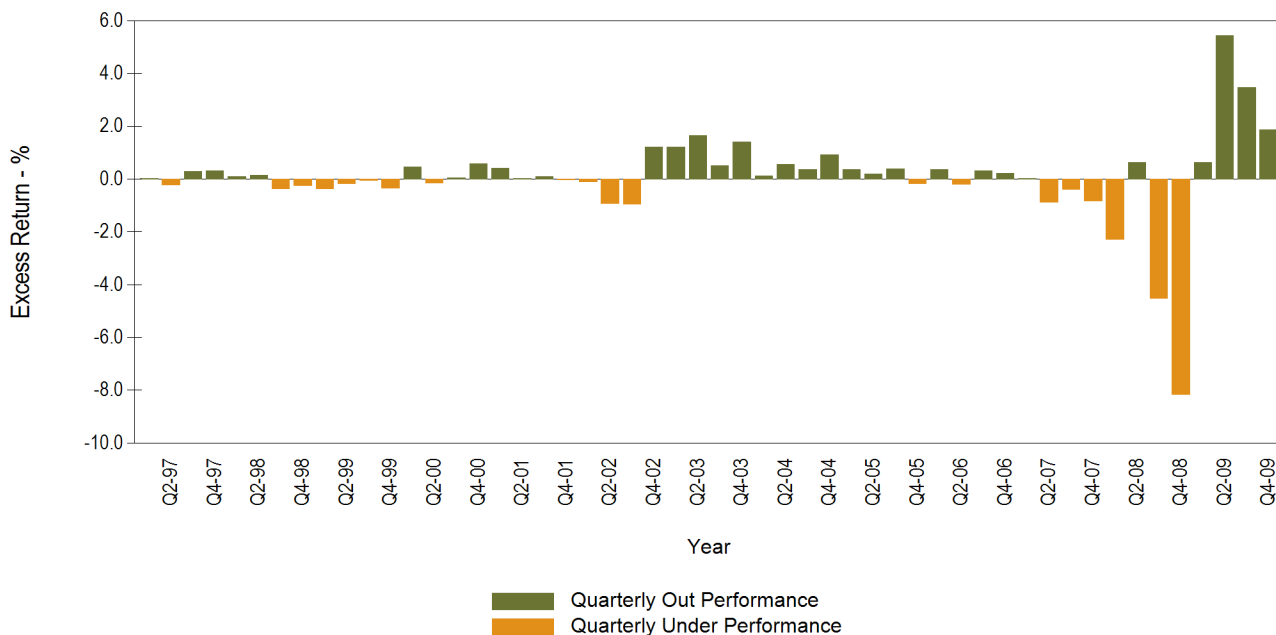
RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		10 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Western	2.1%	14	18.2%	21	4.1%	84	4.1%	81	6.7%	27	6.4%	30	12/31/96
Barclays Capital Aggregate Bond Index	0.2	88	5.9	92	6.0	56	5.0	62	6.3	52	6.2	54	

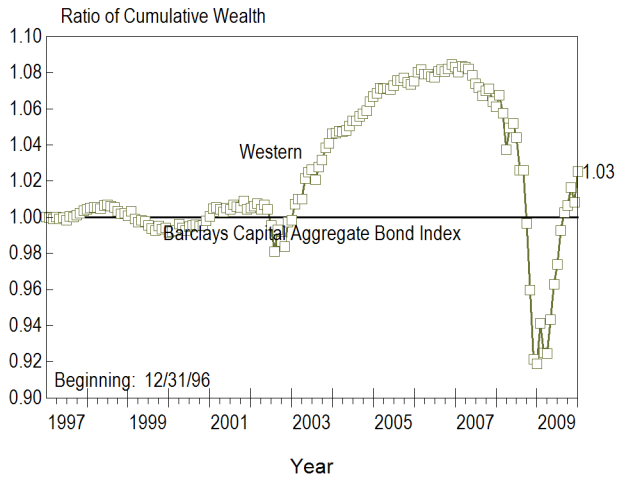
Philosophy and Process

Western Asset Management seeks to add value in fixed income accounts by employing multiple investment strategies while controlling risk. Western is an active sector rotator and attempts to exploit market inefficiencies by making opportunistic trades. The firm emphasizes non-Treasury sectors such as corporate and mortgages. The firm's team approach to fixed income management revolves around an investment outlook developed by the Investment Strategy Group. This group interacts on a daily basis, evaluating developments in both the market and the economy. Additionally, the group meets formally twice a month to review its outlook and investment strategy.

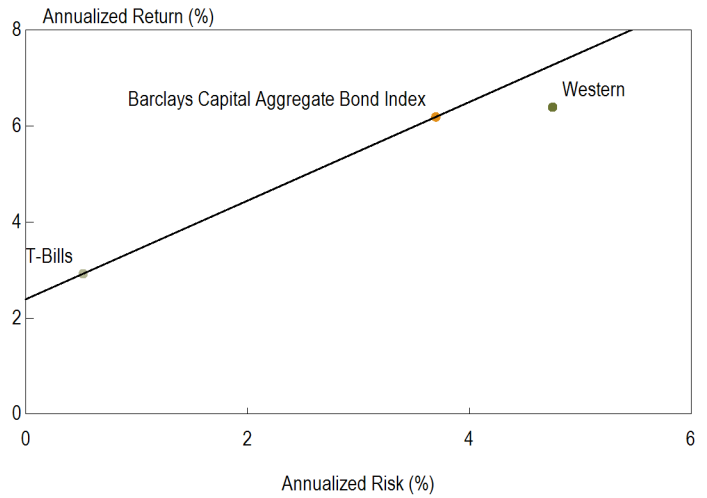
Quarterly Excess Performance



**RATIO OF CUMULATIVE WEALTH
13 YEARS ENDING 12/31/09**

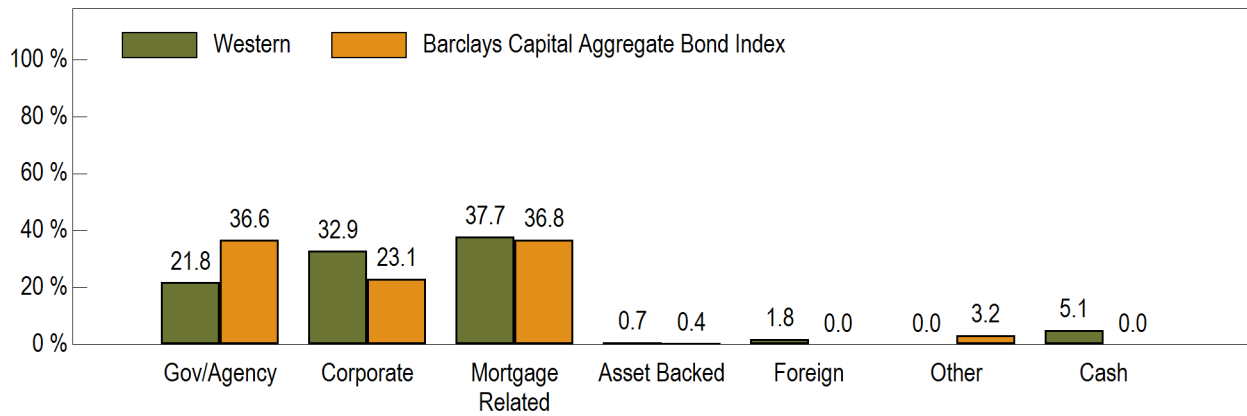


**ANNUALIZED RISK RETURN
13 YEARS ENDING 12/31/09**



The table below details Western's sector allocation relative to the Barclays Capital Aggregate Bond Index. The allocation to cash represents highly-liquid short-term fixed income instruments such as money market funds and commercial paper.

**SECTOR ALLOCATION AS OF 12/31/09
Western**



WESTERN

HISTORICAL RETURNS

(BY YEAR)

	Western		Barclays Capital Aggregate Bond Index		Return Difference
	Return	Rank	Return	Rank	
1997	10.1 %	31	9.7 %	58	0.4
1998	8.3	57	8.7	42	-0.4
1999	-1.7	80	-0.8	53	-0.9
2000	12.6	10	11.6	43	1.0
2001	8.9	15	8.4	38	0.5
2002	9.5	44	10.3	24	-0.8
2003	9.1	6	4.1	69	5.0
2004	6.4	6	4.3	58	2.1
2005	3.2	8	2.4	58	0.8
2006	5.1	15	4.3	53	0.8
2007	4.8	86	7.0	16	-2.2
2008	-8.9	85	5.2	16	-14.1
2009	18.2	21	5.9	92	12.3
Trailing 3-Year	4.1 %	84	6.0 %	56	-1.9
Trailing 5-Year	4.1	81	5.0	62	-0.9
Trailing 10-Year	6.7	27	6.3	52	0.4
Since Inception (12/31/96)	6.4	30	6.2	54	0.2

The table above compares the historical annual and cumulative annualized returns of the Western portfolio and its benchmark, the Barclays Capital Aggregate Bond Index.

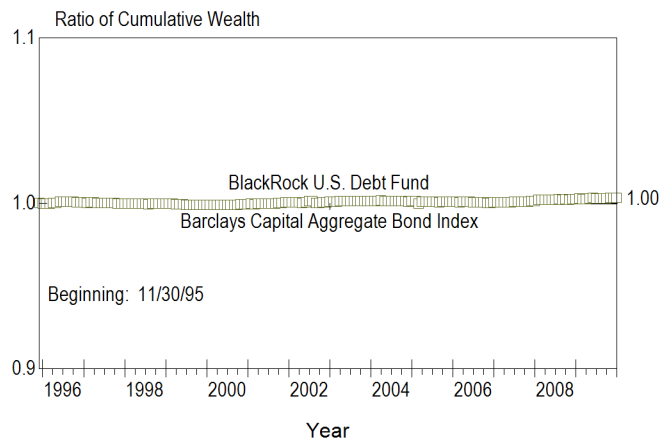
**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		10 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
BlackRock U.S. Debt Fund	0.2%	86	6.0%	91	6.1%	54	5.0%	55	6.4%	49	6.1%	--	11/30/95
Barclays Capital Aggregate Bond Index	0.2	88	5.9	92	6.0	56	5.0	62	6.3	52	6.1	--	

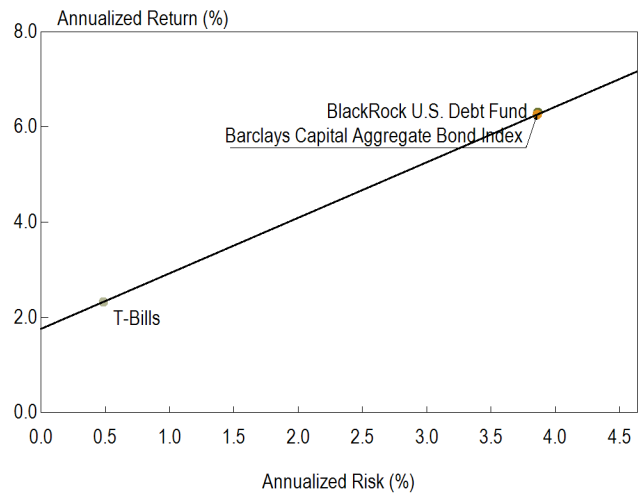
Philosophy and Process

The BlackRock U.S. Debt Fund is an index fund which is designed to replicate the performance of the Barclays Capital Aggregate Bond Index. The U.S. Debt Fund is constructed by holding 7 different sub-funds that track specific sector/maturity combinations of the Barclays Capital Aggregate Bond Index.

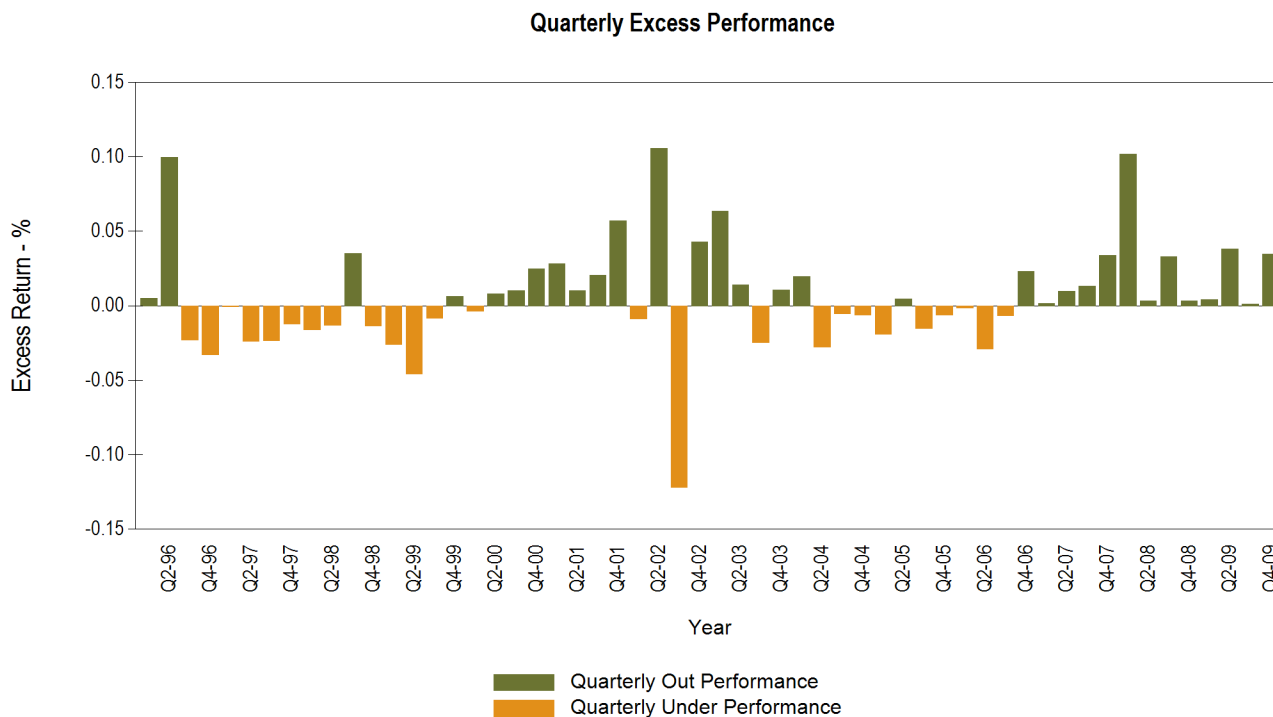
**RATIO OF CUMULATIVE WEALTH
14 YEARS 1 MONTH ENDING 12/31/09**



**ANNUALIZED RISK RETURN
9 YEARS 9 MONTHS ENDING 12/31/09**



BLACKROCK U.S. DEBT FUND



HISTORICAL RETURNS (BY YEAR)

	BlackRock U.S. Debt Fund		Barclays Capital Aggregate Bond Index		Return Difference
	Return	Rank	Return	Rank	
2000 (9 months)	9.3%	31	9.2%	36	0.1
2001	8.6	34	8.4	38	0.2
2002	10.3	24	10.3	24	0.0
2003	4.2	68	4.1	69	0.1
2004	4.3	59	4.3	58	0.0
2005	2.4	60	2.4	58	0.0
2006	4.3	55	4.3	53	0.0
2007	7.0	15	7.0	16	0.0
2008	5.4	16	5.2	16	0.2
2009	6.0	91	5.9	92	0.1
Trailing 3-Year	6.1%	54	6.0%	56	0.1
Trailing 5-Year	5.0	55	5.0	62	0.0
Trailing 10-Year	6.4	49	6.3	52	0.1
Since Inception (11/30/95)	6.1	--	6.1	--	0.0

**RETURN SUMMARY
ENDING 12/31/09**

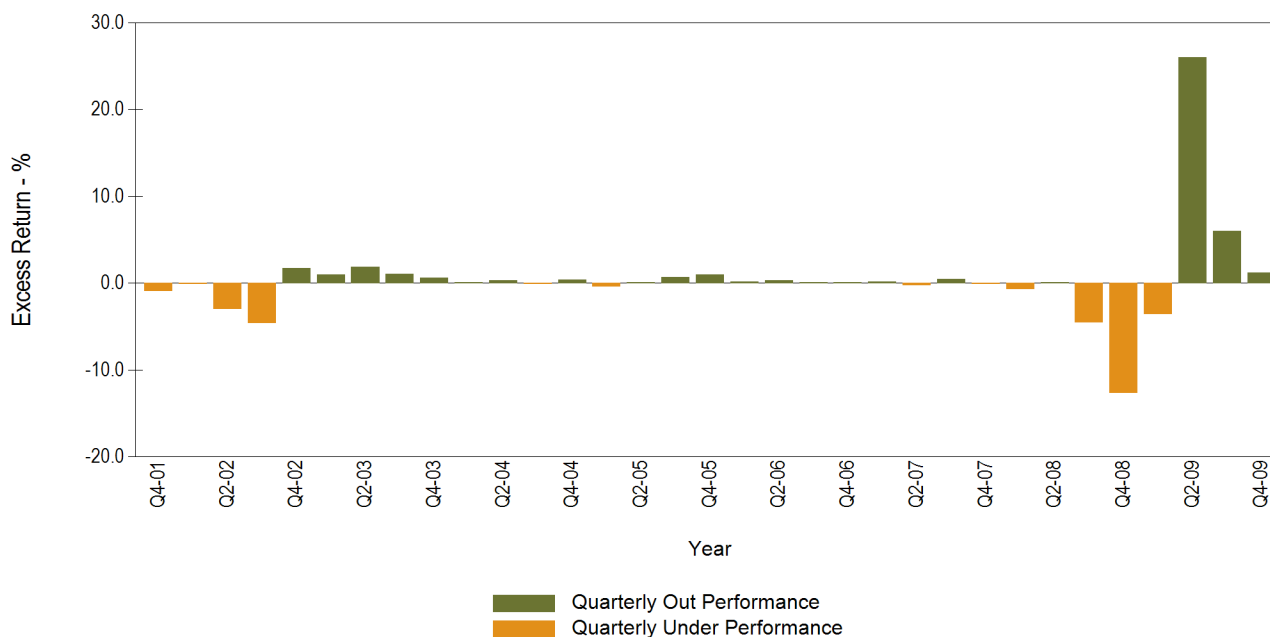
	Fourth Quarter		Year-To-Date		1 Year Ending 12/31/09		3 Years Ending 12/31/09		5 Years Ending 12/31/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Reams	1.4%	30	37.3%	1	37.3%	1	9.0%	1	7.2%	1	6.4%	7	9/30/01
Barclays Capital Aggregate Bond Index	0.2	88	5.9	92	5.9	92	6.0	56	5.0	62	5.3	58	

Philosophy and Process

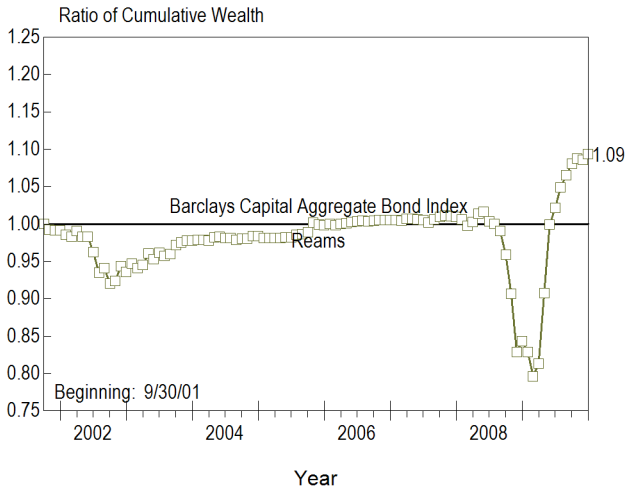
Reams' investment process revolves around the manager's ability to combine top-down macroeconomic portfolio positioning with bottom-up bond selection. The top-down interest rate positioning is somewhat contrarian in that the manager uses real interest rates to gauge when the market is expensive and when it is cheap, increasing duration when the market is cheap and decreasing duration when it is expensive.

The manager attempts to exploit its relatively small size and uncover issues not widely followed by Wall Street. The manager prefers to hold securities by underlying collateral. The firm tends to avoid residential mortgages in favor of commercial mortgages.

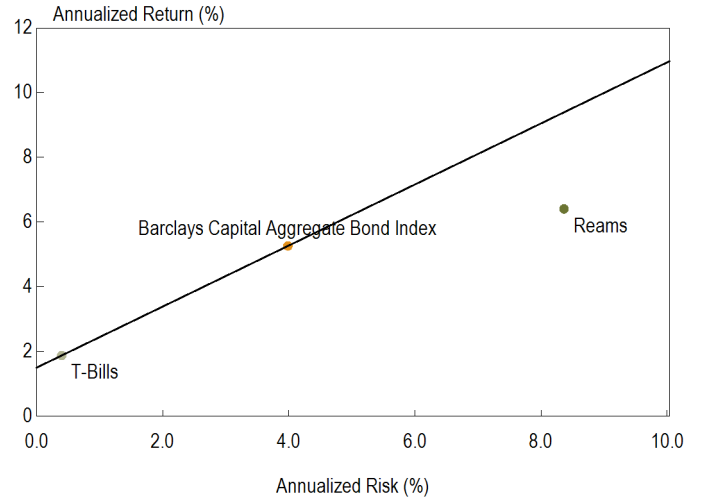
Quarterly Excess Performance



**RATIO OF CUMULATIVE WEALTH
8 YEARS 3 MONTHS ENDING 12/31/09**

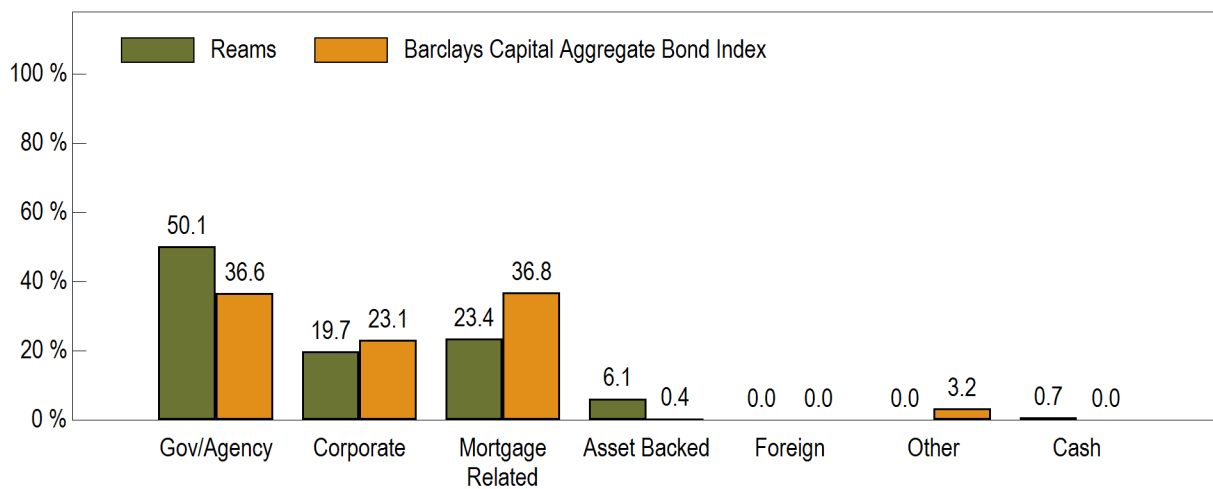


**ANNUALIZED RISK RETURN
8 YEARS 3 MONTHS ENDING 12/31/09**



The table below details Reams' sector allocations relative to the Barclays Capital Aggregate Bond Index.

**SECTOR ALLOCATION AS OF 12/31/09
Reams**



HISTORICAL RETURNS

(BY YEAR)

	Reams		Barclays Capital Aggregate Bond Index		Return Difference
	Return	Rank	Return	Rank	
2001 (3 months)	-0.8%	91	0.0%	53	-0.8
2002	4.1	98	10.3	24	-6.2
2003	8.7	7	4.1	69	4.6
2004	5.0	22	4.3	58	0.7
2005	3.9	5	2.4	58	1.5
2006	5.0	16	4.3	53	0.7
2007	7.4	6	7.0	16	0.4
2008	-12.1	95	5.2	16	-17.3
2009	37.3	1	5.9	92	31.4
Trailing 3-Year	9.0%	1	6.0%	56	3.0
Trailing 5-Year	7.2	1	5.0	62	2.2
Since Inception (9/30/01)	6.4	7	5.3	58	1.1

The table above compares the historical annual and cumulative annualized returns of the Reams portfolio and its benchmark, the Barclays Capital Aggregate Bond Index.

LOOMIS SAYLES

RETURN SUMMARY ENDING 12/31/09

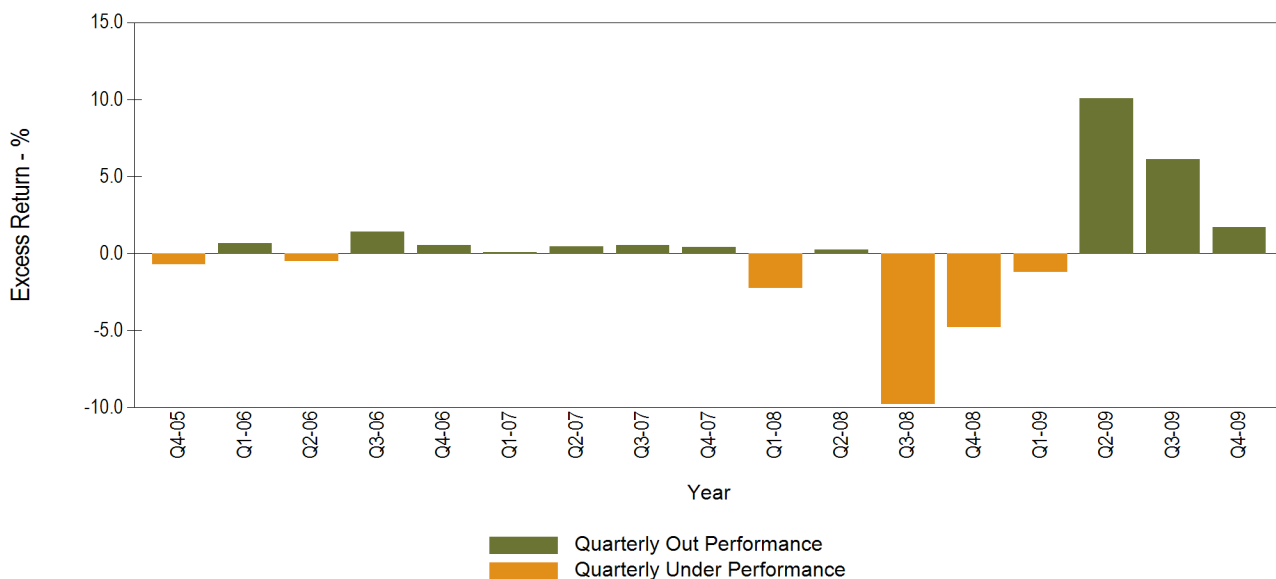
	Fourth Quarter	1 Year Ending 12/31/09	3 Years Ending 12/31/09	Since Inception	Inception Date
Loomis Sayles	3.7 %	38.1 %	5.7 %	6.1 %	7/31/05
Performance Benchmark	2.0	18.8	6.0	5.7	
Barclays Capital Aggregate Bond Index	0.2	5.9	6.0	5.3	

Philosophy and Process

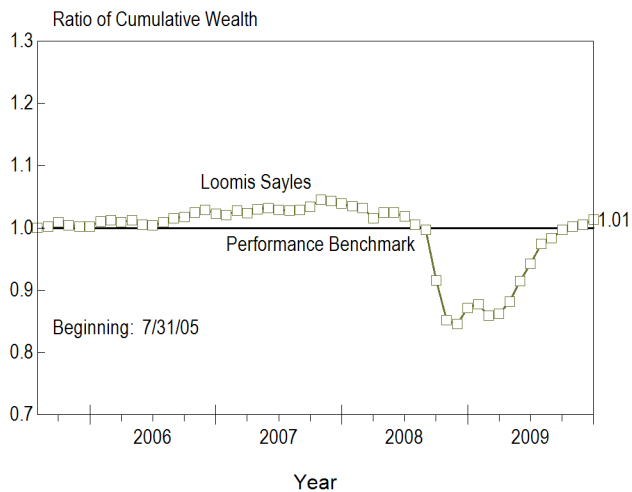
Loomis Sayles' fixed income philosophy is rooted in identifying undervalued securities through in-house credit research. Its philosophy emphasizes identifying issuers whose credit ratings appear likely to be upgraded or downgraded. The fixed income analysts use forward-looking analyses of cash flow, along with source and application of funds, to identify factors that may affect a debt issuer's future credit rating. Loomis Sayles believes that considerable value can be added by holding under-rated issues for which the firm has projected a credit upgrading.

Loomis typically allocates up to 40% of its assets to high yield securities and its portfolio's duration is significantly higher than that of the broad bond market. The manager also invests in convertible securities. The performance benchmark for the strategy is 60% Barclays Capital Aggregate Bond Index and 40% Barclays Capital High Yield Index.

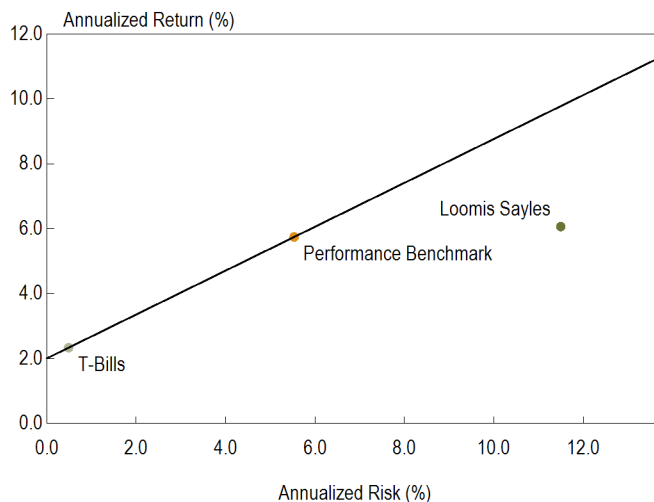
Quarterly Excess Performance



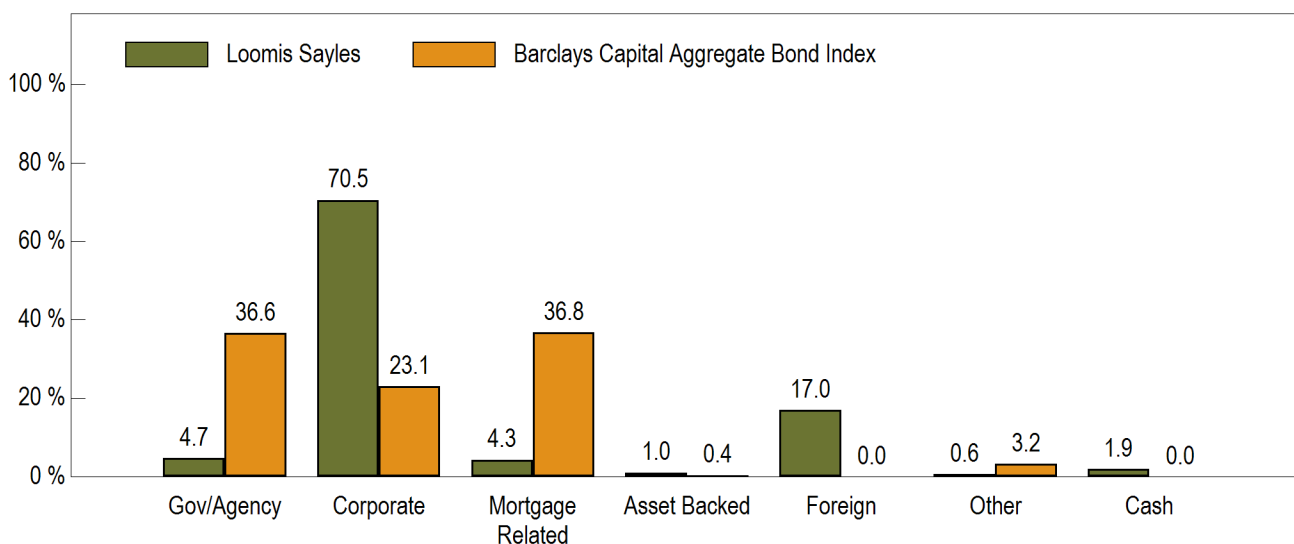
**RATIO OF CUMULATIVE WEALTH
4 YEARS 5 MONTHS ENDING 12/31/09**



**ANNUALIZED RISK RETURN
4 YEARS 5 MONTHS ENDING 12/31/09**



**SECTOR ALLOCATION AS OF 12/31/09
Loomis Sayles**



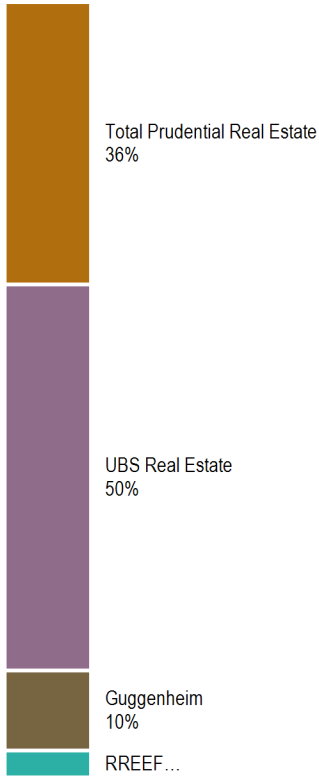
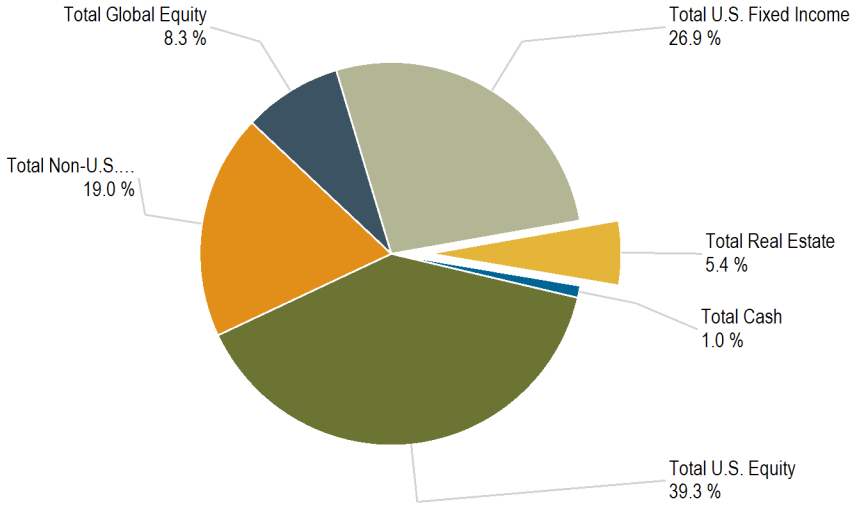
LOOMIS SAYLES

HISTORICAL RETURNS (BY YEAR)

	Loomis Sayles		Performance Benchmark		Return Difference
	Return	Rank	Return	Rank	
2005 (5 months)	0.7 %	--	0.5 %	--	0.2
2006	9.0	1	6.8	3	2.2
2007	6.7	23	5.1	77	1.6
2008	-19.9	99	-4.6	73	-15.3
2009	38.1	1	18.8	18	19.3
Trailing 3-Year	5.7 %	69	6.0 %	57	-0.3
Since Inception (7/31/05)	6.1	--	5.7	--	0.4

The table above compares the historical annual and cumulative annualized returns of the Loomis Sayles portfolio and its Performance Benchmark.

ASSET ALLOCATION
ACTUAL AS OF 12/31/09



TOTAL REAL ESTATE

RETURN SUMMARY ENDING 12/31/09

	Fourth Quarter	1 Year Ending 12/31/09	3 Years Ending 12/31/09	5 Years Ending 12/31/09	10 Years Ending 12/31/09	Since Inception	Inception Date
Total Real Estate	-3.4%	-31.2%	-13.3%	-0.9%	4.3%	6.4%	3/31/94
Policy Benchmark	-1.7	-18.8	-4.6	3.7	6.8	8.4	
Total Prudential Real Estate	-2.9	-34.8	-13.1	0.9	--	-2.2	6/30/04
Policy Benchmark	-1.7	-18.8	-4.6	3.7	--	4.9	
UBS Real Estate	-3.2	-23.2	-7.4	1.9	--	4.4	3/31/03
NCREIF Open End Fund Index	-1.7	-18.8	-4.6	3.5	--	5.7	
Guggenheim	-0.8	-27.1	-18.7	--	--	-13.5	6/30/06
Performance Benchmark	1.3	-3.3	-4.6	--	--	-0.9	
RREEF	-13.8	-64.5	--	--	--	-51.7	10/1/07
NCREIF Open End Fund Index	-1.7	-18.8	--	--	--	-11.0	

In January 2006, the Board approved the change of the total real estate policy benchmark from the NCREIF Property Index to the NCREIF Open-End Fund Property Index. Both of these indices are sponsored by the National Council of Real Estate Investment Fiduciaries (NCREIF), a leading real estate investment management advocacy group.

Consistent with the motion approved, the benchmark changed when the funding of a second open-end real estate fund manager (Prudential PRISA Fund) was complete and no separate account properties remained.

Commentary on Investment Performance

During the quarter the real estate portfolio declined 3.4%, trailing its benchmark by 1.7 percentage points. Each of the underlying managers lagged their respective benchmarks, as RREEF was the largest contributor to underperformance. The portfolio's longer-term performance remains unfavorable on a relative basis, mostly due to recent underperformance. Since the portfolio's inception, it has returned 6.4% annually.

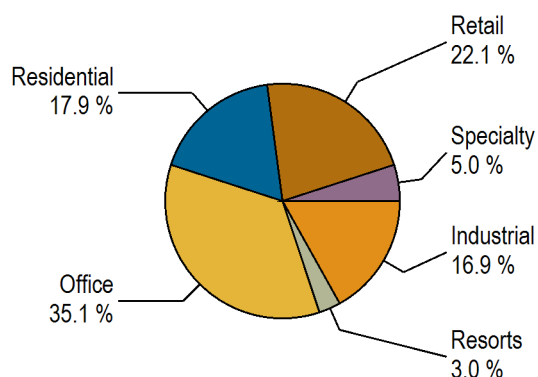
**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter	Year-To-Date	1 Year Ending 12/31/09	3 Years Ending 12/31/09	5 Years Ending 12/31/09	Since Inception	Inception Date
Total Prudential Real Estate	-2.9 %	-34.8 %	-34.8 %	-13.1 %	0.9 %	-2.2 %	6/30/04
Policy Benchmark	-1.7	-18.8	-18.8	-4.6	3.7	4.9	
PRISA Fund I	-2.9	-34.8	-34.8	-13.1	--	-2.5	3/31/05
NCREIF Open End Fund Index	-1.7	-18.8	-18.8	-4.6	--	3.0	

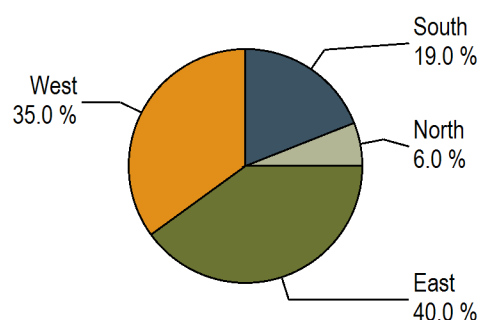
Philosophy and Process

Prudential's PRISA is a core-only product with no value-added component. The manager utilizes low leverage (max 30%) and is diversified across both property types and regions. PRISA has a dedicated team of 15 regional research professionals who work on the portfolio. In constructing the PRISA portfolio, the lead portfolio manager annually develops a forward-looking three-year forecast. The forecast is based on macroeconomic predictions, along with input from the manager's proprietary software systems. The transaction team utilizes this forward-looking forecast in its search for potential properties.

**PROPERTY TYPE ALLOCATION
ALLOCATION AS OF 12/31/09**



**GEOGRAPHIC DIVERSIFICATION
ALLOCATION AS OF 12/31/09**



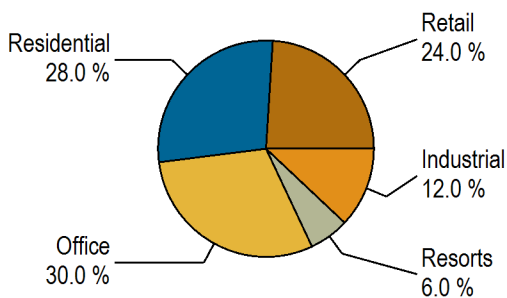
**RETURN SUMMARY
ENDING 12/31/09**

	Fourth Quarter	1 Year Ending 12/31/09	3 Years Ending 12/31/09	5 Years Ending 12/31/09	Since Inception	Inception Date
UBS Real Estate	-3.2%	-23.2%	-7.4%	1.9%	4.4%	3/31/03
NCREIF Open End Fund Index	-1.7	-18.8	-4.6	3.5	5.7	
NCREIF NPI	-2.1	-16.9	-3.4	4.7	6.7	

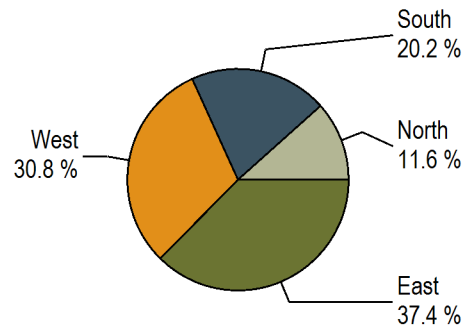
Philosophy and Process

UBS Realty's Real Estate Separate Account (RESA) is an actively managed core portfolio that utilizes broad market and economic trends to provide attractive returns while limiting downside risk. The investment process for the portfolio is very analytic and research intensive. The RESA team relies on multiple proprietary pricing and asset allocation models which analyze different property types in over 25 national markets. The UBS Realty Strategy Team, which is composed of the senior-most professionals from the different areas of UBS Realty, works on an ongoing basis with the research department to continually modify the proprietary modeling systems. RESA management tends to purchase properties in slower-growing markets, as they believe that faster-growth areas generate more attention by the investment community, and thus the ability for value-added is diminished.

**PROPERTY TYPE ALLOCATION
ALLOCATION AS OF 12/31/09**



**GEOGRAPHIC DIVERSIFICATION
ALLOCATION AS OF 12/31/09**



**RETURN SUMMARY
ENDING 12/31/09**

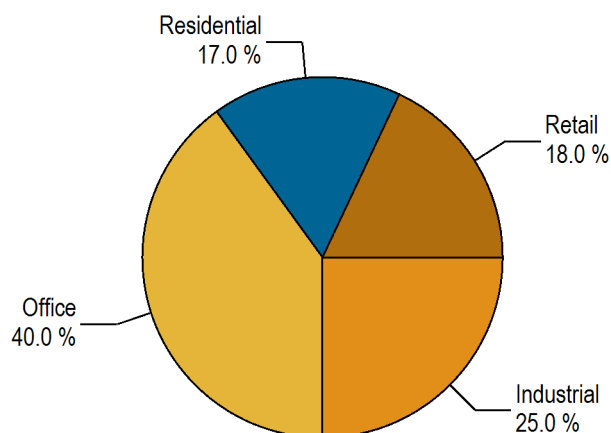
	Fourth Quarter	1 Year Ending 12/31/09	3 Years Ending 12/31/09	Since Inception	Inception Date
Guggenheim	-0.8 %	-27.1 %	-18.7 %	-13.5 %	6/30/06
Performance Benchmark	1.3	-3.3	-4.6	-0.9	

Philosophy and Process

The Guggenheim Real Estate PLUS Trust invests 70% of its assets in private real estate equity and 30% of its assets in public real estate securities. The firm employs considerable leverage in implementing the strategy, both through its REIT holdings and its limited partnership investments. The manager attempts to add value through exploiting pricing differentials between public and private real estate markets and emphasizes diversification both in structure of investment vehicles as well as by property type and location.

The benchmark for this strategy comprises 70% of the NCREIF Index and 30% of the NAREIT Index, reflective of the blend between public and private real estate that characterizes the strategy.

**PROPERTY TYPE ALLOCATION
ALLOCATION AS OF 12/31/09**



**RETURN SUMMARY
ENDING 12/31/09**

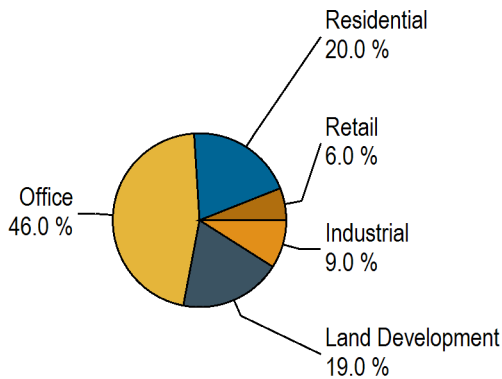
	Fourth Quarter	1 Year Ending 12/31/09	Since Inception	Inception Date
RREEF	-13.8 %	-64.5 %	-51.7 %	10/1/07
NCREIF Open End Fund Index	-1.7	-18.8	-11.0	

Philosophy and Process

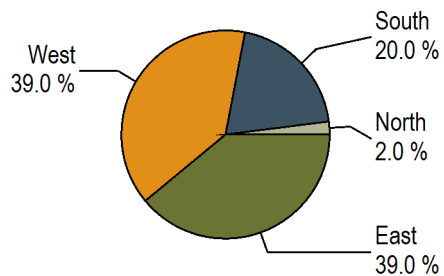
RREEF employs 625 real estate investment professionals in 115 offices located in every major metropolitan market nationwide. RREEF America III (RA III) is a \$600 million open-end private REIT that pursues value-added investment opportunities in the U.S. The RREEF research process, dubbed the Market Profile Process, is led by Asieh Mansour, Ph. D and is roughly 65% bottom up asset-specific fundamental research and 25% top down market and demographic research. The remainder focuses on the investment performance of real estate in both public market and private market settings. This process is executed by the 17 members of the full-time research staff.

RA III has a target total fund size of \$1-2 billion, which RA III management expects to reach over a five year period. RREEF expects RA III to produce more than one-half of its total return from realized and unrealized gains resulting from the improvements it makes in the fund's assets. RA III investments will include income-producing properties, properties requiring re-positioning, and speculative development. The fund is scheduled to have a 15-year life and will commence an orderly liquidation of assets on January 22, 2016. RA III shareholders and the Board of Directors are considering a proposal to extend product life. As a REIT, oversight of RA III is maintained by an independent board that approves: the investment plan, dispositions, financing, and quarterly valuations.

**PROPERTY TYPE ALLOCATION
ALLOCATION AS OF 12/31/09**



**GEOGRAPHIC DIVERSIFICATION
ALLOCATION AS OF 12/31/09**



RETURNS OF THE MAJOR CAPITAL MARKETS

RETURNS OF THE MAJOR CAPITAL MARKETS

	Fourth Quarter	Annualized Periods Ending 12/31/09				
		1-Year	3-Year	5-Year	10-Year	15-Year
Domestic Stock Indices:						
Dow Jones US Total Stock Index	5.8%	28.6%	-5.2%	1.0%	-0.2%	8.1%
S&P 500 Index	6.0	26.5	-5.6	0.4	-0.9	8.0
Russell 3000 Index	5.9	28.3	-5.4	0.8	-0.2	8.1
Russell 1000 Value Index	4.2	19.7	-9.0	-0.3	2.5	8.9
Russell 1000 Growth Index	7.9	37.2	-1.9	1.6	-4.0	6.9
Russell MidCap Value Index	5.2	34.2	-6.6	2.0	7.6	10.9
Russell MidCap Growth Index	6.7	46.3	-3.2	2.4	-0.5	8.2
Russell 2000 Value Index	3.6	20.6	-8.2	0.0	8.3	9.9
Russell 2000 Growth Index	4.1	34.5	-4.0	0.9	-1.4	5.0
Domestic Bond Indices:						
Barclays Capital Aggregate Index	0.2%	5.9%	6.0%	5.0%	6.3%	6.8%
Barclays Capital Govt/Credit Index	-0.2	4.5	5.8	4.7	6.3	6.8
Barclays Capital Long Govt/Credit Index	-2.6	1.9	5.6	5.0	7.7	8.1
Barclays Capital 1-3 Year Govt/Credit Index	0.4	3.8	5.2	4.3	4.9	5.4
Barclays Capital U.S. MBS Index	0.6	5.9	7.0	5.8	6.5	7.0
Barclays Capital High Yield Index	6.2	58.2	6.0	6.5	6.7	7.6
Barclays Capital Universal Index	0.6	8.6	5.8	5.0	6.4	6.9
Real Estate Indices:						
NCREIF Property Index	-2.1%	-16.9%	-3.4%	4.7%	7.3%	8.8%
NCREIF ODCE Index	-3.7	-30.4	-10.6	-0.2	4.0	6.5
Dow Jones Real Estate Securities Index	9.0	29.0	-13.9	-0.2	10.5	9.7
FTSE NAREIT US Real Estate Index	9.4	28.0	-12.4	0.3	10.6	9.8
Foreign/Global Stock Indices:						
MSCI All Country World Index	4.6%	34.6%	-4.6%	3.1%	0.4%	6.2%
MSCI All Country World IMI	4.5	36.4	-4.8	3.1	0.8	6.1
MSCI All Country World ex-U.S. Index	3.7	41.4	-3.5	5.8	2.7	5.7
MSCI All Country World ex-U.S. IMI	3.7	43.6	-3.4	6.0	2.7	5.4
MSCI All Country World ex-U.S. Small Cap Index	3.1	62.9	-3.5	6.9	6.5	5.3
MSCI EAFE Index	2.2	31.8	-6.0	3.5	1.2	4.9
MSCI EAFE IMI	1.8	33.2	-6.1	3.7	1.1	4.8
MSCI EAFE Index (in local currency)	3.3	24.7	-8.3	3.0	-1.0	4.2
MSCI Emerging Markets IMI	9.0	82.4	5.6	15.8	9.1	5.3
Foreign Bond Indices:						
Citigroup World Gov't Bond Index	-2.1%	4.4%	8.6%	4.5%	6.6%	6.4%
Citigroup Hedged World Gov't Bond Index	0.1	2.4	5.1	4.8	5.3	7.2
Cash Equivalents:						
Treasury Bills (30-Day)	0.0%	0.1%	1.7%	2.3%	2.4%	3.2%
EnnisKnupp STIF Index	0.1	0.5	2.9	3.4	3.3	4.0
Inflation Index:						
Consumer Price Index	0.0%	2.7%	2.3%	2.6%	2.5%	2.5%

APPENDIX II

Description of Fund Benchmarks and Universe Rankings

Total Fund

Policy Portfolio- As of June 2008, the return was based on a combination of 40% DJ U.S. Total Stock Market Index, 27% Barclays Capital Aggregate Bond Index, 18% MSCI All Country World Ex-U.S. Index, 7% MSCI All Country World Index and 8% NCREIF Real Estate Index. Prior to June 2008, the return was based on a combination of 47% DJ U.S. Total Stock Market Index, 27% Barclays Capital Aggregate Bond Index, 14% MSCI All Country World Ex-U.S. Index, 4% MSCI All Country World Index and 8% NCREIF Real Estate Index. Prior to October 2007, the return was based on a combination of 47% DJ U.S. Total Stock Market Index, 29% Barclays Capital Aggregate Bond Index, 14% MSCI All Country World Ex-U.S. Index, 4% MSCI All Country World Index and 6% NCREIF Real Estate Index. Prior to June 2005, the return was based on a combination of 49% Russell 3000 Index, 29% Barclays Capital Aggregate Bond Index, 16% MSCI All Country World Ex-U.S. Index and 6% NCREIF Real Estate Index. Prior to April 2003, the return was based on a combination of 49% Russell 3000 Index, 32% Barclays Capital Aggregate Bond Index, 16% MSCI All Country World Ex-U.S. Index and 3% NCREIF Real Estate Index. Prior to May 2002 the return was based on a combination of 49% Russell 3000 Index, 32% Barclays Capital Aggregate Bond Index, 16% MSCI EAFE Index and 3% NCREIF Real Estate Index. Prior to April 2002 the return was based on a combination of 53% Russell 3000 Index, 32% Barclays Capital Aggregate Bond Index, 12% MSCI Europe, Australasia and Far East (EAFE) Index and 3% NCREIF Real Estate Index. Prior to October 2001, the policy portfolio consisted of a combination of 53% Russell 3000, 22% Barclays Capital Aggregate Bond Index, 12% MSCI Europe, Australasia and Far East (EAFE) Index, 3% NCREIF Real Estate Index, and 10% Solomon Brothers World Government Bond Index Hedged. Historically, the policy return is based on the historic policy allocations provided by the VCERA staff.

Public Fund Universe - An equal-weighted index that is designed to represent the average return earned by U.S. public pension funds. The index is calculated based on a universe of 121 funds compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$1.1 trillion as of 12/31/2009.

Total U.S. Equity

Benchmark. The DJ U.S. Total Stock Market Index.

Universe. A universe of 489 actively managed domestic stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$568.0 billion as of 12/31/2009.

BlackRock Extended Equity Index Fund

Benchmark. The DJ U.S. Completion Total Stock Market Index.

Universe. A universe of 65 actively managed domestic large cap stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$56.5 billion as of 12/31/2009.

Western U.S. Index Plus

Benchmark. The S&P 500 Index.

Universe. A universe of 420 actively managed domestic large cap stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$629.1 billion as of 12/31/2009.

BlackRock Equity Market Fund

Benchmark. The DJ U.S. Total Stock Market Index.

Universe. A universe of 420 actively managed domestic stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$629.1 billion as of 12/31/2009.

Total Non-U.S. Equity

Benchmark. The Morgan Stanley Capital International All Country World ex-U.S. Free Index. Prior to May 2002, the Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 439 actively managed domestic stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$269.4 billion as of 12/31/2009.

BlackRock ACWI ex U.S.

Benchmark. The MSCI All Country World ex-U.S. IMI Index

Universe. A universe of 104 actively managed domestic stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$260.1 billion as of 12/31/2009.

APPENDIX II

Capital Guardian

Benchmark. The Morgan Stanley Capital International All Country World ex-U.S. Free Index. Prior to May 2002, the Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 104 actively managed domestic stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$260.1 billion as of 12/31/2009.

Sprucegrove

Benchmark. The Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 104 actively managed domestic stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$260.1 billion as of 12/31/2009.

Artio Global

Benchmark. The Morgan Stanley Capital International All Country World ex-U.S. Free Index. Prior to May 2002, the Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 104 actively managed domestic stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$260.1 billion as of 12/31/2009.

Total Global Equity

Benchmark. The Morgan Stanley Capital International All Country World Index.

Universe. A universe of 68 actively managed global stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$164.1 billion as of 12/31/2009.

Grantham Mayo Van Otterloo (GMO)

Benchmark. The Morgan Stanley Capital International All Country World Index.

Universe. A universe of 68 actively managed global stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$164.1 billion as of 12/31/2009.

Acadian

Benchmark. The Morgan Stanley Capital International All Country World Index.

Universe. A universe of 68 actively managed global stock portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$164.1 billion as of 12/31/2009.

Total Fixed Income

Benchmark. The Barclays Capital Aggregate Bond Index.

Universe. A universe of 93 actively managed fixed income portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$238.7 billion as of 12/31/2009.

Western Asset Management

Benchmark. The Barclays Capital Aggregate Bond Index.

Universe. A universe of 105 actively managed fixed income portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$601.8 billion as of 12/31/2009.

BlackRock U.S. Debt Index Fund

Benchmark. The Barclays Capital Aggregate Bond Index.

Universe. A universe of 105 actively managed fixed income portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$601.8 billion as of 12/31/2009.

Reams

Benchmark. The Barclays Capital Aggregate Bond Index.

Universe. A universe of 105 actively managed fixed income portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$601.8 billion as of 12/31/2009.

Loomis Sayles

Benchmark. 60% of the Barclays Capital Aggregate Bond Index and 40% of the Barclays Capital High Yield Index.

Universe. A universe of 105 actively managed fixed income portfolios compiled by BNY Mellon Performance & Risk Analytics, LLC with an aggregate market value of \$601.8 billion as of 12/31/2009.

APPENDIX II

Total Real Estate

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund. Prior to January 2006, the NCREIF Property Index.

Prudential Real Estate

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund. Prior to January 2006, the NCREIF Property Index.

Prudential Real Estate PRISA

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund.

UBS RESA

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund.

Guggenheim

Benchmark. 70% of the National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund and 30% of the NAREIT Index.

RREEF

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund.

Description of Benchmarks (continued)

Russell 3000 Index- A capitalization-weighted stock index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This index is a broad measure of the performance of the aggregate domestic equity market.

S&P 500 Index- A capitalization-weighted index representing the 500 largest publicly traded U.S. stocks.

MSCI Europe, Australasia, Far East (EAFE) Foreign Index- A capitalization-weighted index of 20 stock markets in Europe, Australia, Asia and the Far East.

MSCI All Country World Index - An index of major world stock markets, including the U.S., representing countries according to their approximate share of world market capitalization. The weights are adjusted to reflect foreign currency fluctuations relative to the U.S. dollar.

Barclays Capital Aggregate Bond Index- A market value-weighted index consisting of the Barclays Capital Corporate, Government and Mortgage-Backed Indices. This index is the broadest available measure of the aggregate U.S. fixed income market.

NCREIF Open End Fund Index- A capitalization-weighted index of privately owned investment grade income-producing properties representing approximately \$67 billion in assets.

APPENDIX II

Description of Terms

Rank - A representation of the percentile position of the performance of a given portfolio, relative to a universe of similar funds. For example, a rank of 25 for a given manager indicates outperformance by that manager of 75% of other funds in that same universe.

Universe - A distribution of the returns achieved by a group of funds with similar investment objectives.

U.S. Stock Universe - The rankings are based on a universe that is designed to represent the average equity return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by Mellon Analytical Solutions, and includes 459 funds with an equity aggregate market value of \$426.1 billion.

Non-U.S. Equity Universe - The rankings are based on a universe that is designed to represent the average international equity return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by Mellon Analytical Solutions, and includes 410 funds with an international equity aggregate market value of \$197.5 billion.

Global Equity Universe - The rankings are based on a universe that is designed to represent the average global equity return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by Mellon Analytical Solutions, and includes 64 funds with a global equity aggregate market value of \$118.6 billion.

Fixed Income Universe - The rankings are based on a universe that is designed to represent the average fixed income return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by Mellon Analytical Solutions, and includes 80 funds with a fixed income aggregate market value of \$217.8 billion.

Ratio of Cumulative Wealth Graph - An illustration of a portfolio's cumulative, unannualized performance relative to that of its benchmark. An upward sloping line indicates superior fund performance. Conversely, a downward sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Risk-Return Graph - The horizontal axis, annualized standard deviation, is a statistical measure of risk, or the volatility of returns. The vertical axis is the annualized rate of return. As most investors generally prefer less risk to more risk and always prefer greater returns, the upper left corner of the graph is the most attractive place to be. The line on this exhibit represents the risk and return tradeoffs associated with market portfolios or index funds.

Style Map - This illustration represents the manager's style compared to that of the broadest stock index (the DJ U.S. Total Stock Market Index). Any manager falling above the axis is referred to as large-cap and any manager falling below the axis is considered to be medium- to small-cap.

Manager "Watch" Status Policy

A manager may be placed on "Watch" status for:

- Failure to meet one or more of the standards, objectives, goals, or risk controls as set forth in this policy statement
- Violation of ethical, legal, or regulatory standards
- Material adverse change in the ownership of the firm or personnel changes
- Failure to meet reporting or disclosure requirements
- Failure to meet performance objectives or goals
- Any actual or potentially adverse information, trends, or developments that the Board feels might impair the investment manager's ability to deliver successful outcomes for the participants of the plan

The Board may take action to place a manager on Watch status. Managers placed on Watch status shall be notified in writing, and be made aware of the reason for the action and the required remediation. Watch status is an optional interim step that may be used to formally communicate dissatisfaction to the investment manager and the potential for termination. Watch status is not a required step in terminating a manager. Watch status will normally be for a period of six months, but the time frame may be determined by action of the Board. The Board retains the right to terminate the manager at any time, extend the period of the Watch status, or remove the manager from Watch status at any time.

Watch status indicates that the manager shall be subject to increased focus on the remediation of the factors that caused the manager to be placed on Watch status. Discussion of the manager on Watch status shall become a regular monthly reporting agenda item for the Board. Staff or retained Consultant shall prepare a written monthly report addressing the progress of the manager in the remediation of the dissatisfaction.

"Watch" status:

- Capital Guardian, Westerm, and RREEF are currently on watch for performance reasons.

APPENDIX II

Manager	Restrictions	In Compliance as of 12/31/09
Loomis Sayles	-At least 50% of the portfolio must be invested in investment grade securities at time of purchase	YES
	-A maximum of 5% of the portfolio may be invested in any single investment grade U.S. issuer	YES
	-60% of the portfolio must be invested in U.S. domiciled issues	YES
Western Core Plus	-Duration may be managed to a maximum 20% deviation relative to the Aggregate Bond Index	YES
	-The total portfolio shall maintain an average quality rating of AA	YES
	-A maximum of 20% of the portfolio may be invested in bonds issued by a non-U.S. entity at time of purchase	YES
	-A maximum of 10% of the portfolio may be invested in high yield bonds at time of purchase	YES
	-A maximum of 1% per issue for below investment grade securities	YES
	-A maximum of 5% of the portfolio may be invested in any single investment grade U.S. issuer at time of purchase	YES
	-A maximum of 5% of the portfolio may be invested in high interest rate sensitivity mortgage-backed securities at the time of purchase	YES
	-The portfolio's combined allocation may not exceed 30% to the following securities: non-U.S. bonds, privately placed debt, excluding 144A securities and mortgage-backed securities that exhibit unusually high interest rate sensitivity and bonds not receiving an investment grade rating	YES
	-Bonds rated investment grade by either Moody's or Standard & Poor's must comprise at least 90% of the total portfolio at the time of purchase	YES
	-The portfolio contains no prohibited securities named in the investment guidelines	YES
-Derivatives are not used to lever the portfolio*	YES	

* Based on affirmative statement from manager

APPENDIX II

Account	Fee Schedule	Market Value As of 12/31/2009	% of Portfolio	Est. Minimum Annual Fee (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Total U.S. Equity	No Fee	\$1,065,924,216	39.3%		--	--
BlackRock Extended Equity Index Fund	0.10% of First \$50.0 Mil, 0.08% of Next \$50.0 Mil, 0.04% Thereafter	\$24,788,460	0.9%	\$0	\$24,788	0.10%
Western U.S. Index Plus	0.20% of Assets	\$78,843,172	2.9%		\$157,686	0.20%
BlackRock Equity Market Fund	0.03% of First \$250.0 Mil, 0.02% Thereafter	\$962,292,585	35.5%	\$0	\$217,459	0.02%
Total Non-U.S. Equity	No Fee	\$515,055,450	19.0%		--	--
BlackRock ACWI ex-U.S. Index	0.14% of First \$100.0 Mil, 0.12% Thereafter	\$226,789,500	8.4%	\$0	\$292,147	0.13%
Capital Guardian	0.70% of First \$25.0 Mil, 0.55% of Next \$25.0 Mil, 0.42% of Next \$200.0 Mil, 0.38% Thereafter	\$109,224,988	4.0%	\$0	\$564,206	0.52%
Sprucegrove	0.90% of First \$5.0 Mil, 0.65% of Next \$10.0 Mil, 0.55% of Next \$25.0 Mil, 0.50% of Next \$35.0 Mil, 0.25% Thereafter	\$104,342,897	3.8%	\$0	\$495,857	0.48%
Artio International Equity II	0.85% of First \$20.0 Mil, 0.65% of Next \$20.0 Mil, 0.55% of Next \$40.0 Mil, 0.45% Thereafter	\$74,698,065	2.8%	\$0	\$490,839	0.66%
Total Global Equity	No Fee	\$226,373,581	8.3%		--	--
GMO Global Fund	0.66% of Assets	\$122,287,232	4.5%	\$0	\$807,096	0.66%
Acadian	0.95% of First \$25.0 Mil, 0.90% Thereafter	\$104,086,349	3.8%	\$0	\$949,277	0.91%
Total U.S. Fixed Income	No Fee	\$728,449,101	26.9%		--	--
Western	0.30% of First \$150.0 Mil, 0.15% Thereafter	\$285,592,510	10.5%		\$653,389	0.23%
BlackRock U.S. Debt Fund	0.15% of First \$25.0 Mil, 0.08% of Next \$25.0 Mil, 0.05% of Next \$50.0 Mil, 0.04% of Next \$100.0 Mil, 0.03% of Next \$300.0 Mil, 0.02% Thereafter	\$80,919,262	3.0%	\$0	\$72,960	0.09%
Reams	0.20% of First \$150.0 Mil, 0.15% Thereafter	\$269,258,381	9.9%	\$0	\$478,888	0.18%
Loomis Sayles	0.50% of First \$20.0 Mil, 0.40% of Next \$30.0 Mil, 0.30% Thereafter	\$92,678,948	3.4%	\$0	\$348,037	0.38%
Total Real Estate	No Fee	\$147,393,435	5.4%		--	--
Total Prudential Real Estate	0.81% of Assets	\$53,663,601	2.0%	\$0	\$434,675	0.81%
UBS Real Estate	0.90% of Assets	\$73,370,086	2.7%	\$0	\$660,331	0.90%
Guggenheim	0.50% of Assets	\$15,160,089	0.6%		\$75,800	0.50%
RREEF	0.60% of Assets	\$5,199,659	0.2%	\$0	\$31,198	0.60%
Total Cash	No Fee	\$27,878,684	1.0%		--	--
Clifton Group	0.15% of First \$25.0 Mil, 0.10% of Next \$75.0 Mil, 0.04% Thereafter	\$27,878,684	1.0%	\$0	\$40,379	0.14%