

# District of Columbia Teachers' Retirement Fund

Financial Statements and Schedules  
(with Independent Auditor's Report Thereon)  
Years Ended September 30, 2007 and 2006



## TCBA

**THOMPSON, COBB, BAZILIO & ASSOCIATES, PC**

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**DISTRICT OF COLUMBIA  
TEACHERS' RETIREMENT FUND**

**FINANCIAL STATEMENTS AND SCHEDULES  
YEARS ENDED SEPTEMBER 30, 2007 AND 2006**

**TABLE OF CONTENTS**

	<u><b>PAGE</b></u>
Independent Auditor's Report.....	1
Management's Discussion and Analysis .....	3
Statements of Net Assets .....	8
Statements of Changes in Net Assets.....	9
Notes to Financial Statements.....	10
<b>Supplementary Information:</b>	
Schedule 1: Employer Contributions.....	24
Schedule 2: Actuarial Methods and Assumptions.....	25
Schedule 3: Revenue by Source and Expenses by Type .....	26
Schedule 4: Investment Information.....	28
Schedule 5: Five Percent Reportable Series of Transactions .....	29

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
District of Columbia Teachers' Retirement Fund

We have audited the accompanying statements of net assets of the District of Columbia Teachers' Retirement Fund (the Fund), a Pension Trust Fund of the Government of the District of Columbia, as of September 30, 2007 and 2006, and the related statements of changes in net assets for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in note 1, these financial statements only present the Fund and do not purport to, and do not, present the financial position of the Government of the District of Columbia as of September 30, 2007 and 2006, and the changes in its financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the District of Columbia Teachers' Retirement Fund as of September 30, 2007 and 2006, and the changes in its net assets for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The information on schedules 1 and 2 and the management's discussion and analysis are not a required part of the financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The information on schedules 3 through 5 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion thereon.

Washington, D.C.  
February 20, 2008

*Thompson, Cobb, Bazilio & Associates, PC*

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Amounts expressed in thousands)

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This discussion and analysis provides an overview of the financial activities of the District of Columbia Teachers' Retirement Fund (the "Fund") for the fiscal year ended September 30, 2007. This discussion and analysis should be read in conjunction with the financial statements, the notes to the financial statements, and supplementary information provided in this report.

The District of Columbia Retirement Board (the "Board") is an independent agency of the District of Columbia Government. The Board is responsible for managing the assets of the Fund and of the District of Columbia Police Officers and Fire Fighters' Retirement Fund. As authorized by DC Code, the Board combines the assets of the two Retirement Funds into a single investment portfolio. The Board allocates the investment returns and expenses, and the administrative expenses of the Board, in proportion to the dollar value of funds managed. The Board maintains financial records of contributions, distributions, withdrawals, investment earnings, investment expenses, and administrative expenses for each fund, and produces financial statements for each fund.

Effective October 1, 2005, the Board was assigned the responsibility for administering the DCRB pension benefits for retirees, survivors and beneficiaries under the plan. The related administrative expenses are borne by the Fund as described above.

Effective October 1, 2005, the Board entered into a Memorandum of Understanding (MOU) with the United States Department of the Treasury (the "U.S. Treasury") to administer DC Police Officer and Firefighter pension benefits that are the financial responsibility of the Federal government (pre1998 benefits). The U.S. Treasury reimburses the Board for expenses incurred to administer the Federal retirement plan.

DCRB and US Treasury Office of DC Pensions (the "ODCP") are collaborating on the split retirement benefit calculations for retirees with service before and after the June 30, 1997. This project will result in the financial reconciliation of pension liabilities between the two trusts, projected to be completed in fiscal year 2008. A detailed description of the relationship between the ODCP and DCRB regarding the administration and payment of split benefits is included in the notes to the financial statements.

## **OVERVIEW OF THE FINANCIAL STATEMENTS AND SCHEDULES**

The financial information presented in this report includes two financial statements, the notes to the financial statements, and supplementary information.

*The Statements of Net Assets* show the amount of assets, liabilities, and net assets held in trust for pension beneficiaries as of the end of the current and prior fiscal years.

*The Statements of Changes in Net Assets* show the additions to and reductions in the Fund's net assets during the current and prior fiscal years. The statements present the major sources of funds added and uses of funds deducted.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Amounts expressed in thousands)

*The Notes to the Financial Statements* contain disclosures and discussions which support the data presented in the financial statements. The notes present information about the creation and administration of the Fund, significant accounting policies, and investments. The notes are an integral part of the financial statements and should be considered in conjunction with any review of the financial statements.

*The Supplementary Information* includes additional information on the Fund's financial condition and trends, including information on employer contributions, actuarial assumptions, investments, and Fund additions and deductions for the last 10 fiscal years.

### FINANCIAL HIGHLIGHTS

The financial highlights for fiscal year 2007 are:

- Net Assets Held in Trust for Pension Benefits as of September 30, 2007 were \$1,517,765 an annual increase of \$231,162 (17.97 %).
- The Investment Income net of investment expenses for fiscal year 2006 was \$217,731, a return of 16.8%.
- The District of Columbia government made a timely contribution of \$14,600 to the Fund for fiscal year 2007, which satisfied its statutory obligation.
- The Fund's share of administrative expenditures for fiscal year 2007 was \$2,161, equivalent to 13 basis points on Fund assets under management.

### FINANCIAL ANALYSIS

#### Net Assets

A summary of the net assets held in trust for pension benefits is presented below:

	<u>2007</u>	<u>2006</u>	<u>Increase (Decrease)</u>	<u>Percent</u>
Investments, net of accrued interest receivable and liabilities	\$ 1,527,631	\$ 1,292,797	\$ 234,834	18.16%
Capital assets, net	9	30	(21)	-69.66%
Contributions receivable	8,883	9,094	(211)	-2.32%
Due from (to) District	(2,056)	61	(2,117)	-3470.49%
Due to Federal government	(16,708)	(15,378)	(1,330)	8.65%
Due from other agencies	6	-	6	100.00%
Net Assets	<u>\$ 1,517,765</u>	<u>\$ 1,286,603</u>	<u>\$ 231,162</u>	17.97%

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Amounts expressed in thousands)

**Changes in Net Assets**

The Fund experienced the following additions and reductions during the fiscal year as follows:

	<u>2007</u>	<u>2006</u>	<b>Increase (Decrease)</b>	<b>Percent</b>
Employer contributions	\$ 14,600	\$ 15,500	\$ (900)	-5.81%
Employee contributions	26,793	25,807	986	3.82%
Net investment income	217,731	120,114	97,617	81.27%
Total Additions	<u>259,124</u>	<u>161,421</u>	<u>97,703</u>	60.53%
Benefit payments	25,801	23,793	2,008	8.44%
Administrative expenses	2,161	1,010	1,151	113.96%
Total Deductions	<u>27,962</u>	<u>24,803</u>	<u>3,159</u>	12.74%
Net change in net assets	<u>\$ 231,162</u>	<u>\$ 136,618</u>	<u>\$ 94,544</u>	69.20%

**TOTAL FUND INVESTMENT ANALYSIS**

The Total Fund (combined assets of Teachers, Police Officers and Firefighters) returned 16.8% during fiscal year 2007, outperforming the Asset Allocation Benchmark by 130 basis points (16.8% versus 15.5%) and the Board's actuarial assumed rate of return of 7.25% by approximately 955 basis points. The Total Fund's strong performance relative to the Asset Allocation Benchmark for fiscal year 2007 can be attributed primarily to the outperformance of the domestic equity segment, as this segment outperformed its benchmark, the Russell 3000 Index, a broad-based U.S. equity index, by 150 basis points (18.0% vs. 16.5%). In addition, the Total Fund's slight overweight positions in the domestic equity and international equity segments contributed positively to performance, as equity markets delivered strong returns during the fiscal year.

As of September 30, 2007, the Total Fund's assets equaled \$4.41 billion, an increase of approximately 22% from the total asset value at the end of fiscal year 2006, after payment of all benefits and other administrative expenses and obligations. Over the long-term, the Total Fund has slightly underperformed the Total Fund Benchmark, with the Total Fund returning an annualized 7.9% for the 10-year period ended September 30, 2007, versus 8.3% for the Total Fund Benchmark. However, it should be noted that the performance of the Total Fund exceeded the Board's actuarial assumed rate of return (7.25%) for the 3-year, 5-year, and 10-year periods ended September 30, 2007, by approximately 645 basis points, 655 basis points, and 65 basis points, respectively, on an annualized basis. Since its inception in October 1982, the Total Fund has earned an annualized return of 10.8%.

Public equity markets continued to perform well during fiscal year 2007, as world stock markets rallied for the fifth straight year. In the U.S., the Russell 3000 Index rose 16.5% during the period. Non-U.S. equity markets outperformed U.S. stocks for the sixth consecutive year, with

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Amounts expressed in thousands)

the MSCI ACWI ex-US Index increasing 30.5% during the 12-month period ended September 30, 2007. Fixed income was again the worst performing asset class during fiscal year 2007, with the Lehman Brothers U.S. Universal Bond Index returning 5.3%. Towards the end of fiscal year 2007, the markets were hit with widening concerns over declining home prices and sub-prime mortgages that had proliferated in recent years. Fortunately, the Total Fund was only minimally impacted by this credit crisis during fiscal year 2007, as sub-prime mortgages accounted for less than 0.5% of the Total Fund as of September 30, 2007.

During fiscal year 2007, the Board maintained its strategic asset allocation targets, which had been established in fiscal year 2003 following an asset/liability study conducted by the Board's general investment consultant, Watson Wyatt. This study was updated by Watson Wyatt in fiscal year 2005, and asset class targets remain as follows:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Target Allocation Range</b>
Domestic Equities	40%	35-45%
International Equities	20%	15-25%
Fixed Income	25%	20-30%
Private Equity	10%	7-13%
Real Estate	5%	2-8%

As of September 30, 2007, all asset classes were within their respective target allocation ranges, with the exception of fixed income and private equity. It is expected that the fixed income segment, which was less than 1% below the lower end of its target range, will be brought into line with its target allocation within the first few months of fiscal year 2008, following receipt of the annual employer contribution to the retirement funds. Due to the difficulties involved in deploying large amounts of capital expeditiously in private equity, it may take several more years until the Board reaches full exposure to this asset class. Thus, U.S. public equities will be used as a proxy for exposure to private equity until this strategy can be fully implemented.

During fiscal year 2007, the Board took important steps in moving toward its target private equity and real estate allocations. The Total Fund's actual allocation to private equity increased during the fiscal year from 2.5% to 3.8%, as Pantheon, the Board's discretionary private equity advisor and fund-of-fund manager, made additional capital commitments to private equity partnerships. An investment in the Pantheon Global Secondary Fund was also funded at the beginning of fiscal year 2007. Regarding real estate, the Board reached its target allocation during fiscal year 2007, as exposure to real estate increased from 3.7% to 5.2%. The Board made investments in several real estate funds during the year, including PRISA, PRISA II, and Carlyle Realty Partners V.

The Board made several changes to its roster of investment managers during the fiscal year. Within the U.S. equity segment, the Board conducted a search for a mid-cap growth manager to replace Brown Capital, selecting Mazama Capital, with funding to occur in early fiscal year 2008. In order to add alpha through more active management, the Board also funded an enhanced equity index fund managed by Western Asset. Within the international equity segment, the Board selected and funded the LSV Emerging Markets Fund in order to increase the segment's exposure to emerging markets, consistent with the segment's benchmark, the MSCI ACWI ex-US Index. The Board also conducted a search for a new core international equity



**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Amounts expressed in thousands)

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manager, selecting Goldman Sachs to replace Capital Guardian, with funding expected in early fiscal year 2008. Within the fixed income segment, the Board terminated Hughes Capital, splitting Hughes' allocation between the segment's two other managers, PIMCO and Western Asset.

The Board continued to rebalance its managers' portfolios during fiscal year 2007 in accordance with the Board's rebalancing policy. Variances from investment style targets were rebalanced as needed in a manner that maintained the overall integrity of the asset class structure but was not disruptive to the managers.

**ADDITIONAL INFORMATION**

These financial statements present the finances of the Fund in accordance with accounting principles generally accepted in the United States of America. Questions about these financial statements or other inquiries should be addressed to the Executive Director, District of Columbia Retirement Board, 900 7<sup>th</sup> Street, NW, 2<sup>nd</sup> Floor, Washington, DC 20001.

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**STATEMENTS OF NET ASSETS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(\$000s)**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Equity in pooled investments under Mater Trust Agreement, at fair value (Note 4)	\$ 1,692,250	\$ 1,444,374
Accrued interest receivable	3,798	3,254
Employee contributions receivable	1,419	1,630
Contribution receivable - District of Columbia Government (Note 5)	7,464	7,464
Capital assets, net	9	30
Due from District of Columbia Government	-	61
Due from other agencies	6	-
	<u>1,704,946</u>	<u>1,456,813</u>
Total assets		
<b>LIABILITIES</b>		
Liabilities under securities lending transactions	166,852	153,727
Accounts payable - investment expense	1,565	1,105
Due to Federal Government, net	16,708	15,378
Due to District of Columbia Government	2,056	-
	<u>187,181</u>	<u>170,210</u>
Total liabilities		
<b>Net Assets Held in Trust for Pension Benefits</b>	<u>\$ 1,517,765</u>	<u>\$ 1,286,603</u>

The accompanying notes are not integral part of these statements.

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**STATEMENTS OF CHANGES IN NET ASSETS**  
**SEPTEMBER 30, 2007 AND 2006**  
(\$000s)

	<u>2007</u>	<u>2006</u>
<b>Additions</b>		
Contributions:		
District Government	\$ 14,600	\$ 15,500
District employees	26,793	25,807
Total contributions	<u>41,393</u>	<u>41,307</u>
Investment income:		
Net appreciation in fair value of investments	183,224	86,084
Interest and dividends	38,419	37,384
Gross earnings on security lending transactions	9,326	7,121
	<u>230,969</u>	<u>130,589</u>
Less:		
Investment expenses	4,373	3,685
Borrower rebates and agent fees on security lending transactions	8,865	6,790
Net investment income	<u>217,731</u>	<u>120,114</u>
Total additions	<u>259,124</u>	<u>161,421</u>
<b>Deductions</b>		
Benefit payments	25,801	23,793
Administrative expenses	2,161	1,010
Total deductions	<u>27,962</u>	<u>24,803</u>
<b>Net Increase in Net Assets</b>	<u>231,162</u>	<u>136,618</u>
<b>Net Assets Held in Trust for Pension Benefits</b>		
Beginning of year, as previously reported	1,286,603	1,142,521
Prior period adjustment (Note 5)	-	7,464
Beginning of year	<u>1,286,603</u>	<u>1,149,985</u>
End of year	<u>\$ 1,517,765</u>	<u>\$ 1,286,603</u>

The accompanying notes are not integral part of these statements.

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 1: ORGANIZATION**

The District of Columbia Teachers' Fund (the Fund) was established in 1979 by the District of Columbia Retirement Reform Act (the Reform Act, Pub. L. 96-122, D. C. Code § 1-701 et seq.). The Fund holds in trust the assets available to pay pension benefits to all teachers employed by the Board of Education, including certain other educational employees in the public day schools and certain eligible educational employees in the public charter schools of the District of Columbia Government. The Reform Act also established the District of Columbia Retirement Board (the Board or DCRB) and the District of Columbia Police Officers and Firefighters' Retirement Fund (the Police Officers and Firefighters Fund), a related pension plan administered by the Board.

The National Capital Revitalization and Self-Government Improvement Act of 1997 (the Revitalization Act, Title XI of the Balanced Budget Act of 1997, Pub. L. 105-33) transferred significant assets and liabilities of the Police Officers and Firefighters Fund and the Teachers' Retirement Fund (collectively, the District Retirement Funds) to the Federal Government.

Concurrently, the District of Columbia Retirement Protection Act of 1997 (the Retirement Protection Act, Subtitle A of the Revitalization Act) transferred to the Federal Government the liability for retirement benefits for employee service credit earned prior to July 1, 1997, by participants of the District Retirement Funds. The assets transferred to the Federal Government and the assets of the Fund managed by the Board are components of the same single employer defined benefit pension plan.

The Council of the District of Columbia (the Council) enacted the Police Officers, Firefighters, and Teachers Retirement Benefit Replacement Plan Act of 1998 (September 18, 1998, D.C. Law 12-152, § 101, 45 DCR 4045; D.C. Code § 1-901.01 et seq.). This Act (the Replacement Act) established the pension benefits for employee service earned after June 30, 1997, and provided for full funding of the benefits on an actuarially sound basis.

The Board is an independent agency of the District of Columbia Government (the District) that is responsible for managing the assets of the District Retirement Funds. Although the assets of the funds are commingled for investment purposes, each Fund's assets may only be used for the payment of benefits to the participants of that Fund and certain administrative expenses.

The Fund is included in the District's Comprehensive Annual Financial Report as a pension trust fund.

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 2: FUND ADMINISTRATION AND DESCRIPTION**

*District of Columbia Retirement Board* - The Board consists of 12 trustees, three appointed by the Mayor of the District, three appointed by the Council of the District, and six elected by the active and retired participants. Included are one active and one retired representative each from the police officers, firefighters, and teachers. Each of the six representatives of plan participant is elected by the respective groups of active and retired employees. In addition, the District's Chief Financial Officer or his designee serves as a non-voting, ex-officio trustee.

Since its inception, the Board has operated under a committee system which provides a two-tiered process for fiduciary review and analysis. In this manner, the Board, consistent with its fiduciary duties, reviews all issues brought before it. The Board has six standing committees: Benefits, Emerging Enterprise, Fiduciary, Investment, Legislative, and Operations. (The function usually associated with an Audit Committee is performed by the Operations Committee.) To implement its policies, the Board retains an executive director and other staff who are responsible for the day-to-day management of the District Retirement Funds.

*Other Entities involved in Plan Administration* - The District of Columbia Board of Education makes findings of fact, conclusions of law, and decisions regarding involuntary retirement, survivor benefits and annual medical and income reviews.

*Benefits Calculation* - The DCRB Benefits Department receives the retirement orders for retirement benefit calculations for all active plan members found eligible for retirement by the District of Columbia Board of Education, and carries out the day-to-day processing of retirement benefits. DCRB also processes employee requests for refunds of contributions.

*Eligibility* - Permanent, temporary and probationary teachers and certain other employees of the District of Columbia public day schools are automatically enrolled in the Teachers' Retirement Fund as members on their date of employment. Certain D.C. Public Charter School employees are also eligible to be participants. However, substitute teachers and employees of the Department of School Attendance and Work Permits are not covered.

Title 38, Chapter 20 of the D.C. Official Code (D.C. Code § 38-2001.01 et seq. (2001 Ed.)) establishes benefit provisions which may be amended by the Council. For employees hired before November 16, 1996, the annuity is equal to the average salary, as defined, multiplied by 1.5% for each of the first five years of service, 1.75% for each of the second five years and 2% for each additional year. For employees hired on or after November 16, 1996, the annuity is equal to a time-weighted average salary, as defined, multiplied by 2% for each year of service.



**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 2: FUND ADMINISTRATION AND DESCRIPTION (Continued)**

The annuity may be further increased by crediting unused sick leave as of the date of retirement. Participants receiving retirement benefits receive an annual benefit increase proportional to changes in the Consumer Price Index; however, the increase may not exceed 3% for participants hired on or after November 16, 1996. Participants may select from among several survivor options.

Participants who have 5 years of school service (by working for the District of Columbia public school system), and who become disabled and can no longer perform their jobs satisfactorily, may be eligible for disability retirement. Such disability retirement benefits are calculated pursuant to a "guaranteed minimum" formula.

Optional retirement is available for teachers who have a minimum of 5 years of school service and who achieve the following age and length of service requirements:

at age 62 with 5 years of service;  
at age 60 with 20 years of service; and  
at age 55 with 30 years of service;

or at any age with 30 years of service, if hired by the school system on or after November 16, 1996.

Employees who are involuntarily separated other than for cause and who have five years of school service, may be eligible for retirement at any age with 25 years of service or at age 50 with 20 years of service.

The annuity is reduced if at the time of its commencement the participant is under the age of 55.

**Participant Data** - For the years ended September 30, 2007 and 2006 the number of participating employees was as follows:

	<u>2007</u>	<u>2006</u>
Retirees and beneficiaries receiving benefits (post 6/30/97)	2,017	1,808
Active plan members	5,027	5,088
Vested Terminations	999	981
Total Participants	<u>8,043</u>	<u>7,877</u>

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 2: FUND ADMINISTRATION AND DESCRIPTION (Continued)**

*Contributions* – Each Fund member contributes through deductions from the member's gross salary at rates established by D.C. Code. Members contribute 7% (or 8% for teachers hired on or after November 16, 1996) of annual gross salary, net of any amount received with respect to summer school. Each fund member may also contribute additional amounts not to exceed 10% of the member's annual gross salary toward an annuity that is separate from and in addition to any vested pension.

The District is required to contribute the amounts necessary to finance the plan benefits of its employees through annual contributions at actuarially determined amounts in accordance with the provisions of the Replacement Act. The amount of the District contributions for fiscal years 2007 and 2006 were equal to the amounts computed by the Fund's independent actuary.

Contribution requirements of the Fund members are established at D.C. Code § 38-2001.01 et seq. (2001 Ed.) and contribution requirements of the government of the District of Columbia are established at D.C. Code 1-907.02 (2001 Ed.). Administrative costs are paid from investment earnings.

**NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting* - The financial statements are prepared using the accrual basis of accounting.

Employee contributions are recognized by the Fund at the time compensation is earned by fund members. Employer contributions to the Fund are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the retirement plan's commitment.

*Method Used to Value Investments* - Investments are reported at fair value, and reflect transaction costs, such as brokerage commissions and other costs normally incurred in a sale, if such costs are determinable or estimable. Short-term investments (whose maturities do not exceed 13 months at the time of purchase) are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange (Spot) rate. Collateralized mortgage obligations are stated at fair value as determined by a third party source selected by State Street Bank, the custodian of fund assets.

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The fair value of real estate investments is based on independent appraisals, when available, and the fair value of limited partnership interests in real estate investments is based on reported estimated fair values. Investments that do not have established market values are reported at estimated fair value as reported by the respective investment manager.

*Actuarial Data* - The Fund uses the Aggregate Actuarial Cost method to determine the annual employer contribution. Any excess of the actuarial present value of projected benefits of the group included in an actuarial valuation over the sum of the actuarial value of assets plus the actuarial present value of employee contributions is allocated on a level basis over the earnings or service of the group between the valuation date and assumed exit date.

This allocation is performed for the group as a whole, not as a sum of individual allocations. The portion of the actuarial present value allocated to a valuation year is called the normal cost. The actuarial accrued liability is equal to the actuarial value of assets.

*Use of Estimates* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Board to make estimates and assumptions that affect the reported amounts of assets, liabilities, additions and deductions to net assets held in trust for pension benefits and disclosure of contingent assets and liabilities at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

*Investment Expenses* - The District of Columbia Appropriation Act authorized Fund earnings to be used for investment expenses incurred in managing the assets and administering the Fund. The total investment expenses borne by the Fund was and \$2,190 in 2007 and \$1,010 in 2006, respectively.

**NOTE 4: INVESTMENTS**

The Board is authorized to manage and control the investment of the District Retirement Funds' assets. The Board broadly diversifies the investments of the District Retirement Funds so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, as required by D.C. Code § 1-741(a)(2)(C), (2001 Ed.).

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 4: INVESTMENTS (Continued)**

*Master Trust* - The Board has pooled all of the assets under its management (the Investment Pool), as is authorized by D.C. Code § 1-903(b), (2001 Ed.), with a master custodian under a master trust arrangement (the Master Trust). Using an investment pool, each Fund owns an undivided proportionate share of the pool. District and employee contributions are deposited in the respective Retirement Fund for which the contribution was made, and benefit payments and employee contribution refunds are withdrawn from the Fund in which the recipient participates. Investment performance and administrative expenditures are allocated between the two Funds based upon their proportionate equity in the pool.

The fair values of investments of the Investment Pool as of September 30, 2007 and 2006 are as follows:

	<b>2007</b>	<b>2006</b>
Investments held by Board's agent in Board's name:		
Cash and cash equivalents	\$ 148,521	\$ 147,585
Equities (of which \$381,826 and \$304,375 in 2007 and 2006, respectively, are on securities loan with securities and other collateral)	3,336,620	2,675,639
Fixed income securities (of which \$82,020 and \$102,106 in 2006 and 2005, respectively, are on securities loan with securities and other collateral)	600,779	505,903
Payable on investment transactions	(152,552)	(118,558)
Options and Swaps	5,263	-
Subtotal	3,938,631	3,210,569
Investments held by broker-dealer under securities loans with cash collateral:		
Equities	381,799	304,375
Fixed income security	82,020	102,106
Securities lending collective investment pool	478,716	428,228
Subtotal	942,535	834,709
Total	\$ 4,881,166	\$ 4,045,278

At September 30, 2007, the Fund's share of the Investment Pool was \$1,696,048 including cash collateral of \$166,852 and accrued interest receivable. At September 30, 2006, the Fund's share of the Investment Pool was \$1,447,628, including cash collateral of \$153,726 and accrued interest receivable.

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
(Dollar amounts in thousands)

**NOTE 4: INVESTMENTS (Continued)**

*Debt Instruments*

As of September 30, 2007, the Investment Pool held the following debt instruments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>% of Segment</u>	<u>Duration</u>	<u>Rating</u>
US Treasuries	\$ 58,565	6.83%	(3.27)	AAA
US Agencies	69,323	8.08%	5.71	AAA
Corporate	115,038	13.41%	8.81	A
MBS	505,555	58.92%	4.25	AAA
ABS	6,371	0.74%	3.97	BBB-
High Yield	49,669	5.79%	4.46	BB-
Emerging Markets	25,783	3.00%	4.88	BBB
Non-US	(36,338)	-4.23%	0.36	AA+
Convertibles	541	0.06%	2.97	BB-
Municipal	138	0.02%	48.36	AAA
Short-Term	63,410	7.39%	5.45	AA+
Total	<u>\$ 858,055</u>	<u>100.00%</u>		

As of September 30, 2006, the Investment Pool held the following debt instruments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>% of Segment</u>	<u>Duration</u>	<u>Rating</u>
U.S. Treasuries	\$ 125,636	15.45%	6.74	AAA
U.S. Agencies	78,544	9.66%	5.03	AAA
Corporate Securities	110,805	13.63%	6.33	A-
Mortgage-Backed Securities	341,624	42.01%	3.91	AAA
Asset-Backed Securities	6,320	0.78%	1.86	BBB-
High Yield Securities	49,093	6.04%	3.41	B+
Emerging Markets	16,520	2.03%	5.49	BB+
Non-U.S. Securities	28,441	3.50%	5.81	AA+
Convertibles	971	0.12%	3.81	B-
Cash Equivalents	55,225	6.79%	2.30	AA+
Total	<u>\$ 813,179</u>	<u>100.00%</u>		



**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
(Dollar amounts in thousands)

**NOTE 4: INVESTMENTS (Continued)**

**Interest Rate Risk** - As a general rule, the risk and return of the Board's fixed income segment of the portfolio is compared to the Lehman Brothers Universal Index. To mitigate interest rate risk, the fixed income segment is expected to maintain a weighted average duration (sensitivity to interest rate changes) within +/-2 years of the duration of the Index.

**Credit Risk** - Unless specifically authorized otherwise in writing by the Board, fixed income managers invest in investment grade instruments rated in the top four rating categories by a recognized statistical rating service.

**Currency Risk** - As a general policy, investment managers with authority to invest in issuers denominated in a foreign currency may reduce exposure to currency risk by systematically hedging foreign currency positions back to U.S. dollars through the forward currency markets. Since the forward exchange rate is seldom equal to the spot exchange rate, forward hedging gains and losses may arise.

As of September 30, 2007, the Investment Pool held investments that are denominated in a currency other than the United States Dollar, as summarized below:

	Asset Class					Total
	Cash	Equities	Fixed Income	Options	Swaps	
Australian Dollar	\$ 194	\$ 25,675	\$ -	\$ -	\$ -	\$ 25,869
Canadian Dollar	7	25,793	-	-	(574)	25,226
Swiss Franc	17	72,308	-	-	-	72,325
Danish Krone	-	3,971	-	-	-	3,971
Euro	8,833	318,316	3,447	642	(636)	330,602
Pound Sterling	933	127,842	4,283	221	303	133,582
Hong Kong Dollar	223	37,919	-	-	-	38,142
Japanese Yen	841	205,149	6,105	-	-	212,095
South Korean Won	0	1,538	-	-	-	1,538
Norwegian Krone	34	4,984	-	-	-	5,018
New Zealand Dollar	1	-	-	-	-	1
Swedish Krona	38	13,090	-	-	-	13,128
Singapore Dollar	11	6,619	-	-	-	6,630
South African Rand	-	1,133	-	-	-	1,133
Mexican Peso	7	-	-	-	(64)	(57)
Brazilian Real	-	-	1,537	-	(57)	1,480
<b>Total Foreign</b>	<b>\$ 11,139</b>	<b>\$ 844,337</b>	<b>\$ 15,372</b>	<b>\$ 863</b>	<b>\$ (1,028)</b>	<b>\$ 870,683</b>

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 4: INVESTMENTS (Continued)**

As of September 30, 2006, the Investment Pool held investments that are denominated in a currency other than the United States Dollar, as summarized below:

Currency	Asset Class				Total
	Cash	Equities	Fixed Income	Swaps	
Australian Dollar	\$ 65	\$ 17,576	\$ -	\$ -	\$ 17,641
Canadian Dollar	-	18,637	-	-	18,637
Swiss Franc	23	59,904	-	-	59,927
Danish Krone	-	3,215	-	-	3,215
Euro	13,816	260,977	1,281	(114)	275,960
Pound Sterling	379	104,193	933	(106)	105,399
Hong Kong Dollar	99	32,014	-	-	32,113
Japanese Yen	10	187,966	-	-	187,976
South Korean Won	-	1,921	-	-	1,921
Norwegian Krone	35	2,547	-	-	2,582
New Zealand Dollar	1	-	-	-	1
Swedish Krona	60	12,034	-	-	12,094
Singapore Dollar	(68)	4,370	-	-	4,302
South African Rand	-	2,828	-	-	2,828
Mexican Peso	-	-	-	-	-
Thai Bhat	25	1,473	-	-	1,498
<b>Total Foreign</b>	<b>\$ 14,445</b>	<b>\$ 709,655</b>	<b>\$ 2,214</b>	<b>\$ (220)</b>	<b>\$ 726,094</b>

**Securities Lending Transactions** - District statutes and the Board's policies permit the Retirement Funds to participate in securities lending transactions by relying on a Securities Lending Authorization Agreement, which authorizes the master custodian to lend the Board's securities to qualified broker-dealers and banks pursuant to a form of loan agreement.

During 2007 and 2006, the master custodian, at the direction of the Board, loaned certain of the Retirement Funds' equity and fixed income securities for which it received collateral in the form of United States and foreign currency cash, securities issued or guaranteed by the United States government, the sovereign debt of foreign countries and irrevocable bank letters of credit. This collateral could not be pledged or sold unless the borrower defaulted on the loan. Borrowers were required to deliver and maintain collateral for each loan in an amount equal to (i) at least 102% of the market value of the loaned security in the United States; or (ii) 105% of the market value of the loaned securities in the case of loaned securities not denominated in United States dollars or whose primary trading market was not located in the United States.

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 4: INVESTMENTS (Continued)**

The Board and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders, in a collective investment pool (the Quality D Fund). The Quality D Fund does not meet the requirements of Securities and Exchange Commission Rule 2a-7 of the Investment Company Act of 1940, and accordingly, the master custodian has valued the Fund's investments at fair value for reporting purposes.

The Quality D Fund is not registered with the Securities and Exchange Commission. The master custodian, and consequently the investment vehicles it sponsors (including the Quality D Fund), are subject to the oversight of the Federal Reserve Board and the Massachusetts Commissioner of Banks. The fair value of the Funds' position in the Quality Fund is not the same as the value of the Retirement Funds' shares.

There was no involuntary participation in an external investment pool by the Quality D Fund and there was no income from one fund that was assigned to another fund by the master custodian during 2007 or 2006.

During 2007 and 2006, the Board did not restrict the amount of the loans that the master custodian made on its behalf. There were no failures by any borrowers to return loaned securities or pay distributions thereon and there were no losses resulting from a default of the borrowers or the master custodian during 2007 and 2006.

The Quality D Fund invests cash collateral from loans of U.S. and non-U.S. equities, U.S. corporate fixed income securities, U.S. Government securities and sovereign debt. It had a weighted average maturity of 55 days and an average expected maturity of 514 days. Because the loans were terminable at will, their duration did not generally match the duration of the investments made with cash collateral. Investments are restricted to issuers with a short-term credit rating not lower than A1/P1, or long-term ratings not lower than A-/A3, or the equivalent thereof. The Quality D Fund may invest in other investment vehicles managed by the master custodian provided they conform to fund guidelines.

On September 30, 2007 and 2006, the Board had no credit risk exposure to borrowers.

The collateral held and the market value of securities on loan for the Board were \$543,784 and \$526,687, respectively, as of September 30, 2007, and \$426,228 and \$413,922, respectively as of September 30, 2006. During 2007 and 2006, the Master Trust's gross earnings from securities lending transactions totaled \$26,764 and \$21,017 respectively. The income (net of amortization and accretion), the net

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 4: INVESTMENTS (Continued)**

realized/unrealized gain attributable to discount and premium, and the net increase in net assets resulting from operations totaled \$28,643, \$667, and \$29,310 respectively, in 2007, and \$22,099, \$962, and \$3,062, respectively, in 2006. The Fund's share of the net income on securities lending transactions totaled \$ 436 and \$605 in 2007 and 2006, respectively.

*Derivative Investments* - Derivatives are generally defined as contracts whose value depends on, or derives from, the value of an underlying asset, reference rate, or index. Structured financial instruments are also defined as derivatives, such as mortgage-backed securities, asset-backed securities, and floating rate notes. Derivative investments generally contain exposure to credit risk, market risk, and/or legal risk. Credit risk is the exposure to the default of another party to the transaction (counterparty), or to the creditworthiness of derivative securities, such as mortgage-backed, asset-backed, floating rate, and stripped securities. Market risk is the exposure to changes in the market, such as a change in interest rates, currency exchange rates, or a change in the price or principal value of a security. The Board believes that all contracts entered into are legally permissible in accordance with the policy of the Board.

During 2007 and 2006, the Retirement Funds, in accordance with the policy of the Board, and through the Retirement Funds' investment managers who have full discretion over investment decisions, invested in various derivative instruments either to increase potential earnings or to hedge against potential losses. These derivatives included asset-backed securities (ABS), collateralized mortgage-backed securities (CMOs), mortgage-backed pools and securities, floating rate notes, structured notes, stripped/zero coupon bonds, inflation index bonds, forward mortgage-backed security contracts (TBAs), foreign currency forward and futures contracts, equity index futures, bond futures, bond options, currency options, swaps, swaptions and warrants.

The Retirement Funds used ABS, CMOs, mortgage-backed pools and securities, floating rate notes, structured notes, stripped/zero coupon bonds, and TBAs primarily to increase potential returns. ABS and mortgage-backed pools and securities offer higher potential yields than comparable duration U.S. Treasury notes with higher credit and market risks. CMOs also offer higher potential yields than comparable duration U.S. Treasury notes, with higher market risks, although the market risks may be higher or lower than comparable mortgage-backed pools. Market risk for asset-backed and mortgage-backed pools and securities is managed by monitoring the duration of the investments. Credit risk is managed by monitoring credit ratings, the underlying collateral for each security and any related guarantee. These and all other risks mentioned herein are monitored and managed by the Retirement Funds' external investment managers who purchase such securities and notes on behalf of the Retirement Funds.



**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 4: INVESTMENTS (Continued)**

Floating rate notes (securities which pay an interest rate tied to an index) are subject to market risk to the extent of the movement of the underlying index in relation to market rates. A downward movement in the underlying index would negatively impact the interest income received on the security. Upward movements in interest rates do not adversely affect floating rate notes as they do fixed rate notes, allowing floating rate notes to function as a hedge against upward changes in interest rates.

The Retirement Funds invested in structured notes with step-up coupons that offer higher yields than comparable U.S. Treasury notes in exchange for higher market and/or credit risks. Securities with step-up coupons pay interest according to a pre-set series of interest rates which start at one rate and then step-up to higher rates on specific dates. The Retirement Funds also invested in stripped/zero coupon bonds, which are purchased at a discount and do not pay any interest.

TBAs (sometimes referred to as "dollar rolls") are used by the Retirement Funds as an alternative to holding mortgage-backed securities outright to raise the potential yield and to reduce transaction costs. The selected TBAs used are used because they are expected to behave the same in duration and convexity as mortgage-backed securities with identical credit, coupon and maturity features. Credit risk is managed by limiting these transactions to primary dealers. Market risk for this type of security is not significantly different from the market risk for mortgage-backed securities.

Foreign currency forward, futures contracts and foreign currency options are generally used by the Retirement Funds for defensive purposes. These contracts hedge a portion of the Retirement Funds' exposure to particular currencies on occasion when significant adverse short-term movement in exchange rate levels is expected.

Foreign currency forward and futures contracts can pose market risk when the maximum potential loss on a particular contract is greater than the value of the underlying investment. Market risks arise due to movements in the foreign exchange rates underlying the contracts used by the Retirement Funds. Credit risk is managed by limiting transactions to counterparties with short-term credit ratings of A1 or P1 or by trading on organized exchanges. Market risk for currency options is limited to the purchase cost. Credit risk is managed by limiting transactions to counterparties with investment grade ratings or by trading on organized exchanges.

Equity index futures were also used by the Retirement Funds in order to gain exposure to equity markets in a more efficient and liquid manner than directly investing in all of the underlying equity securities. Equity index futures may pose



**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 4: INVESTMENTS (Continued)**

market risk when the maximum potential loss on a particular contract is greater than the value of the underlying investment. Market risks arise due to movements in the equities markets underlying the contracts used by the Retirement Funds. The notional amounts of the contracts are not included in the derivatives holdings disclosed. Credit risk is managed by dealing with member firms of the futures exchanges.

Exchange-traded and over-the-counter bond futures and options are used by the Retirement Funds to gain exposure to fixed income markets in a more efficient and liquid manner than by purchasing the underlying bonds. Market risk for these options is limited to purchase cost. Credit risk is managed by limiting transactions to counterparties with investment grade ratings or by trading with member firms of organized exchanges.

Warrants are used by the Retirement Funds to gain equity exposure and to enhance performance. Warrants are often distributed by issuers to holdings of common stock and bonds, and are held for the same fundamental reasons as the original common stock and/or bond holdings. Market risk is limited to the purchase cost. Credit risk is similar to the underlying equity and/or bond holdings. Again, all such risks are monitored and managed by the Retirement Funds' external investment managers who have full discretion over such investment decisions.

The Retirement Funds also holds derivative instruments indirectly by participating in pooled, commingled, or short-term funds that hold derivatives. Information regarding any risks associated with these holdings is not generally available.

The Retirement Funds' aggregate portfolio included the following derivative investments, at fair value, at September 30, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Mortgage-backed security pools and securities	\$ 197,649	\$ 177,289
Collateralized mortgage obligations	81,638	89,973
Asset-backed securities	52,520	68,137
Mortgage-backed securities forward contracts	-	1,332
Structured and inflation indexed bonds	31,156	82,351
Foreign currency futures/forward contracts, net	-	(3,150)
Interest rate swaps	4,266	660
Total return swaps, net	17	-
Options	442	(8)
Total	<u>\$ 367,688</u>	<u>\$ 416,584</u>

**DISTRICT OF COLUMBIA TEACHERS' RETIREMENT FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007 AND 2006**  
**(Dollar amounts in thousands)**

**NOTE 5: PRIOR PERIOD ADJUSTMENT**

During fiscal year 2007, the Board's actuary was engaged by the District of Columbia Public Schools (DCPS) to review active participant data in order to verify eligibility. The actuary noted a number of participants who should have been enrolled in the Plan, but were wrongly enrolled in the defined contribution plan of the District. The actuary also noted a number of active participants whose contribution rates were wrongly coded and those who should not have enrolled in the Plan. The determination of the complete population of error has not been finalized. However, based on the completed number of participants verified as errors as of September 30, 2007, the actuary calculated the impact of corrections to determine the amount of contributions that would have theoretically been accumulated on behalf of affected employees.

The actuary used the Entry Age Normal method to estimate the accrued liabilities. The total actuarial impact is estimated to be approximately \$7,464,000. The District of Columbia Government has accrued a contribution payable for this amount in its government-wide financial statements as of September 30, 2007. As a result, net assets at October 1, 2005 were increased by \$7,464,000.

**DISTRICT OF COLUMBIA  
TEACHERS' RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
(Unaudited)  
(\$000s)**

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contribution</u>
2007	\$ 14,600	100%
2006	15,500	100%
2005	9,200	100%
2004	2,900	100%
2003	-	100%

**DISTRICT OF COLUMBIA  
TEACHERS' RETIREMENT FUND  
SCHEDULE OF ACTUARIAL METHODS AND ASSUMPTIONS  
(Unaudited)**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

	<u>Fiscal Year 2007</u>
Valuation date	October 1, 2005
Actuarial cost method	Aggregate
Amortization method	Not applicable
Remaining amortization period	Not applicable
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	5%
Includes inflation at	5%
Cost-of-living adjustments (COLAs)	5%
(1) Post-1996 hires have COLAs capped at 3.00%	

The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities.

**DISTRICT OF COLUMBIA  
TEACHERS' RETIREMENT FUND  
SCHEDULE OF REVENUE BY SOURCE AND EXPENSES BY TYPE  
LAST TEN FISCAL YEARS  
(Unaudited)  
(\$000s)**

**REVENUE BY SOURCE**

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest and Dividends</u>	<u>Net Appreciation (Depreciation) in Fair Value of Investments</u>	<u>Investment, Interest and Administrative Expenses</u>	<u>Total</u>
2007	\$ 26,793	\$ 14,600	\$ 47,745	\$ 183,224	\$ (15,399)	\$ 256,963
2006	25,807	15,500	44,505	86,084	(11,485)	160,411
2005	24,778	9,200	37,254	106,378	(8,509)	169,101
2004	26,283	-	25,580	80,836	(4,468)	128,231
2003	26,047	-	22,074	101,914	(3,640)	146,395
2002	25,374	-	24,242	(86,692)	(4,515)	(41,591)
2001	24,047	200	31,112	(129,875)	(6,595)	(81,111)
2000	23,646	10,700	28,896	78,536	(6,681)	135,097
1999	21,537	18,600	26,573	105,295	(4,694)	167,311
1998	20,385	9,700	21,109	(9,756)	(3,915)	37,523

**EXPENSES BY TYPE**

<u>Fiscal Year</u>	<u>Benefits</u>	<u>Refunds</u>	<u>Total</u>
2007	\$ 21,733	\$ 4,068	\$ 25,801
2006	15,900	7,893	23,793
2005	12,400	8,469	20,869
2004	8,600	-	8,600
2003	5,100	-	5,100
2002	3,800	-	3,800
2001	2,600	-	2,600
2000	1,600	-	1,600
1999	700	-	700
1998	200	479	679

*Note:* Contributions were made in accordance with actuarially determined contribution requirements.



**DISTRICT OF COLUMBIA  
TEACHERS' RETIREMENT FUND  
SCHEDULE OF REVENUE BY SOURCE AND EXPENSES BY TYPE  
LAST TEN FISCAL YEARS  
(Unaudited)  
(\$000s)**

The Revitalization Act of 1997 made significant changes to the administration of the Fund. Therefore, comparisons of pre-Revitalization Act information to post-Revitalization Act information may not be meaningful.

**DISTRICT OF COLUMBIA  
TEACHERS' RETIREMENT FUND  
SCHEDULE OF INVESTMENT INFORMATION  
YEAR ENDED SEPTEMBER 30, 2006  
(Unaudited)**

At September 30, 2006, the Fund's investments were maintained under a master trust agreement along with assets of the District of Columbia Police Officers and Fire Fighters' Retirement Fund. A schedule of investments held under the master trust agreement at September 30, 2005 is available for inspection at the offices of the District of Columbia Retirement Board, 900 7<sup>th</sup> Street, NW, 2<sup>nd</sup> Floor, Washington, DC 20001.

**DISTRICT OF COLUMBIA  
TEACHERS' RETIREMENT FUND  
SCHEDULE OF FIVE PERCENT REPORTABLE SERIES OF TRANSACTIONS  
YEAR ENDED SEPTEMBER 30, 2006  
(Unaudited)**

Each transaction with State Street Bank and Trust Company as disclosed in this schedule represents a "reportable transaction" as that term is defined by D.C. Code § 1-903.06(b)(3), (2001 Ed.).

SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES

THIS IS A COMPOSITE REPORT FOR:

- GL51 THOMPSON, SIEGEL & WALKMSLEY
- GL52 HEDGE FUNDS
- GL53 LSV
- GL54 WESTERN ASSET MANAGEMENT CO
- GL55 MAZAMA CAPITAL MANAGEMENT
- GT01 CASH FUND
- GT10 ALLIANCE CAP MGMT
- GT24 VENTURE CAPITAL
- GT30 REAL ESTATE
- GT44 BANK OF IRELAND
- GT47 EDGAR LOMAX
- GT54 WAMCO
- GT71 ABIEL CAP MGMT
- GT72 HUGHES CAP MGMT
- GT73 PIMCO
- GT74 CAPITAL GUARDIAN
- GT76 CREDIT SUISSE ASSET MGMT
- GT77 SANDS CAPITAL MANAGEMENT
- GT78 DC RETIREMENT BD - BROWN CAP
- GT79 THOMPSON, SIEGEL & WALKMSEY
- GT80 TRANSITION MANAGER
- GT81 MCKINLEY CAPITAL MGMT
- GT82 LSV ASSET MANAGEMENT
- GT83 GRYPHON INTL INVEST CO.
- GT84 EACM ADVISORS LLC
- GT92 DCRB BENEFIT DISBURSEMENT

GTIC

PAGE: 2  
PLAN YEAR ENDING: 09/30/07

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
SE OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED	(G) COST OF ASSET #TOTAL	(H) CURR VALUE	(I) GAIN/LOSS
5611239R5	STATE STREET BANK - TRUST CO		12/31/2030				
1475	1,678,386,493.16	942	1,651,779,541.40	0.00	1,651,779,541.40	3,330,166,035.56	0.00
INTEREST BEARING CASH TOTALS							
1475	1,678,386,493.16	942	1,651,779,541.40	0.00	1,651,779,541.40	3,330,166,035.56	0.00



PLAN YEAR ENDING: 09/30/07  
 PAGE: 3  
 BEGINNING NET ASSET VALUE: 4,405,158,718.50  
 5% OF ASSET VALUE: 220,257,915.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	(F) EXPENSES INCURRED	(G) COST OF ASSET	#TOTAL	(H) CURR VALUE	(I) GAIN/LOSS
#PUR (C)	BUY/SELL (D)	SELLING PRICE	MAT DATE				
U.S. GOVERNMENT SECURITIES							
01F052627	FNMA TBA FEB 30 SINGLE FAM	5.000	12/01/2099	112,789,635.20	29	224,770,361.45	-808,888.95
17	112,789,635.20	12	0.00				
01F050673	FNMA TSA APR 30 SINGLE FAM	5.000	12/01/2099	159,969,080.82	28	319,898,460.50	-39,701.14
11	159,969,080.82	16	0.00				
01F052645	FNMA TBA OCT 10 SINGLE FAM	5.500	12/01/2099	172,383,750.00	22	330,191,822.26	594,853.51
11	157,113,438.75	11	0.00				
01F052680	FNMA TBA AUG 30 SINGLE FAM	5.500	12/01/2099	171,082,125.00	18	342,974,109.37	609,859.37
11	171,082,125.00	9	0.00				
U.S. GOVERNMENT SECURITIES TOTALS							
4J	608,954,059.77	48	0.00	616,234,591.02	97	1,217,834,773.58	656,122.79





GT:\*

PAGE: 6  
PLAN YEAR ENDING: 09/30/07

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE K, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED	(G) COST OF ASSET #TOTAL	(H) CURR VALUE	(I) GAIN/LOSS
CORPORATE STOCKS - PREFERRED				0.00	0.00	0.00	0.00
CORPORATE STOCKS - PREFERRED TOTALS				0.00	0.00	0.00	0.00

DC RETIREMENT BOARD -COMPOSITE  
SCHEDULE H, LINE AJ - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,150,718.50  
% OF ASSET VALUE: 220,257,905.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED (G) COST OF ASSET #TOTAL	(H) CURR VALUE	(I) GAIN/LOSS
CORPORATE STOCKS - COMMON				0.00	0.00	0.00
CORPORATE STOCKS - COMMON TOTALS				0.00	0.00	0.00



DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED (G)	COST OF ASSET #TOTAL	(H) CURR VALUE	(I) GAIN/LOSS
PARTN./JOINT VENTURE INTERESTS				0.00	0.00	0.00	0.00
PARTN./JOINT VENTURE INTERESTS TOTALS							
				0.00	0.00	0.00	0.00

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(H) CURR VALUE	(I) GAIN/LOSS
HPWP (C) PURCHASE PRICE #SALE (D) SELLING PRICE (F) EXPENSES INCURRED (G) COST OF ASSET #TOTAL				0.00	0.00
REAL ESTATE-NON INC. PRODUCING				0.00	0.00
REAL ESTATE-NON INC. PRODUCING TOTALS				0.00	0.00

GTIC

PAGE: 10  
PLAN YEAR ENDING: 09/30/07

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE R, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	NET DATE	(F) EXPENSES INCURRED	(G) COST OF ASSET	(H) TOTAL	(I) CURR VALUE	(J) GAIN/LOSS
				0.00	0.00	0	0.00	0.00
LOANS SECURED BY NOTES-RECID				0.00	0.00	0	0.00	0.00
TOTALS				0.00	0.00	0	0.00	0.00

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED (G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
LOANS SECURED BY MTGES-COM'L						

LOANS SECURED BY MTGES-COM'L TOTALS

C	0.00	0	0.00	0.00	0.00	0.00
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DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,156.718.50  
5% OF ASSET VALUE: 220,257,535.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED	(G) COST OF ASSET #TOTAL	(H) CURR VALUE	(I) GAIN/LOSS
UPUR (C) PURCHASE PRICE #SALE (D) SELLING PRICE							
99S000K56	SWP085822 FIMCC	5.000	12/19/2008	0.00	274,593,501.00	274,300,000.00	-293,501.00
0	0.00		0.00				
99S000K56	SWP085822 FIMCC	1.000	12/19/2008	0.00	0.00	274,688,135.00	-388,135.00
1	274,688,135.00		0.00				
OTHER TOTALS							
1	274,688,135.00		0.00		274,593,501.00	548,988,135.00	-681,636.00



DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED (G) COST OF ASSET #TOTAL	(H) CURR VALUE	(I) GAIN/LOSS
COMMON/COLLECTIVE TRUSTS				0.00	0.00	0.00
COMMON/COLLECTIVE TRUSTS TOTALS				0.00	0.00	0.00

DC RETIREMENT BOARD -COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED (C) COST OF ASSET #TOTAL	(H) CORR VALUE	(I) GAIN/LOSS
103-12 INVESTMENTS				0.00	0	0.00
103-12 INVESTMENTS TOTALS				0.00	0	0.00



GTIC

DC RETIREMENT BOARD - COMPOSITE PAGE: 16  
PLAN YEAR ENDING: 09/30/07

SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SERIES  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	(C) PURCHASE PRICE	(D) SELLING PRICE	(E) EXPENSES INCURRED	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS

\*\* ASSET CATEGORY NOT FOUND \*\*

** ASSET CATEGORY NOT FOUND ** TOTALS							
0	0.00	0	0.00	0.00	0	0.00	0.00





DC RETIREMENT BOARD -COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE

THIS IS A COMPOSITE REPORT FOR:

- GL51 THOMPSON, SIEGEL & WALMSLEY
- G-82 HEDGE FUNDS
- GL53 LSV
- GL54 WESTERN ASSET MANAGEMENT CO
- GT01 CASH FUND
- GT10 ALLIANCE CAP MGMT.
- GT24 VENTURE CAPITAL
- GT30 REAL ESTATE
- GT44 BANK OF IRELAND
- GT49 EDGAR JOMAX
- GT54 WAMCO
- GT71 ARIEL CAP MGMT
- GT72 HUGHES CAP MGMT.
- GT73 PIMCO
- GT74 CAPITAL GUARDIAN
- GT76 CREDIT SUISSE ASSET MGMT
- GT77 SANDS CAPITAL MANAGEMENT
- GT78 DC RETIREMENT BD - BROWN CAP
- GT79 THOMPSON, SIEGEL & WALMSLEY
- GT80 TRANSITION MANAGER
- GT81 MCKINLEY CAPITAL MGMT
- GT82 LSV ASSET MANAGEMENT
- GT83 GRYPHON INTL INVEST CO.
- GT84 EACH ADVISORS LLC
- GT92 DCRB BENEFIT DISBURSEMENT

GTIC

DC RETIREMENT BOARD -COMPOSITE  
PAGE: 2

SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
PLAN YEAR ENDING: 09/30/07  
BEGINNING NET ASSET VALUE: 4,405,159,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
(C) PURCHASE PRICE	(D) SELLING PRICE	(F) EXPENSES INCURRED				
INTEREST BEARING CASH				0.00	0.00	0.00
INTEREST BEARING CASH TOTALS				0.00	0.00	0.00



GTIC

DC RETIREMENT BOARD - COMPOSITE  
PAGE: 4  
PLAN YEAR ENDING, 09/30/07

SCHEDULE H, LINE 43 - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
CORP. DEBT INSTR - PREFERRED				0.00	0.00	0.00
CORP DEBT INSTR. - PREFERRED TOTALS				0.00	0.00	0.00

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4C - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,198,718.50  
% OF ASSET VALUE: 220,257,935.91

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
(C) PURCHASE PRICE	(D) SELLING PRICE	(F) EXPENSES INCURRED				
CORP, DEBT INSTR. - ALL OTHER						
CORP, DEBT INSTR. - ALL OTHER TOTALS		0.00		0.00	0.00	0.00





GT1C

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE

PAGE: 7  
PLAN YEAR ENDING: 09/30/07  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
(C) PURCHASE PRICE	(D) SELLING PRICE	(F) EXPENSES INCURRED				
CORPORATE STOCKS - COMMON				0.00	0.00	0.00
CORPORATE STOCKS - COMMON TOTALS				0.00	0.00	0.00

DC RETIREMENT BOARD -COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
PARTN./JOINT VENTURE INTERESTS						
PARTN./JOINT VENTURE INTERESTS TOTALS						
				0.00	0.00	0.00

GTIC

PAGE: 9  
PLAN YEAR ENDING: 09/30/07

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE 5,405,158,718.50  
5% OF ASSET VALUE 230,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
REAL ESTATE-NON INC PRODUCING							
REAL ESTATE-NON INC PRODUCING TOTALS				0.00	0.00	0.00	0.00

GTIC

PAGE: 10  
PLAN YEAR ENDING: 09/30/07

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 47 - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
(C) PURCHASE PRICE	(D) SELLING PRICE	(F) EXPENSES INCURRED				
LOANS SECURED BY MTGES-RESID						
LOANS SECURED BY MTGES-RESID	TOTALS			0.00	0.00	0.00

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULES OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
LOANS SECURED BY MTGES-COM'L							
LOANS SECURED BY MTGES-COM'L TOTALS				0.00	0.00	0.00	0.00

DC RETIREMENT BOARD - COMPOSITE  
 SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
 BEGINNING NET ASSET VALUE: 4,405,158,718.50  
 5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) PURCHASE PRICE	(C) SELLING PRICE	(D) EXPENSES INCURRED	(E) COST OF ASSET	(F) CURR VALUE	(G) GAIN/LOSS
99500DKB6	SWP085822 PIMCO	IRS REC	5.000	12/19/2008	274,300,000.00	-293,501.00
			0.00			
99500DKC6	SWF085822 PIMCO	IRS PAY	1.000	12/19/2008	274,688,135.00	-388,135.00
			0.00			
OTHER TOTALS			0.00		548,988,135.00	-681,636.00

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(F) EXPENSES INCURRED	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
COMMON/COLLECTIVE TRUSTS							
COMMON/COLLECTIVE TRUSTS TOTALS				0.00	0.00	0.00	0.00



GTIC

PAGE: 14  
PLAN YEAR ENDING: 09/30/07

DC RETIREMENT BOARD - COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
% OF ASSET VALUE: 220,257,915.93

(A) IDENTITY OF PARTY	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
(C) PURCHASE PRICE	(D) SELLING PRICE	(F) EXPENSES INCURRED				
103-12 INVESTMENTS				0.00	0.00	0.00
103-12 INVESTMENTS TOTALS				0.00	0.00	0.00

GTIC

PAGE: 15  
PLAN YEAR ENDING: 09/30/07

DC RETIREMENT BOARD -COMPOSITE  
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS - SINGLE  
BEGINNING NET ASSET VALUE: 4,405,158,718.50  
5% OF ASSET VALUE: 220,257,935.93

(A) IDENTITY OF PARTY (C) PURCHASE PRICE	(B) DESCRIPTION OF ASSET	RATE	MAT DATE	(G) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
REGISTERED INVESTMENT COMPANY				0.00	0.00	0.00
REGISTERED INVESTMENT COMPANY	TOTALS			0.00	0.00	0.00



(A) IDENTITY OF PARTY (C) PURCHASE PRICE INTEREST BEARING CASH	(B) DESCRIPTION OF ASSET (D) SELLING PRICE	RATE (E) EXPENSES INCURRED	MAT DATE (F) COST OF ASSET	(H) CURR VALUE	(I) GAIN/LOSS
CERTIFICATES OF DEPOSIT		0.00	0.00	0.00	0.00
U.S. GOVERNMENT SECURITIES		0.00	0.00	0.00	0.00
CORP DEBT INSTR. - PREFERRED		0.00	0.00	0.00	0.00
CORP DEBT INSTR. - ALL OTHER		0.00	0.00	0.00	0.00
CORPORATE STOCKS - PREFERRED		0.00	0.00	0.00	0.00
CORPORATE STOCKS - COMMON		0.00	0.00	0.00	0.00
PARTN./JOINT VENTURE INTERESTS		0.00	0.00	0.00	0.00
REAL ESTATE-INCOME PRODUCING		0.00	0.00	0.00	0.00
REAL ESTATE-NON INC. PRODUCING		0.00	0.00	0.00	0.00
LOANS SECURED BY MTGES-RESID		0.00	0.00	0.00	0.00
LOANS SECURED BY MTGES-COM'L		0.00	0.00	0.00	0.00
LOANS TO PARTIC - MORTGAGES		0.00	0.00	0.00	0.00
LOANS TO PARTICIPANTS - OTHER		0.00	0.00	0.00	0.00
OTHER		0.00	0.00	0.00	0.00
COMMON/COLLECTIVE TRUSTS		0.00	274,593,501.00	548,988,135.00	-681,636.00
POOLED SEPARATE ACCOUNTS		0.00	0.00	0.00	0.00
103-12 INVESTMENTS		0.00	0.00	0.00	0.00
REGISTERED INVESTMENT COMPANY		0.00	0.00	0.00	0.00
INSURANCE CO. GENERAL ACCOUNT		0.00	0.00	0.00	0.00
** ASSET CATEGORY NOT FOUND **		0.00	0.00	0.00	0.00
REPORTABLE TRANSACTION TOTALS		0.00	274,593,501.00	548,988,135.00	-681,636.00

