City of Cincinnati Retirement System

Executive Summary

December 31, 2006

Total Cincinnati Retirement System

• At the close of the quarter, the Cincinnati Retirement System had a market value of $2,572,463,162. Over the quarter, the portfolio increased by $121,208,162, of which $0 was due to withdrawals, while $121,208,162 was due to capital appreciation. The total portfolio was 27.3% invested in fixed income, 54.0% invested in domestic equities, 17.9% invested in international equities, and 0.8% invested in private equity.

• The Total Fund returned +4.7% for the quarter, underperforming its policy benchmark, which returned +5.9%. Over the trailing twelve months, the Cincinnati Retirement System returned +11.9%, underperforming the policy benchmark, which returned +14.0%.

Fixed Income

• The Blackrock fixed income portfolio returned +1.2% for the quarter, performing in-line with its benchmark, the LB Aggregate, which returned +1.2%. Over the trailing twelve months, the portfolio returned +4.6%, outperforming the LB Aggregate, which returned +4.3%.

• The PIMCO fixed income portfolio returned +1.2% for the quarter, performing in-line with its benchmark, the LB Aggregate, which returned +1.2%. Over the trailing twelve months, the portfolio returned +5.1%, outperforming the LB Aggregate, which returned +4.3%.

• The Smith & Graham fixed income portfolio returned +1.3% for the quarter, performing in-line with its benchmark, the LB Aggregate, which returned +1.2%. Over the trailing twelve months, the portfolio returned +4.7%, outperforming the LB Aggregate, which returned +4.3%.

• The Shenkman fixed income portfolio returned +3.6% for the quarter, underperforming its benchmark, the LB High Yield, which returned +4.2%. Over the trailing twelve months, the portfolio returned +9.3%, underperforming the LB High Yield, which returned +11.9%.

U.S. Equity

• The Allegiant all-cap portfolio does not have complete performance for the quarter.

• The PanAgora all-cap portfolio returned +7.2% for the quarter, performing in-line with its benchmark, the Russell 3000, which returned +7.1%. Over the trailing twelve months, the portfolio returned +16.1%, outperforming the Russell 3000, which returned +15.7%.

• The Bartlett all-cap portfolio returned +8.7% for the quarter, outperforming its benchmark, the Russell 3000 Value, which returned +8.1%. Over the trailing twelve months, the portfolio returned +18.7%, underperforming the Russell 3000 Value, which returned +22.3%.

• The Gradison large-cap value portfolio returned +7.7% for the quarter, underperforming its benchmark, the Russell 1000 Value, which returned +8.0%. Over the trailing twelve months, the portfolio returned +20.6%, underperforming the Russell 1000 Value, which returned +22.3%.

• The Oppenheimer large-cap value portfolio returned +8.6% for the quarter, outperforming its benchmark, the Russell 1000 Value, which returned +8.0%. Over the trailing twelve months, the portfolio returned +21.2%, underperforming the Russell 1000 Value, which returned +22.3%.

• The Montag & Caldwell mortgage portfolio returned +6.0% for the quarter, performing in-line with its benchmark, the Russell 1000 Growth, which returned +5.9%. Over the trailing twelve months, the portfolio returned +9.2%, outperforming the Russell 1000 Growth, which returned +9.1%.

• The Ariel smid-cap value portfolio returned +6.3% for the quarter, underperforming its benchmark, the Russell 2000 Value, which returned +9.0%. Over the trailing twelve months, the portfolio returned +9.5%, underperforming the Russell 2000 Value, which returned +23.5%.

• The Navellier smid-cap growth portfolio returned +9.5% for the quarter, outperforming its benchmark, the Russell 2000 Growth, which returned +8.8%. Over the trailing twelve months, the portfolio returned +7.6%, underperforming the Russell 2000 Growth, which returned +13.4%.

Total Cincinnati Retirement System

International Equity

• The Harding Loevner international equity portfolio returned +10.7% for the quarter, outperforming its benchmark, the MSCI EAFE, which returned +10.4%. Over the trailing twelve months, the portfolio returned +24.0%, underperforming the MSCI EAFE, which returned +26.9%.

• The Jarislowsky Fraser international equity portfolio returned +7.1% for the quarter, underperforming its benchmark, the MSCI EAFE, which returned +10.4%. Over the trailing twelve months, the portfolio returned +23.4%, underperforming the MSCI EAFE, which returned +26.9%.

• The Mondrian international equity portfolio returned +10.3% for the quarter, underperforming its benchmark, the MSCI EAFE, which returned +10.4%. Over the trailing twelve months, the portfolio returned +31.3%, outperforming the MSCI EAFE, which returned +26.9%.

Private Equity

• The Blue Chip private equity performance is not available at this time.

Fees

• The fee for the overall management of the Cincinnati Retirement System is 29 basis points (0.29%), which is below industry standards (0.43%) for a fund with this target asset allocation.

Report Items

• Select Portfolio C from Marquette's Asset Allocation Study as the new target portfolio.

• Terminated Oppenheimer Large-Cap Value, Navallier Smid-Cap Growth, and Ariel Smid-Cap Value.

• Selected Rhumbline Advisers as the Index manager for Large-Cap Value, Mid-Cap Growth, and Small-Cap Value allocations.

Action Items

• Review Custody Fees.

• Review Cash Equitization Managers.

• Review Private Equity.

Investment Manager Status Report

Investment Manager	Asset Class	Benchmark	Status	Reason
Blackrock	Core Fixed Income	LB Aggregate	In-Compliance	
PIMCO	Core Fixed Income	LB Aggregate	In-Compliance	
Smith & Graham	Core Fixed Income	LB Aggregate	In-Compliance	
Shenkman	High Yield Fixed Income	LB High Yield	In-Compliance	
Allegiant	All-Cap Core Equity	Russell 3000	In-Compliance	
PanAgora	All-Cap Core Equity	Russell 3000	In-Compliance	
Bartlett	All-Cap Value Equity	Russell 3000 Value	In-Compliance	
Gradison	Large-Cap Value Equity	Russell 1000 Value	In-Compliance	
Oppenheimer	Large-Cap Value Equity	Russell 1000 Value	Termination	Performance
Montag & Caldwell	Large-Cap Growth Equity	Russell 1000 Growth	In-Compliance	
Ariel	Smid-Cap Value Equity	Russell 2000 Value	Termination	Performance
Navellier	Smid-Cap Growth Equity	Russell 2000 Growth	Termination	Performance
Harding Loevner	International Core	MSCI EAFE	In-Compliance	
Jarislowsky Fraser	International Growth	MSCI EAFE	In-Compliance	
Mondrian	International Value	MSCI EAFE	In-Compliance	
Blue Chip	Private Equity Venture	VE All Private Equity	In-Compliance	
Domestic Equitization	Cash Short-Term	91 Day T-Bill	In-Compliance	

Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

In-Compliance – The investment manager states it is acting in accordance with the Investment Policy Guidelines.

Alert – The investment manager is notified of a problem in performance (usually related to a benchmark or volatility measure), a change in investment characteristics, an alteration in management style or key investment professionals, and/or any other irregularities.

On Notice – The investment manager is notified of continued concern with one or more Alert issues. Failure to improve upon stated issues within a specific time frame justifies termination.

Termination – The Trustees have decided to terminate the investment manager. The investment manager is notified and transition plans are in place.

Proposed Timeline

January 5, 2007	Review the Asset Allocation Study Review Index Managers
February 1, 2007	Review the Private Equity Fund of Funds Search Review Transition Managers Review Cash Equitization Managers Review the Custody Fees Review the Commission Recapture Relationships
March 1, 2007	Interview the Private Equity Fund of Funds Finalists Update the Investment Policy Guidelines
April 5, 2007	Review the Real Estate Search Review the International Small-Cap Search
May 3, 2007	Interview Real Estate Finalists Interview International Small-Cap Search Finalists
April 5, 2007	Review Infrastructure Products Available
June 7, 2007	Interview Infrastructure Managers
August 2, 2007	Review the Long/Short Equity Search
September 6, 2007	Interview Long/Short Equity Finalists
October 4, 2007	Review the Small-Cap Value Search
November 1, 2007	Interview Small-Cap Value Finalists

Market Values

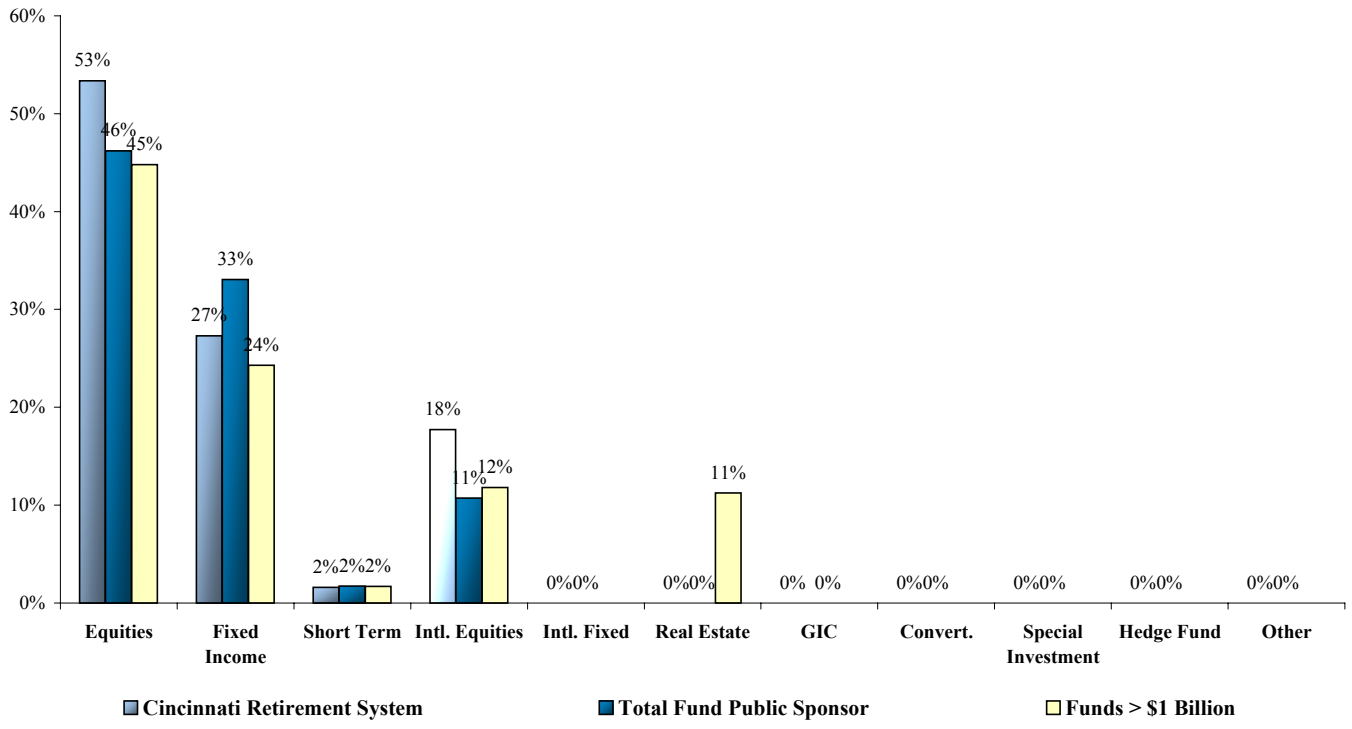
December 31, 2006

Asset Class	Investment Manager	Market Values	Allocation	Target
Core Fixed Income	Blackrock	$264,855,007	10.3%	6.0%
Core Fixed Income	PIMCO	$244,636,047	9.5%	6.0%
Core Fixed Income	Smith & Graham	$60,443,013	2.3%	0.0%
High Yield Fixed Income	Shenkman	$132,270,163	5.1%	5.0%
Total Fixed Income		**$702,204,230**	**27.3%**	**17.0%**
Infrastructure	TBD	$0	0.0%	5.0%
Total Infrastructure		**$0**	**0.0%**	**5.0%**
Real Estate Core	TBD - multiple			5.0%
Real Estate Core Plus	TBD	$0	0.0%	2.5%
Total Real Estate		**$0**	**0.0%**	**7.5%**
All-Cap Core Equity	Allegiant	$223,083,155	8.7%	8.0%
All-Cap Core Equity	PanAgora	$250,016,145	9.7%	8.0%
All-Cap Value Equity	Bartlett	$60,538,812	2.4%	2.0%
Large-Cap Value Equity	Gradison	$154,486,649	6.0%	6.0%
Large-Cap Value Equity	Oppenheimer	$169,618,582	6.6%	0.0%
Large-Cap Value Equity - Index	Rhumbline	$0	0.0%	4.0%
Large-Cap Growth Equity	Montag & Caldwell	$373,621,558	14.5%	5.0%
Mid-Cap Growth Equity - Index	Rhumbline	$0	0.0%	5.0%
Smid-Cap Value Equity	Ariel	$88,198,428	3.4%	0.0%
Small-Cap Value Equity - Index	Rhumbline	$0	0.0%	5.0%
Smid-Cap Growth Equity	Navellier	$60,569,530	2.4%	0.0%
Cash Short-Term	Domestic Equitization	$9,053,084	0.4%	0.5%
Total U.S. Equity		**$1,389,185,943**	**54.0%**	**43.5%**
International Core	Harding Loevner	$156,392,106	6.1%	5.0%
International Growth	Jarislowsky Fraser	$144,292,489	5.6%	4.0%
International Value	Mondrian	$160,641,394	6.2%	5.0%
International Small Cap	TBD	$0	0.0%	3.0%
Total International Equity		**$461,325,989**	**17.9%**	**17.0%**
Long/Short Equity	TBD	$0	0.0%	5.0%
Total Long/Short Equity		**$0**	**0.0%**	**5.0%**
Private Equity - Fund of Funds	TBD	$0	0.0%	4.2%
Private Equity Venture	Blue Chip	$19,747,000	0.8%	0.8%
Total Private Equity		**$19,747,000**	**0.8%**	**5.0%**
TOTAL PORTFOLIO		**$2,572,463,162**	**100.0%**	**100.0%**

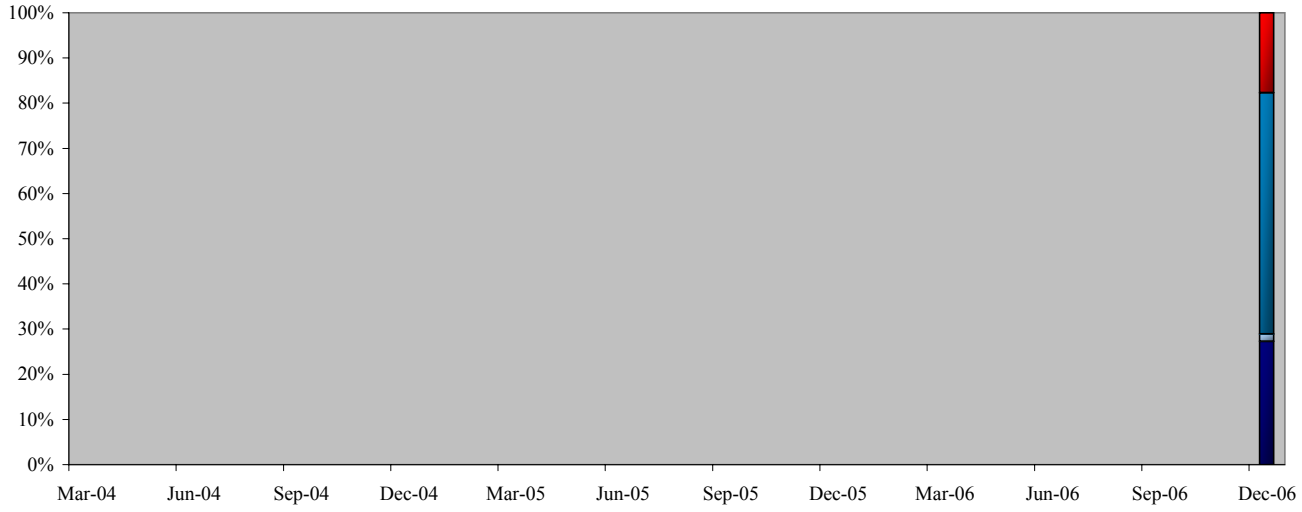
Current Asset Allocation vs. Policy

Asset Class	% of Assets	Policy Target	Difference	Target Range
Fixed Income	27.3%	17.0%	**10.3%**	---
Domestic Equity	54.0%	43.5%	**10.5%**	---
International Equity	17.9%	17.0%	**0.9%**	---
Private Equity	0.8%	5.0%	**-4.2%**	---
TOTAL	**100.0%**			

Current Asset Allocation vs. Peers



Historical Asset Allocation



	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06	Sep-06	Dec-06
Domestic Fixed %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	27.3%
Cash & Equiv %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.6%
Domestic Equity %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	53.4%
Intl Equity %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.7%

Annualized Performance (Gross of Fees)

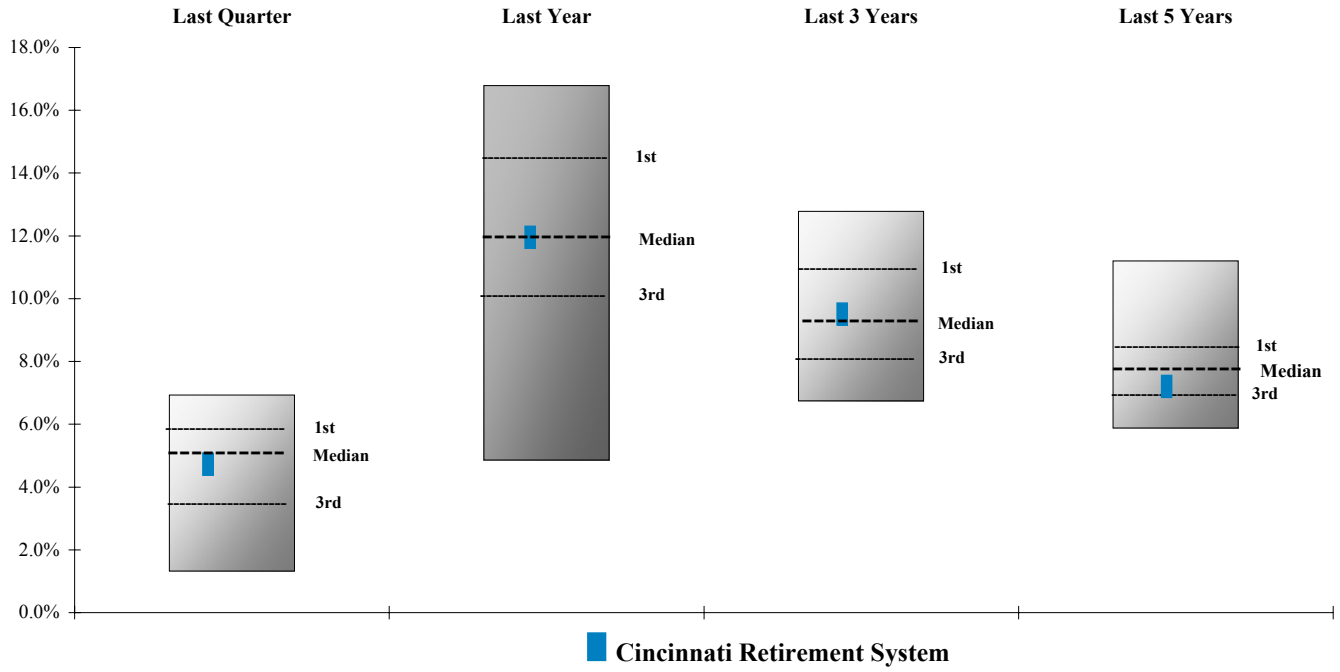
December 31, 2006

	Qtr.	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year
Total Fund Composite [1]	**4.7%**	**11.9%**	**11.9%**	**9.3%**	**9.6%**	**12.7%**	**7.3%**	**4.5%**	**7.6%**
Rank vs. Total Public Funds	**56**	**51**	**51**	**45**	**36**	**31**	**57**	**79**	**59**
Rank vs. Funds > $1 Billion	**64**	**67**	**67**	**79**	**77**	**72**	**80**	**80**	**91**
Benchmark									
Policy Benchmark[2]	5.9%	14.0%	14.0%	10.2%	10.5%	13.7%	8.1%	4.2%	8.2%
Actuarial Rate of Return	---	---	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
Total Fixed Income Composite [1]	**1.3%**	**4.9%**	**4.9%**	**3.9%**	**4.4%**	**4.8%**	**5.9%**	**7.1%**	**6.7%**
Rank vs. Total Public Fixed Income	**38**	**26**	**26**	**23**	**21**	**18**	**19**	**19**	**25**
Benchmark									
LB Aggregate	1.2%	4.3%	4.3%	3.4%	3.7%	3.8%	5.1%	6.5%	6.2%
Total Domestic Equity Composite [1]	**6.7%**	**14.2%**	**14.2%**	**10.6%**	**10.8%**	**15.1%**	**6.5%**	**3.2%**	**7.2%**
Rank vs. Total Public Equity	**52**	**54**	**54**	**56**	**56**	**65**	**67**	**48**	**85**
Benchmark									
Wilshire 5000	7.3%	15.9%	15.9%	11.0%	11.5%	16.3%	7.7%	2.0%	8.7%
Total International Equity Composite [1]	**9.8%**	**27.0%**	**27.0%**	**20.8%**	**19.2%**	**21.9%**	**12.7%**	**2.1%**	**6.8%**
Rank vs. Total Public International	**55**	**30**	**30**	**57**	**84**	**86**	**95**	**99**	**78**
Benchmark									
MSCI EAFE	10.4%	26.9%	26.9%	20.3%	20.4%	24.9%	15.4%	4.8%	8.1%
Total Private Equity Composite	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**
Rank vs. Total Private Equity	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**
Benchmark									
VE All Private Equity	---	---	---	---	---	---	---	---	---

[1] Estimated Returns based on the investment managers weighted average position in the portfolio.

[2] Policy Benchmark consists of 53% the Russell 3000, 17% the MSCI EAFE, and 30% the LB Aggregate.

Annualized Performance vs. Total Public Funds



Annualized Performance (Net of Fees)

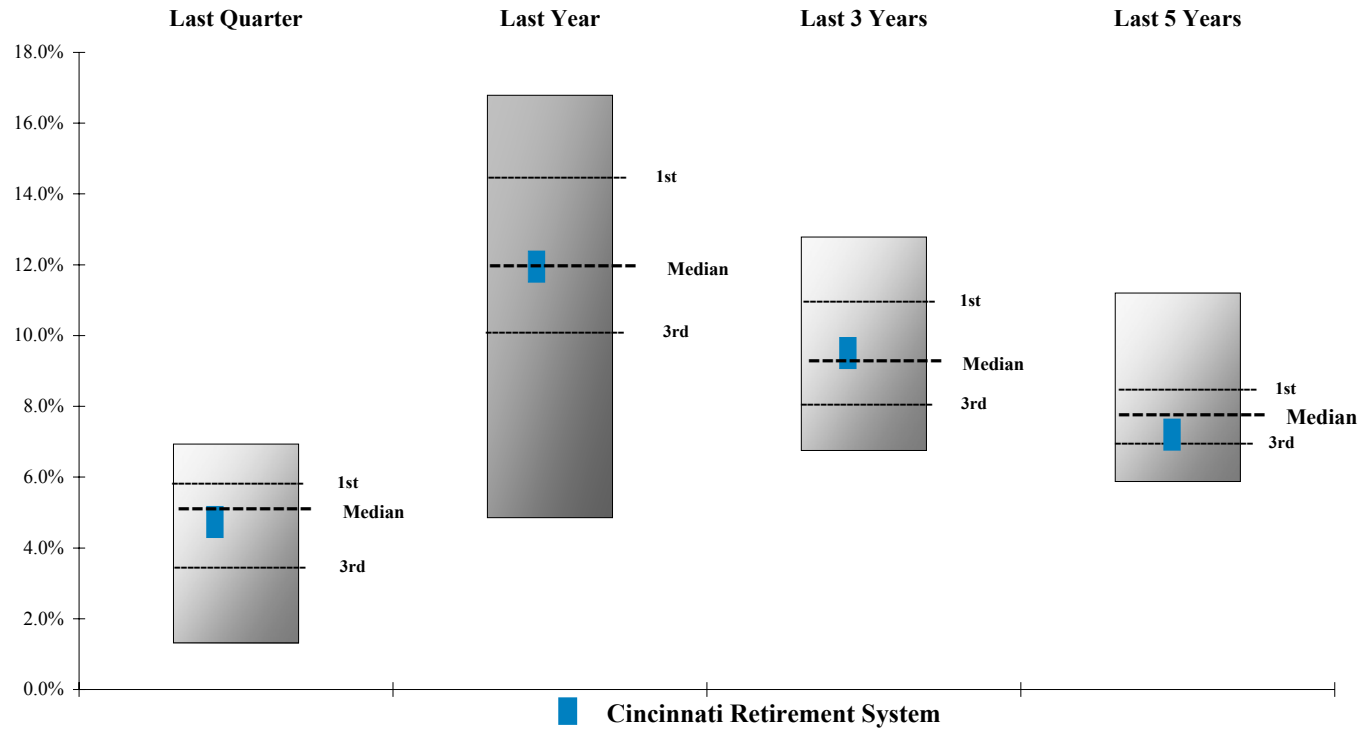
December 31, 2006

	Qtr.	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year
Total Fund Composite [1]	**4.6%**	**11.7%**	**11.7%**	**9.1%**	**9.4%**	**12.4%**	**7.0%**	**4.2%**	**7.3%**
Rank vs. Total Public Funds	---	---	---	---	---	---	---	---	---
Rank vs. Funds > $1 Billion	---	---	---	---	---	---	---	---	---
Benchmark									
Policy Benchmark[2]	5.9%	14.0%	14.0%	10.2%	10.5%	13.7%	8.1%	4.2%	8.2%
Actuarial Rate of Return	---	---	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
Total Fixed Income Composite [1]	**1.2%**	**4.6%**	**4.6%**	**3.7%**	**4.1%**	**4.6%**	**5.6%**	**6.8%**	**6.4%**
Rank vs. Total Public Fixed Income	---	---	---	---	---	---	---	---	---
Benchmark									
LB Aggregate	1.2%	4.3%	4.3%	3.4%	3.7%	3.8%	5.1%	6.5%	6.2%
Total Domestic Equity Composite [1]	**6.6%**	**14.0%**	**14.0%**	**10.3%**	**10.6%**	**14.9%**	**6.3%**	**3.0%**	**7.0%**
Rank vs. Total Public Equity	---	---	---	---	---	---	---	---	---
Benchmark									
Wilshire 5000	7.3%	15.9%	15.9%	11.0%	11.5%	16.3%	7.7%	2.0%	8.7%
Total International Equity Composite [1]	**9.7%**	**26.7%**	**26.7%**	**20.5%**	**18.9%**	**21.6%**	**12.4%**	**1.8%**	**6.5%**
Rank vs. Total Public International	---	---	---	---	---	---	---	---	---
Benchmark									
MSCI EAFE	10.4%	26.9%	26.9%	20.3%	20.4%	24.9%	15.4%	4.8%	8.1%
Total Private Equity Composite	---	---	---	---	---	---	---	---	---
Rank vs. Total Private Equity	---	---	---	---	---	---	---	---	---
Benchmark									
VE All Private Equity	---	---	---	---	---	---	---	---	---

[1] Estimated Returns based on the investment managers weighted average position in the portfolio.

[2] Policy Benchmark consists of 53% the Russell 3000, 17% the MSCI EAFE, and 30% the LB Aggregate.

Annualized Performance vs. Total Public Funds



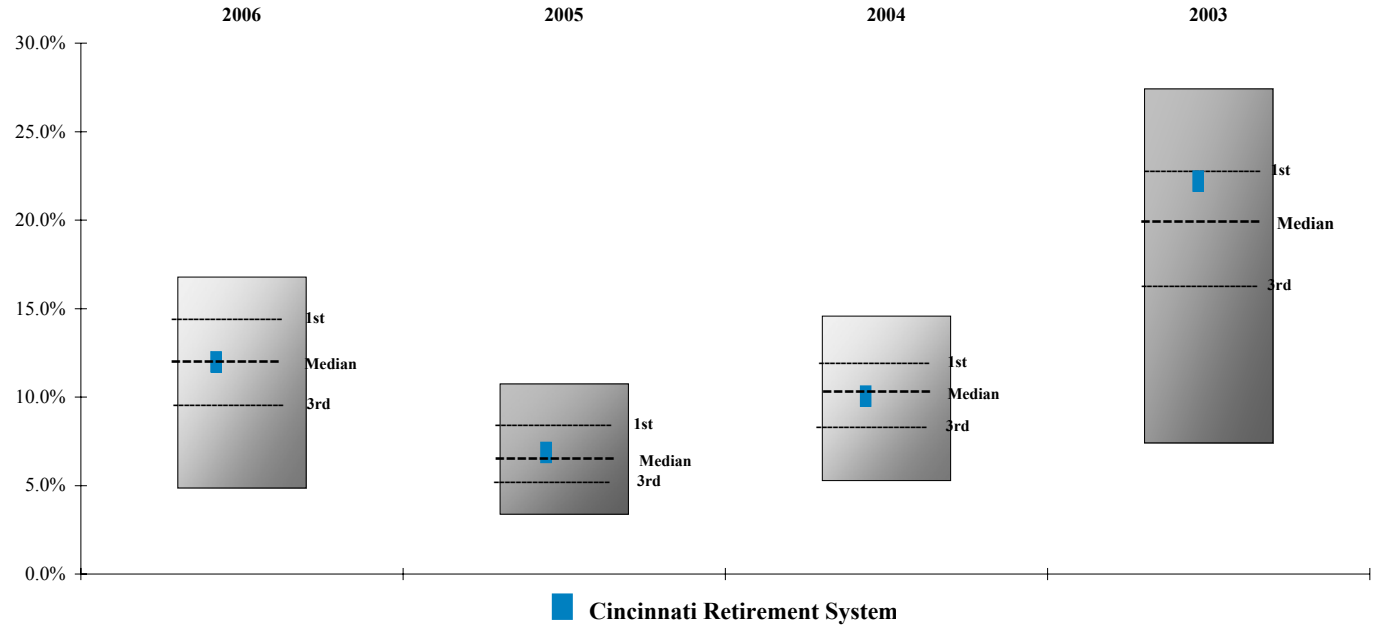
Calendar Year Performance (Gross of Fees)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Total Fund Composite [1]	**11.9%**	**6.8%**	**10.2%**	**22.3%**	**-11.9%**	**-4.4%**	**0.1%**	**11.9%**	**13.8%**	**20.0%**
Rank vs. Total Public Funds	**51**	**45**	**45**	**29**	**90**	**69**	**60**	**49**	**55**	**35**
Rank vs. Funds > $1 Billion	**67**	**77**	**74**	**48**	**88**	**59**	**38**	**80**	**62**	**39**
Benchmark										
Policy Benchmark[2]	14.0%	6.4%	11.1%	23.9%	-11.5%	-7.3%	-3.0%	15.2%	19.4%	19.8%
Actuarial Rate of Return	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
Total Fixed Income Composite [1]	**4.9%**	**3.0%**	**5.2%**	**6.3%**	**10.3%**	**---**	**---**	**---**	**---**	**---**
Rank vs. Total Public Fixed Income	**26**	**29**	**28**	**21**	**30**	**---**	**---**	**---**	**---**	**---**
Benchmark										
LB Aggregate	4.3%	2.4%	4.3%	4.1%	10.3%	8.4%	11.6%	-0.8%	8.7%	9.7%
Total Domestic Equity Composite [1]	**14.2%**	**7.0%**	**11.3%**	**29.2%**	**-21.9%**	**---**	**---**	**---**	**---**	**---**
Rank vs. Total Public Equity	**54**	**48**	**58**	**57**	**55**	**---**	**---**	**---**	**---**	**---**
Benchmark										
Wilshire 5000	15.9%	6.3%	12.6%	31.6%	-20.9%	-11.0%	-10.9%	23.6%	23.4%	31.3%
Total International Equity Composite [1]	**27.0%**	**14.8%**	**16.2%**	**30.3%**	**-17.8%**	**---**	**---**	**---**	**---**	**---**
Rank vs. Total Public International	**30**	**54**	**78**	**89**	**79**	**---**	**---**	**---**	**---**	**---**
Benchmark										
MSCI EAFE	26.9%	14.0%	20.7%	39.2%	-15.7%	-21.2%	-14.0%	27.3%	20.3%	2.1%
Total Private Equity Composite	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**
Benchmark										
VE All Private Equity	---	---	---	---	---	---	---	---	---	---

[1] Estimated Returns based on the investment managers weighted average position in the portfolio.

[2] Policy Benchmark consists of 53% the Russell 3000, 17% the MSCI EAFE, and 30% the LB Aggregate.

Calendar Year Performance vs. Total Public Funds



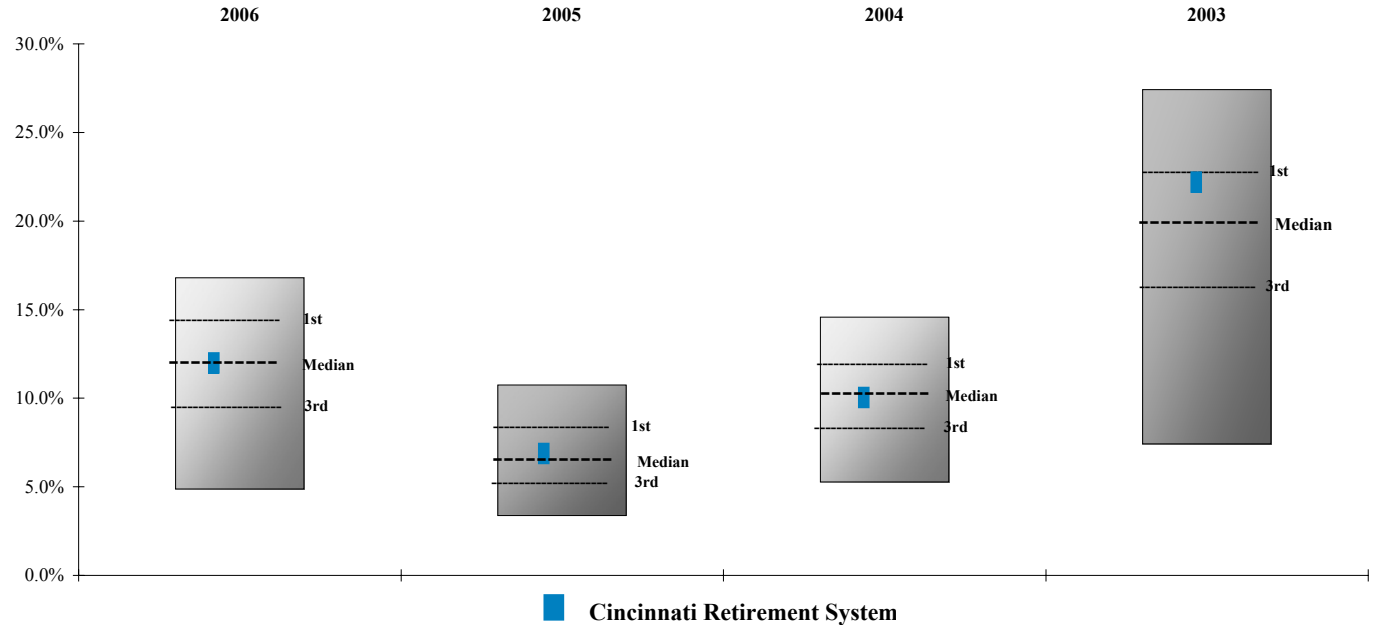
Calendar Year Performance (Net of Fees)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Total Fund Composite [1]	**11.7%**	**6.5%**	**10.0%**	**22.0%**	**-12.1%**	**-4.6%**	**-0.2%**	**11.6%**	**13.6%**	**19.7%**
Rank vs. Total Public Funds	---	---	---	---	---	---	---	---	---	---
Rank vs. Funds > $1 Billion	---	---	---	---	---	---	---	---	---	---
Benchmark										
Policy Benchmark[2]	14.0%	6.4%	11.1%	23.9%	-11.5%	-7.3%	-3.0%	15.2%	19.4%	19.8%
Actuarial Rate of Return	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
Total Fixed Income Composite [1]	**4.6%**	**2.7%**	**4.9%**	**6.0%**	**10.1%**	---	---	---	---	---
Rank vs. Total Public Fixed Income	---	---	---	---	---	---	---	---	---	---
Benchmark										
LB Aggregate	4.3%	2.4%	4.3%	4.1%	10.3%	8.4%	11.6%	-0.8%	8.7%	9.7%
Total Domestic Equity Composite [1]	**14.0%**	**6.8%**	**11.1%**	**29.0%**	**-22.1%**	---	---	---	---	---
Rank vs. Total Public Equity	---	---	---	---	---	---	---	---	---	---
Benchmark										
Wilshire 5000	15.9%	6.3%	12.6%	31.6%	-20.9%	-11.0%	-10.9%	23.6%	23.4%	31.3%
Total International Equity Composite [1]	**26.7%**	**14.5%**	**15.9%**	**29.9%**	**-18.1%**	---	---	---	---	---
Rank vs. Total Public International	---	---	---	---	---	---	---	---	---	---
Benchmark										
MSCI EAFE	26.9%	14.0%	20.7%	39.2%	-15.7%	-21.2%	-14.0%	27.3%	20.3%	2.1%
Total Private Equity Composite	---	---	---	---	---	---	---	---	---	---
Benchmark										
VE All Private Equity	---	---	---	---	---	---	---	---	---	---

[1] Estimated Returns based on the investment managers weighted average position in the portfolio.

[2] Policy Benchmark consists of 53% the Russell 3000, 17% the MSCI EAFE, and 30% the LB Aggregate.

Calendar Year Performance vs. Total Public Funds



Annualized Performance (Gross of Fees)

December 31, 2006

	Qtr.	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year
Fixed Income - Core									
Blackrock	**1.2%**	**4.6%**	**4.6%**	**3.7%**	**4.1%**	**4.2%**	**5.4%**	**7.0%**	**6.7%**
Rank by Style	**55**	**47**	**47**	**36**	**32**	**40**	**38**	**26**	**29**
PIMCO	**1.2%**	**5.1%**	**5.1%**	**4.2%**	**4.3%**	**4.5%**	**5.5%**	**6.9%**	**6.7%**
Rank by Style	**47**	**22**	**22**	**13**	**18**	**30**	**28**	**32**	**29**
Smith & Graham	**1.3%**	**4.7%**	**4.7%**	**3.8%**	**4.1%**	**3.9%**	**5.2%**	**6.6%**	**6.2%**
Rank by Style	**45**	**45**	**45**	**27**	**33**	**65**	**52**	**50**	**75**
Benchmarks									
LB Aggregate	1.2%	4.3%	4.3%	3.4%	3.7%	3.8%	5.1%	6.5%	6.2%
Fixed Income - High Yield									
Shenkman	**3.6%**	**9.3%**	**9.3%**	**6.2%**	**---**	**---**	**---**	**---**	**---**
Rank by Style	**54**	**45**	**45**	**35**	**---**	**---**	**---**	**---**	**---**
Benchmarks									
LB High Yield	4.2%	11.9%	11.9%	7.2%	8.5%	13.3%	10.2%	7.0%	6.6%
All-Cap Core Equity									
Allegiant	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**
Rank by Style	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**
PanAgora	**7.2%**	**16.1%**	**16.1%**	**11.1%**	**11.5%**	**16.1%**	**7.2%**	**1.9%**	**---**
Rank by Style	**43**	**36**	**36**	**45**	**52**	**51**	**53**	**63**	**---**
Benchmarks									
Russell 3000	7.1%	15.7%	15.7%	10.8%	11.2%	15.9%	7.2%	2.1%	8.6%
All-Cap Value Equity									
Bartlett	**8.7%**	**18.7%**	**18.7%**	**14.5%**	**14.6%**	**18.7%**	**10.2%**	**10.1%**	**9.7%**
Rank by Style	**17**	**44**	**44**	**35**	**47**	**47**	**57**	**37**	**75**
Benchmarks									
Russell 3000 Value	8.1%	22.3%	22.3%	14.3%	15.2%	19.0%	11.2%	8.4%	11.1%
Large-Cap Value Equity									
Gradison	**7.7%**	**20.6%**	**20.6%**	**13.5%**	**14.6%**	**18.2%**	**11.0%**	**6.1%**	**9.5%**
Rank by Style	**51**	**32**	**32**	**53**	**46**	**51**	**26**	**67**	**77**
Oppenheimer	**8.6%**	**21.2%**	**21.2%**	**14.3%**	**13.2%**	**18.8%**	**7.2%**	**7.2%**	**9.5%**
Rank by Style	**11**	**27**	**27**	**43**	**61**	**33**	**75**	**56**	**72**
Benchmarks									
Russell 1000 Value	8.0%	22.3%	22.3%	14.4%	15.1%	18.7%	10.9%	7.8%	11.0%
Large-Cap Growth Equity									
Montag & Caldwell	**6.0%**	**9.2%**	**9.2%**	**8.1%**	**7.0%**	**9.8%**	**2.4%**	**-1.6%**	**---**
Rank by Style	**26**	**35**	**35**	**41**	**72**	**90**	**81**	**66**	**---**
Benchmarks									
Russell 1000 Growth	5.9%	9.1%	9.1%	7.2%	6.9%	12.2%	2.7%	-4.9%	5.4%
Smid-Cap Value Equity									
Ariel	**6.3%**	**9.5%**	**9.5%**	**5.7%**	**10.1%**	**15.6%**	**10.6%**	**---**	**---**
Rank by Style	**88**	**93**	**93**	**97**	**95**	**99**	**99**	**---**	**---**
Benchmarks									
Russell 2000 Value	9.0%	23.5%	23.5%	13.7%	16.5%	23.3%	15.4%	16.2%	13.3%
Smid-Cap Growth Equity									
Navellier	**9.5%**	**7.6%**	**7.6%**	**10.8%**	**11.7%**	**17.1%**	**3.9%**	**---**	**---**
Rank by Style	**25**	**85**	**85**	**49**	**50**	**78**	**93**	**---**	**---**
Benchmarks									
Russell 2000 Growth	8.8%	13.4%	13.4%	8.7%	10.5%	19.0%	6.9%	-0.2%	4.9%

Signifies Outperformance or In-Line Performance of Benchmark

Annualized Performance (Gross of Fees)

December 31, 2006

	Qtr.	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year
International Equity									
Harding Loevner	**10.7%**	**24.0%**	**24.0%**	**22.6%**	---	---	---	---	---
Rank by Style	**43**	**62**	**62**	**29**	---	---	---	---	---
Jarislowsky Fraser	**7.1%**	**23.4%**	**23.4%**	**17.0%**	---	---	---	---	---
Rank by Style	**91**	**65**	**65**	**84**	---	---	---	---	---
Mondrian	**10.3%**	**31.3%**	**31.3%**	**22.3%**	---	---	---	---	---
Rank by Style	**51**	**15**	**15**	**31**	---	---	---	---	---
Benchmarks									
MSCI EAFE	10.4%	26.9%	26.9%	20.3%	20.4%	24.9%	15.4%	4.8%	8.1%
Private Equity									
Blue Chip	---	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
VE All Private Equity	---	---	---	---	---	---	---	---	---

Signifies Outperformance or In-Line Performance of Benchmark

Annualized Performance (Net of Fees)

December 31, 2006

	Qtr.	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year
Fixed Income - Core									
Blackrock	**1.1%**	**4.4%**	**4.4%**	**3.5%**	**3.8%**	**4.0%**	**5.2%**	**6.8%**	**6.5%**
Rank by Style	---	---	---	---	---	---	---	---	---
PIMCO	**1.2%**	**4.8%**	**4.8%**	**3.9%**	**4.0%**	**4.2%**	**5.3%**	**6.6%**	**6.4%**
Rank by Style	---	---	---	---	---	---	---	---	---
Smith & Graham	**1.2%**	**4.4%**	**4.4%**	**3.5%**	**3.8%**	**3.6%**	**4.9%**	**6.3%**	**5.9%**
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
LB Aggregate	1.2%	4.3%	4.3%	3.4%	3.7%	3.8%	5.1%	6.5%	6.2%
Fixed Income - High Yield									
Shenkman	**3.5%**	**8.9%**	**8.9%**	**5.9%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
LB High Yield	4.2%	11.9%	11.9%	7.2%	8.5%	13.3%	10.2%	7.0%	6.6%
All-Cap Core Equity									
Allegiant	---	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
PanAgora	**7.1%**	**16.1%**	**16.1%**	**11.1%**	**11.4%**	**16.0%**	**7.2%**	**1.8%**	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
Russell 3000	7.1%	15.7%	15.7%	10.8%	11.2%	15.9%	7.2%	2.1%	8.6%
All-Cap Value Equity									
Bartlett	**8.6%**	**18.3%**	**18.3%**	**14.1%**	**14.2%**	**18.4%**	**9.8%**	**9.7%**	**9.3%**
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
Russell 3000 Value	8.1%	22.3%	22.3%	14.3%	15.2%	19.0%	11.2%	8.4%	11.1%
Large-Cap Value Equity									
Gradison	**7.6%**	**20.4%**	**20.4%**	**13.3%**	**14.3%**	**17.9%**	**10.8%**	**5.8%**	**9.2%**
Rank by Style	---	---	---	---	---	---	---	---	---
Oppenheimer	**8.5%**	**21.0%**	**21.0%**	**14.0%**	**12.9%**	**18.6%**	**7.0%**	**6.9%**	**9.3%**
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
Russell 1000 Value	8.0%	22.3%	22.3%	14.4%	15.1%	18.7%	10.9%	7.8%	11.0%
Large-Cap Growth Equity									
Montag & Caldwell	**5.9%**	**8.9%**	**8.9%**	**7.8%**	**6.7%**	**9.5%**	**2.1%**	**-1.9%**	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
Russell 1000 Growth	5.9%	9.1%	9.1%	7.2%	6.9%	12.2%	2.7%	-4.9%	5.4%
Smid-Cap Value Equity									
Ariel	**6.2%**	**9.0%**	**9.0%**	**5.2%**	**9.6%**	**15.1%**	**10.1%**	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
Russell 2000 Value	9.0%	23.5%	23.5%	13.7%	16.5%	23.3%	15.4%	16.2%	13.3%
Smid-Cap Growth Equity									
Navellier	**9.4%**	**7.2%**	**7.2%**	**10.4%**	**11.3%**	**16.7%**	**3.5%**	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
Russell 2000 Growth	8.8%	13.4%	13.4%	8.7%	10.5%	19.0%	6.9%	-0.2%	4.9%

Signifies Outperformance or In-Line Performance of Benchmark

Annualized Performance (Net of Fees)

December 31, 2006

	Qtr.	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year
International Equity									
Harding Loevner	**10.6%**	**23.5%**	**23.5%**	**22.2%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Jarislowsky Fraser	**6.9%**	**22.9%**	**22.9%**	**16.5%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Mondrian	**10.2%**	**31.0%**	**31.0%**	**21.9%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
MSCI EAFE	10.4%	26.9%	26.9%	20.3%	20.4%	24.9%	15.4%	4.8%	8.1%
Private Equity									
Blue Chip	---	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---
Benchmarks									
VE All Private Equity	---	---	---	---	---	---	---	---	---

Signifies Outperformance or In-Line Performance of Benchmarl

Calendar Year Performance (Gross of Fees)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Fixed Income - Core										
Blackrock	**4.6%**	**2.8%**	**4.8%**	**4.7%**	**10.3%**	---	---	---	---	---
Rank by Style	**47**	**46**	**40**	**53**	**37**	---	---	---	---	---
PIMCO	**5.1%**	**3.2%**	**4.6%**	**4.9%**	**10.0%**	---	---	---	---	---
Rank by Style	**22**	**18**	**50**	**45**	**55**	---	---	---	---	---
Smith & Graham	**4.7%**	**3.0%**	**4.6%**	**3.5%**	**10.4%**	---	---	---	---	---
Rank by Style	**45**	**28**	**51**	**84**	**35**	---	---	---	---	---
Benchmarks										
LB Aggregate	4.3%	2.4%	4.3%	4.1%	10.3%	8.4%	11.6%	-0.8%	8.7%	9.7%
Fixed Income - High Yield										
Shenkman	**9.3%**	**3.3%**	---	---	---	---	---	---	---	---
Rank by Style	**45**	**42**	---	---	---	---	---	---	---	---
Benchmarks										
LB High Yield	11.9%	2.7%	11.1%	29.0%	-1.4%	5.3%	-5.9%	2.4%	1.9%	12.8%
All-Cap Core Equity										
Allegiant	---	---	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
PanAgora	**16.1%**	**6.4%**	**12.1%**	**31.0%**	**-22.0%**	---	---	---	---	---
Rank by Style	**36**	**48**	**54**	**49**	**62**	---	---	---	---	---
Benchmarks										
Russell 3000	15.7%	6.1%	12.0%	31.1%	-21.5%	-11.5%	-7.5%	20.9%	24.1%	31.8%
All-Cap Value Equity										
Bartlett	**18.7%**	**10.4%**	**14.9%**	**32.0%**	**-18.2%**	---	---	---	---	---
Rank by Style	**44**	**37**	**61**	**53**	**67**	---	---	---	---	---
Benchmarks										
Russell 3000 Value	22.3%	6.9%	16.9%	31.1%	-15.2%	-4.3%	8.0%	6.7%	13.5%	34.8%
Large-Cap Value Equity										
Gradison	**20.6%**	**6.8%**	**16.6%**	**29.8%**	**-13.6%**	---	---	---	---	---
Rank by Style	**32**	**63**	**32**	**59**	**20**	---	---	---	---	---
Oppenheimer	**21.2%**	**7.8%**	**11.1%**	**37.4%**	**-28.9%**	---	---	---	---	---
Rank by Style	**27**	**51**	**82**	**8**	**99**	---	---	---	---	---
Benchmarks										
Russell 1000 Value	22.3%	7.1%	16.5%	30.0%	-15.5%	-5.6%	7.0%	7.4%	15.6%	35.2%
Large-Cap Growth Equity										
Montag & Caldwell	**9.2%**	**6.9%**	**5.0%**	**18.6%**	**-22.8%**	---	---	---	---	---
Rank by Style	**35**	**54**	**91**	**95**	**46**	---	---	---	---	---
Benchmarks										
Russell 1000 Growth	9.1%	5.3%	6.3%	29.8%	-27.9%	-20.4%	-22.4%	33.2%	38.7%	30.5%
Smid-Cap Value Equity										
Ariel	**9.5%**	**2.0%**	**19.6%**	**33.6%**	**-7.3%**	---	---	---	---	---
Rank by Style	**93**	**93**	**70**	**93**	**50**	---	---	---	---	---
Benchmarks										
Russell 2000 Value	23.5%	4.7%	22.3%	46.0%	-11.4%	14.0%	22.8%	-1.5%	-6.5%	31.8%
Smid-Cap Growth Equity										
Navellier	**7.6%**	**14.2%**	**13.5%**	**35.2%**	**-35.8%**	---	---	---	---	---
Rank by Style	**85**	**12**	**57**	**85**	**96**	---	---	---	---	---
Benchmarks										
Russell 2000 Growth	13.4%	4.2%	14.3%	48.5%	-30.3%	-9.2%	-22.4%	43.1%	1.2%	13.0%

Signifies Outperformance or In-Line Performance of Benchmark

Calendar Year Performance (Gross of Fees)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
International Equity										
Harding Loevner	**24.0%**	**21.3%**	---	---	---	---	---	---	---	---
Rank by Style	**62**	**19**	---	---	---	---	---	---	---	---
Jarislowsky Fraser	**23.4%**	**10.9%**	---	---	---	---	---	---	---	---
Rank by Style	**65**	**81**	---	---	---	---	---	---	---	---
Mondrian	**31.3%**	**13.8%**	---	---	---	---	---	---	---	---
Rank by Style	**15**	**60**	---	---	---	---	---	---	---	---
Benchmarks										
MSCI EAFE	26.9%	14.0%	20.7%	39.2%	-15.7%	-21.2%	-14.0%	27.3%	20.3%	2.1%
Private Equity										
Blue Chip	---	---	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
VE All Private Equity	---	---	---	---	---	---	---	---	---	---

Signifies Outperformance or In-Line Performance of Benchmark

Calendar Year Performance (Net of Fees)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Fixed Income - Core										
Blackrock	**4.4%**	**2.6%**	**4.6%**	**4.5%**	**10.1%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
PIMCO	**4.8%**	**2.9%**	**4.3%**	**4.6%**	**9.7%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Smith & Graham	**4.4%**	**2.7%**	**4.3%**	**3.2%**	**10.1%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
LB Aggregate	4.3%	2.4%	4.3%	4.1%	10.3%	8.4%	11.6%	-0.8%	8.7%	9.7%
Fixed Income - High Yield										
Shenkman	**8.9%**	**2.9%**	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
LB High Yield	11.9%	2.7%	11.1%	29.0%	-1.4%	5.3%	-5.9%	2.4%	1.9%	12.8%
All-Cap Core Equity										
Allegiant	---	---	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
PanAgora	**16.1%**	**6.3%**	**12.1%**	**30.9%**	**-22.0%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
Russell 3000	15.7%	6.1%	12.0%	31.1%	-21.5%	-11.5%	-7.5%	20.9%	24.1%	31.8%
All-Cap Value Equity										
Bartlett	**18.3%**	**10.0%**	**14.5%**	**31.6%**	**-18.5%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
Russell 3000 Value	22.3%	6.9%	16.9%	31.1%	-15.2%	-4.3%	8.0%	6.7%	13.5%	34.8%
Large-Cap Value Equity										
Gradison	**20.4%**	**6.6%**	**16.4%**	**29.5%**	**-13.8%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Oppenheimer	**21.0%**	**7.5%**	**10.8%**	**37.1%**	**-29.2%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
Russell 1000 Value	22.3%	7.1%	16.5%	30.0%	-15.5%	-5.6%	7.0%	7.4%	15.6%	35.2%
Large-Cap Growth Equity										
Montag & Caldwell	**8.9%**	**6.6%**	**4.7%**	**18.3%**	**-23.1%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
Russell 1000 Growth	9.1%	5.3%	6.3%	29.8%	-27.9%	-20.4%	-22.4%	33.2%	38.7%	30.5%
Smid-Cap Value Equity										
Ariel	**9.0%**	**1.5%**	**19.1%**	**33.1%**	**-7.8%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
Russell 2000 Value	23.5%	4.7%	22.3%	46.0%	-11.4%	14.0%	22.8%	-1.5%	-6.5%	31.8%
Smid-Cap Growth Equity										
Navellier	**7.2%**	**13.8%**	**13.1%**	**34.8%**	**-36.2%**	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
Russell 2000 Growth	13.4%	4.2%	14.3%	48.5%	-30.3%	-9.2%	-22.4%	43.1%	1.2%	13.0%

Signifies Outperformance or In-Line Performance of Benchmark

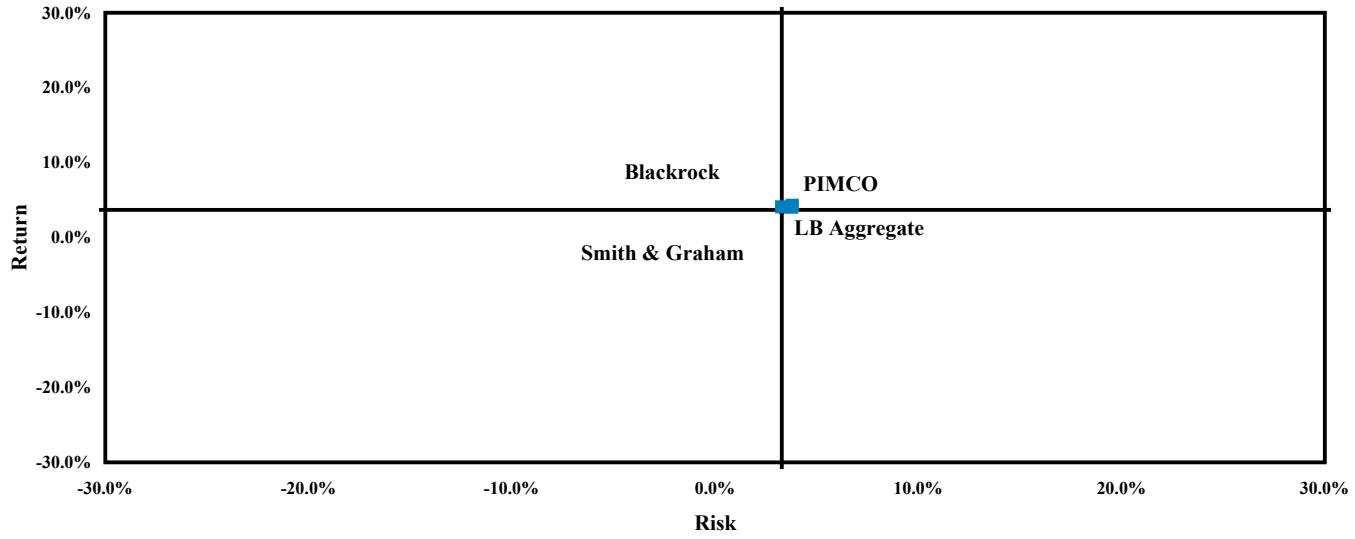
Calendar Year Performance (Net of Fees)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
International Equity										
Harding Loevner	**23.5%**	**20.8%**	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Jarislowsky Fraser	**22.9%**	**10.4%**	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Mondrian	**31.0%**	**13.4%**	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
MSCI EAFE	26.9%	14.0%	20.7%	39.2%	-15.7%	-21.2%	-14.0%	27.3%	20.3%	2.1%
Private Equity										
Blue Chip	---	---	---	---	---	---	---	---	---	---
Rank by Style	---	---	---	---	---	---	---	---	---	---
Benchmarks										
VE All Private Equity	---	---	---	---	---	---	---	---	---	---

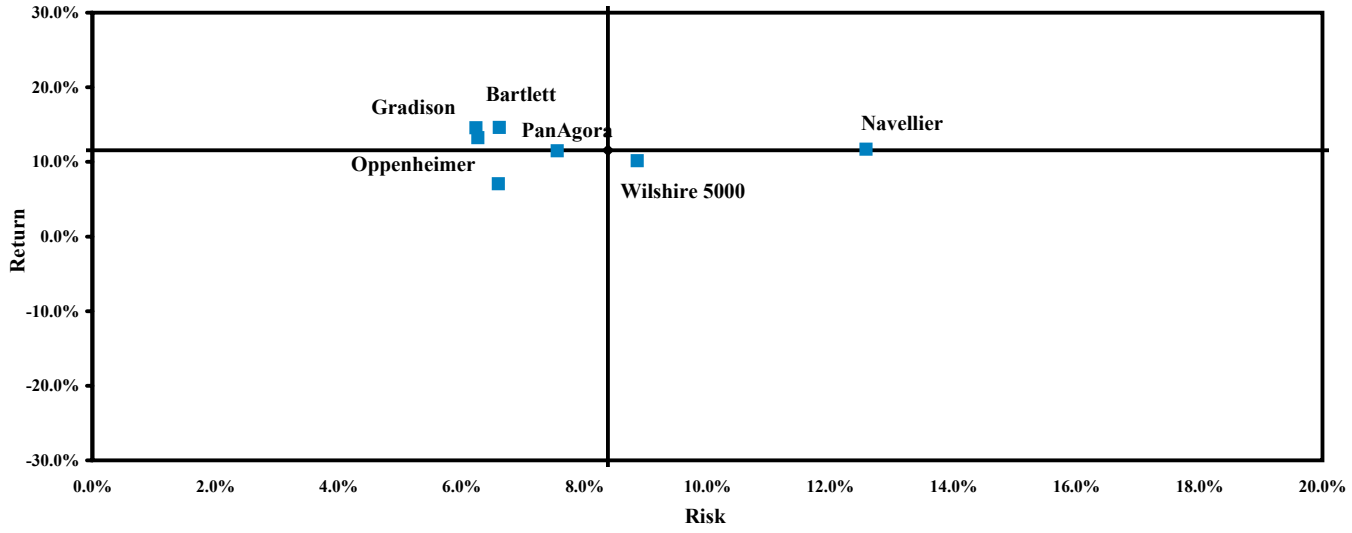
Signifies Outperformance or In-Line Performance of Benchmark

Three Year Risk and Return Profiles

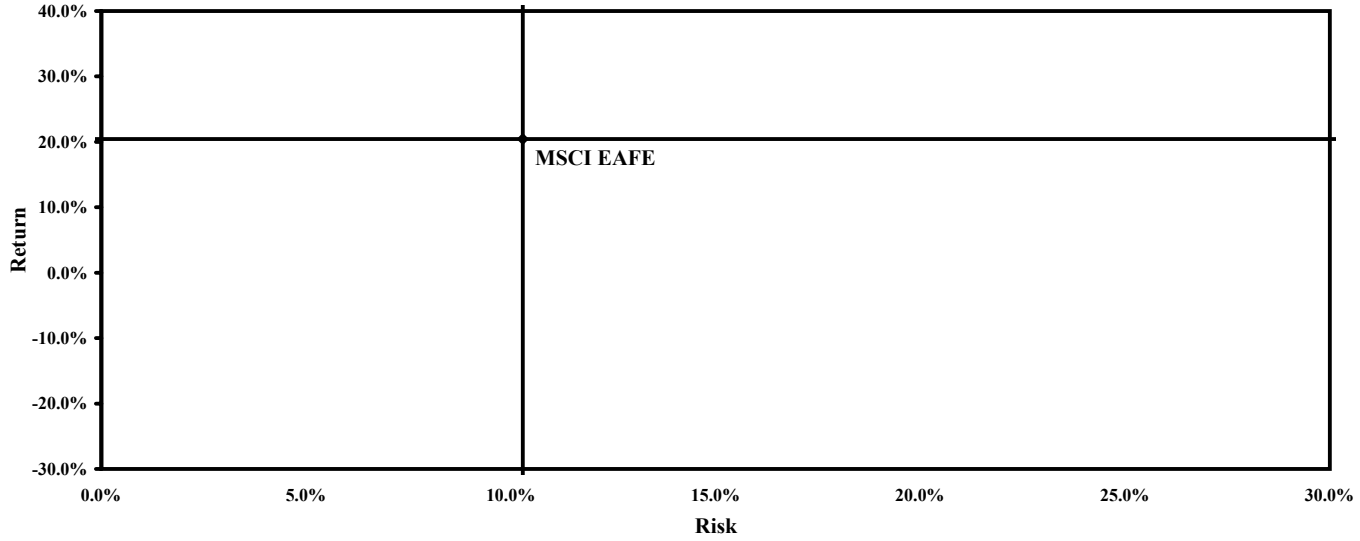
Fixed Income



U.S. Equity

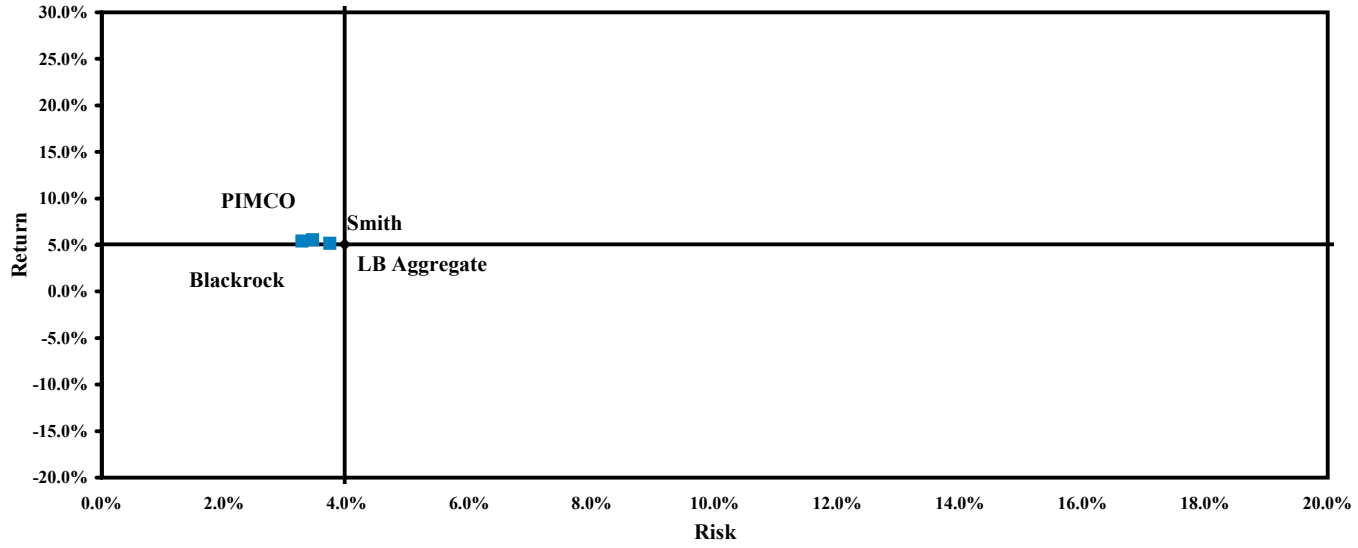


International Equity

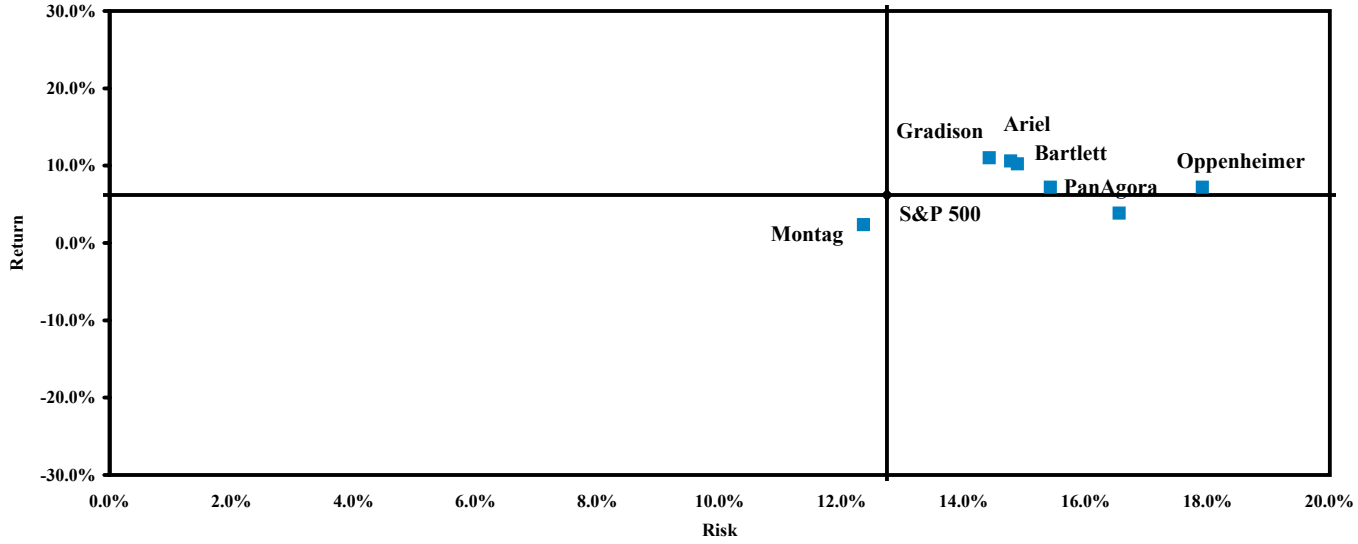


Five Year Risk and Return Profiles

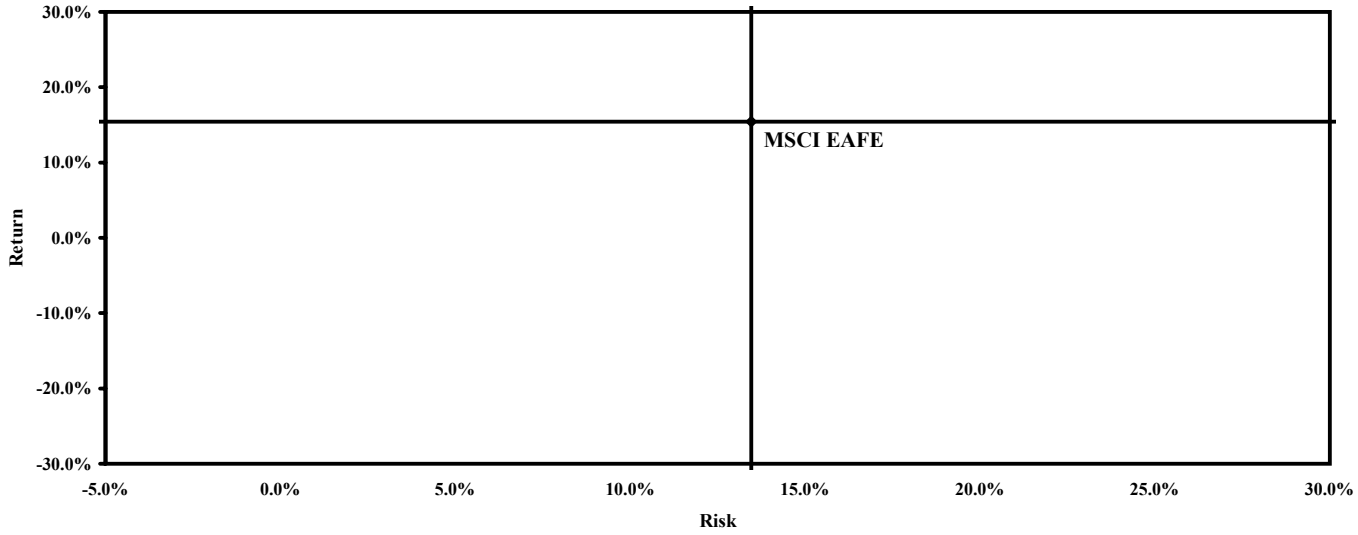
Fixed Income



U.S. Equity

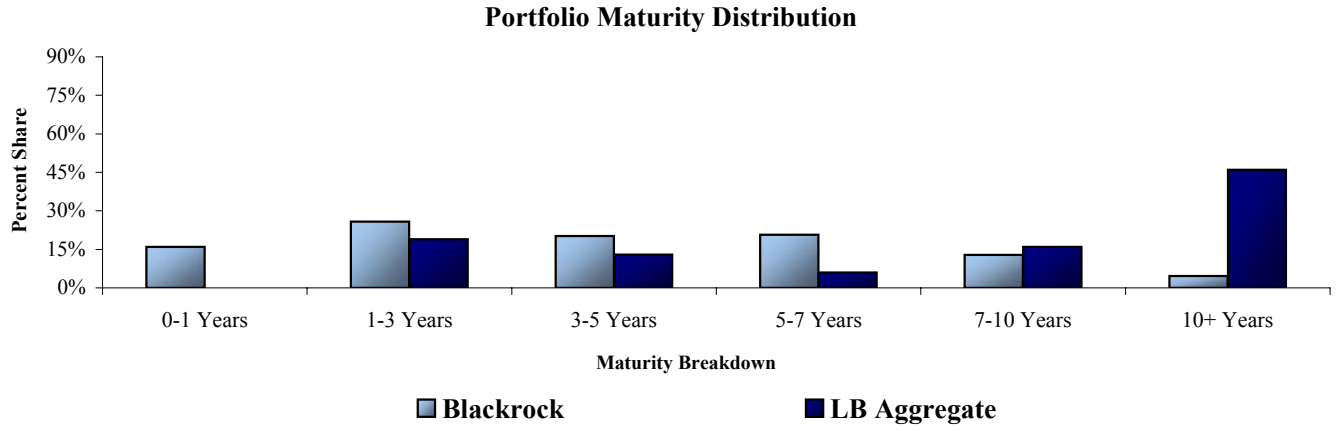


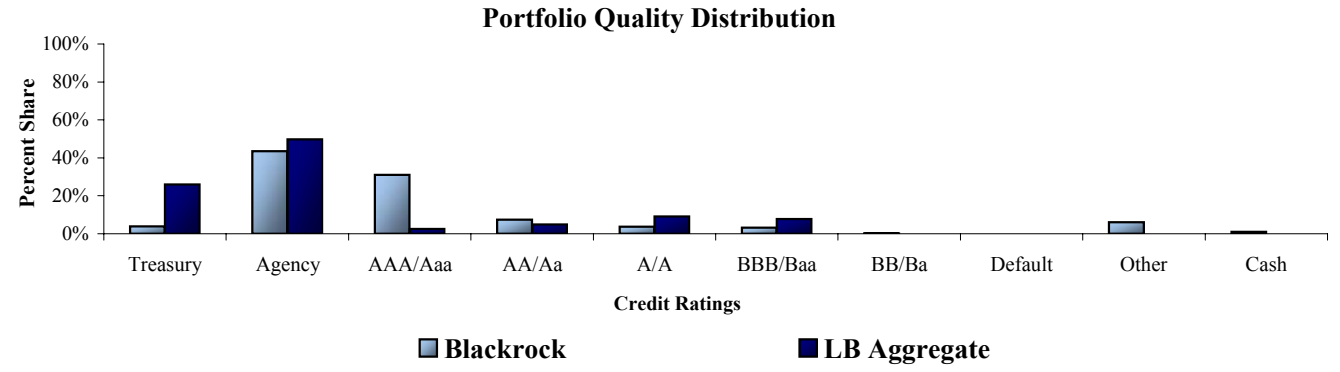
International Equity

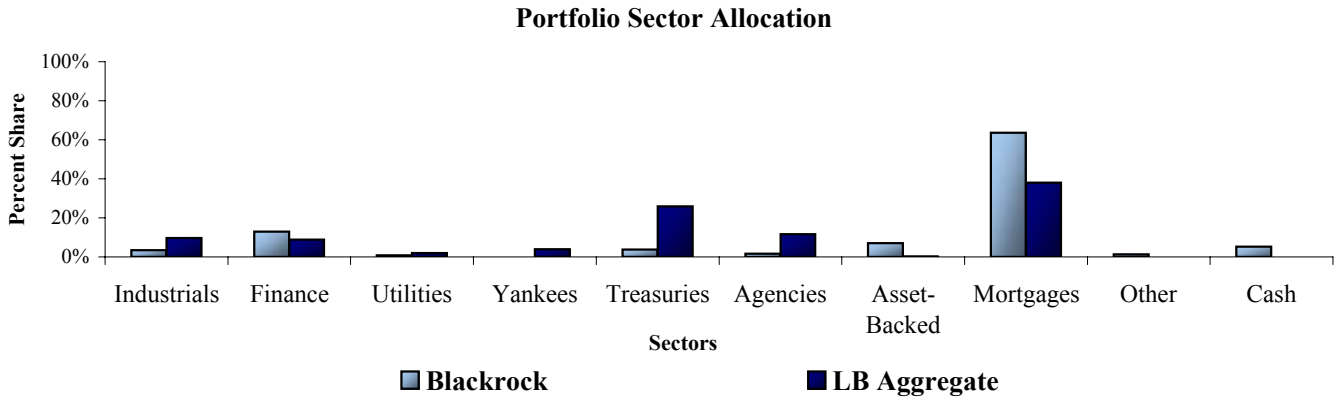


Fixed Income Portfolio Statistics - Blackrock

	Blackrock	LB Aggregate
Total Number of Securities	308	7,134
Current Coupon	5.4%	5.4%
Time to Maturity	5.23 years	7.0 Years
Effective Duration	3.87 Years	4.5 Years
Yield to Worst	5.5%	5.3%
Average Credit Quality	Aaa/AAA	Agency

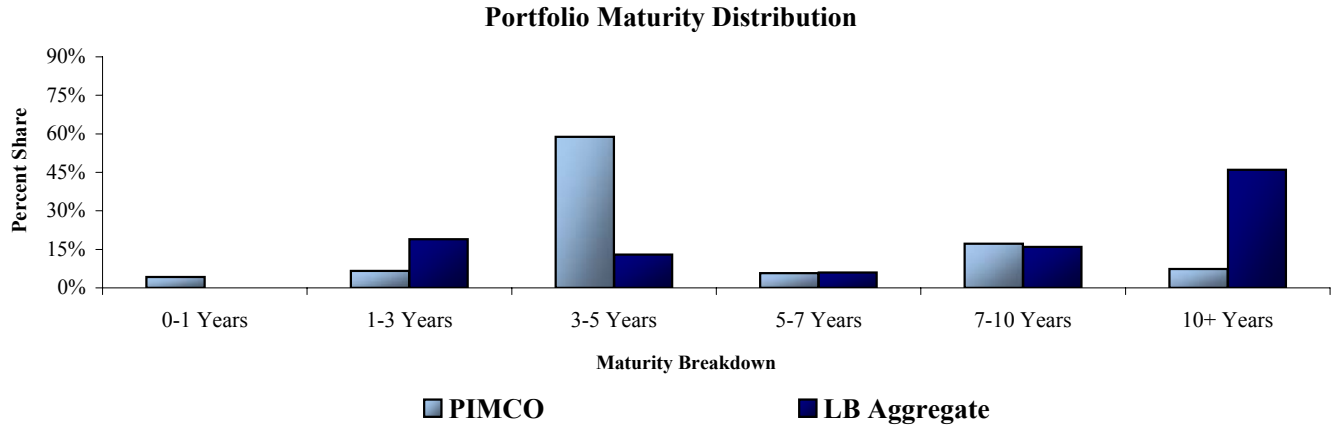


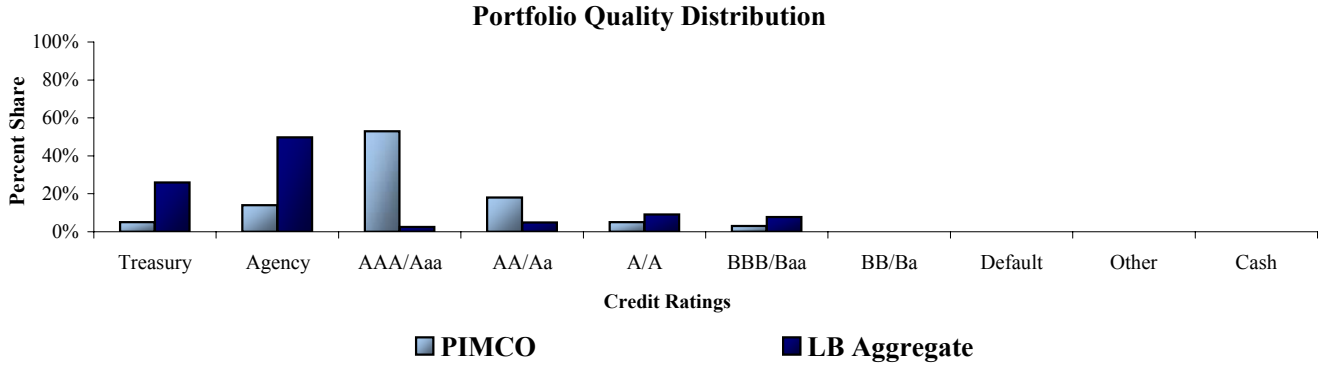


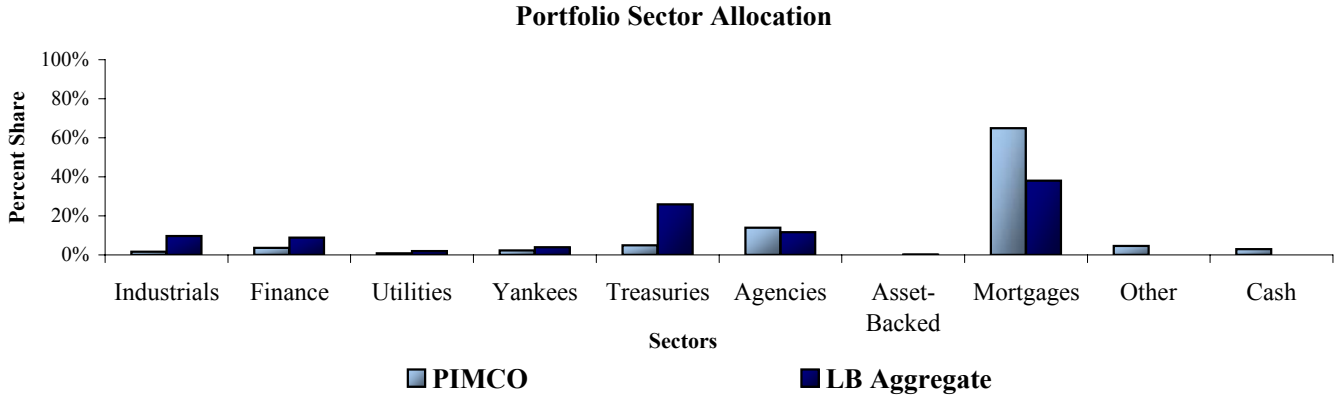


Fixed Income Portfolio Statistics - PIMCO

	PIMCO	LB Aggregate
Total Number of Securities	237	7,134
Current Coupon	5.2%	5.4%
Time to Maturity	6.15 Years	7.0 Years
Effective Duration	4.49 Years	4.5 Years
Yield to Worst	5.2%	5.3%
Average Credit Quality	AAA	Agency

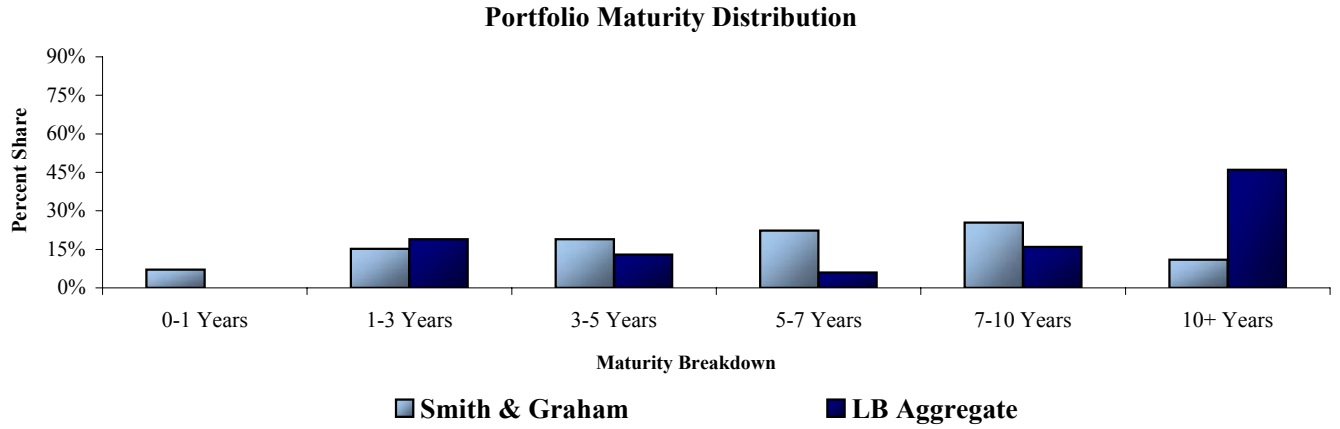


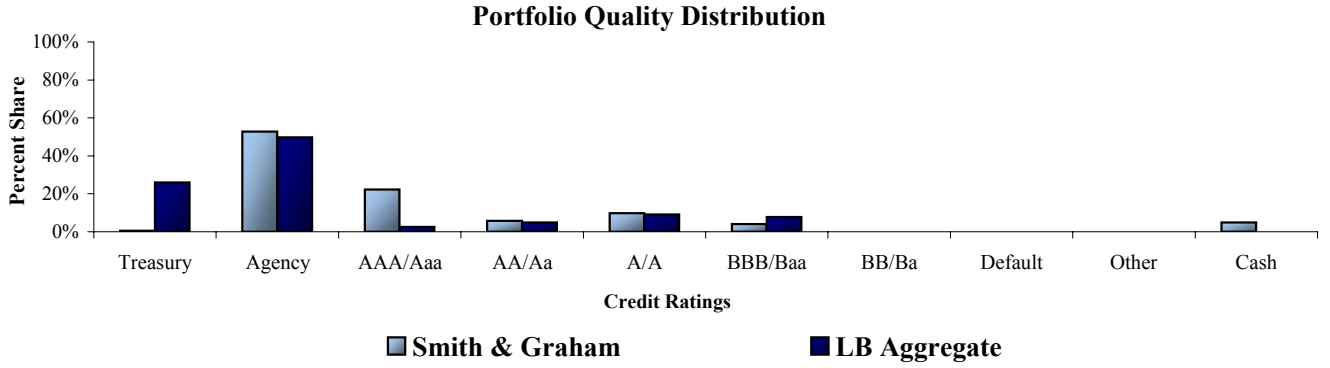


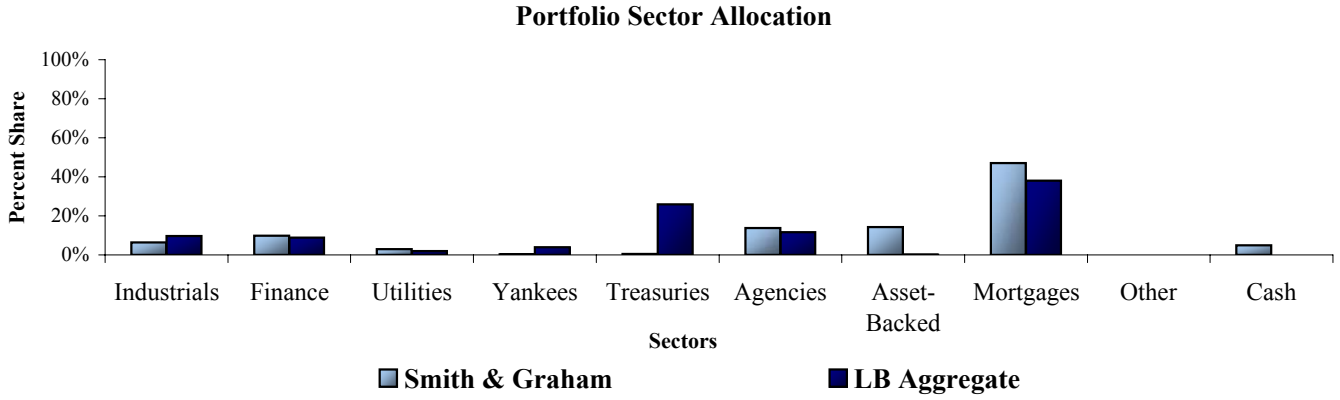


Fixed Income Portfolio Statistics - Smith & Graham

	Smith & Graham	LB Aggregate
Total Number of Securities	113	7,134
Current Coupon	3.8%	5.4%
Time to Maturity	6.6 Years	7.0 Years
Effective Duration	4.4 Years	4.5 Years
Yield to Worst	5.4%	5.3%
Average Credit Quality	Agency	Agency

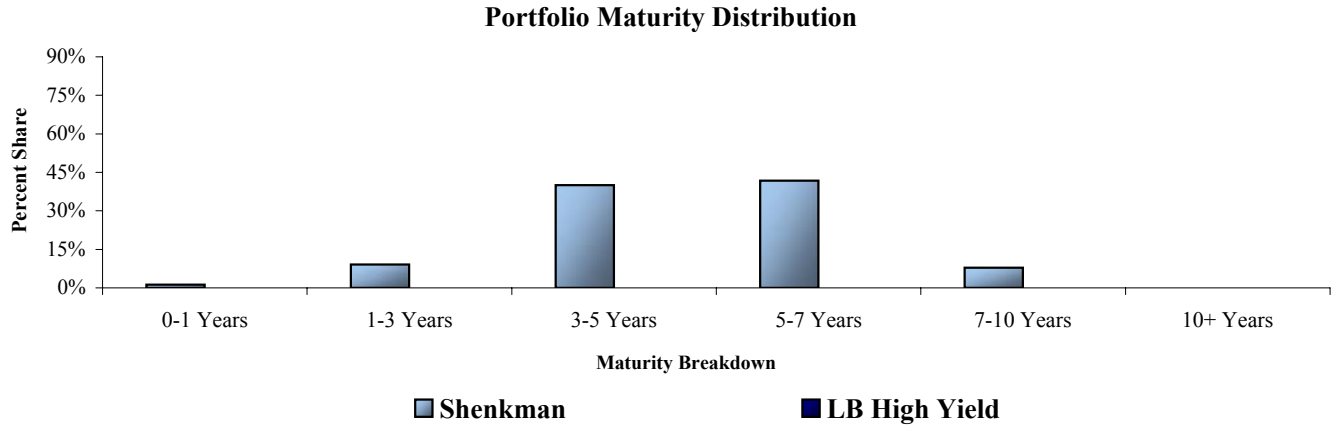


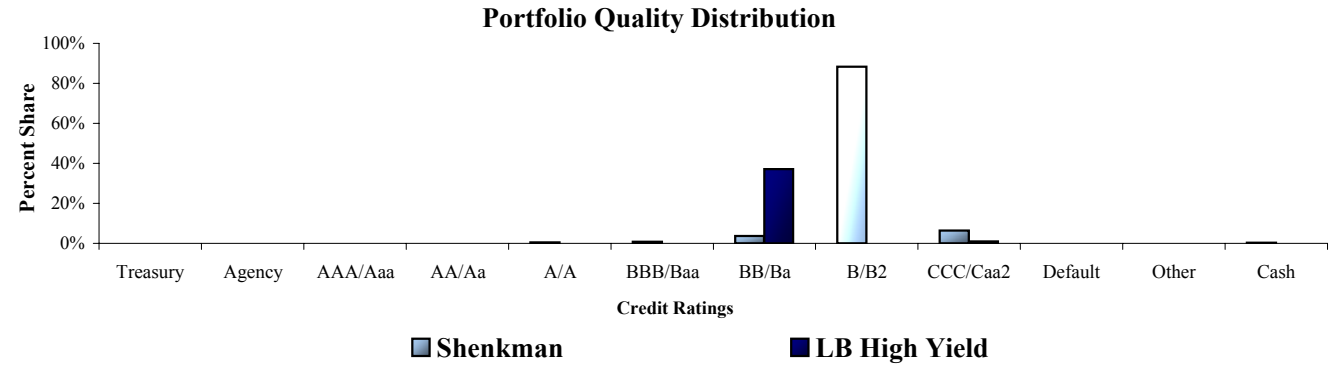


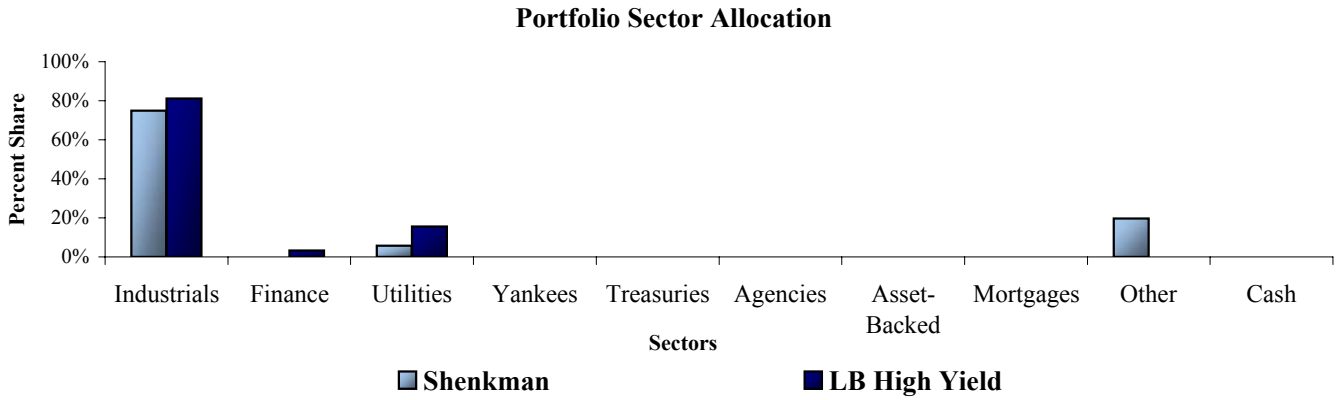


Fixed Income Portfolio Statistics - Shenkman

	Shenkman	LB High Yield
Total Number of Securities	251	1,617
Current Coupon	8.0%	7.9%
Time to Maturity	7.6 Years	7.9 Years
Effective Duration	4.4 Years	4.4 Years
Yield to Worst	7.8%	7.7%
Average Credit Quality	B	Ba/B

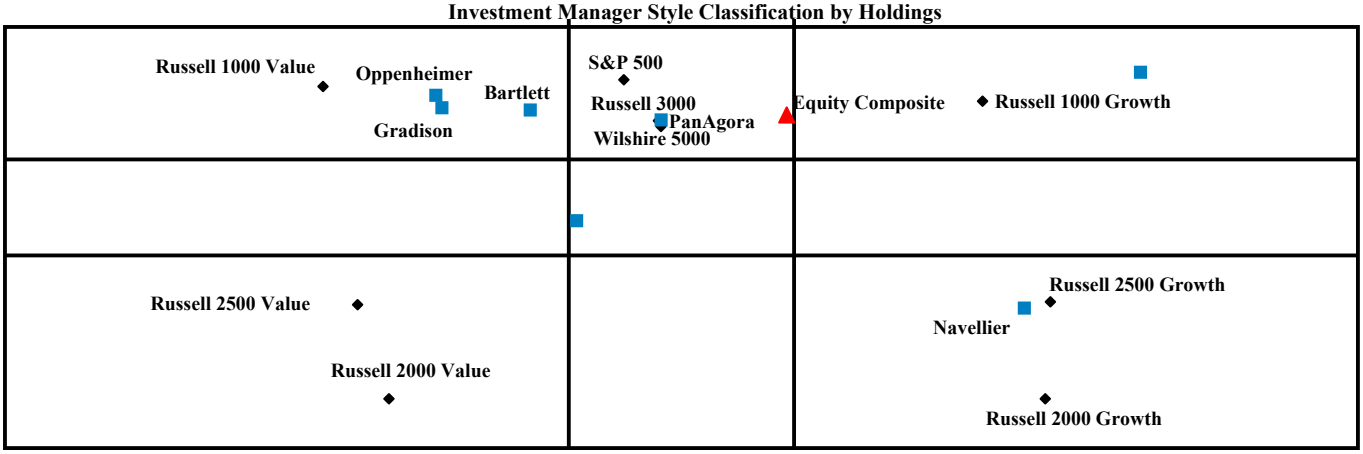






Domestic Equity Style Diversification

Investment Manager Style Classification by Holdings



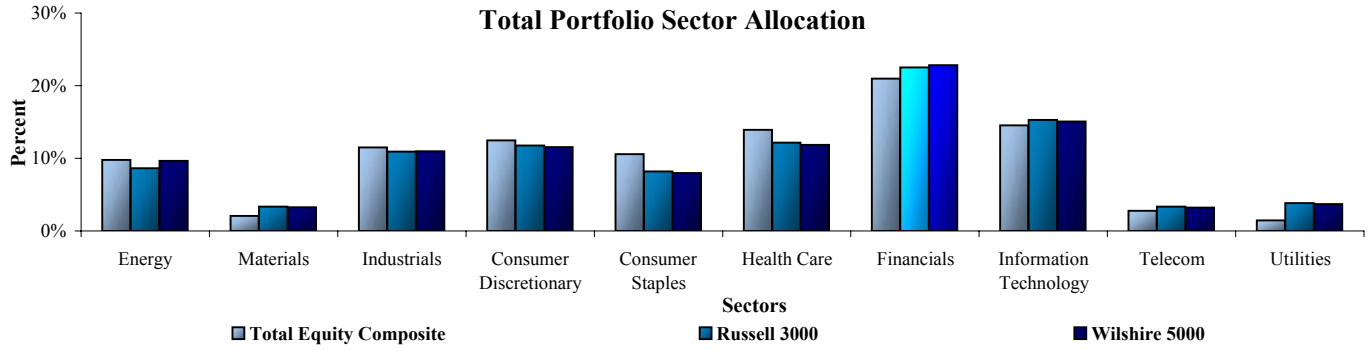
Characteristics	Total Equity	Wilshire 5000
Number of Securities	2,480	4,961
Average Capitalization	$73.5 Bil	$81.8 Bil
Median Capitalization	$1.6 Bil	$0.4 Bil
Equity Yield	1.7%	1.7%
Average P/E	17.0X	19.5X
Beta	1.01	1.08
Average P/B	3.0X	2.9X
Five Yrs Earnings Growth	11.4%	9.2%

Market-Cap Breakdown	Total Equity	Wilshire 5000
Greater Than $20 Billion	69.1%	59.4%
$10 Billion - $20 Billion	13.9%	14.1%
$5 Billion - $10 Billion	10.3%	8.4%
$1 Billion - $5 Billion	5.7%	13.7%
$500 Million - $1 Billion	0.7%	2.4%
$100 Million - $500 Million	0.3%	1.8%
Less Than $100 Million	0.0%	0.2%

Five Largest Holdings	(Percent)
American Intl Group	1.9%
General Elec Co	1.9%
Procter & Gamble Co	1.9%
Pepsico Inc	1.9%
Conocophillips	1.7%
Total	**9.4%**

Top Five Contributors[1]	(Return)
Research In Motion L	47.1%
Apple Computer Inc	34.9%
Pfizer Inc	21.9%
Hewlett Packard Co	16.1%
At&T Inc	18.2%

Top Five Detractors[1]	(Return)
Halliburton Co	-23.2%
Conocophillips	-8.7%
Starbucks Corp	-9.8%
Baker Hughes Inc	-16.5%
Caterpillar Inc	-11.3%



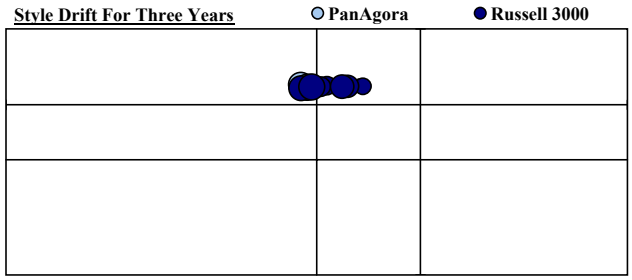
Common Holdings Matrix

	Ariel		Bartlett		Gradison		Montag		Navellier		Oppenheimer		PanAgora	
Managers	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Ariel			0	0	1	0	0	0	0	0	2	0	40	0
Bartlett	0	0			12	0	3	0	0	0	7	0	48	0
Gradison	1	0	12	0			2	0	0	0	11	0	55	0
Montag	0	0	3	0	2	0			0	0	4	0	31	0
Navellier	0	0	0	0	0	0	0	0			0	0	65	0
Oppenheimer	2	0	7	0	11	0	4	0	0	0			42	0
PanAgora	40	0	48	0	55	0	31	0	65	0	42	0		

[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

Equity Portfolio Statistics - PanAgora

Characteristics	PanAgora	Russell 3000
Number of Securities	2,452	2,976
Average Capitalization	$77.7 Bil	$77.9 Bil
Median Capitalization	$1.3 Bil	$1.1 Bil
Equity Yield	1.8%	1.8%
Average P/E	19.0X	19.0X
Beta	1.01	1.06
Average P/B	2.9X	2.8X
Five Yrs Earnings Growth	10.4%	9.9%

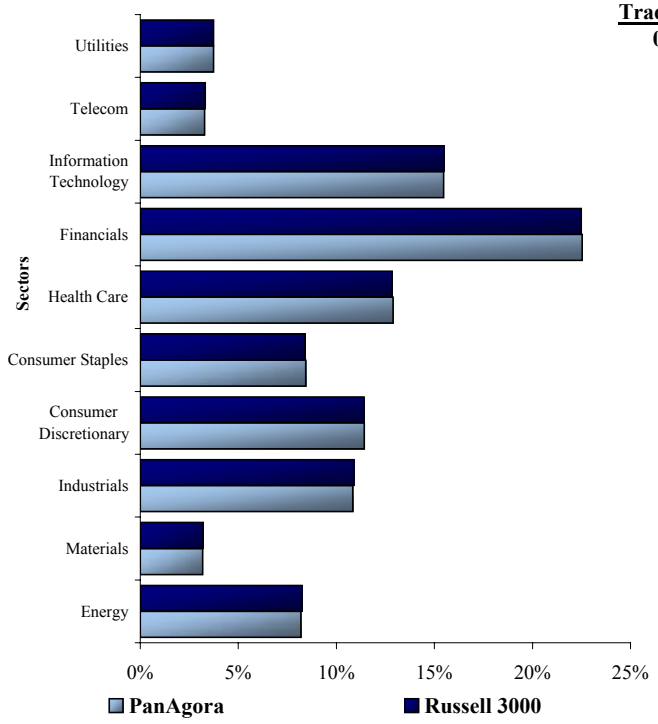


Five Largest Holdings	(Percent)
Exxon Mobil Corp	2.8%
General Elec Co	2.5%
Citigroup Inc	1.7%
Bank Amer Corp	1.7%
Microsoft Corp	1.6%
Total	**10.2%**

Top Five Contributors[1]	(Return)
Pfizer Inc	21.9%
Microsoft Corp	17.7%
Exxon Mobil Corp	9.9%
Bank Amer Corp	12.6%
General Elec Co	7.9%

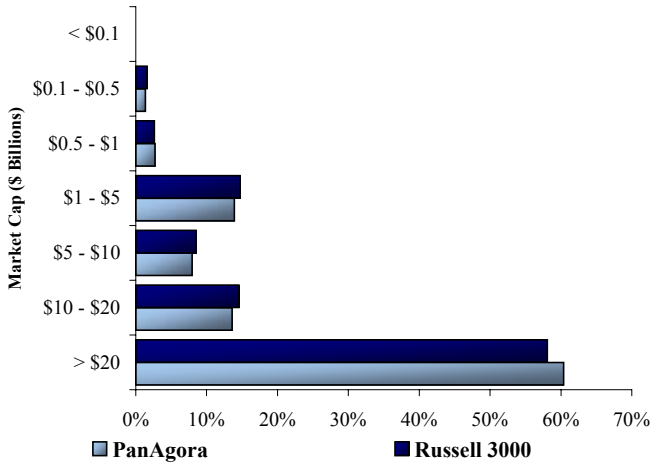
Top Five Detractors[1]	(Return)
Conocophillips	-8.7%
Yahoo Inc	-23.4%
Valero Energy Corp N	-22.5%
Sprint -Fon	-14.1%
Halliburton Co	-23.2%

Sector Breakdown

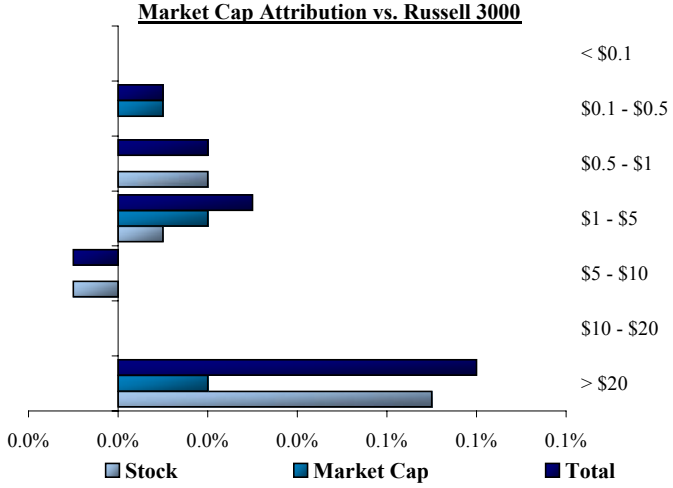


Portfolio Attribution vs. Russell 3000

Trading Effect
0.00%



Market Cap Attribution vs. Russell 3000

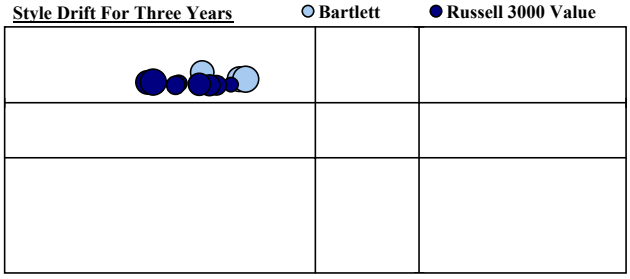


[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

Equity Portfolio Statistics - Bartlett

Characteristics	Bartlett	Russell 3000 Value
Number of Securities	62	1,921
Average Capitalization	$65.9 Bil	$100.3 Bil
Median Capitalization	$24.9 Bil	$1.1 Bil
Equity Yield	1.7%	2.3%
Average P/E	17.3X	16.4X
Beta	0.96	0.96
Average P/B	2.7X	2.3X
Five Yrs Earnings Growth	7.3%	9.8%

Style Drift For Three Years ● Bartlett ● Russell 3000 Value

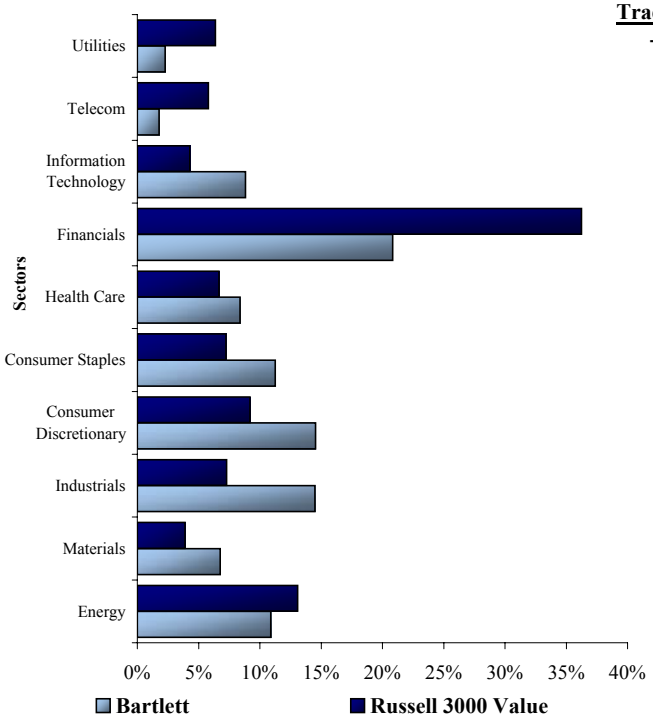


Five Largest Holdings	(Percent)
Kansas City Southn	3.6%
Citigroup Inc	3.4%
Potash Corp Sask Inc	2.9%
Loews Corp	2.8%
Intl Business McHn	2.8%
Total	**15.6%**

Top Five Contributors[1]	(Return)
Potash Corp Sask Inc	37.9%
Conocophillips	21.6%
Intl Business McHn	19.0%
Citigroup Inc	13.2%
Time Warner Inc	19.8%

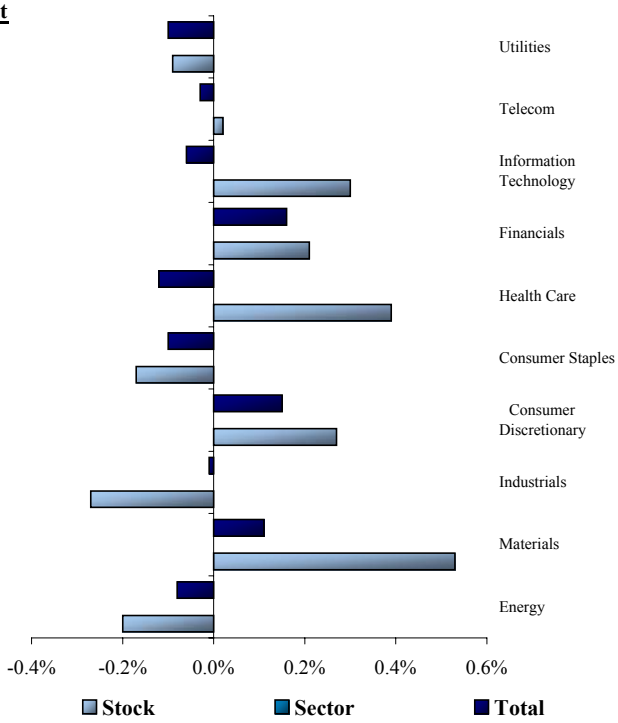
Top Five Detractors[1]	(Return)
Pepsico Inc	-3.7%
Pfizer Inc	-7.9%
Teva Pharmaceutical	-8.6%
Encana Corp	-1.4%
Intel Corp	-1.1%

Sector Breakdown

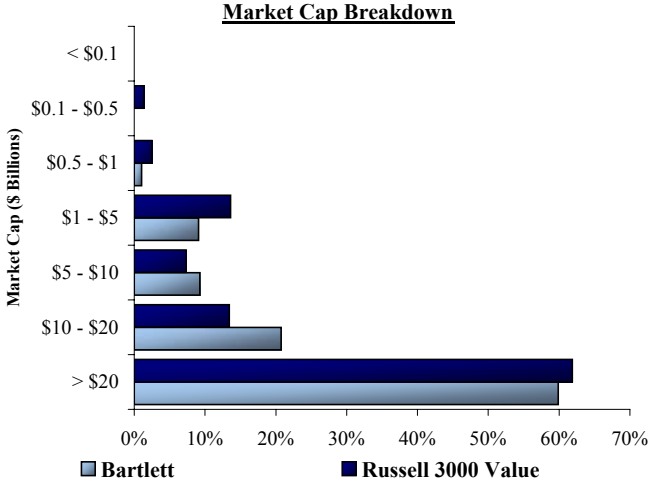


Trading Effect
-7.27%

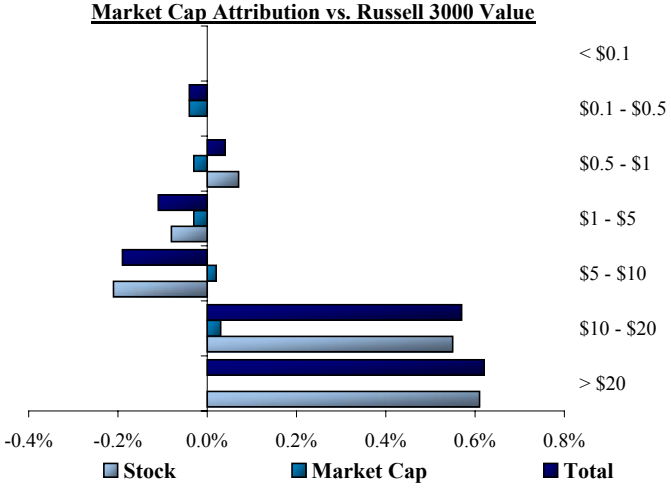
Portfolio Attribution vs. Russell 3000 Value



Market Cap Breakdown



Market Cap Attribution vs. Russell 3000 Value

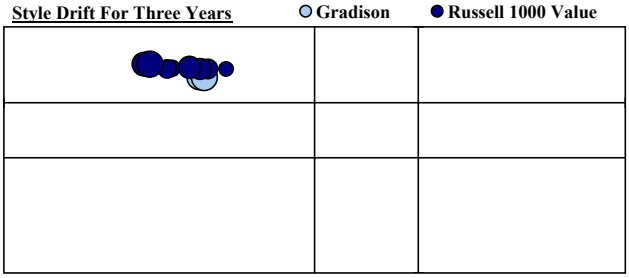


[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

Equity Portfolio Statistics - Gradison

Characteristics	Gradison	Russell 1000 Value
Number of Securities	59	611
Average Capitalization	$64.4 Bil	$110.2 Bil
Median Capitalization	$19.5 Bil	$5.2 Bil
Equity Yield	2.0%	2.4%
Average P/E	15.0X	15.7X
Beta	0.95	0.95
Average P/B	2.9X	2.4X
Five Yrs Earnings Growth	10.9%	10.1%

Style Drift For Three Years ● Gradison ● Russell 1000 Value

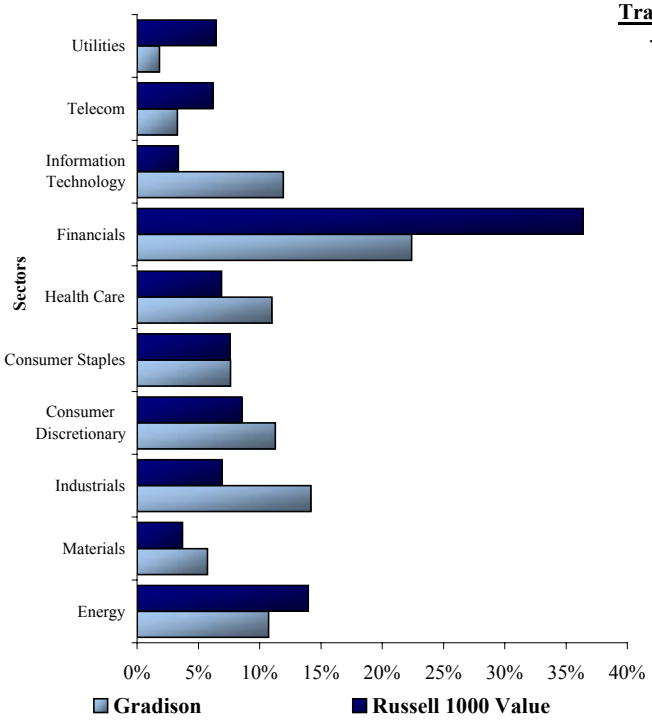


Five Largest Holdings	(Percent)
Phelps Dodge Corp	2.7%
Hewlett Packard Co	2.2%
V F Corp	2.1%
Exxon Mobil Corp	2.1%
Sherwin Williams Co	2.1%
Total	**11.2%**

Top Five Contributors[1]	(Return)
Phelps Dodge Corp	41.6%
Conocophillips	21.6%
Johnson Ctls Inc	20.2%
Intl Business McHn	19.0%
Hess Corp	19.9%

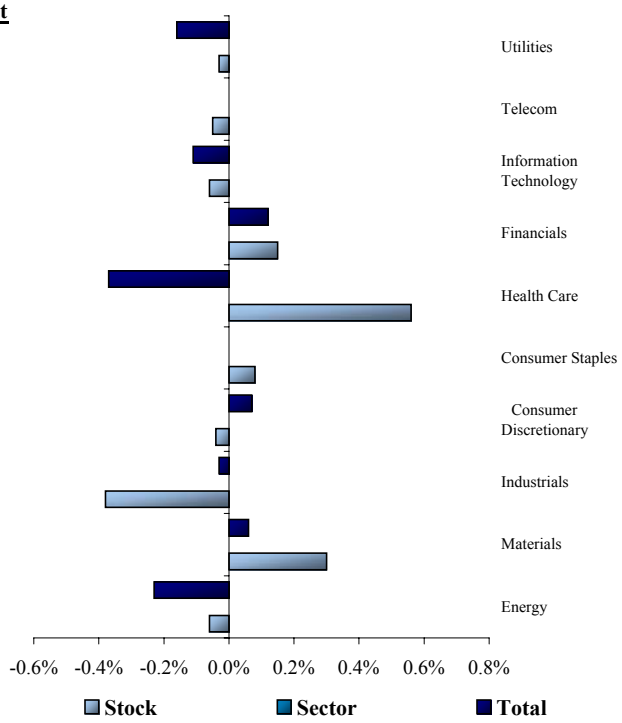
Top Five Detractors[1]	(Return)
Motorola Inc	-17.6%
Texas Instrs Inc	-13.3%
King Pharmaceuticals	-6.5%
Pfizer Inc	-7.9%
PPG Inds Inc	-3.6%

Sector Breakdown

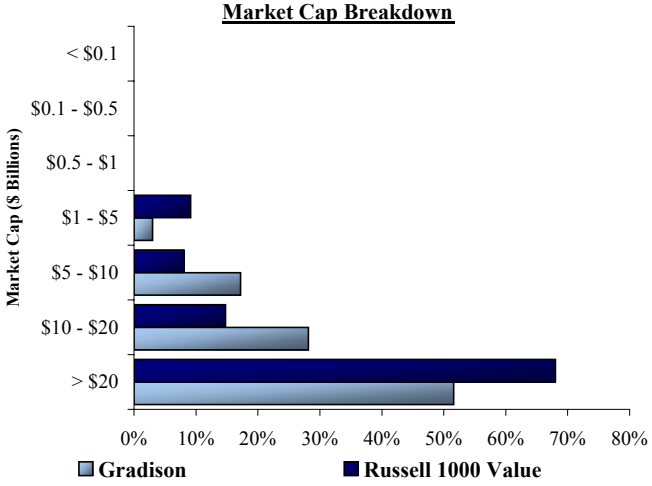


Trading Effect
-6.36%

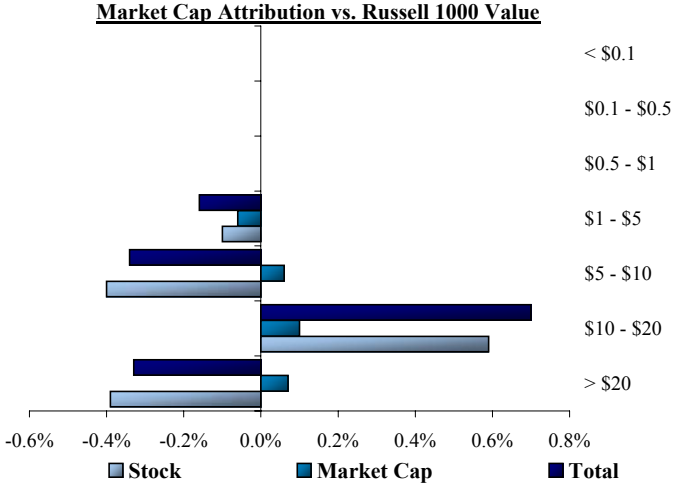
Portfolio Attribution vs. Russell 1000 Value



Market Cap Breakdown



Market Cap Attribution vs. Russell 1000 Value

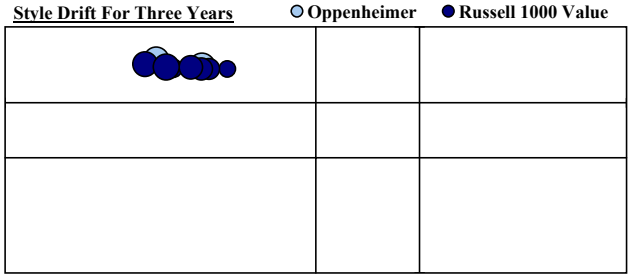


[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

Equity Portfolio Statistics - Oppenheimer

Characteristics	Oppenheimer	Russell 1000 Value
Number of Securities	47	613
Average Capitalization	$80.8 Bil	$102.2 Bil
Median Capitalization	$26.4 Bil	$5.0 Bil
Equity Yield	2.2%	2.5%
Average P/E	12.5X	15.5X
Beta	1.02	0.99
Average P/B	2.1X	2.2X
Five Yrs Earnings Growth	13.3%	9.8%

Style Drift For Three Years ○ Oppenheimer ● Russell 1000 Value

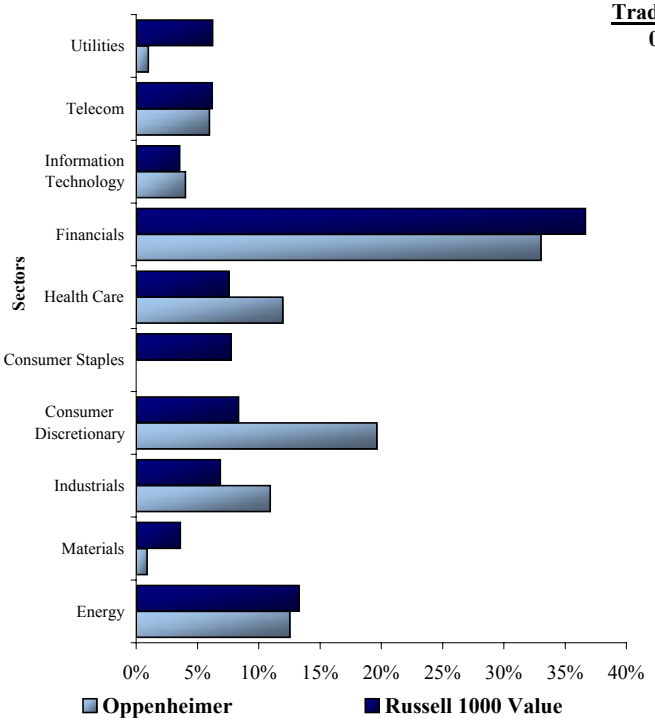


Five Largest Holdings	(Percent)
Conocophillips	5.0%
Chevrontexaco Corp	5.0%
At&T Inc	4.9%
Pfizer Inc	4.8%
Carnival Corp	4.6%
Total	**24.4%**

Top Five Contributors[1]	(Return)
Pfizer Inc	21.9%
At&T Inc	18.2%
Carnival Corp	13.4%
TJX Cos Inc New	23.0%
J P Morgan Chase & C	12.7%

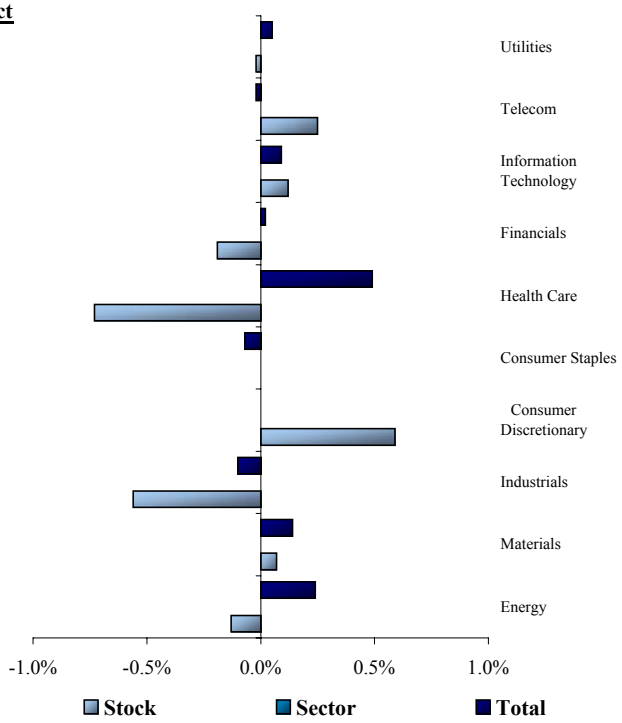
Top Five Detractors[1]	(Return)
Conocophillips	-8.7%
Countrywide Fin Corp	-7.6%
Choicepoint Inc	-14.3%
Globalsantafe Corp	-13.0%
Union Pac Corp	-5.0%

Sector Breakdown

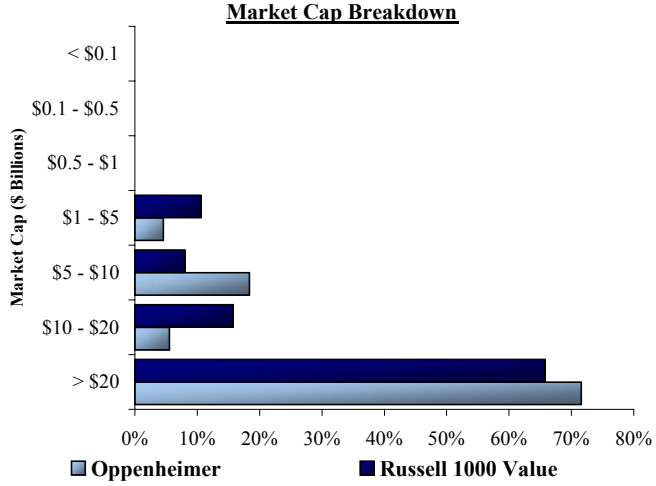


Trading Effect
0.00%

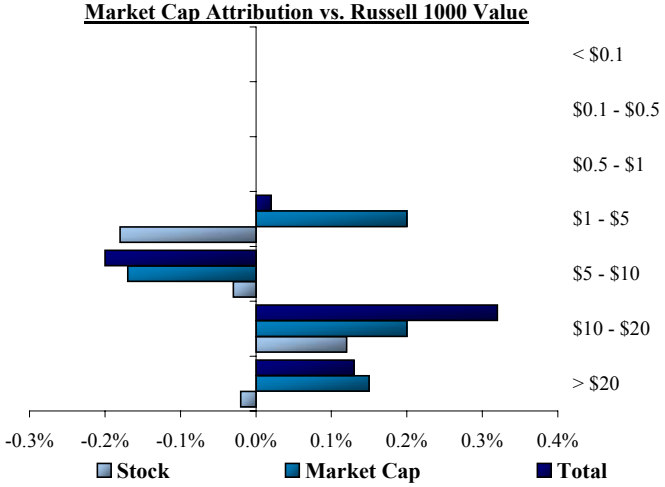
Portfolio Attribution vs. Russell 1000 Value



Market Cap Breakdown



Market Cap Attribution vs. Russell 1000 Value

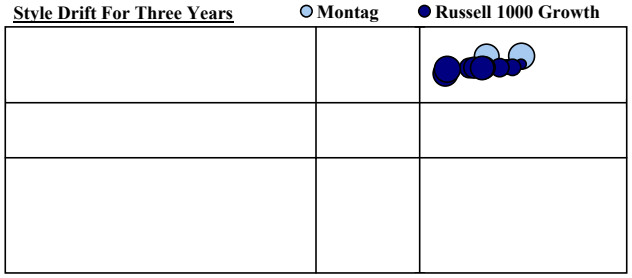


[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

Equity Portfolio Statistics - Montag

Characteristics	Montag	Russell 1000 Growth
Number of Securities	33	683
Average Capitalization	$77.0 Bil	$68.6 Bil
Median Capitalization	$48.0 Bil	$5.2 Bil
Equity Yield	1.2%	1.1%
Average P/E	22.6X	22.5X
Beta	1.00	1.06
Average P/B	4.8X	4.1X
Five Yrs Earnings Growth	12.0%	10.5%

Style Drift For Three Years ○ Montag ● Russell 1000 Growth

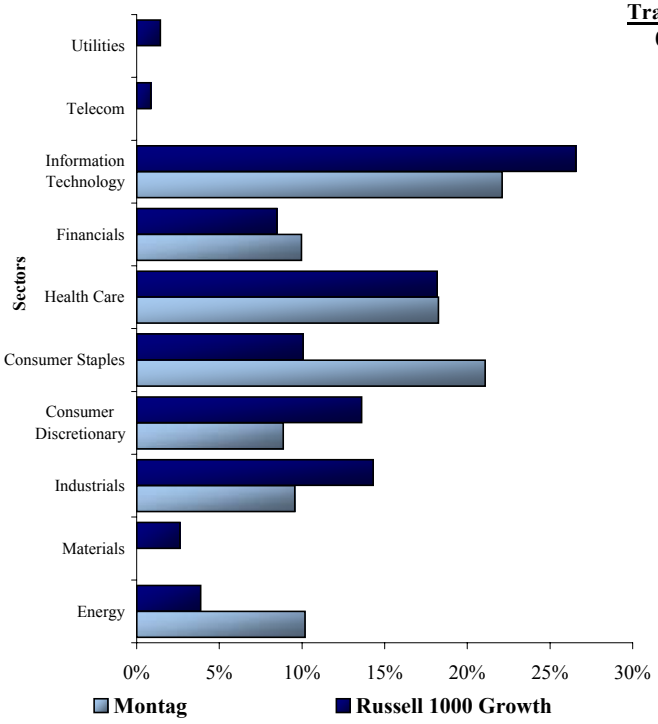


Five Largest Holdings	(Percent)
Procter & Gamble Co	4.9%
Pepsico Inc	4.9%
Research In Motion L	4.7%
Genentech Inc	4.2%
Hewlett Packard Co	4.0%
Total	**22.7%**

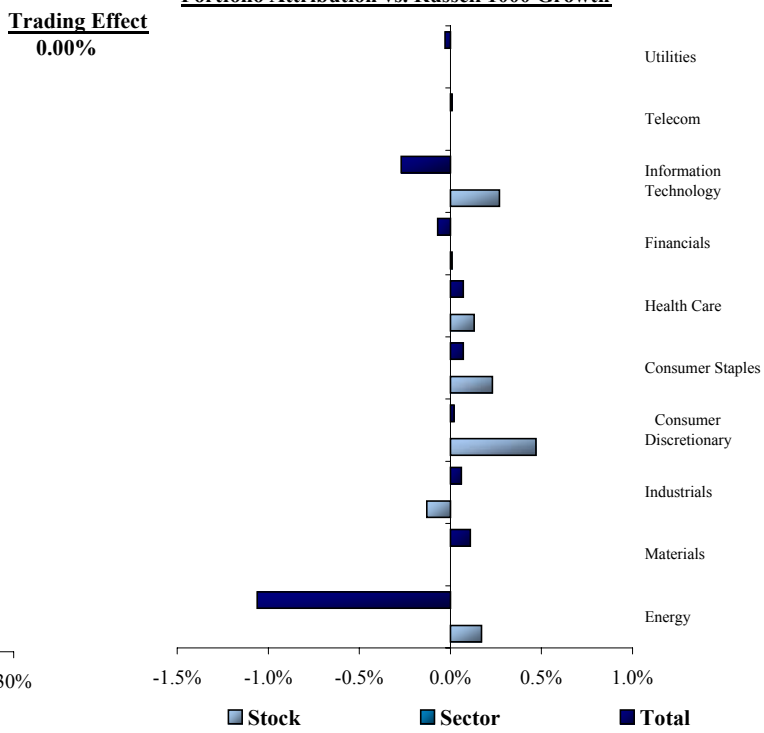
Top Five Contributors[1]	(Return)
Research In Motion L	47.1%
Apple Computer Inc	34.9%
Stryker Corp	17.8%
Hewlett Packard Co	16.1%
Procter & Gamble Co	12.1%

Top Five Detractors[1]	(Return)
Halliburton Co	-23.2%
Starbucks Corp	-9.8%
Baker Hughes Inc	-16.5%
Costco Whsl Corp New	-12.8%
Caterpillar Inc	-11.3%

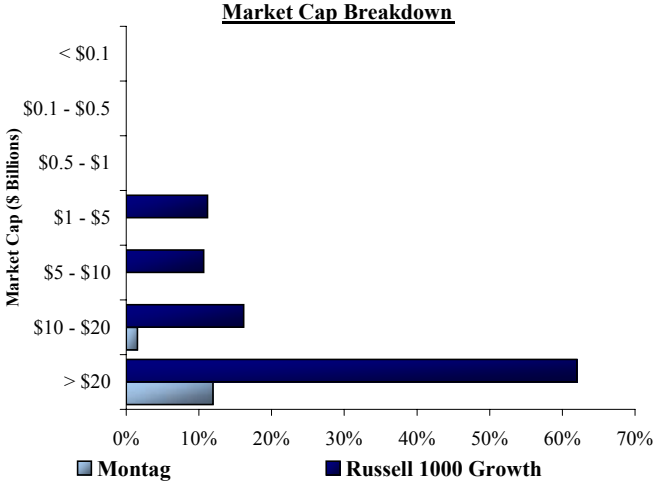
Sector Breakdown



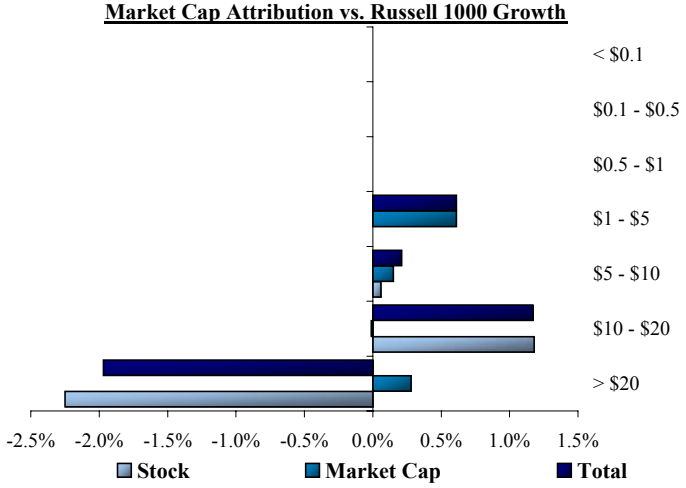
Portfolio Attribution vs. Russell 1000 Growth



Market Cap Breakdown



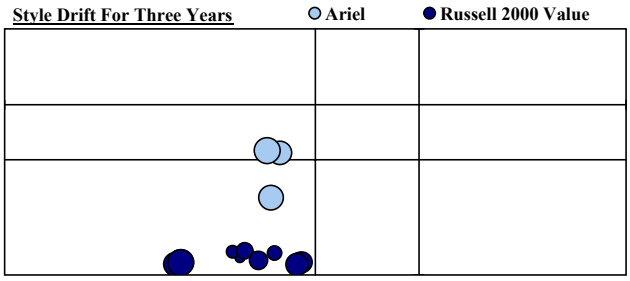
Market Cap Attribution vs. Russell 1000 Growth



[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

Equity Portfolio Statistics - Ariel

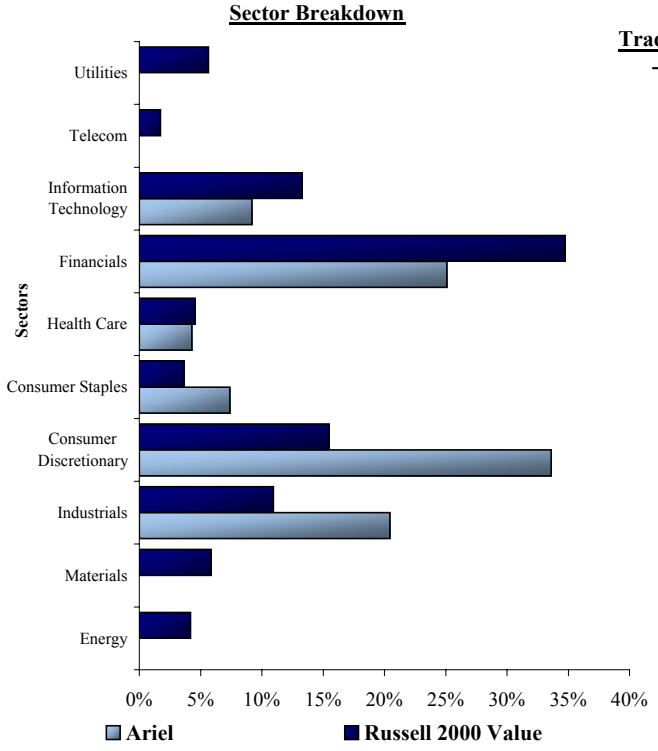
Characteristics	Ariel	Russell 2000 Value
Number of Securities	36	1,310
Average Capitalization	$4.2 Bil	$1.2 Bil
Median Capitalization	$3.6 Bil	$0.7 Bil
Equity Yield	1.1%	1.8%
Average P/E	25.0X	27.1X
Beta	0.77	1.00
Average P/B	2.6X	1.9X
Five Yrs Earnings Growth	11.0%	6.5%

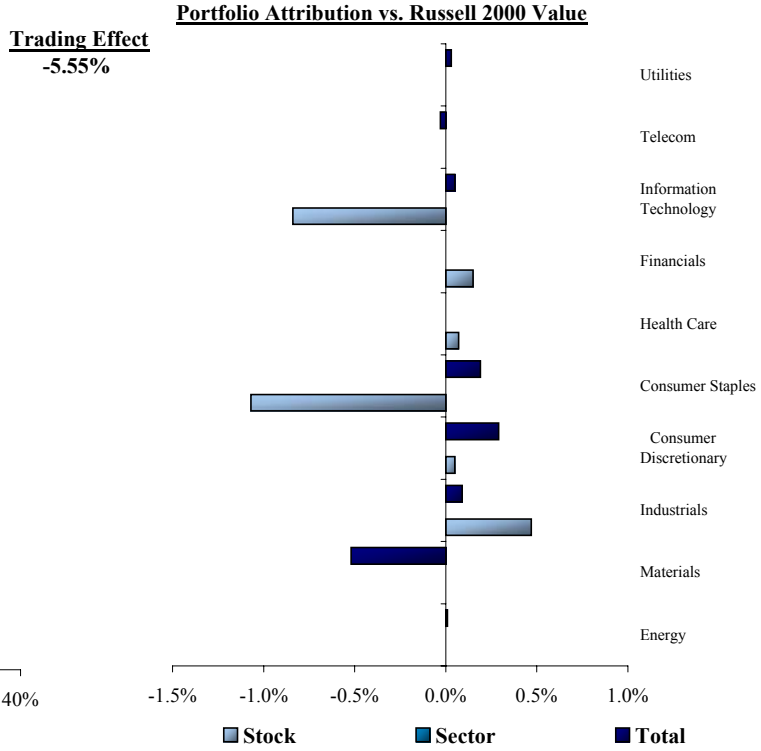


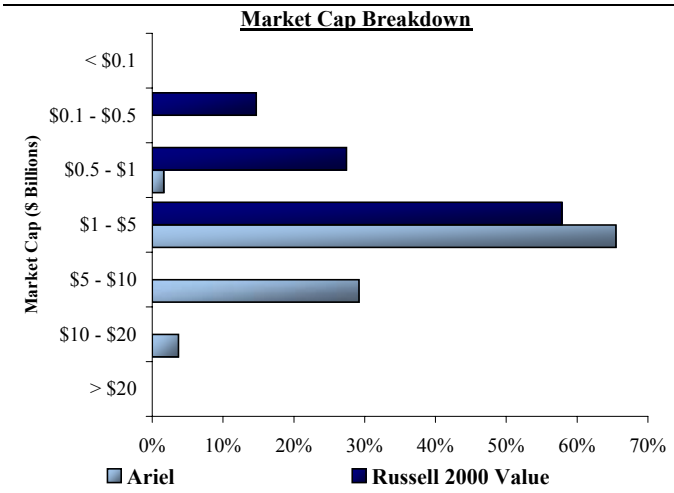
Five Largest Holdings	(Percent)
Markel Corp	5.5%
Hewitt Assocs Inc	4.9%
Energizer Hldgs Inc	4.4%
Mohawk Inds Inc	3.8%
Pitney Bowes Inc	3.7%
Total	**22.3%**

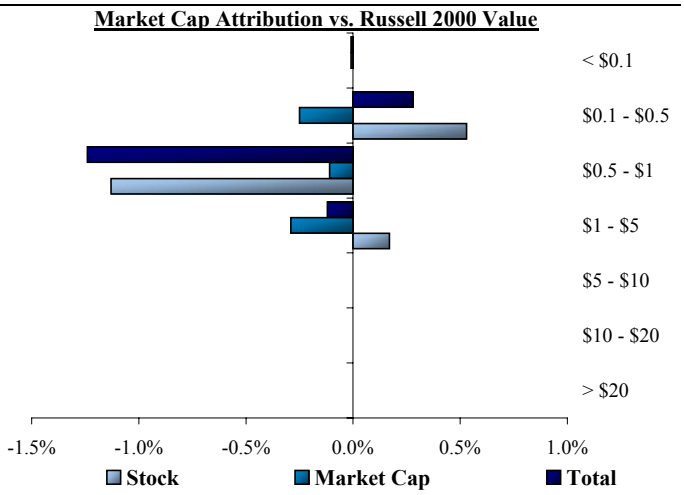
Top Five Contributors[1]	(Return)
Markel Corp	16.9%
Interpublic Group Co	23.6%
Edward A G Inc	19.2%
Mattel Inc	18.4%
Lee Enterprises Inc	23.8%

Top Five Detractors[1]	(Return)
Tribune Co New	-5.4%
Anixter Intl Inc	-3.8%
HCC Ins Hldgs Inc	-2.1%
Energizer Hldgs Inc	-1.4%
Investors Finl Servi	-0.9%





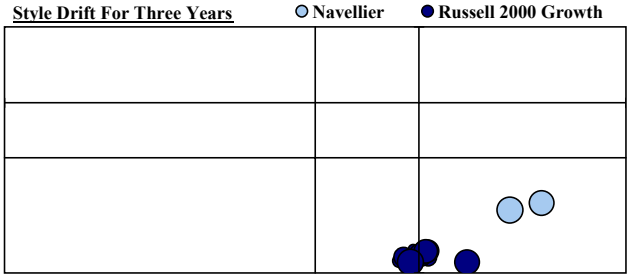




[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

Equity Portfolio Statistics - Navellier

Characteristics	Navellier	Russell 2000 Growth
Number of Securities	77	1,293
Average Capitalization	$3.3 Bil	$1.1 Bil
Median Capitalization	$1.6 Bil	$0.6 Bil
Equity Yield	0.4%	0.5%
Average P/E	17.0X	42.2X
Beta	1.39	1.49
Average P/B	4.0X	3.4X
Five Yrs Earnings Growth	15.7%	9.4%

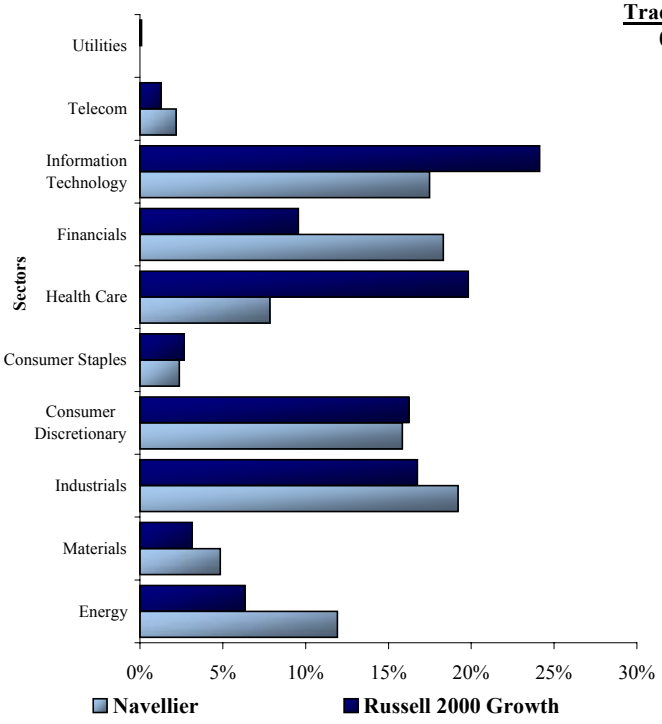


Five Largest Holdings	(Percent)
Akamai Technologies	2.8%
Nii Hldgs Inc	2.2%
Nice Sys Ltd	2.1%
Guess Inc	2.1%
Giant Inds Inc	2.1%
Total	**11.3%**

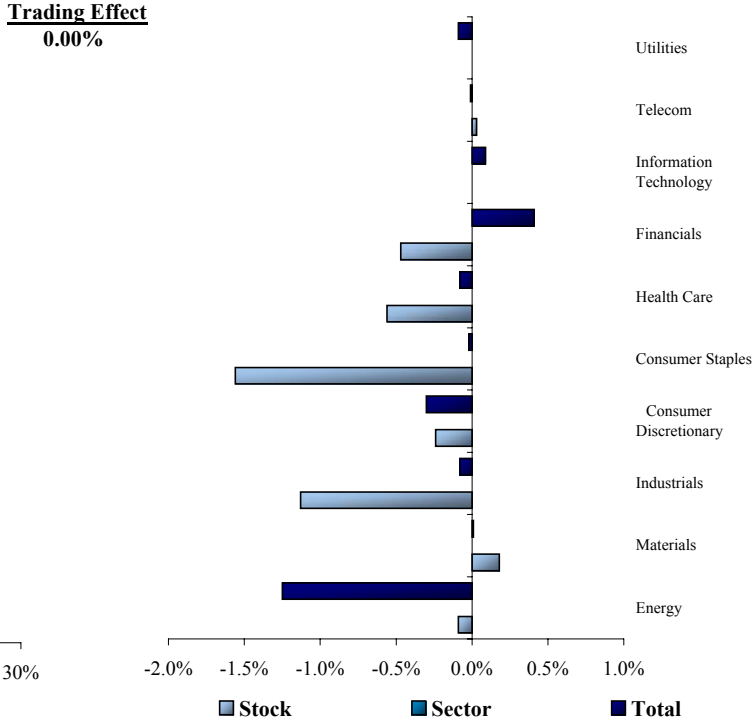
Top Five Contributors[1]	(Return)
Akamai Technologies	38.1%
M Sys Flash Disk Pio	35.8%
Nvidia Corp	39.0%
Giant Inds Inc	22.0%
Gymboree Corp	21.4%

Top Five Detractors[1]	(Return)
Hansen Nat Corp	-31.8%
Choice Hotels Intl I	-32.4%
Medifast Inc	-51.4%
Joy Global Inc	-27.6%
Komag Inc	-30.8%

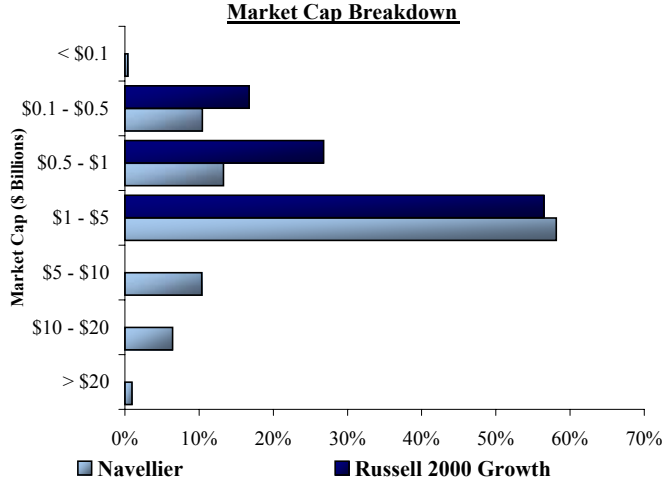
Sector Breakdown



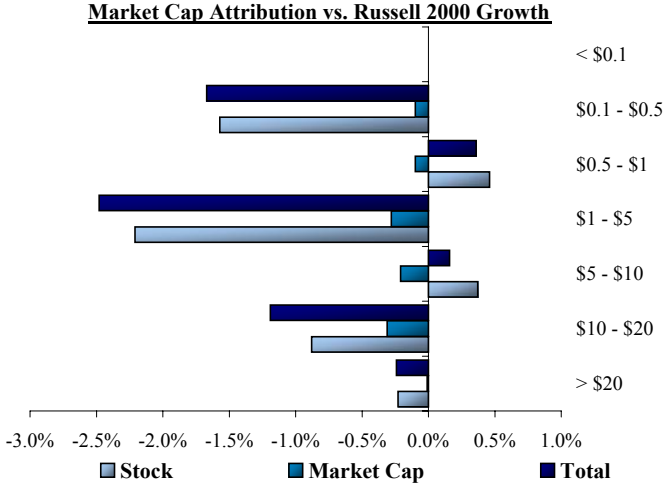
Portfolio Attribution vs. Russell 2000 Growth



Market Cap Breakdown



Market Cap Attribution vs. Russell 2000 Growth



[1]Contributors and Detractors are ranked by holding's affect on the portfolio, based on the holding's return and weighting in the portfolio.

International Equity Portfolio Statistics - Jarislowsky

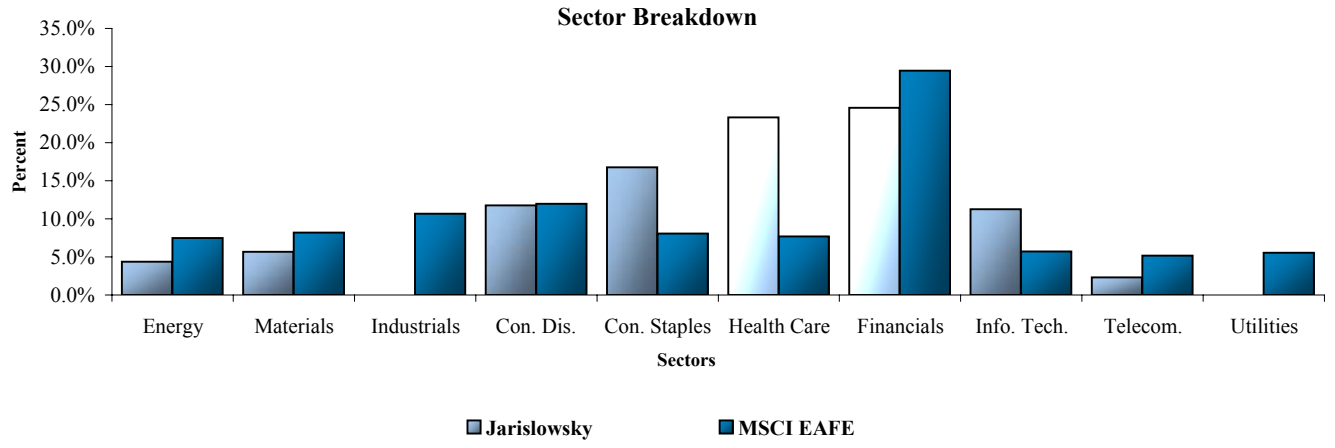
Characteristics	Jarislowsky	MSCI EAFE
Number of Securities	57	1,165
Average Capitalization	$58.7 Bil	$54.7 Bil
Median Capitalization	$31.4 Bil	$5.0 Bil
Equity Yield	2.2%	2.6%
Average P/E	21.1X	16.2X
Beta	0.7X	0.84
Average P/B	2.7X	2.4X
Five Yrs Earnings Growth	8.7%	12.3%

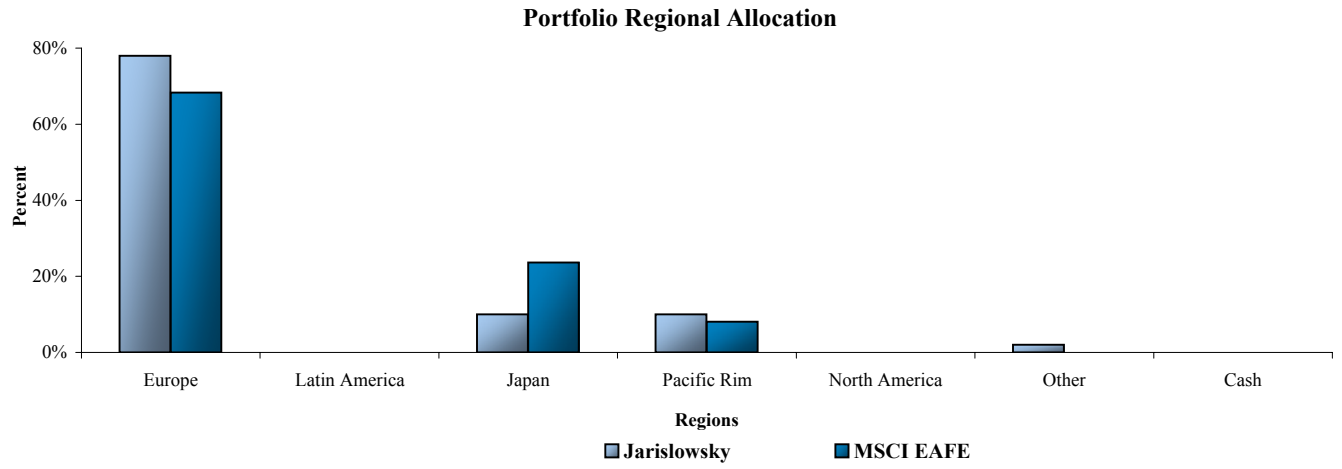
Market-Cap Breakdown	Jarislowsky	MSCI EAFE
Greater Than $5 Billion	80.0%	57.4%
$1 Billion - $5 Billion	20.0%	16.3%
$0.5 Billion - $1 Billion	0.0%	12.4%
Less Than $0.5 Billion	0.0%	13.4%

Five Largest Holdings	(Percent)
Nestle	3.1%
Royal Ahold	3.1%
Novo Nordisk	3.1%
Reed International	3.1%
Roche Gen.	3.0%
Total	**15.4%**

Five Best Performers	(Return)
Stmicroelectronics	558.6%
Essilor Intl	14.4%
Synthes Inc	17.4%
Roche Hldgs Ag	11.1%
Hsbc Hldgs	9.9%

Five Worst Performers	(Return)
Credit Saison Co	-14.1%
Ericsson(Lm)tel	-11.6%
Hoya Corp	-11.6%
Smith & Nephew	-11.9%
Kyocera Corp	-12.2%





International Equity Portfolio Statistics - Mondrian

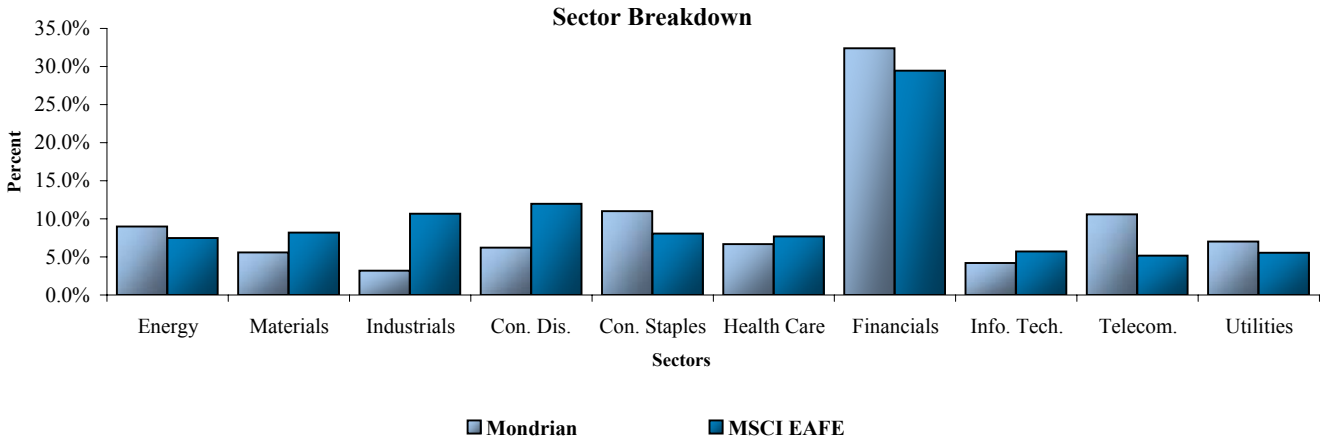
Characteristics	Mondrian	MSCI EAFE
Number of Securities	45	1,165
Average Capitalization	$38.9 Bil	$54.7 Bil
Median Capitalization	$49.4 Bil	$5.0 Bil
Equity Yield	3.3%	2.6%
Average P/E	13.6X	16.2X
Beta	N/A	0.84
Average P/B	2.4X	2.4X
Five Yrs Earnings Growth	N/A	12.3%

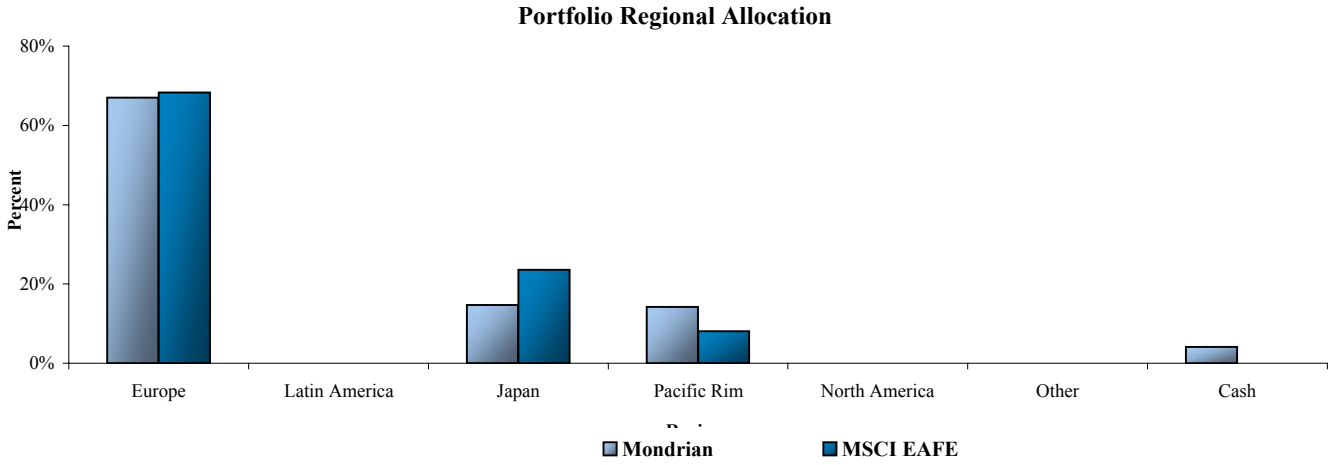
Market-Cap Breakdown	Mondrian	MSCI EAFE
Greater Than $5 Billion	93.1%	57.4%
$1 Billion - $5 Billion	2.2%	16.3%
$0.5 Billion - $1 Billion	0.6%	12.4%
Less Than $0.5 Billion	0.0%	13.4%

Five Largest Holdings	(Percent)
Canon	4.2%
Unicredit	3.6%
ING Groep	3.5%
Societe Generale	3.4%
Banca Intesa	3.4%
Total	**18.1%**

Five Best Performers	(Return)
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A

Five Worst Performers	(Return)
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A





International Equity Portfolio Statistics - Harding

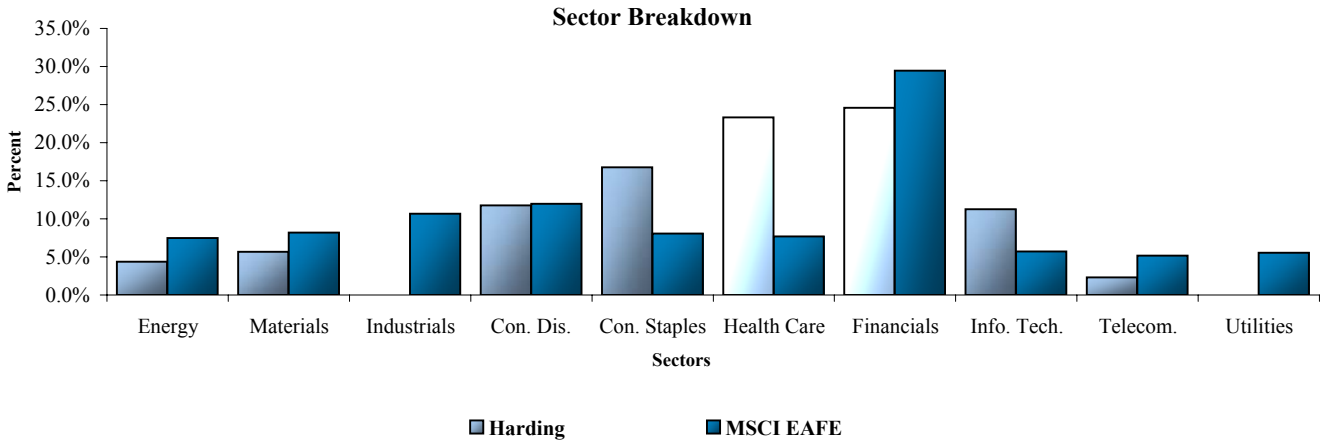
Characteristics	Harding	MSCI EAFE
Number of Securities	77	1,165
Average Capitalization	$55.8 Bil	$54.7 Bil
Median Capitalization	$4.5 Bil	$5.0 Bil
Equity Yield	2.4%	2.6%
Average P/E	20.47X	16.2X
Beta	1.00	0.84
Average P/B	3.6X	2.4X
Five Yrs Earnings Growth	8.8%	12.3%

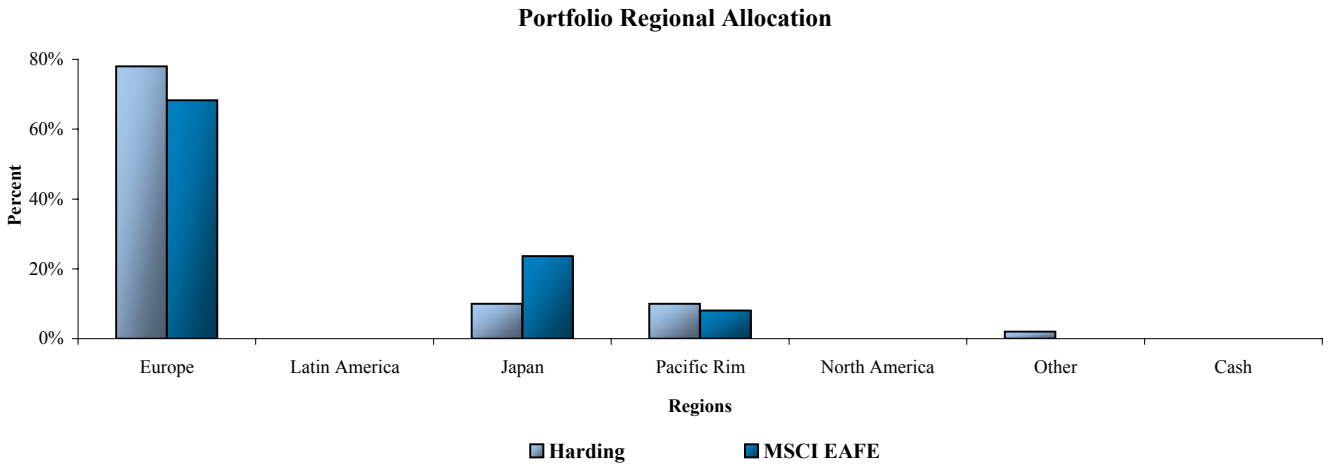
Market-Cap Breakdown	Harding	MSCI EAFE
Greater Than $5 Billion	87.0%	57.4%
$1 Billion - $5 Billion	13.0%	16.3%
$0.5 Billion - $1 Billion	0.0%	12.4%
Less Than $0.5 Billion	0.0%	13.4%

Five Largest Holdings	(Percent)
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
Total	**0.0%**

Five Best Performers	(Return)
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A

Five Worst Performers	(Return)
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A





Estimated Annual Investment Management Fees

based on December 31, 2006 reported Market Values

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee [1]	Industry (Low Quartile)[2]	Industry Average [2]	Industry (Top Quartile)[2]
Core Fixed Income	Blackrock	0.25% on the first $100 million 0.20% on the next $100 million 0.18% on the next $100 million 0.15% on the next $200 million 0.13% on the Balance	0.21% **$566,739**	0.20%	0.24%	0.31%
Core Fixed Income	PIMCO	0.50% on the first $25 million 0.37% on the next $25 million 0.25% on the Balance	0.29% **$704,090**	0.20%	0.24%	0.31%
Core Fixed Income	Smith & Graham	0.30% on the first $50 million 0.20% on the Balance	0.28% **$170,886**	0.24%	0.27%	0.32%
High Yield Fixed Income	Shenkman	0.38% on the Balance	0.38% **$502,627**	0.25%	0.50%	0.56%
All-Cap Core Equity	Allegiant	0.08% on the first $50 million 0.04% on the next $50 million 0.02% on the Balance	0.04% **$84,617**	0.05%	0.07%	0.17%
All-Cap Core Equity	PanAgora	0.10% on the first $50 million 0.05% on the next $50 million 0.02% on the Balance	0.04% **$105,003**	0.05%	0.07%	0.17%
All-Cap Value Equity	Bartlett	0.55% on the first $10 million 0.40% on the next $15 million 0.30% on the Balance	0.37% **$221,616**	0.52%	0.70%	0.97%
Large-Cap Value Equity	Gradison	0.25% on the Balance	0.25% **$386,217**	0.45%	0.48%	0.77%
Large-Cap Value Equity	Oppenheimer	0.27% on the first $250 million 0.23% on the next $150 million 0.18% on the Balance	0.27% **$457,970**	0.45%	0.48%	0.77%
Large-Cap Growth Equity	Montag & Caldwell	0.36% on the first $100 million 0.29% on the next $150 million 0.26% on the next $200 million 0.24% on the Balance	0.30% **$1,116,416**	0.41%	0.53%	0.86%
Smid-Cap Value Equity	Ariel	0.55% on the first $50 million 0.45% on the next $50 million 0.40% on the next $50 million 0.35% on the next $50 million 0.30% on the Balance	0.51% **$446,893**	0.68%	0.84%	0.87%
Smid-Cap Growth Equity	Navellier	0.40% on the Balance	0.40% **$242,278**	0.68%	0.87%	0.87%
International Core	Harding Loevner	0.90% on the first $20 million 0.45% on the next $100 million 0.25% on the Balance	0.46% **$720,980**	0.53%	0.69%	1.00%
International Growth	Jarislowsky Fraser	0.60% on the first $25 million 0.50% on the next $50 million 0.40% on the next $75 million 0.30% on the next $100 million 0.10% on the Balance	0.47% **$677,170**	0.53%	0.69%	1.00%
International Value	Mondrian	0.50% on the first $50 million 0.35% on the next $50 million 0.30% on the Balance	0.38% **$606,924**	0.53%	0.75%	1.00%
Private Equity Venture	Blue Chip	2.00% on the Balance	2.00% **$394,940**	1.00%	1.00%	1.00%
Total Investment Management Fees			**0.29%** **$7,405,366**	**0.35%**	**0.43%**	**0.60%**
Custodian	Bank of New York	$100,000 Annually	0.004% $100,000 Annual[3]			
Fee Offsets	Securities Lending	70/30 Split	-$1,033,587			
Total Fund			**0.25%** **$6,471,780**			

[1] Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.
[2] Source: 2005 Marquette Associates Investment Management Fee Study.
[3] Estimated based on September YTD revenue.

Glossary

Alpha measures nonsystematic return, or the return of the manager that cannot be attributed to the market. It can be thought of as how the manager performed if the market has no gain or loss. Marquette calculates alpha as the annualized y-intercept of the best fit line based on the ordinary least squares regression, using the market's quarterly return less the risk-free rate as the independent variable and the manager's quarterly return less the risk-free rate as the dependent variable. Marquette uses the 90-day T-Bill returns as the risk-free rate.

Beta measures the volatility of the manager. It is a measure of systematic risk, or the manager return attributable to market movements. A beta equal to 1.0 indicates a volatility level equivalent to the market. Higher betas are associated with higher volatility levels, while lower betas are associated with lower volatility levels. Marquette calculates beta as the covariance (correlation of two assets multiplied by their standard deviation) divided by the variance (standard deviation squared) of the market.

Credit Ratings are a method of evaluating the possibility of default by a bond issuer. Marquette uses ratings issued by Moody's Investors Service with the following ratings:

Aaa	Highest Quality
Aa	High Grade, High Quality
A	Upper Medium Grade
Baa	Medium Grade
Ba	Non-Investment Grade
B	Speculative
Caa	Poor to Default
Ca	Highest Speculation
C	May Be in Default

Moody's uses the numerical modifiers 1 (highest), 2, and 3 in the range from Aa1 through Ca3.

Equity yield measures the annual return of the portfolio attributable to dividends. It is determined by dividing the total amount of annual dividends per total shares by the average market price of the total stocks in the portfolio.

Market capitalization is the value of a corporation as determined by the market price of its issued and outstanding common stock. It is calculated by multiplying the number of outstanding shares by the current market price of a share.

Modified Duration is the ratio of Macaulay duration to (1 + y), where y = the bond yield. Modified duration is inversely related to the approximate percentage change in price for a given change in yield.

Net of Fees calculations are an estimate of the performance of the total fund and individual managers after taking into account management fees. The estimate is calculated by subtracting the current estimated annual expense ratio from the historical gross of fee returns.

Price-to-Book Ratio is a measure of relative value measuring the weighted average of the individual portfolio's Price/Book ratios. The ratio is calculated by dividing the price of a stock by the book value of the company. Low Price/Book ratios are associated with value stocks and vice versa.

Glossary

Price-to-Earnings Ratio is a measure of relative value measuring the weighted average of the individual portfolio's Price/Earnings ratios. The ratio is calculated by dividing the price of a stock by the last twelve months' earnings of the company. Low Price/Earnings ratios are associated with value stocks and vice versa.

R-Squared measures how closely the manager's returns track the benchmark. The closer the R-squared statistic is to 1.0, the more closely related the manager's returns are to the benchmark. A higher R-squared also increases the reliability of alpha and beta.

Sharpe Ratio measures the excess return per unit of risk. The higher the ratio, the more efficient the manager. It is the average return of the manager minus the risk-free rate, divided by the standard deviation of the differences of the two return streams.

Trading Effect assesses the total performance caused by cash flows into and out of the portfolio, in addition to all purchases and sales of securities during the quarter. This effect is calculated by subtracting the buy and hold equity return of the portfolio from the actual equity return of the portfolio for the quarter.

Yield to Worst is computed by using the lower of either the yield to maturity or the yield to call on every possible call date.

The sources of information used in this report are believed to be reliable. Marquette has not independently verified all of the information contained herein.

This report has been prepared and presented in compliance with the IMCA Performance Reporting Standards. It meets the mandatory requirements of those standards. IMCA has not been involved with the preparation or review of the report.