

GBOPHB Quarterly Investment Report

Performance for the First Quarter 2010

Markets

- The U.S. stock market continued its strong 2009 performance into the first quarter of 2010. The Russell 3000 Index, a broad equity market index of the U.S. stock market, advanced 5.9% as investor confidence in the economic recovery amid benign inflation readings appeared to be the primary driver for equity markets' continued strength. Investors also seemed to be looking past concerns that the withdrawal of various federal government stimulus programs will adversely affect continued economic growth. Investors increasingly believe that the likelihood of the economy slipping back into recession is remote.
- Small-company U.S. stocks gained 8.9% and outperformed large-company U.S. stocks, which gained 5.7%. Value stocks outperformed growth stocks.
- U.S. stocks outperformed international developed markets due to debt concerns with certain Eurozone countries, most notably Greece, Spain and Ireland. Stocks of companies in developing countries, as measured by the MSCI Emerging Markets Index, increased 2.4% for the quarter, while stocks of companies in developed countries, as measured by the MSCI EAFE Index, gained just 0.9%.
- U.S. credit markets advanced in the first quarter as investor appetite for higher-yielding fixed-income investments outpaced safety concerns despite uneasiness over the upcoming end of central bank support of global securities markets. High-quality "investment-grade" bonds, as measured by the Barclays U.S. Credit Index, returned 2.3% for the quarter as investor demand resulted in lower credit spreads.
- The interest rate yield for the 10-year U.S. Treasury note ended the quarter at 3.8% and was relatively unchanged from year-end despite some intra-period volatility. Budget deficit concerns about Greece prompted foreign investors to prefer U.S. Treasury debt to Eurozone debt. However, those gains were short-lived as investor demand for Treasury securities waned amid expectations of significant increased supply of Treasury debt in 2010. In addition, the Federal Reserve (Fed) increased its discount rate from 0.50% to 0.75%. The discount rate is what the Fed charges member banks for emergency loans.

Economics Highlights

- Real Gross Domestic Product (GDP) advanced at an annual rate of 5.6% in the fourth quarter of 2009, accelerating from a 2.2% pace in the third quarter. This marks the first consecutive quarterly increase since the third and fourth quarters of 2007.
- The Fed held steady on its low-interest-rate policy, reiterating its view that current economic conditions "warrant exceptionally low levels of the federal funds rate for an extended period." The Fed reaffirmed its intention to stop purchasing mortgage-backed securities in March, even though the purchases have been critical to the housing industry rebound. Ben Bernanke survived a difficult political struggle to win confirmation for a second term as Fed chairman.

- Through February, recession-to-date job losses now exceed 8.4 million, with 3.3 million lost over the past 12 months. The unemployment rate, however, eased from 10.0% to 9.7% at quarter-end.
- The Chicago Board Option Exchange's Volatility Index (VIX), a measure of anticipated stock market volatility, moved below 20 for the first time since August 2008. During the height of the credit crisis of 2008, for example, the VIX traded as high as 80. The VIX measure at quarter-end suggests that equity risk has stabilized to a more historically normal level.
- The U.S. dollar strengthened against developed-market currencies, but weakened against currencies in commodity-producing countries. Dollar strength relative to the euro arose from concerns related to the ability of certain Eurozone countries to balance their national budgets and service their sovereign debt.

Geopolitical Headlines

- Capping a yearlong political battle, President Obama signed into law a comprehensive overhaul of the U.S. health care system. However, more than a dozen states have filed suit to render the legislation void, claiming that the mandate to require individuals to purchase insurance is unconstitutional.
- A crippling earthquake in Haiti resulted in more than 150,000 deaths and spurred a massive worldwide relief program.
- Despite the significant liquidity injected into the banking system over the past year, the Federal Deposit Insurance Corporation (FDIC) reported that U.S. banks posted their sharpest decline in lending since 1942. Banking groups counter that they are under pressure from regulators to improve their capital position and that demand for loans has decreased.
- Toyota Motor Corporation president, Akio Toyoda, was questioned by a congressional panel following the recall of 8 million vehicles due to safety concerns. Analysts project the crisis could lead to increased government regulation of the auto industry.

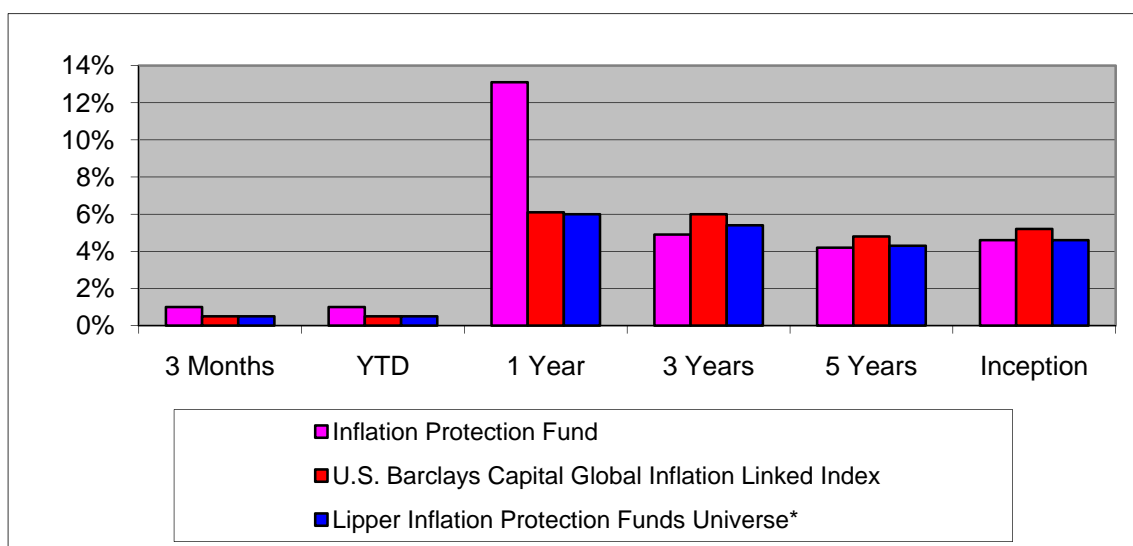
Fund and Benchmark Performance for Periods Ending March 31, 2010, Net of Fees

<u>General Board Funds</u>	<u>Quarter</u>	<u>YTD</u>	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>Inception</u>
Multiple Asset Fund ¹	3.8%	3.8%	37.7%	0.1%	0.7%	5.6%	N/A	6.5%
<i>Custom Benchmark²</i>	3.8%	3.8%	38.9%	-0.7%	-0.2%	4.5%	N/A	5.6%
Domestic Bond Fund	2.8%	2.8%	19.4%	7.6%	7.6%	6.7%	6.8%	6.3%
<i>Barclays Capital U.S. Universal ex-MBS (blend)³</i>	2.3%	2.3%	13.1%	5.0%	5.3%	5.0%	6.0%	5.7%
Inflation Protection Fund ⁴	1.0%	1.0%	13.1%	1.0%	4.9%	4.2%	N/A	4.6%
<i>BC U.S. Infltn-Lnkd Indx</i>	0.5%	0.5%	6.1%	1.9%	6.0%	4.8%	N/A	5.2%
Stable Value Fund ⁵	0.9%	0.9%	3.7%	4.0%	4.2%	4.2%	N/A	3.9%
<i>Ryan Labs GIC Index</i>	1.0%	1.0%	4.3%	4.6%	4.6%	4.2%	N/A	3.8%
Balanced Social Values Plus Fund	3.9%	3.9%	31.8%	2.4%	1.6%	4.3%	1.7%	3.8%
<i>Custom Benchmark⁶</i>	3.5%	3.5%	31.5%	2.5%	1.4%	4.6%	2.6%	4.9%
Domestic Stock Fund	5.4%	5.4%	43.1%	-3.4%	-4.0%	2.5%	-0.1%	3.7%
<i>Russell 3000 Index</i>	5.9%	5.9%	52.4%	-2.9%	-4.0%	2.4%	-0.1%	3.7%
International Stock Fund	2.9%	2.9%	69.5%	-5.5%	-2.6%	7.4%	1.3%	7.2%
<i>MSCI Blend⁷</i>	2.0%	2.0%	63.3%	-6.7%	-3.8%	5.9%	2.3%	5.4%

The charts below compare the performance of each of the General Board's funds (except for the Stable Value Fund, for which there are no comparable data) to similar funds reported in the Lipper universe of mutual fund returns. The row titled "Number of Funds" indicates how many mutual funds similar to the General Board's fund appear in the Lipper database. The row titled "Rank" indicates the percentile rank of the General Board's fund when compared with similar mutual funds. For example, a rank of 30% means that the General Board's fund performed in the top 30% of a universe of similar mutual funds.

Recent and Long-Term Returns: Inflation Protection Fund Compared with the Lipper Universe

The Inflation Protection Fund generated gains of 1.0% for the quarter and meaningfully outperformed its benchmark, principally due to its allocation to developing-market inflation-linked bonds and global inflation-linked bonds. Although the fund's commodities strategy delivered slightly negative returns for the quarter, the commodities portfolio outperformed its benchmark. The quarterly results placed the fund in the top 17% of the Lipper Universe.

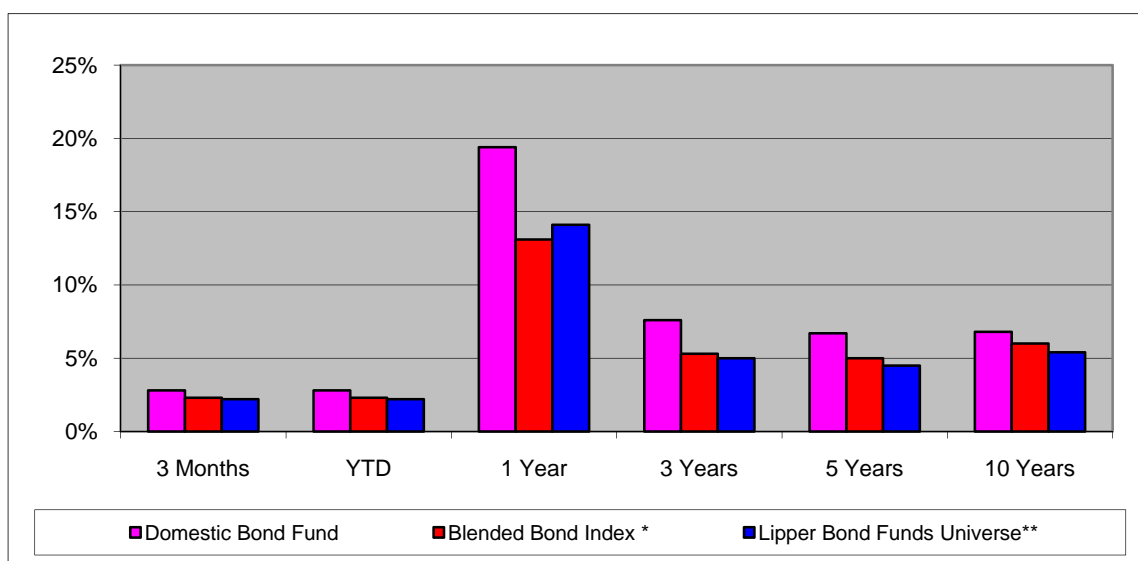


Compound Annual Returns for the Periods Ending March 31, 2010, Net of Fees						
	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Inception</u>
Inflation Protection Fund	1.0%	1.0%	13.1%	4.9%	4.2%	4.6%
Barclays Capital U.S. Government Inflation-Linked Bond Index	0.5%	0.5%	6.1%	6.0%	4.8%	5.2%
Lipper Inflation Protection Funds Universe*	0.5%	0.5%	6.0%	5.4%	4.3%	4.6%
Number of Funds	151	151	132	118	82	48
Rank	17%	17%	5%	67%	58%	49%

* The comparison universe is derived from Wilshire's Lipper predefined "Objectives" of "TIPS Funds."

Recent and Long-Term Returns: Domestic Bond Fund Compared with the Lipper Universe

The Domestic Bond Fund generated a positive return of 2.8% for the quarter and outperformed its benchmark by a margin of 0.5%. The credit opportunities, developing countries debt and positive social purpose lending strategies positively contributed to performance. The fund's global bond strategy detracted from performance due to the strength of the dollar. The Domestic Bond Fund ended the quarter in the top quartile of the Lipper Universe.



Compound Annual Returns for the Periods Ending March 31, 2010, Net of Fees						
	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
Domestic Bond Fund	2.8%	2.8%	19.4%	7.6%	6.7%	6.8%
Blended Bond Index*	2.3%	2.3%	13.1%	5.3%	5.0%	6.0%
Lipper Bond Funds Universe**	2.2%	2.2%	14.1%	5.0%	4.5%	5.4%
Number of Funds	1,321	1,321	1,255	1,104	936	524
Rank	23%	23%	25%	7%	5%	9%

* The benchmark for the Domestic Bond Fund became the Lehman U.S. Universal Index ex-MBS on January 1, 2006, and in September 2008 was renamed the Barclays U.S. Universal Index ex-MBS. Prior to this date, the benchmark had been the Lehman Aggregate Bond Index from January 1, 2003 through December 31, 2005, and the Lehman Intermediate Aggregate Bond Index prior to January 1, 2003. The benchmark data reported above are blends of the three benchmarks based on the period for which each respective benchmark applies.

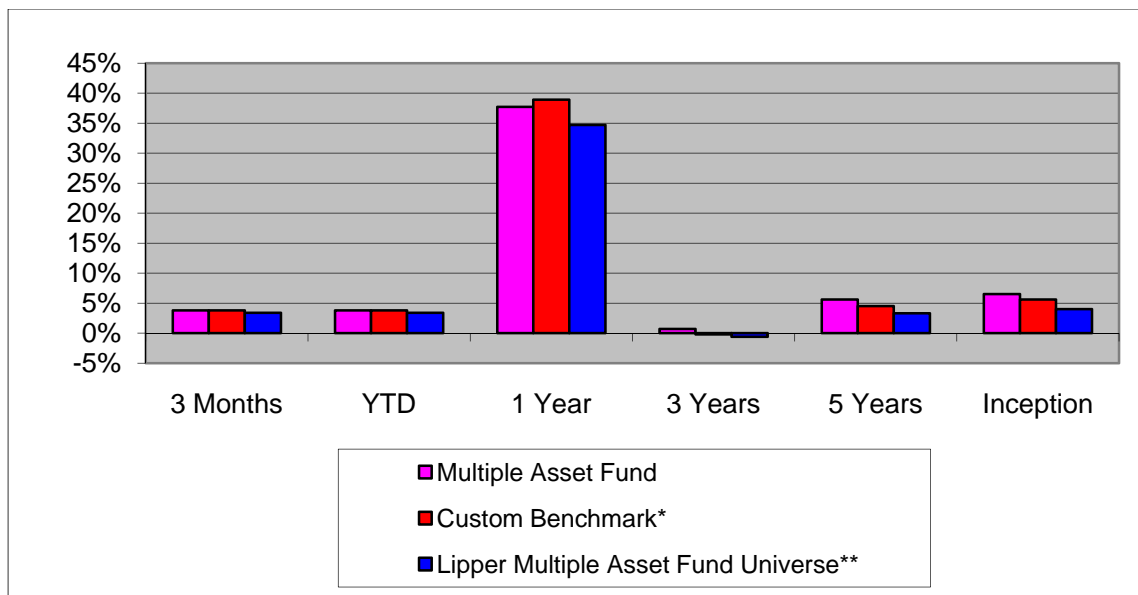
** Five of Wilshire Compass's predefined universes were combined to assemble the Bond Funds Universe. These universes consisted of mutual funds found in the Lipper "Classification" of "A-Rated Corporate Debt," "BBB-Rated Corporate Debt," "Intermediate Investment-Grade Debt," "Short-Intermediate Investment-Grade Debt" and "Short Investment-Grade Debt."

Recent and Long-Term Returns: Multiple Asset Fund Compared with the Lipper Universe

The Multiple Asset Fund represents a prespecified mix of four of the General Board funds with a target allocation of 45% Domestic Stock Fund, 20% International Stock Fund, 25% Domestic Bond Fund and 10% Inflation Protection Fund. The results of the Multiple Asset Fund are directly attributable to the performance of the four composite funds relative to their benchmarks for the quarter and year.

For the quarter ending March 31, 2010, the Multiple Asset Fund matched its benchmark, principally due to the better-than-benchmark performance of the International Stock Fund, Inflation Protection Fund and Domestic Bond Fund, though partially offset by the less-than-benchmark performance of the Domestic Stock Fund. The fund ranked favorably compared to similar funds.

Fund inception for the Multiple Asset Fund is May 1, 2002.



**Compound Annual Returns for the
Periods Ending March 31, 2010, Net
of Fees**

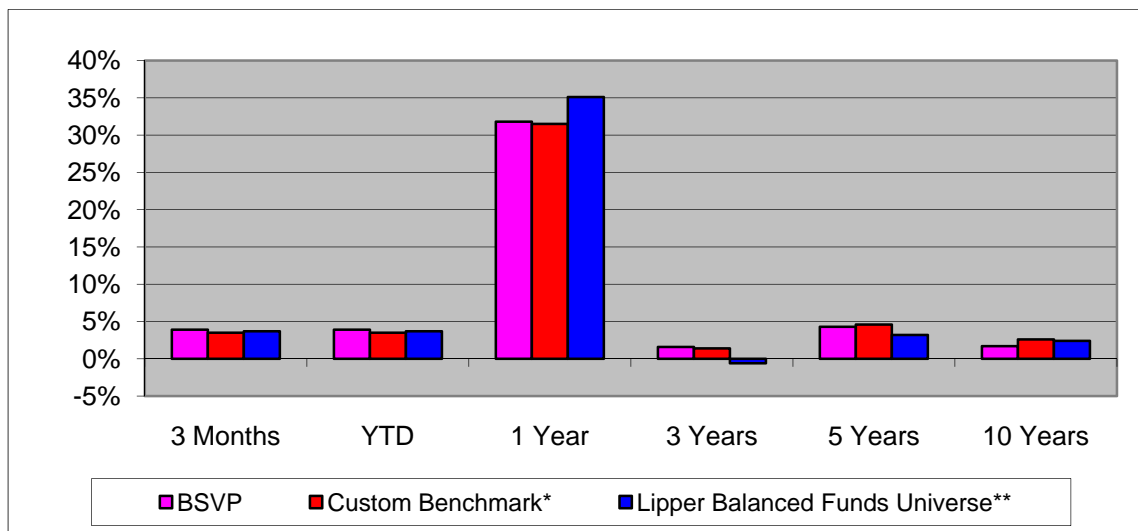
	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Inception</u>
Multiple Asset Fund	3.8%	3.8%	37.7%	0.7%	5.6%	6.5%
Custom Benchmark*	3.8%	3.8%	38.9%	-0.2%	4.5%	5.6%
Lipper Multiple Asset Fund Universe**	3.4%	3.4%	34.7%	-0.6%	3.3%	4.0%
Number of Funds	2,085	2,085	2,015	1,686	1,130	630
Rank	35%	35%	39%	31%	4%	4%

* On January 1, 2006, the benchmark for the Multiple Asset Fund became 45% Russell 3000 Index, 20% MSCI All Country World Index ex USA Index, 25% Lehman U.S. Universal Index ex-Mortgage Backed Securities, and 10% Barclays Capital U.S. Government Inflation-Linked Bond Index. In September 2008, the Lehman U.S. Universal Index ex-Mortgage Backed Securities was renamed the Barclays U.S. Universal Index ex-Mortgage Backed Securities. Prior to 2006, the benchmark had been 47% Russell 3000 Index, 15% MSCI EAFE Index, 3% MSCI Emerging Markets Index, and 35% Lehman U.S. Universal Index. The benchmark data reported above are blends of the two benchmarks based on the period for which the respective benchmark applies.

** The comparison universe is derived from the Wilshire Compass Lipper "Asset Class" of "Balanced" mutual funds.

Recent and Long-Term Returns: Balanced Social Values Fund Compared with the Lipper Universe

For the first quarter of 2010, the Balanced Social Values Plus Fund gained 3.9%, modestly outperforming its benchmark by a margin of 0.4%. This placed the fund above the median of all balanced funds in its universe for the quarter.



Compound Annual Returns for the Periods Ending March 31, 2010, Net of Fees

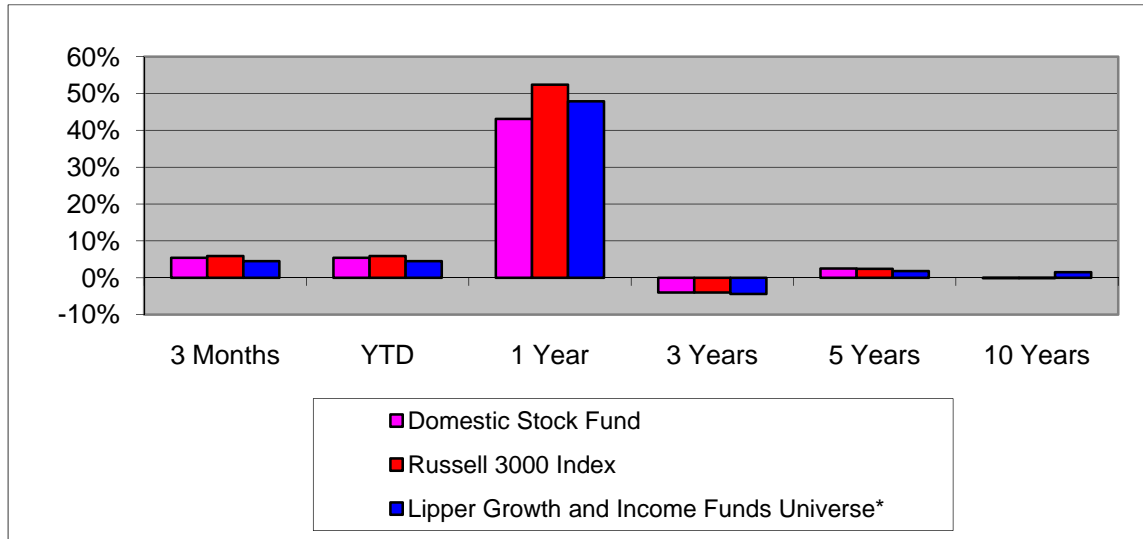
	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
Balanced Social Values Plus Fund	3.9%	3.9%	31.8%	1.6%	4.3%	1.7%
Custom Benchmark*	3.5%	3.5%	31.5%	1.4%	4.6%	2.6%
Lipper Balanced Funds Universe**	3.7%	3.7%	35.1%	-0.6%	3.2%	2.4%
Number of Funds	798	798	774	700	523	263
Rank	39%	39%	74%	11%	20%	64%

* Prior to October 1, 2007, the benchmark for the Balanced Social Values Plus Fund was 60% Russell 3000 Index, 30% Lehman Aggregate Bond Index and 10% Merrill Lynch 3 month Treasury Bills Index. As of October 1, 2007, the benchmark composition is 60% Domini 400 Social Index, 30% Lehman Mortgaged Backed Securities Index and 10% Bank of America Merrill Lynch 90-day Treasury Bill Index. In July 2009, the Domini 400 Social Index was renamed the FTSE KLD 400 Social Index.

** The comparison universe includes all Wilshire Compass mutual funds included in the predefined universe of Lipper "Objectives" for "Balanced" mutual funds.

Recent and Long-Term Returns: Domestic Stock Fund Compared with the Lipper Universe

For the quarter ending March 31, 2010, the Domestic Stock Fund lagged its benchmark due to negative overall contributions from the fund’s private real estate and private equity investments. The fund’s higher-than-benchmark weighting of stocks from mid-sized and small companies has helped performance, although this has been offset by the fund’s managers collectively underperforming their respective benchmarks. This placed the fund just below the top quartile of the Lipper universe of 2,040 similar funds for the quarter.

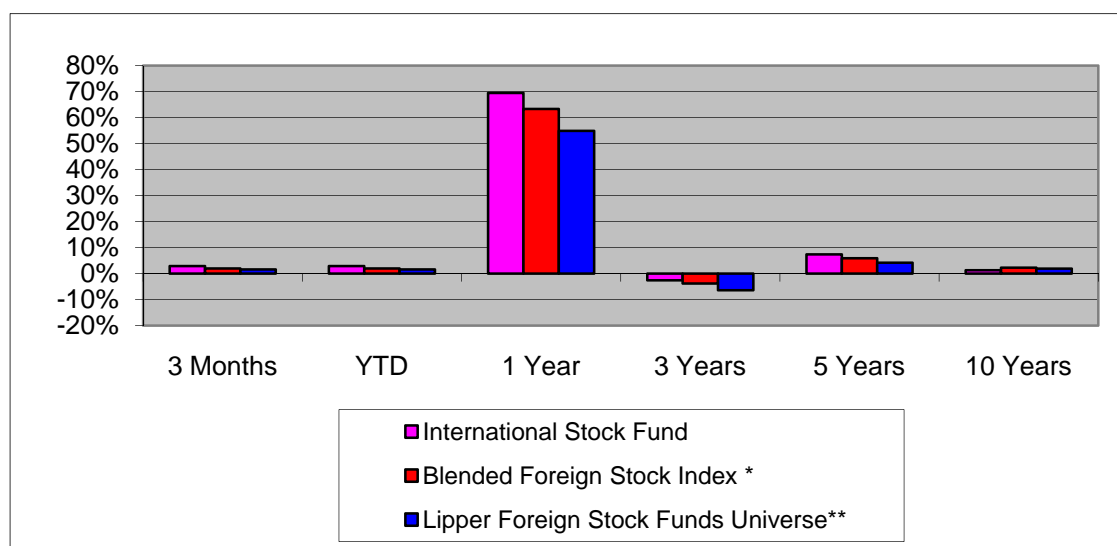


Compound Annual Returns for the Periods Ending March 31, 2010, Net of Fees						
	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
Domestic Stock Fund	5.4%	5.4%	43.1%	-4.0%	2.5%	-0.1%
Russell 3000 Index	5.9%	5.9%	52.4%	-4.0%	2.4%	-0.1%
Lipper Growth and Income Funds Universe*	4.5%	4.5%	47.9%	-4.4%	1.8%	1.5%
Number of Funds	2,040	2,040	1,916	1,400	990	569
Rank	26%	26%	73%	45%	34%	68%

* The comparison universe incorporates funds from the following Wilshire Compass’s Lipper “Objectives” of “Growth and Income” mutual funds.

Recent and Long-Term Returns: International Stock Fund Compared with the Lipper Universe

For the first quarter of 2010, the International Stock Fund gained 2.9% and meaningfully outperformed its benchmark by a margin of 0.9% because of the strong benchmark-relative performance from most of the investment managers. The fund’s investment in international public real estate strategies has underperformed the fund’s benchmark. The fund ended the quarter just below the top quartile of the Lipper universe of 577 similar foreign stock funds.



Compound Annual Returns for the Periods Ending March 31, 2010, Net of Fees						
	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
International Stock Fund	2.9%	2.9%	69.5%	-2.6%	7.4%	1.3%
Blended Foreign Stock Index *	2.0%	2.0%	63.3%	-3.8%	5.9%	2.3%
Lipper Foreign Stock Funds Universe**	1.6%	1.6%	54.9%	-6.4%	4.2%	1.9%
Number of Funds	577	577	527	391	251	130
Rank	27%	27%	11%	13%	13%	60%

* The benchmark for the International Stock Fund became the MSCI All Country World Index ex USA IMI (MSCI ACWI ex USA IMI) on January 1, 2008. From January 1, 2006 to December 31, 2007, the benchmark for the International Stock Fund had been the MSCI All Country World Index ex USA (MSCI ACWI ex USA). Prior to January 1, 2006, the benchmark had been the MSCI EAFE Index. The benchmark data reported above are blends of the three benchmarks based on the period for which each respective benchmark applies.

** The comparison universe contains all Wilshire Compass mutual funds included in the predefined universe of Lipper "Objectives" of "International".

For further information on and returns of the investment strategy of the General Board's funds, please see the [Investment Funds Description](#) booklet.

Disclosure: Past performance is not a predictor of future results. The General Board highly recommends that participants consult with a fee-only financial planner to develop a savings plan that is best suited to their individual life circumstances and risk tolerance.