

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

VAN KAMPEN BOND FUND  
Form N-CSR  
August 29, 2006

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-02090

Van Kampen Bond Fund  
(Exact name of registrant as specified in charter)

1221 Avenue of the Americas New York, New York 10020  
(Address of principal executive offices) (Zip code)

Ronald Robison  
1221 Avenue of the Americas New York, New York 10020  
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-762-4000

Date of fiscal year end: 6/30

Date of reporting period: 6/30/06

Item 1. Reports to Shareholders.

The Fund's annual report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

Welcome, Shareholder

In this report, you'll learn about how your investment in Van Kampen Bond Fund performed during the annual period. The portfolio management team will provide an overview of the market conditions and discuss some of the factors that affected investment performance during the reporting period. In addition, this report includes the fund's financial statements and a list of fund investments as of June 30, 2006.

MARKET FORECASTS PROVIDED IN THIS REPORT MAY NOT NECESSARILY COME TO PASS. THERE IS NO ASSURANCE THAT THE FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE. FUNDS ARE SUBJECT TO MARKET RISK, WHICH IS THE POSSIBILITY THAT THE MARKET VALUES OF SECURITIES OWNED BY THE FUND WILL DECLINE AND THAT THE VALUE OF THE FUND SHARES MAY THEREFORE BE LESS THAN WHAT YOU PAID FOR THEM. ACCORDINGLY, YOU CAN LOSE MONEY INVESTING IN THIS FUND.

-----  
NOT FDIC INSURED

OFFER NO BANK GUARANTEE

MAY LOSE VALUE

-----  
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

NOT A DEPOSIT

# Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Performance Summary as of 6/30/06

BOND FUND  
SYMBOL: VBF

AVERAGE ANNUAL TOTAL RETURNS	BASED ON MARKET PRICE	BASED ON NAV
10-year	6.08%	6.38%
5-year	3.08	5.41
1-year	-2.59	-0.18

PERFORMANCE DATA QUOTED REPRESENTS PAST PERFORMANCE, WHICH IS NO GUARANTEE OF FUTURE RESULTS, AND CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE FIGURES SHOWN. FOR THE MOST RECENT MONTH-END PERFORMANCE FIGURES, PLEASE VISIT VANKAMPEN.COM OR SPEAK WITH YOUR FINANCIAL ADVISOR. INVESTMENT RETURNS, NET ASSET VALUE (NAV) AND COMMON SHARE MARKET PRICE WILL FLUCTUATE AND FUND SHARES, WHEN SOLD, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST.

The NAV per share is determined by dividing the value of the fund's portfolio securities, cash and other assets, less all liabilities, by the total number of common shares outstanding. The common share market price is the price the market is willing to pay for shares of the fund at a given time. Common share market price is influenced by a range of factors, including supply and demand and market conditions. Total return assumes an investment at the beginning of the period, reinvestment of all distributions for the period in accordance with the fund's dividend reinvestment plan, and sale of all shares at the end of the period.

The Lehman Brothers BBB Corporate Bond Index is generally representative of corporate bonds. The index does not include any expenses, fees or sales charges, which would lower performance. The index is unmanaged and should not be considered an investment. It is not possible to invest directly in an index.

1

## Fund Report

FOR THE 12-MONTH PERIOD ENDED JUNE 30, 2006

### MARKET CONDITIONS

Several events shaped fixed-income markets trends during the 12-month period. In mid-2005, a series of natural disasters struck the U.S., generating concern about their effect on economic growth. While some observers initially believed that the U.S. economy would suffer lingering aftereffects following Hurricane Katrina, only a temporary impact was felt. Additionally, sharply higher energy prices failed to interrupt the positive economic momentum. In fact, real gross domestic product (GDP) growth averaged near 4 percent throughout 2005.

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

The second half of the period followed a more consistent path. To virtually no one's surprise, the Federal Open Market Committee (the "Fed") continued to raise the target federal funds rate by 25 basis points at each of its meetings during the first half of 2006, bringing the rate to 5.25 percent at the end of June. In the Fed's view, the U.S. economy during the period remained on solid footing, with relatively low core inflation, though most measures of core inflation ended the period either at or above the high end of the range viewed as acceptable by the Fed.

Also as expected, longtime Fed Chairman Alan Greenspan retired in January after a term of more than 18 years. Ben S. Bernanke replaced Greenspan as Chairman, and in his first Congressional testimony in the role acknowledged some risks to the Fed's relatively contained inflation forecast, as well as the potential for upward pressure on inflation in the event of continued high energy prices and other building inflationary pressures.

Comments made by Fed members after their May and June meetings indicated that they will rely heavily on economic data in making future decisions concerning the direction of interest rates. In fact, based on these comments it appears that the Fed historically may be driven by the weight of the economic data more so now than perhaps at any time over the past few years.

Overall, U.S. Treasury yields rose over the twelve month period. Corporate bond spreads continued to narrow and sector returns were unevenly distributed, with a few key names driving performance within each sector. Within the investment grade sector Aaa-rated issues and shorter maturity issues posted the highest returns. Among the corporate sub-sectors, financials outpaced industrial and utility issues.

2

### PERFORMANCE ANALYSIS

The fund's return can be calculated based upon either the market price or the net asset value (NAV) of its shares. NAV per share is determined by dividing the value of the fund's portfolio securities, cash and other assets, less all liabilities, by the total number of common shares outstanding, while market price reflects the supply and demand for the shares. As a result, the two returns may differ, as they did during the reporting period. On an NAV basis, the fund outperformed its benchmark index, the BBB Corporate Bond Index. On a market price basis, the fund underperformed its benchmark.

TOTAL RETURNS FOR THE 12-MONTH PERIOD ENDED JUNE 30, 2006

BASED ON NAV	BASED ON MARKET PRICE	LEHMAN BROTHERS BBB CORPORATE BOND INDEX
-0.18%	-2.59%	-2.53%

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. Investment return, net asset value and common share market price will fluctuate and fund shares, when sold, may be worth more or less than their original cost. See Performance Summary for additional performance information and index definition.

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

During the period, we kept the fund's overall duration (a measure of interest rate sensitivity) well below that of the Lehman benchmark. This posture was beneficial as interest rates rose across the market, especially in the short- and intermediate-portions of the yield curve.

Within the investment-grade segment of the portfolio, we employed a defensive strategy with a focus on higher-quality securities. While this defensive posture provided some performance support over the period, much of that support was offset by the underperformance of higher-rated bonds relative to lower-rated segments of the market. The fund benefited from strong security selection among corporate issues.

Our approach to the high yield market was also conservative. This stance hampered returns over most of the period as lower rated credits advanced strongly. The fund's performance was also hurt by security selection in the forest products, building products and financial sectors. On a more positive note, security selection in the transportation, cable and consumer products sectors boosted relative returns.

There is no guarantee that any sectors mentioned will continue to perform as discussed herein or that securities in such sectors will be held by the Fund in the future.

3

### RATINGS ALLOCATION AS OF 6/30/06

AAA/Aaa	18.8%
AA/Aa	27.6
A/A	21.1
BBB/Baa	28.0
BB/Ba	3.0
B/B	1.5

### SUMMARY OF INVESTMENTS BY INDUSTRY CLASSIFICATION AS OF 6/30/06

United States Government Agency Obligations	17.5%
Banking	13.6
Electric	7.2
Noncaptive-Consumer Finance	5.4
Property & Casualty	3.7
Wireline Communications	3.4
Life Insurance	3.0
Automotive	2.9
Diversified Manufacturing	2.5
Noncaptive-Diversified Finance	2.5
Railroads	2.4
Healthcare	2.3
Retail	2.0
Media-Cable	1.6
Brokerage	1.6
Media-Noncable	1.5
Natural Gas Pipelines	1.4
Gaming	1.2
Integrated Energy	1.1
Chemicals	1.1
Environmental & Facilities Services	0.9

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Food/Beverage	0.9
Construction Machinery	0.9
Supermarkets	0.7
Lodging	0.7
Consumer Products	0.7
Natural Gas Distributors	0.6
Other Utilities	0.6
Real Estate Investment Trusts	0.6
Oil Field Services	0.5
Textile	0.5
Transportation Services	0.4
Technology	0.4
Independent Energy	0.3
Tobacco	0.3
Aerospace & Defense	0.2
	-----
Total Long-Term Investments	87.1%
Total Short-Term Investments	12.9
	-----
Total Investments	100.0%

Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. All percentages are as a percentage of total investments. Van Kampen is a wholly owned subsidiary of a global securities firm which is engaged in a wide range of financial services including, for example, securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services.

4

### FOR MORE INFORMATION ABOUT PORTFOLIO HOLDINGS

Each Van Kampen trust provides a complete schedule of portfolio holdings in its semiannual and annual reports within 60 days of the end of the fund's second and fourth fiscal quarters. The semiannual reports and the annual reports are filed electronically with the Securities and Exchange Commission (SEC) on Form N-CSRS and Form N-CSR, respectively. Van Kampen also delivers the semiannual and annual reports to trust shareholders, and makes these reports available on its public Web site, [www.vankampen.com](http://www.vankampen.com). In addition to the semiannual and annual reports that Van Kampen delivers to shareholders and makes available through the Van Kampen public Web site, each trust files a complete schedule of portfolio holdings with the SEC for the trust's first and third fiscal quarters on Form N-Q. Van Kampen does not deliver the reports for the first and third fiscal quarters to shareholders, nor are the reports posted to the Van Kampen public Web site. You may, however, obtain the Form N-Q filings (as well as the Form N-CSR and N-CSRS filings) by accessing the SEC's Web site, <http://www.sec.gov>. You may also review and copy them at the SEC's Public Reference Room in Washington, DC. Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at (800) SEC-0330. You can also request copies of these materials, upon payment of a duplicating fee, by electronic request at the SEC's e-mail address ([publicinfo@sec.gov](mailto:publicinfo@sec.gov)) or by writing the Public Reference section of the SEC, Washington, DC 20549-0102.

You may obtain copies of a trust's fiscal quarter filings by contacting Van Kampen Client Relations at (800) 341-2929.

### PROXY VOTING POLICY AND PROCEDURES AND PROXY VOTING RECORD

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

You may obtain a copy of the trust's Proxy Voting Policy and Procedures without charge, upon request, by calling toll free (800) 341-2929 or by visiting our Web site at [www.vankampen.com](http://www.vankampen.com). It is also available on the Securities and Exchange Commission's Web site at <http://www.sec.gov>.

You may obtain information regarding how the trust voted proxies relating to portfolio securities during the most recent twelve-month period ended June 30 without charge by visiting our Web site at [www.vankampen.com](http://www.vankampen.com). This information is also available on the Securities and Exchange Commission's Web site at <http://www.sec.gov>.

5

### Investment Advisory Agreement Approval

Both the Investment Company Act of 1940 and the terms of the Fund's investment advisory agreement require that the investment advisory agreement between the Fund and its investment adviser be approved annually both by a majority of the Board of Trustees and by a majority of the independent trustees voting separately.

On May 22, 2006, the Board of Trustees, and the independent trustees voting separately, determined that the terms of the investment advisory agreement are fair and reasonable and approved the continuance of the investment advisory contract as being in the best interests of the Fund and its shareholders. In making its determination, the Board of Trustees considered materials that were specifically prepared by the investment adviser at the request of the Board and Fund counsel, and by an independent provider of investment company data contracted to assist the Board, relating to the contract review process. The Board also considered information received periodically about the portfolio, performance, the investment strategy, portfolio management team and fees and expenses of the Fund. The Board of Trustees considered the contract over a period of several months and the non-management trustees held sessions both with the investment adviser and separate from the investment adviser in reviewing and considering the contract.

In approving the investment advisory agreement, the Board of Trustees considered, among other things, the nature, extent and quality of the services provided by the investment adviser, the performance, fees and expenses of the Fund compared to other similar funds and other products, the investment adviser's expenses in providing the services and the profitability of the investment adviser and its affiliated companies. The Board of Trustees considered the extent to which any economies of scale experienced by the investment adviser are shared with the Fund's shareholders, and the propriety of existing and alternative breakpoints in the Fund's investment advisory fee schedule. The Board of Trustees considered comparative advisory fees of the Fund and other investment companies and/or other products at different asset levels, and considered the trends in the industry. The Board of Trustees evaluated other benefits the investment adviser and its affiliates derive from their relationship with the Fund. The Board of Trustees reviewed information about the foregoing factors and considered changes, if any, in such information since its previous approval. The Board of Trustees discussed the financial strength of the investment adviser and its affiliated companies and the capability of the personnel of the investment adviser, and specifically the strength and background of its portfolio management personnel. The Board of Trustees reviewed the statutory and regulatory requirements for approval and disclosure of investment advisory agreements. The Board of Trustees, including the independent trustees, evaluated all of the foregoing and does not believe any single factor or group of factors control or dominate the review process, and, after considering all factors together, has determined, in the exercise of its

business judgment, that approval of the investment advisory agreement is in the best interests of the Fund and its shareholders. The following summary provides more detail on certain matters considered but does not detail all matters considered.

**Nature, Extent and Quality of the Services Provided.** On a regular basis, the Board of Trustees considers the roles and responsibilities of the investment adviser as a whole and for those specific portfolio management, support and trading functions servicing the Fund. The trustees discuss with the investment adviser the resources available and used in managing the Fund and changes made in the Fund's portfolio management team over time. The trustees also discuss certain other services which are provided on a cost-reimbursement basis by the investment adviser or its affiliates to the Van Kampen funds including certain accounting, administrative and legal services. The Board has determined that the nature, extent and quality of the services provided by the investment adviser support its decision to approve the investment advisory contract.

**Performance, Fees and Expenses of the Fund.** On a regular basis, the Board of Trustees reviews the performance, fees and expenses of the Fund compared to its peers and to appropriate benchmarks. In addition, the Board spends more focused time on the performance of the Fund and other funds in the Van Kampen complex, paying specific attention to underperforming funds. The trustees discuss with the investment adviser the performance goals and the actual results achieved in managing the Fund. When considering a fund's performance, the trustees and the investment adviser place emphasis on trends and longer-term returns (focusing on one-year, three-year and five-year performance with special attention to three-year performance) and, when a fund's weighted performance is under the fund's benchmark, they discuss the causes and where necessary seek to make specific changes to investment strategy or investment personnel. The Fund discloses more information about its performance elsewhere in this report. The trustees discuss with the investment adviser the level of advisory fees for this Fund relative to comparable funds and other products advised by the adviser and others in the marketplace. The trustees review not only the advisory fees but other fees and expenses (whether paid to the adviser, its affiliates or others) and the Fund's overall expense ratio. The Board has determined that the performance, fees and expenses of the Fund support its decision to approve the investment advisory contract.

**Investment Adviser's Expenses in Providing the Service and Profitability.** At least annually, the trustees review the investment adviser's expenses in providing services to the Fund and other funds advised by the investment adviser and the profitability of the investment adviser. These profitability reports are put together by the investment adviser with the oversight of the Board. The trustees discuss with the investment adviser its revenues and expenses, including among other things, revenues for advisory services, portfolio management-related expenses, revenue sharing arrangement costs and allocated expenses both on an aggregate basis and per fund. The Board has determined that the analysis of the

investment adviser's expenses and profitability support its decision to approve the investment advisory contract.

**Economies of Scale.** On a regular basis, the Board of Trustees considers the size of the Fund and how that relates to the Fund's expense ratio and particularly the Fund's advisory fee rate. In conjunction with its review of the investment

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

adviser's profitability, the trustees discuss with the investment adviser how more (or less) assets can affect the efficiency or effectiveness of managing the Fund's portfolio and whether the advisory fee level is appropriate relative to current asset levels and/or whether the advisory fee structure reflects economies of scale as asset levels change. The Board has determined that its review of the actual and potential economies of scale of the Fund support its decision to approve the investment advisory contract.

Other Benefits of the Relationship. On a regular basis, the Board of Trustees considers other benefits to the investment adviser and its affiliates derived from its relationship with the Fund and other funds advised by the investment adviser. These benefits include, among other things, fees for transfer agency services provided to the funds, in certain cases research received by the adviser generated from commission dollars spent on funds' portfolio trading, and in certain cases distribution or service related fees related to funds' sales. The trustees review with the investment adviser each of these arrangements and the reasonableness of its costs relative to the services performed. The Board has determined that the other benefits received by the investment adviser or its affiliates support its decision to approve the investment advisory contract.

8

### VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2006

PAR AMOUNT (000)	DESCRIPTION	COUPON	MATURITY	VALUE
-----				
	CORPORATE BONDS 72.7%			
	AEROSPACE & DEFENSE 0.2%			
\$ 407	Raytheon Co. ....	4.500%	11/15/07	\$ 399,704
				-----
	AUTOMOTIVE 3.1%			
1,280	DaimlerChrysler NA Holding Corp. ....	8.500	01/18/31	1,453,312
1,840	General Motors Acceptance Corp. ....	6.875	09/15/11	1,757,528
4,075	General Motors Corp. ....	8.375	07/15/33	3,300,750
				-----
				6,511,590
				-----
	BANKING 14.2%			
2,230	Bank of America Corp. ....	3.375	02/17/09	2,114,312
2,250	Bank of Scotland, 144A--Private Placement (United Kingdom) (a).....	3.500	11/30/07	2,188,422
2,860	JPMorgan Chase & Co. ....	6.750	02/01/11	2,975,561
2,255	M & I Marshall & Ilsley Bank.....	3.800	02/08/08	2,191,050
1,635	MBNA Corp. (Floating Rate Coupon).....	5.580	05/05/08	1,647,637
2,315	National City Bank.....	3.375	10/15/07	2,247,534
805	Popular NA, Inc., Ser F.....	5.650	04/15/09	799,009
2,195	SunTrust Banks, Inc. ....	5.050	07/01/07	2,182,258
2,250	U.S. Bancorp.....	3.950	08/23/07	2,202,811
1,090	USB Capital IX (Variable Rate Coupon).....	6.189	03/29/49	1,066,984
4,390	Wachovia Capital Trust III (Variable Rate Coupon).....	5.800	08/29/49	4,264,367
1,350	Wachovia Corp. ....	3.625	02/17/09	1,284,922
885	Wachovia Corp. ....	4.950	11/01/06	882,810



Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

925	Washington Mutual Bank FA.....	5.500	01/15/13	899,054
900	Washington Mutual, Inc. ....	8.250	04/01/10	965,819
2,190	Wells Fargo & Co. ....	5.125	02/15/07	2,183,723
				-----
				30,096,273
				-----
	BROKERAGE 1.6%			
185	Goldman Sachs Group, Inc. ....	5.250	10/15/13	177,527
2,000	Lehman Brothers Holdings, Inc. ....	8.500	05/01/07	2,039,678
819	World Financial Prop., 144A--Private Placement (a).....	6.910	09/01/13	845,506
373	World Financial Prop., 144A--Private Placement (a).....	6.950	09/01/13	385,003
				-----
				3,447,714
				-----
	CHEMICALS 1.1%			
640	ICI Wilmington, Inc. ....	4.375	12/01/08	617,988
1,785	Sealed Air Corp., 144A--Private Placement (a)...	5.625	07/15/13	1,703,220
				-----
				2,321,208
				-----
	CONSTRUCTION MACHINERY 0.9%			
2,045	Caterpillar Financial Services Corp., Ser F.....	3.625	11/15/07	1,991,229
				-----
	CONSUMER PRODUCTS 0.7%			
1,495	Clorox Co. (Floating Rate Coupon).....	5.444	12/14/07	1,497,278
				-----

See Notes to Financial Statements

9

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2006 continued

PAR AMOUNT (000)	DESCRIPTION	COUPON	MATURITY	VALUE
-----				
	DIVERSIFIED MANUFACTURING 2.6%			
\$ 1,245	Brascan Corp. (Canada).....	7.125%	06/15/12	\$ 1,313,187
1,275	Cooper Industries, Inc. ....	5.250	07/01/07	1,263,772
1,155	Cooper Industries, Inc. ....	5.250	11/15/12	1,118,398
1,845	United Technologies Corp.....	4.375	05/01/10	1,768,001
				-----
				5,463,358
				-----
	ELECTRIC 7.5%			
1,350	Ameren Corp. ....	4.263	05/15/07	1,332,299
1,340	Arizona Public Service Co. ....	5.800	06/30/14	1,297,306
795	Arizona Public Service Co. ....	6.750	11/15/06	797,530
805	Carolina Power & Light Co. ....	6.800	08/15/07	814,248
1,460	CC Funding Trust I.....	6.900	02/16/07	1,468,410
860	Cincinnati Gas & Electric Co. ....	5.700	09/15/12	843,952
865	Detroit Edison Co. ....	6.125	10/01/10	872,589
960	Duquesne Light Co., Ser O.....	6.700	04/15/12	994,925

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

655	Entergy Gulf States, Inc. ....	3.600	06/01/08	626,031
1,600	Entergy Gulf States, Inc. (Floating Rate Coupon).....	5.631	12/01/09	1,584,610
425	Entergy Gulf States, Inc., 144A--Private Placement (Floating Rate Coupon) (a).....	6.020	12/08/08	425,650
255	Indianapolis Power & Light Co., 144A--Private Placement (a).....	6.300	07/01/13	256,368
655	Monongahela Power Co. ....	5.000	10/01/06	653,496
900	NiSource Finance Corp. (Floating Rate Coupon)...	5.764	11/23/09	901,808
1,270	Ohio Power Co., Ser K.....	6.000	06/01/16	1,254,642
595	Pacific Gas & Electric Co. ....	6.050	03/01/34	563,393
650	PSE&G Energy Holdings, LLC.....	8.625	02/15/08	669,500
560	Wisconsin Electric Power.....	3.500	12/01/07	543,899
				-----
				15,900,656
				-----
	ENVIRONMENTAL & FACILITIES SERVICES 1.0%			
1,500	Waste Management, Inc. ....	7.000	10/15/06	1,505,223
550	Waste Management, Inc. ....	7.375	08/01/10	580,664
				-----
				2,085,887
				-----
	FOOD/BEVERAGE 1.0%			
660	ConAgra Foods, Inc. ....	7.000	10/01/28	673,021
520	ConAgra Foods, Inc. ....	8.250	09/15/30	600,919
160	Pilgrim's Pride Corp. ....	9.625	09/15/11	167,200
550	YUM! Brands, Inc. ....	8.875	04/15/11	613,160
				-----
				2,054,300
				-----
	GAMING 1.2%			
2,090	Harrah's Operating Co., Inc. ....	5.625	06/01/15	1,936,387
640	Harrah's Operating Co., Inc. ....	6.500	06/01/16	624,725
				-----
				2,561,112
				-----
	HEALTHCARE 2.4%			
600	AmerisourceBergen Corp., 144A--Private Placement (a).....	5.625	09/15/12	576,000
1,885	Health Net, Inc. ....	8.375	04/15/11	2,118,101

10

See Notes to Financial Statements

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2006 continued

PAR AMOUNT (000)	DESCRIPTION	COUPON	MATURITY	VALUE
	HEALTHCARE (CONTINUED)			
\$ 1,130	UnitedHealth Group, Inc. ....	5.200%	01/17/07	\$ 1,127,255
650	Wellpoint, Inc. ....	3.750	12/14/07	631,794
590	Wellpoint, Inc. ....	4.250	12/15/09	563,199
				-----
				5,016,349

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

-----				
	INDEPENDENT ENERGY	0.4%		
285	Kerr-McGee Corp. ....	5.875	09/15/06	286,326
470	Kerr-McGee Corp. ....	6.625	10/15/07	476,134
				-----
				762,460
				-----
	INTEGRATED ENERGY	1.1%		
790	Consumers Energy Co., Ser F.....	4.000	05/15/10	736,116
455	Consumers Energy Co., Ser H.....	4.800	02/17/09	442,733
1,300	Kinder Morgan, Inc. ....	6.500	09/01/12	1,236,784
				-----
				2,415,633
				-----
	LIFE INSURANCE	3.2%		
635	AXA Financial, Inc. ....	6.500	04/01/08	641,191
475	John Hancock Financial Services, Inc. ....	5.625	12/01/08	475,831
2,365	Marsh & McLennan Cos., Inc. ....	5.875	08/01/33	2,060,471
105	Metlife, Inc. ....	6.125	12/01/11	106,924
1,030	Monumental Global Funding II, 144A--Private Placement (a).....	3.850	03/03/08	999,906
585	Nationwide Financial Services, Inc. ....	6.250	11/15/11	594,999
1,895	Xlliac Global Funding, 144A--Private Placement (a).....	4.800	08/10/10	1,821,635
				-----
				6,700,957
				-----
	LODGING	0.7%		
1,325	Hyatt Equities, LLC, 144A--Private Placement (a).....	6.875	06/15/07	1,333,169
185	Starwood Hotels & Resorts Worldwide, Inc. ....	7.375	05/01/07	187,081
				-----
				1,520,250
				-----
	MEDIA-CABLE	1.7%		
1,835	Comcast Cable Communications, Inc. ....	6.750	01/30/11	1,895,438
90	Comcast Cable Communications, Inc. ....	7.125	06/15/13	94,407
490	Comcast Cable Communications, Inc. ....	8.375	05/01/07	500,411
935	Echostar DBS Corp. ....	6.375	10/01/11	897,600
180	Echostar DBS Corp. ....	6.625	10/01/14	169,650
				-----
				3,557,506
				-----
	MEDIA-NONCABLE	1.6%		
950	Interpublic Group of Cos., Inc. ....	5.400	11/15/09	876,375
970	News America Holdings, Inc. ....	8.875	04/26/23	1,137,888
115	News America, Inc. ....	6.400	12/15/35	106,700
1,310	Viacom, Inc., 144A--Private Placement (a).....	6.875	04/30/36	1,268,140
				-----
				3,389,103
				-----
	NATURAL GAS DISTRIBUTORS	0.6%		
435	Keyspan Corp. ....	4.900	05/16/08	428,826
890	Sempra Energy.....	4.621	05/17/07	881,513
				-----
				1,310,339
				-----

See Notes to Financial Statements

11

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2006 continued

PAR AMOUNT (000)	DESCRIPTION	COUPON	MATURITY	VALUE
	NATURAL GAS PIPELINES 1.4%			
\$ 765	Consolidated Natural Gas Co., Ser A.....	5.000%	12/01/14	\$ 704,870
1,065	Consolidated Natural Gas Co., Ser C.....	6.250	11/01/11	1,076,619
470	Kinder Morgan Energy Partners.....	5.125	11/15/14	429,780
755	Texas Eastern Transmission Corp. ....	7.000	07/15/32	809,517
				-----
				3,020,786
				-----
	NONCAPTIVE-CONSUMER FINANCE 5.6%			
1,000	American Express Co. ....	4.750	06/17/09	978,366
230	American General Finance Corp. ....	4.625	05/15/09	223,444
2,000	American General Finance Corp. ....	4.625	09/01/10	1,916,910
2,245	Countrywide Home Loans, Inc. ....	3.250	05/21/08	2,148,945
1,555	HSBC Finance Corp. ....	6.750	05/15/11	1,614,731
1,000	HSBC Finance Corp. ....	7.875	03/01/07	1,014,171
150	HSBC Finance Corp. ....	8.000	07/15/10	161,839
2,595	Residential Capital Corp. ....	6.375	06/30/10	2,561,901
1,330	SLM Corp. ....	5.000	10/01/13	1,255,274
				-----
				11,875,581
				-----
	NONCAPTIVE-DIVERSIFIED FINANCE 2.6%			
415	CIT Group, Inc. ....	3.650	11/23/07	403,638
415	CIT Group, Inc. ....	7.375	04/02/07	420,244
2,100	General Electric Capital Corp., Ser A.....	4.750	09/15/14	1,965,430
90	General Electric Capital Corp., Ser A.....	5.875	02/15/12	90,584
415	General Electric Capital Corp., Ser A.....	6.750	03/15/32	444,374
2,240	Nationwide Building Society, 144A--Private Placement (United Kingdom) (a).....	4.250	02/01/10	2,134,478
				-----
				5,458,748
				-----
	OIL FIELD SERVICES 0.6%			
1,195	Panhandle Eastern Pipe Line Co., Ser B.....	2.750	03/15/07	1,169,731
				-----
	OTHER UTILITIES 0.6%			
1,295	Plains All American Pipeline, 144A--Private Placement (a).....	6.700	05/15/36	1,266,251
				-----
	PROPERTY & CASUALTY 3.9%			
1,195	AIG SunAmerica Global Financial VI, 144A--Private Placement (a).....	6.300	05/10/11	1,222,339
1,545	Farmers Exchange Capital, 144A--Private Placement (a).....	7.050	07/15/28	1,482,383
1,230	Farmers Insurance Exchange Surplus, 144A--Private Placement (a).....	8.625	05/01/24	1,367,962
1,800	Mantis Reef Ltd., 144A--Private Placement (Australia) (a).....	4.692	11/14/08	1,745,609
1,415	St. Paul Travelers Cos., Inc. ....	5.010	08/16/07	1,399,223

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

1,035	Two-Rock Pass Through Trust, 144A--Private Placement (Floating Rate Coupon) (Bermuda) (a).....	6.102	02/11/49	1,019,910
				-----
				8,237,426
				-----

12

See Notes to Financial Statements

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2006 continued

PAR AMOUNT (000)	DESCRIPTION	COUPON	MATURITY	VALUE
	RAILROADS 2.5%			
\$ 590	Burlington Northern Santa Fe Corp. ....	6.125%	03/15/09	\$ 596,761
615	Burlington Northern Santa Fe Railway Co. ....	4.575	01/15/21	574,902
1,000	CSX Corp. ....	6.750	03/15/11	1,038,631
520	Norfolk Southern Corp. ....	7.350	05/15/07	526,967
2,600	Union Pacific Corp. ....	6.625	02/01/08	2,635,038
				-----
				5,372,299
				-----
	REAL ESTATE INVESTMENT TRUSTS 0.6%			
250	EOP Operating LP.....	4.750	03/15/14	227,107
175	EOP Operating LP.....	7.875	07/15/31	192,627
850	Reckson Operating Partnership LP.....	5.150	01/15/11	816,810
				-----
				1,236,544
				-----
	RETAIL 2.1%			
270	CVS Corp. ....	3.875	11/01/07	262,928
500	Federated Department Stores, Inc. ....	6.300	04/01/09	505,941
1,500	Federated Department Stores, Inc. ....	6.625	09/01/08	1,524,723
920	Limited Brands, Inc. ....	6.950	03/01/33	879,701
1,275	May Department Stores Co. ....	5.950	11/01/08	1,277,479
				-----
				4,450,772
				-----
	SUPERMARKETS 0.8%			
495	Delhaize America, Inc. ....	9.000	04/15/31	545,297
1,035	Fred Meyer, Inc. ....	7.450	03/01/08	1,060,810
				-----
				1,606,107
				-----
	TECHNOLOGY 0.4%			
870	Hewlett-Packard Co. (Floating Rate Coupon).....	5.339	05/22/09	870,719
				-----
	TEXTILE 0.5%			
995	Mohawk Industries, Inc., Ser D.....	7.200	04/15/12	1,026,648
				-----
	TOBACCO 0.3%			

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

615	Reynolds American, Inc., 144A--Private Placement (a).....	7.250	06/01/13	604,237
	TRANSPORTATION SERVICES 0.5%			
1,000	FedEx Corp. ....	2.650	04/01/07	976,623
	WIRELINE COMMUNICATIONS 3.5%			
1,785	AT&T Corp. ....	8.000	11/15/31	2,055,361
740	Deutsche Telekom International Finance BV (Netherlands).....	8.250	06/15/30	856,773
1,385	France Telecom SA (France).....	8.500	03/01/31	1,671,299
1,125	SBC Communications, Inc. ....	6.150	09/15/34	1,035,756

See Notes to Financial Statements

13

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2006 continued

PAR AMOUNT (000)	DESCRIPTION	COUPON	MATURITY	VALUE
	WIRELINE COMMUNICATIONS (CONTINUED)			
\$ 1,010	Sprint Capital Corp. ....	8.750%	03/15/32	\$ 1,221,435
590	Verizon New England, Inc. ....	6.500	09/15/11	590,827
				7,431,451
	TOTAL CORPORATE BONDS 72.7%.....			153,606,829
	UNITED STATES GOVERNMENT AGENCY OBLIGATIONS 18.4%			
7,180	United States Treasury Bonds.....	6.125	08/15/29	7,985,510
6,000	United States Treasury Bonds.....	6.375	08/15/27	6,812,346
21,250	United States Treasury Notes (b).....	4.250	08/15/13	20,167,588
4,000	United States Treasury Notes.....	4.250	11/15/13	3,786,564
	TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS.....			38,752,008
	TOTAL LONG-TERM INVESTMENTS 91.1%			
	(Cost \$196,394,432).....			192,358,837
	SHORT-TERM INVESTMENTS 13.5%			
	REPURCHASE AGREEMENT 13.4%			
	State Street Bank & Trust Co. (\$28,287,000 par collateralized by U.S. Government obligations in a pooled cash account, interest rate of 5.10%, dated 06/30/06, to be sold on 07/03/06 at \$28,299,022)			28,287,000
	UNITED STATES GOVERNMENT AGENCY OBLIGATIONS 0.1%.....			
	United States Treasury Bills (\$300,000 par, yielding 4.266%, 07/13/06 maturity) (c)			299,574
	TOTAL SHORT-TERM INVESTMENTS			28,586,574
	(Cost \$28,586,574).....			

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

TOTAL INVESTMENTS	104.6%	
(Cost \$224,981,006)		220,945,411
LIABILITIES IN EXCESS OF OTHER ASSETS	(4.6%)	(9,720,389)
NET ASSETS	100.0%	\$211,225,022

Percentages are calculated as a percentage of net assets.

- (a) 144A securities are those which are exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold in transactions exempt from registration which are normally those transactions with qualified institutional buyers.
- (b) Security purchased on a when-issued or delayed delivery basis.
- (c) All or a portion of this security has been physically segregated in connection with open futures contracts.

14

See Notes to Financial Statements

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2006 continued

FUTURES CONTRACTS OUTSTANDING AS OF JUNE 30, 2006:

	CONTRACTS	UNREALIZED APPRECIATION/ DEPRECIATION
LONG CONTRACTS:		
U.S. Treasury Notes 10-Year Futures September 2006 (Current Notional Value of \$104,859 per contract)	218	\$(78,531)
U.S. Treasury Bond Futures September 2006 (Current Notional Value of \$106,656 per contract)	59	(18,092)
SHORT CONTRACTS:		
U.S. Treasury Notes 5-Year Futures September 2006 (Current Notional Value of \$103,406 per contract)	11	(5,015)
U.S. Treasury Notes 2-Year Futures September 2006 (Current Notional Value of \$202,781 per contract)	121	73,347
	---	-----
	409	\$(28,291)
	===	=====

SWAP AGREEMENTS OUTSTANDING AS OF JUNE 30, 2006:

CREDIT DEFAULT SWAPS

COUNTERPARTY	REFERENCE ENTITY	BUY/SELL PROTECTION	PAY/ RECEIVE FIXED RATE	EXPIRATION DATE	NOTIONAL AMOUNT (000)	UNREALIZ APPRECIAT DEPRECIAT
--------------	------------------	------------------------	----------------------------------	--------------------	-----------------------------	------------------------------------

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Goldman Sachs	Jones Apparel					
Capital	Group, Inc.					
Markets		Buy	1.64%	6/20/11	\$1,300	\$8,091

See Notes to Financial Statements 15

VAN KAMPEN BOND FUND

FINANCIAL STATEMENTS

Statement of Assets and Liabilities  
June 30, 2006

ASSETS:

Total Investments, including repurchase agreement of \$28,287,000 (Cost \$224,981,006).....	\$220,945,411
Cash.....	636
Receivables:	
Interest.....	2,958,849
Investments Sold.....	269,196
Variation Margin on Futures.....	123,391
Swap Contracts.....	8,091
Other.....	16,398
	-----
Total Assets.....	224,321,972
	-----

LIABILITIES:

Payables:	
Investments Purchased.....	12,536,024
Income Distributions.....	135,328
Investment Advisory Fee.....	73,233
Other Affiliates.....	5,720
Trustees' Deferred Compensation and Retirement Plans.....	226,196
Accrued Expenses.....	120,449
	-----
Total Liabilities.....	13,096,950
	-----

NET ASSETS..... \$211,225,022

NET ASSET VALUE PER COMMON SHARE (\$211,225,022 divided by  
11,362,465 shares outstanding)..... \$ 18.59

NET ASSETS CONSIST OF:

Common Shares (\$1.00 par value with 15,000,000 shares authorized, 11,362,465 shares issued and outstanding).....	\$ 11,362,465
Paid in Surplus.....	207,602,030
Accumulated Undistributed Net Investment Income.....	(1,423,038)
Accumulated Net Realized Loss.....	(2,260,640)
Net Unrealized Depreciation.....	(4,055,795)
	-----
NET ASSETS.....	\$211,225,022
	=====



Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

VAN KAMPEN BOND FUND

FINANCIAL STATEMENTS continued

Statement of Operations  
For the Year Ended June 30, 2006

INVESTMENT INCOME:	
Interest.....	\$ 11,309,263
Other.....	30,606
	-----
Total Income.....	11,339,869
	-----
EXPENSES:	
Investment Advisory Fee.....	915,769
Shareholder Reports.....	75,805
Trustees' Fees and Related Expenses.....	69,625
Custody.....	27,099
Legal.....	23,739
Other.....	172,067
	-----
Total Expenses.....	1,284,104
Less Credits Earned on Cash Balances.....	346
	-----
Net Expenses.....	1,283,758
	-----
NET INVESTMENT INCOME.....	\$ 10,056,111
	=====
REALIZED AND UNREALIZED GAIN/LOSS:	
Realized Gain/Loss:	
Investments.....	\$ 94,375
Futures.....	24,564
Swap Contracts.....	(5,271)
	-----
Net Realized Gain.....	113,668
	-----
Unrealized Appreciation/Depreciation:	
Beginning of the Period.....	7,764,627
	-----
End of the Period:	
Investments.....	(4,035,595)
Futures.....	(28,291)
Swap Contracts.....	8,091
	-----
	(4,055,795)
	-----
Net Unrealized Depreciation During the Period.....	(11,820,422)
	-----
NET REALIZED AND UNREALIZED LOSS.....	\$ (11,706,754)
	=====
NET DECREASE IN NET ASSETS FROM OPERATIONS.....	\$ (1,650,643)
	=====

See Notes to Financial Statements

17

VAN KAMPEN BOND FUND

FINANCIAL STATEMENTS continued

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Statements of Changes in Net Assets

	FOR THE YEAR ENDED JUNE 30, 2006	FOR THE YEAR ENDED JUNE 30, 2005
FROM INVESTMENT ACTIVITIES:		
Operations:		
Net Investment Income.....	\$ 10,056,111	\$ 10,914,053
Net Realized Gain.....	113,668	4,772,518
Net Unrealized Appreciation/Depreciation During the Period.....	(11,820,422)	2,110,710
Change in Net Assets from Operations.....	(1,650,643)	17,797,281
Distributions from Net Investment Income.....	(10,885,053)	(11,589,525)
NET CHANGE IN NET ASSETS FROM INVESTMENT ACTIVITIES.....	(12,535,696)	6,207,756
NET ASSETS:		
Beginning of the Period.....	223,760,718	217,552,962
End of the Period (Including accumulated undistributed net investment income of \$(1,423,038) and \$(1,077,256), respectively).....	\$211,225,022	\$223,760,718

18

See Notes to Financial Statements

VAN KAMPEN BOND FUND

FINANCIAL HIGHLIGHTS

THE FOLLOWING SCHEDULE PRESENTS FINANCIAL HIGHLIGHTS FOR ONE SHARE OF THE FUND OUTSTANDING THROUGHOUT THE PERIODS INDICATED.

	YEAR ENDED JUNE 30,				
	2006	2005	2004	2003	2002
NET ASSET VALUE, BEGINNING OF THE PERIOD.....	\$19.69	\$19.15	\$19.78	\$18.78	\$19.41
Net Investment Income.....	.89(a)	.96	1.03	1.10	1.26
Net Realized and Unrealized Gain/Loss.....	(1.03)	.60	(.54)	1.11	(.56)
Total from Investment Operations.....	(.14)	1.56	.49	2.21	.70
Less Distributions from Net Investment Income.....	.96	1.02	1.12	1.21	1.33
NET ASSET VALUE, END OF THE PERIOD.....	\$18.59	\$19.69	\$19.15	\$19.78	\$18.78

Common Share Market Price at End of the

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Period.....	\$16.40	\$17.80	\$17.02	\$19.57	\$18.50
Total Return (b).....	-2.59%	10.69%	-7.44%	12.67%	3.50%
Net Assets at End of the Period (In millions).....	\$211.2	\$223.8	\$217.6	\$224.7	\$213.4
Ratio of Expenses to Average Net Assets.....	.59%	.60%	.65%	.65%	.65%
Ratio of Net Investment Income to Average Net Assets.....	4.61%	4.90%	5.24%	5.79%	6.39%
Portfolio Turnover.....	64%	61%	41%	57%	107%

(a) Based on average shares outstanding.

(b) Total return based on common share market price assumes an investment at the common share market price at the beginning of the period indicated, reinvestment of all distributions for the period in accordance with the Fund's dividend reinvestment plan, and sale of all shares at the closing common share market price at the end of the period indicated.

See Notes to Financial Statements

19

VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2006

### 1. SIGNIFICANT ACCOUNTING POLICIES

Van Kampen Bond Fund (the "Fund") is registered as a diversified, closed-end management investment company under the Investment Company Act of 1940 (the "1940 Act"), as amended. The Fund's investment objective is to seek interest income while conserving capital through investing in a diversified portfolio consisting primarily of high-quality debt securities.

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

A. SECURITY VALUATION Fixed income investments are stated at value using market quotations or indications of value obtained from an independent pricing service. Investments in securities listed on a securities exchange are valued at their last sales price as of the close of such securities exchange. Listed and unlisted securities for which the last sales price is not available are valued at the mean of the bid and asked prices. For those securities where quotations or prices are not available as noted above, valuations are determined in accordance with procedures established in good faith by the Board of Trustees. Futures contracts are valued at the settlement price established each day on the exchange on which they are traded. Short-term securities with remaining maturities of 60 days or less are valued at amortized cost, which approximates market value.

B. SECURITY TRANSACTIONS Security transactions are recorded on a trade date basis. Realized gains and losses are determined on an identified cost basis. The Fund may purchase and sell securities on a "when-issued" or "delayed delivery" basis, with settlement to occur at a later date. The value of the security so purchased is subject to market fluctuations during this period. The Fund will segregate assets with its custodian having an aggregate value at least equal to the amount of the when-issued or delayed delivery purchase commitments until

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

payment is made. At June 30, 2006, the Fund had \$12,536,024 of when-issued or delayed delivery purchase commitments.

The Fund may invest in repurchase agreements, which are short-term investments in which the Fund acquires ownership of a debt security and the seller agrees to repurchase the security at a future time and specified price. The Fund may invest independently in repurchase agreements, or transfer uninvested cash balances into a pooled cash account along with other investment companies advised by Van Kampen Asset Management (the "Adviser") or its affiliates, the daily aggregate of which is invested in repurchase agreements. Repurchase agreements are fully collateralized by the underlying debt security. The Fund will make payment for such securities only upon physical delivery or evidence of book entry transfer to the account of the custodian bank. The seller is required to maintain the value of the underlying security at not less than the repurchase proceeds due the Fund.

C. INVESTMENT INCOME Interest income is recorded on an accrual basis and dividend income is recorded on the ex-dividend date. Premiums are amortized and discounts are accreted over the expected life of each applicable security.

20

VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2006 continued

D. FEDERAL INCOME TAXES It is the Fund's policy to comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no provision for federal income taxes is required.

The Fund intends to utilize provisions of the federal income tax laws which allow it to carry a realized capital loss forward for eight years following the year of the loss and offset these losses against any future realized capital gains. During the current fiscal year, the Fund utilized capital losses carried forward of \$1,014,664. At June 30, 2006, the Fund had an accumulated capital loss carryforward for tax purposes of \$753,340, which will expire on June 30, 2011.

At June 30, 2006, the cost and related gross unrealized appreciation and depreciation are as follows:

Cost of investments for tax purposes.....	\$226,479,566
	=====
Gross tax unrealized appreciation.....	\$ 1,420,473
Gross tax unrealized depreciation.....	(6,954,628)
	-----
Net tax unrealized depreciation on investments.....	\$ (5,534,155)
	=====

E. DISTRIBUTION OF INCOME AND GAINS The Fund declares and pays quarterly dividends from net investment income. Net realized gains, if any, are distributed annually. Distributions from net realized gains for book purposes may include short-term capital gains and gains on futures transactions. All short-term capital gains and a portion of futures gains are included in ordinary income for tax purposes.

The tax character of distributions paid during the years ended June 30, 2006

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

and 2005 was as follows:

	2006	2005
Distributions paid from:		
Ordinary income.....	\$10,897,728	\$11,599,970
Long-term capital gain.....	-0-	-0-
	-----	-----
	\$10,897,728	\$11,599,970
	=====	=====

Due to inherent differences in the recognition of income, expenses and realized gains/losses under accounting principles generally accepted in the United States of America and federal income tax purposes, permanent differences between book and tax basis reporting have been identified and appropriately reclassified on Statement of Assets and Liabilities. Permanent book and tax differences relating to consent fee income received from tender offers totaling \$28,350 and the recognition of net realized losses on paydowns of mortgage pool obligations totaling \$10,132 were reclassified from accumulated undistributed net investment income to accumulated net realized loss. Additionally, a permanent difference relating to book to tax amortization differences totaling \$501,378 was reclassified to accumulated undistributed net investment income from accumulated net realized loss.

21

VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2006 continued

As of June 30, 2006, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income..... \$58,085

Net realized gains or losses may differ for financial reporting and tax purposes primarily as a result of the deferral of losses relating to wash sale transactions, gains or losses recognized for tax purposes on open futures transactions on June 30, 2006, and post October losses which are not realized for tax purposes until the first day of the following fiscal year.

F. EXPENSE REDUCTIONS During the year ended June 30, 2006, the Fund's custody fee was reduced by \$346 as a result of credits earned on cash balances.

2. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Under the terms of the Fund's Investment Advisory Agreement, the Adviser will provide investment advice and facilities to the Fund for an annual fee payable monthly as follows:

AVERAGE DAILY NET ASSETS	% PER ANNUM
First \$500 million.....	.42%

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Over \$500 million..... .35%

For the year ended June 30, 2006, the Fund recognized expenses of approximately \$23,700 representing legal services provided by Skadden, Arps, Slate, Meagher & Flom LLP, of which a trustee of the Fund is a partner of such firm and he and his law firm provide legal services as legal counsel to the Fund.

Under separate Accounting Services and Chief Compliance Officer (CCO) Employment agreements, the Adviser provides accounting services and the CCO provides compliance services to the Fund. The costs of these services are allocated to each fund. For the year ended June 30, 2006, the Fund recognized expenses of approximately \$16,500 representing Van Kampen Investments Inc.'s or its affiliates' (collectively "Van Kampen") cost of providing accounting services to the Fund, as well as, the salary, benefits and related costs of the CCO and related support staff paid by Van Kampen. Services provided pursuant to the Accounting Services and CCO Employment agreement are reported as part of "Other" expenses on the Statement of Operations.

Certain officers and trustees of the Fund are also officers and directors of Van Kampen. The Fund does not compensate its officers or trustees who are also officers of Van Kampen.

The Fund provides deferred compensation and retirement plans for its trustees who are not officers of Van Kampen. Under the deferred compensation plan, trustees may elect to defer all or a portion of their compensation to a later date. Benefits under the retirement plan are payable upon retirement for a ten-year period and are based upon each trustee's years of service to the Fund. The maximum annual benefit per trustee under the plan is \$2,500.

### 3. INVESTMENT TRANSACTIONS

During the period, the cost of purchases and proceeds from sales of investments, excluding short-term investments and U. S. Government securities, were \$51,270,529 and \$75,154,916,

22

VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2006 continued

respectively. The cost of purchases and proceeds from sales of long-term U. S. Government securities, including paydowns on mortgage-backed securities, for the period were \$78,574,364 and \$62,566,512, respectively.

### 4. DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument in very general terms refers to a security whose value is "derived" from the value of an underlying asset, reference rate or index.

All of the Fund's portfolio holdings, including derivative instruments, are marked to market each day with the change in value reflected in the unrealized appreciation/depreciation. Upon disposition, a realized gain or loss is recognized accordingly, except when taking delivery of a security underlying a futures contract. In this instance, the recognition of gain or loss is postponed until the disposal of the security underlying the futures contract. Risks may arise as a result of the potential inability of the counterparties to meet the terms of their contracts.

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

A. FUTURE CONTRACTS During the period, the Fund invested in futures contracts, a type of derivative. A futures contract is an agreement involving the delivery of a particular asset on a specified future date at an agreed upon price. The Fund generally invests in exchange traded futures on U.S. Treasury Bonds and Notes for duration and risk management purposes, and typically closes the contract prior to delivery date. Upon entering into futures contracts, the Fund maintains an amount of cash or liquid securities with a value equal to a percentage of the contract amount with either a futures commission merchant pursuant to rules and regulations promulgated under the 1940 Act, as amended, or with its custodian in an account in the broker's name. This amount is known as initial margin. During the period the futures contract is open, payments are received from or made to the broker based upon changes in the value of the contract (the variation margin). The risk of loss associated with a futures contract is in excess of the variation margin reflected on the Statement of Assets and Liabilities.

Transactions in futures contracts for the year ended June 30, 2006, were as follows:

	CONTRACTS
Outstanding at June 30, 2005.....	400
Futures Opened.....	2,778
Futures Closed.....	(2,769)
	-----
Outstanding at June 30, 2006.....	409
	=====

B. CREDIT DEFAULT SWAPS The Fund may enter into credit default swap contracts for hedging purposes or to gain exposure to a credit in which the Fund may otherwise invest. A credit default swap is an agreement between two parties to exchange the credit risk of an issuer. A buyer of a credit default swap is said to buy protection by paying periodic fees in return for a contingent payment from the seller if the issuer has a credit event such as bankruptcy, a failure to pay outstanding obligations or deteriorating credit while the swap is outstanding. A seller of a credit default swap, is said to sell protection and thus collects the periodic fees and profits if the credit of the issuer remains stable or improves while the swap is outstanding but the seller in a credit default swap contract would be required to pay an agreed-upon amount,

23

VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2006 continued

which approximates the notional amount of the swap, as disclosed in the table following the Portfolio of Investments, to the buyer in the event of an adverse credit event of the issuer. The Fund accrues for the periodic fees on swap contracts on a daily basis with the net amount accrued recorded within unrealized appreciation/depreciation of swap contracts. Upon cash settlement of the periodic fees, the net amount is recorded as realized gain/loss on swap contracts on the Statements of Operations. Net unrealized gains are recorded as an asset or net unrealized losses are reported as a liability on the Statement of Assets and Liabilities. The change in value of the swaps is reported as unrealized gains or losses in the Statement of Operations.

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Credit default swaps may involve greater risks than if a Fund had invested in the issuer directly. Credit default swaps are subject to general market risk, counterparty risk and credit risk. If there is a default by the counterparty, the Fund will have contractual remedies pursuant to the agreements related to the transaction.

### 5. INDEMNIFICATIONS

The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

24

VAN KAMPEN BOND FUND

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees and Shareholders of Van Kampen Bond Fund

We have audited the accompanying statement of assets and liabilities of Van Kampen Bond Fund (the "Fund"), including the portfolio of investments, as of June 30, 2006, the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of June 30, 2006, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Van Kampen Bond Fund as of June 30, 2006, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP  
Chicago, Illinois  
August 14, 2006



## VAN KAMPEN BOND FUND

## DIVIDEND REINVESTMENT PLAN

The Fund pays distributions in cash, but you may elect to participate in the Fund's dividend reinvestment plan (the "Plan"). Under the Plan, shares will be issued by the Fund at net asset value on a date determined by the Board of Trustees between the record and payable dates on each distribution; however, if the market price including brokerage commissions, is less than the net asset value, the amount of the distribution will be paid to the Plan Agent, which will buy such shares as are available at prices below the net asset value. (If the market price is not significantly less than the net asset value, it is possible that open market purchases of shares may increase the market price so that such price plus brokerage commissions would equal or exceed the net asset value of such shares.) If the Plan Agent cannot buy the necessary shares at less than net asset value before the distribution date, the balance of the distribution will be made in authorized but unissued shares of the Fund at net asset value. The cost per share will be the average cost, including brokerage commissions, of all shares purchased. Since all shares purchased from the Fund are at net asset value, there will be no dilution, and no brokerage commissions are charged on such shares.

You will receive tax information annually for your personal records and to help you prepare your federal income tax return. The automatic reinvestment of dividends and capital gain distributions does not relieve you of any income tax which may be payable (or required to be withheld) on dividends or distributions.

You may begin or discontinue participation in the Plan at any time by written notice to the address below. If you withdraw from the Plan, you may rejoin at any time. Elections and terminations will be effective for distributions declared after receipt. If you withdraw from the Plan, a certificate for the whole shares and a check for the fractional shares, if any, credited to your Plan account will be sent as soon as practicable after receipt of your election to withdraw. Except for brokerage commissions, if any, which are borne by Plan participants, all costs of the Plan are borne by the Fund. The Fund reserves the right to amend or terminate the Plan on 30 days' written notice prior to the record date of the distribution for which such amendment or termination is effective.

Record stockholders should address all notices, correspondence, questions or other communications about the Plan to:

Van Kampen Closed End Funds  
c/o Computershare Trust Company, N.A.  
PO Box 43011  
Providence, RI 02940-3011  
1-800-341-2929

If your shares are not held directly in your name, you should contact your brokerage firm, bank or other nominee for more information and to see if your nominee will participate in the Plan on your behalf. If you participate through your broker and choose to move your account to another broker, you will need to re-enroll in the Plan through your new broker.

To obtain a complete copy of the Dividend Reinvestment Plan, please call our Client Relations department at 1-800-341-2929.

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

VAN KAMPEN BOND FUND

BOARD OF TRUSTEES, OFFICERS AND IMPORTANT ADDRESSES

BOARD OF TRUSTEES

DAVID C. ARCH  
JERRY D. CHOATE  
ROD DAMMEYER  
LINDA HUTTON HEAGY  
R. CRAIG KENNEDY  
HOWARD J KERR  
JACK E. NELSON  
HUGO F. SONNENSCHNEIN  
WAYNE W. WHALEN\* - Chairman  
SUZANNE H. WOOLSEY

OFFICERS

RONALD E. ROBISON  
President and Principal Executive Officer

DENNIS SHEA  
Vice President

J. DAVID GERMANY  
Vice President

AMY R. DOBERMAN  
Vice President

STEFANIE V. CHANG  
Vice President and Secretary

JOHN L. SULLIVAN  
Chief Compliance Officer

PHILLIP G. GOFF  
Chief Financial Officer and Treasurer

INVESTMENT ADVISER

VAN KAMPEN ASSET MANAGEMENT  
1221 Avenue of the Americas  
New York, New York 10020

CUSTODIAN

STATE STREET BANK  
AND TRUST COMPANY  
One Lincoln Street  
Boston, Massachusetts 02111

TRANSFER AGENT

COMPUTERSHARE TRUST COMPANY, N.A.  
C/O COMPUTERSHARE INVESTOR SERVICES  
P.O. Box 43011  
Providence, Rhode Island 02940-3011

LEGAL COUNSEL

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

SKADDEN, ARPS, SLATE,  
MEAGHER & FLOM LLP  
333 West Wacker Drive  
Chicago, Illinois 60606

INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM

DELOITTE & TOUCHE LLP  
111 South Wacker Drive  
Chicago, Illinois 60606-4301

\* "Interested persons" of the Fund, as defined in the Investment Company Act of 1940, as amended.

27

VAN KAMPEN BOND FUND

RESULTS OF SHAREHOLDER VOTES

The Annual Meeting of Shareholders of the Fund was held on June 23, 2006, where shareholders voted on the election of trustees.

With regard to the election of the following trustees by common shareholders of the Fund:

	# OF SHARES	
	IN FAVOR	WITHHELD
Rod Dammeyer.....	8,714,476	776,560
Linda Hutton Heagy.....	8,675,583	815,453
Wayne W. Whalen.....	8,716,899	774,137

The other trustees of the Fund whose terms did not expire in 2006 are David C. Arch, Jerry D. Choate, R. Craig Kennedy, Howard J Kerr, Jack E. Nelson, Hugo F. Sonnenschein, and Suzanne H. Woolsey.

28

VAN KAMPEN BOND FUND

TRUSTEES AND OFFICERS INFORMATION

The business and affairs of the Fund are managed under the direction of the Fund's Board of Trustees and the Fund's officers appointed by the Board of Trustees. The tables below list the trustees and executive officers of the Fund and their principal occupations during the last five years, other directorships held by trustees and their affiliations, if any, with Van Kampen Investments, the Adviser, the Distributor, Van Kampen Advisors Inc., Van Kampen Exchange Corp. and Investor Services. The term "Fund Complex" includes each of the investment companies advised by the Adviser as of the date of this Annual Report. Trustees of the Fund generally serve three year terms or until their successors are duly elected and qualified. Officers are annually elected by the trustees.

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

INDEPENDENT TRUSTEES:

NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE	OT HE
David C. Arch (61) Blistex Inc. 1800 Swift Drive Oak Brook, IL 60523	Trustee	Trustee since 1997	Chairman and Chief Executive Officer of Blistex Inc., a consumer health care products manufacturer. Director of the Heartland Alliance, a nonprofit organization serving human needs based in Chicago. Director of St. Vincent de Paul Center, a Chicago based day care facility serving the children of low income families. Board member of the Illinois Manufacturers' Association.	68	Tr Ge in
Jerry D. Choate (67) 33971 Selva Road Suite 130 Dana Point, CA 92629	Trustee	Trustee since 2003	Prior to January 1999, Chairman and Chief Executive Officer of the Allstate Corporation ("Allstate") and Allstate Insurance Company. Prior to January 1995, President and Chief Executive Officer of Allstate. Prior to August 1994, various management positions at Allstate.	68	Tr Ge in Di bi an En in co

29

VAN KAMPEN BOND FUND  
TRUSTEES AND OFFICERS INFORMATION continued

NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE	OT HE
Rod Dammeyer (65) CAC, L.L.C. 4350 LaJolla Village Drive	Trustee	Trustee since 1997	President of CAC, L.L.C., a private company offering capital	68	Tr Ge in

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Suite 980  
San Diego, CA 92122-6223

investment and management advisory services. Prior to February 2001, Vice Chairman and Director of Anixter International, Inc., a global distributor of wire, cable and communications connectivity products. Prior to July 2000, Managing Partner of Equity Group Corporate Investment (EGI), a company that makes private investments in other companies.

30

VAN KAMPEN BOND FUND  
TRUSTEES AND OFFICERS INFORMATION continued

NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE	OT HE
Linda Hutton Heagy (58) Heidrick & Struggles 233 South Wacker Drive Suite 7000 Chicago, IL 60606	Trustee	Trustee since 2003	Managing Partner of Heidrick & Struggles, an executive search firm. Trustee on the University of Chicago Hospitals Board, Vice Chair of the Board of the YMCA of Metropolitan Chicago and a member of the Women's Board of the University of Chicago. Prior to 1997, Partner of Ray & Berndtson, Inc., an executive recruiting firm. Prior to 1996,	68	Tr Ge in

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

			Trustee of The International House Board, a fellowship and housing organization for international graduate students. Prior to 1995, Executive Vice President of ABN AMRO, N.A., a bank holding company. Prior to 1990, Executive Vice President of The Exchange National Bank.		
R. Craig Kennedy (54) 1744 R Street, NW Washington, DC 20009	Trustee	Trustee since 2003	Director and President of the German Marshall Fund of the United States, an independent U.S. foundation created to deepen understanding, promote collaboration and stimulate exchanges of practical experience between Americans and Europeans. Formerly, advisor to the Dennis Trading Group Inc., a managed futures and option company that invests money for individuals and institutions. Prior to 1992, President and Chief Executive Officer, Director and member of the Investment Committee of the Joyce Foundation, a private foundation.	68	Tr Ge in
Howard J Kerr (70) 14 Huron Trace Galena, IL 61036	Trustee	Trustee since 1997	Prior to 1998, President and Chief Executive Officer of Pocklington Corporation, Inc., an investment holding company. Director of the Marrow Foundation.	68	Tr Ge in Di Fo

31

VAN KAMPEN BOND FUND  
TRUSTEES AND OFFICERS INFORMATION continued

NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE	OT HE
---	----------------------------------	--	--	--	----------

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

<p>Jack E. Nelson (70) 423 Country Club Drive Winter Park, FL 32789</p>	<p>Trustee</p>	<p>Trustee since 2003</p>	<p>President of Nelson Investment Planning Services, Inc., a financial planning company and registered investment adviser in the State of Florida. President of Nelson Invest Brokerage Services Inc., a member of the NASD, Securities Investors Protection Corp. and the Municipal Securities Rulemaking Board. President of Nelson Sales and Services Corporation, a marketing and services company to support affiliated companies.</p>	<p>68</p>
<p>Hugo F. Sonnenschein (65) 1126 E. 59th Street Chicago, IL 60637</p>	<p>Trustee</p>	<p>Trustee since 1997</p>	<p>President Emeritus and Honorary Trustee of the University of Chicago and the Adam Smith Distinguished Service Professor in the Department of Economics at the University of Chicago. Prior to July 2000, President of the University of Chicago. Trustee of the University of Rochester and a member of its investment committee. Member of the National Academy of Sciences, the American Philosophical Society and a fellow of the American Academy of Arts and Sciences.</p>	<p>68</p>
<p>Suzanne H. Woolsey, Ph.D. (64) 815 Cumberstone Road Harwood, MD 20776</p>	<p>Trustee</p>	<p>Trustee since 2003</p>	<p>Chief Communications Officer of the National Academy of Sciences/National Research Council, an independent, federally chartered policy institution, from 2001 to November 2003 and Chief Operating Officer from 1993 to 2001. Director of the Institute for Defense Analyses, a federally funded research and development center, Director of the German Marshall Fund of the United States, Director of the Rocky Mountain</p>	<p>68</p>

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

Institute and Trustee of Colorado College. Prior to 1993, Executive Director of the Commission on Behavioral and Social Sciences and Education at the National Academy of Sciences/National Research Council. From 1980 through 1989, Partner of Coopers & Lybrand.

32

VAN KAMPEN BOND FUND

TRUSTEES AND OFFICERS INFORMATION continued

INTERESTED TRUSTEE:\*

NAME, AGE AND ADDRESS OF INTERESTED TRUSTEE	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE	OT HE
Wayne W. Whalen* (67) 333 West Wacker Drive Chicago, IL 60606	Trustee	Trustee since 1997	Partner in the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, legal counsel to funds in the Fund Complex.	68	Tr Ge in Di Li Li

\* Mr. Whalen is an "interested person" (within the meaning of Section 2(a)(19) of the 1940 Act) of certain funds in the Fund Complex by reason of he and his firm currently providing legal services as legal counsel to such funds in the Fund Complex.

33

VAN KAMPEN BOND FUND

TRUSTEES AND OFFICERS INFORMATION continued

OFFICERS:

NAME, AGE AND ADDRESS OF OFFICER	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
----------------------------------	----------------------------	--	---



Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

<p>Ronald E. Robison (67) 1221 Avenue of the Americas New York, NY 10020</p>	<p>President and Principal Executive Officer</p>	<p>Officer since 2003</p>	<p>President of funds in the Fund and Principal Executive Officer since May 2003. Managing Director Inc. since June 2003. Director of Investments and Van Kampen Exc 2005. Managing Director of Morgan Stanley &amp; Co. Incorporated. Managing Director of Morgan Stanley Investment Management Administrative Officer, Managing Director of Morgan Stanley Investment Advisory Services Company Inc. Managing Director of Morgan Stanley Distributors Inc. Chief Executive Officer of Morgan Stanley Trust. Executive Officer of the Institutional Funds. Director of Morgan Stanley Chief Global Operations Office Management Inc. and Executive Officer of the Fund Complex from May 2003 to</p>
--	--	-------------------------------	--

<p>Dennis Shea (53) 1221 Avenue of the Americas New York, NY 10020</p>	<p>Vice President</p>	<p>Officer since 2006</p>	<p>Managing Director of Morgan Stanley Inc., Morgan Stanley Investment Management and Van Kampen Advisors Inc. Chief Executive Officer of the same entities since February 2006. Vice President of Morgan Stanley Investment Management Complex since March 2006. Previous Director of Global Equity Research from April 2000 to February 2006.</p>
--	-----------------------	-------------------------------	---

<p>J. David Germany (52) 25 Cabot Square, Canary Wharf London, GBR E14 4QA</p>	<p>Vice President</p>	<p>Officer since 2006</p>	<p>Managing Director of Morgan Stanley Inc., Morgan Stanley Investment Management and Van Kampen Advisors Inc. Chief Executive Officer of the same entities since February 2006. Managing Director and Director of Morgan Stanley Investment Management Ltd. Director of Morgan Stanley Investment Management (ACD) Limited since February 2006. Vice President of Morgan Stanley Investment Management Funds since February 2006. Vice President of the Fund Complex since March 2006.</p>
--	-----------------------	-------------------------------	---

34

VAN KAMPEN BOND FUND  
TRUSTEES AND OFFICERS INFORMATION continued

NAME, AGE AND ADDRESS OF OFFICER	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
<p>Amy R. Doberman (44) 1221 Avenue of the Americas New York, NY 10020</p>	<p>Vice President</p>	<p>Officer since 2004</p>	<p>Managing Director and General Management; Managing Director of Morgan Stanley Investment Management Inc., Morgan Stanley Investment Management the Adviser. Vice President of</p>

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

			Institutional and Retail Funds President of funds in the Fund Previously, Managing Director Americas, UBS Global Asset Man 2004 and General Counsel of Ae Inc. from January 1997 to July
Stefanie V. Chang (39) 1221 Avenue of the Americas New York, NY 10020	Vice President and Secretary	Officer since 2003	Executive Director of Morgan S Inc. Vice President and Secret Complex.
John L. Sullivan (51) 1 Parkview Plaza Oakbrook Terrace, IL 60181	Chief Compliance Officer	Officer since 1996	Chief Compliance Officer of fu August 2004. Prior to August 2 Director of Van Kampen Investm Advisors Inc. and certain othe Investments, Vice President, C Treasurer of funds in the Fund Accounting for Morgan Stanley Prior to December 2002, Execut Investments, the Adviser and V
Phillip G. Goff (42) 1 Parkview Plaza Oakbrook Terrace, IL 60181	Chief Financial Officer and Treasurer	Officer since 2005	Executive Director of Morgan S Inc. since June 2005. Chief Fi of funds in the Fund Complex s June 2005, Vice President and Enterprise Capital Management, company.

In accordance with Section 303A.12(a) of the New York Stock Exchange Listed Company Manual, the Fund's Chief Executive Officer has certified to the New York Stock Exchange that, as of July 18, 2005, he was not aware of any violation by the Fund of NYSE corporate governance listing standards.

The certifications by the Fund's principal executive officer and principal financial officer required by Rule 30a-2 under the 1940 Act were filed with the Fund's report to the SEC on Form N-CSR and are available on the Securities and Exchange Commission's web site at <http://www.sec.gov>.

35

Van Kampen Bond Fund

An Important Notice Concerning Our U.S. Privacy Policy

We are required by federal law to provide you with a copy of our Privacy Policy annually.

The following Policy applies to current and former individual clients of Van Kampen Investments Inc., Van Kampen Asset Management, Van Kampen Advisors Inc., Van Kampen Funds Inc., Van Kampen Investor Services Inc. and Van Kampen Exchange Corp., as well as current and former individual investors in Van Kampen mutual funds, unit investment trusts, and related companies.

This Policy is not applicable to partnerships, corporations, trusts or other non-individual clients or account holders, nor is this Policy applicable to individuals who are either beneficiaries of a trust for which we serve as trustee or participants in an employee benefit plan administered or advised by us. This Policy is, however, applicable to individuals who select us to

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

be a custodian of securities or assets in individual retirement accounts, 401(k) accounts, 529 Educational Savings Accounts, accounts subject to the Uniform Gifts to Minors Act, or similar accounts.

Please note that we may amend this Policy at any time, and will inform you of any changes to this Policy as required by law.

### WE RESPECT YOUR PRIVACY

We appreciate that you have provided us with your personal financial information. We strive to maintain the privacy of such information while we help you achieve your financial objectives. This Policy describes what non-public personal information we collect about you, why we collect it, and when we may share it with others.

We hope this Policy will help you understand how we collect and share non-public personal information that we gather about you. Throughout this Policy, we refer to the non-public information that personally identifies you or your accounts as "personal information."

#### 1. WHAT PERSONAL INFORMATION DO WE COLLECT ABOUT YOU?

To serve you better and manage our business, it is important that we collect and maintain accurate information about you. We may obtain this information from applications and other forms you submit to us, from your dealings with us, from consumer reporting agencies, from our Web sites and from third parties and other sources.

(continued on next page)

Van Kampen Bond Fund

An Important Notice Concerning Our U.S. Privacy Policy continued

For example:

- We may collect information such as your name, address, e-mail address, telephone/fax numbers, assets, income and investment objectives through applications and other forms you submit to us.
- We may obtain information about account balances, your use of account(s) and the types of products and services you prefer to receive from us through your dealings and transactions with us and other sources.
- We may obtain information about your creditworthiness and credit history from consumer reporting agencies.
- We may collect background information from and through third-party vendors to verify representations you have made and to comply with various regulatory requirements.
- If you interact with us through our public and private Web sites, we may collect information that you provide directly through online communications (such as an e-mail address). We may also collect information about your Internet service provider, your domain name, your computer's operating system and Web browser, your use of our Web sites and your product and service preferences, through the use of "cookies." "Cookies" recognize your computer each time you return to one of our sites, and help to improve our sites' content and personalize your experience on our sites by, for example, suggesting offerings that may interest you. Please consult the Terms of Use of

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

these sites for more details on our use of cookies.

### 2. WHEN DO WE DISCLOSE PERSONAL INFORMATION WE COLLECT ABOUT YOU?

To provide you with the products and services you request, to serve you better and to manage our business, we may disclose personal information we collect about you to our affiliated companies and to non-affiliated third parties as required or permitted by law.

A. INFORMATION WE DISCLOSE TO OUR AFFILIATED COMPANIES. We do not disclose personal information that we collect about you to our affiliated companies except to enable them to provide services on our behalf or as otherwise required or permitted by law.

B. INFORMATION WE DISCLOSE TO THIRD PARTIES. We do not disclose personal information that we collect about you to non-affiliated third parties except to enable them to provide services on our behalf, to perform joint marketing agreements with

(continued on back)

Van Kampen Bond Fund

An Important Notice Concerning Our U.S. Privacy Policy continued

other financial institutions, or as otherwise required or permitted by law. For example, some instances where we may disclose information about you to non-affiliated third parties include: for servicing and processing transactions, to offer our own products and services, to protect against fraud, for institutional risk control, to respond to judicial process or to perform services on our behalf. When we share personal information with these companies, they are required to limit their use of personal information to the particular purpose for which it was shared and they are not allowed to share personal information with others except to fulfill that limited purpose.

### 3. HOW DO WE PROTECT THE SECURITY AND CONFIDENTIALITY OF PERSONAL INFORMATION WE COLLECT ABOUT YOU?

We maintain physical, electronic and procedural security measures to help safeguard the personal information we collect about you. We have internal policies governing the proper handling of client information. Third parties that provide support or marketing services on our behalf may also receive personal information, and we require them to adhere to confidentiality standards with respect to such information.

Van Kampen Funds Inc.  
1 Parkview Plaza  
P.O. Box 5555  
Oakbrook Terrace, IL 60181-5555

[www.vankampen.com](http://www.vankampen.com)

Copyright (C)2006 Van Kampen Funds Inc. All rights reserved.  
Member NASD/SIPC.

(VAN KAMPEN INVESTMENTS SHINE LOGO)

VBF ANR 8/06  
RN06-02179P-Y06/06

Item 2. Code of Ethics.

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

(a) The Fund has adopted a code of ethics (the "Code of Ethics") that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the Fund or a third party.

(b) No information need be disclosed pursuant to this paragraph.

(c) The Fund has amended its Code of Ethics during the period covered by the shareholder report presented in Item 1.

Due to personnel changes at the Adviser, the list of Covered Officers set forth in Exhibit B was amended in September 2005. Both editions of Exhibit B are attached.

(d) Not applicable.

(e) Not applicable.

(f)

(1) The Fund's Code of Ethics is attached hereto as Exhibit 12A.

(2) Not applicable.

(3) Not applicable.

Item 3. Audit Committee Financial Expert.

The Fund's Board of Trustees has determined that it has two "audit committee financial experts" serving on its audit committee, each of whom are "independent" Trustees : Jerry Choate and R. Craig Kennedy. Under applicable securities laws, a person who is determined to be an audit committee financial expert will not be deemed an "expert" for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification of a person as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities that are greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and Board of Trustees in the absence of such designation or identification.

Item 4. Principal Accountant Fees and Services.

(a) (b) (c) (d) and (g). Based on fees billed for the periods shown:

2006

	REGISTRANT -----	COVERED ENTITIES (1) -----
AUDIT FEES .....	\$31,800	N/A
NON-AUDIT FEES		
AUDIT-RELATED FEES ..	\$ 0	\$244,200 (2)
TAX FEES .....	\$ 1,600 (3)	\$ 0
ALL OTHER FEES .....	\$ 0	\$ 0

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

TOTAL NON-AUDIT FEES ...	\$ 1,600	\$244,200
TOTAL .....	\$33,400	\$244,200

2005

	REGISTRANT -----	COVERED ENTITIES (1) -----
AUDIT FEES .....	\$30,855	N/A
NON-AUDIT FEES .....		
AUDIT-RELATED FEES ..	\$ 0	\$321,000 (2)
TAX FEES .....	\$ 1,600 (3)	\$ 0
ALL OTHER FEES .....	\$ 0	\$ 0
TOTAL NON-AUDIT FEES ...	\$ 1,600	\$321,000
TOTAL .....	\$32,455	\$321,000

N/A- Not applicable, as not required by Item 4.

- (1) Covered Entities include the Adviser (excluding sub-advisors) and any entity controlling, controlled by or under common control with the Adviser that provides ongoing services to the Registrant.
- (2) Audit-Related Fees represent assurance and related services provided that are reasonably related to the performance of the audit of the financial statements of the Covered Entities' and funds advised by the Adviser or its affiliates, specifically attestation services provided in connection with a SAS 70 Report.
- (3) Tax Fees represent tax advice and compliance services provided in connection with the review of the Registrant's tax.

(e) (1) The audit committee's pre-approval policies and procedures are as follows:

JOINT AUDIT COMMITTEE  
AUDIT AND NON-AUDIT SERVICES  
PRE-APPROVAL POLICY AND PROCEDURES  
OF THE  
VAN KAMPEN FUNDS

AS ADOPTED JULY 23, 2003 AND AMENDED MAY 26, 2004(1)

1. STATEMENT OF PRINCIPLES

The Audit Committee of the Board is required to review and, in its sole discretion, pre-approve all Covered Services to be provided by the Independent Auditors to the Fund and Covered Entities in order to assure that services performed by the Independent Auditors do not impair the auditor's independence from the Fund.(2)

The SEC has issued rules specifying the types of services that an independent auditor may not provide to its audit client, as well as the audit committee's administration of the engagement of the independent auditor. The SEC's rules establish two different approaches to pre-approving services, which the SEC considers to be equally valid. Proposed services either: may be

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

pre-approved without consideration of specific case-by-case services by the Audit Committee ("general pre-approval"); or require the specific pre-approval of the Audit Committee ("specific pre-approval"). The Audit Committee believes that the combination of these two approaches in this Policy will result in an effective and efficient procedure to pre-approve services performed by the Independent Auditors. As set forth in this Policy, unless a type of service has received general pre-approval, it will require specific pre-approval by the Audit Committee (or by any member of the Audit Committee to which pre-approval authority has been delegated) if it is to be provided by the Independent Auditors. Any proposed services exceeding pre-approved cost levels or budgeted amounts will also require specific pre-approval by the Audit Committee.

For both types of pre-approval, the Audit Committee will consider whether such services are consistent with the SEC's rules on auditor independence. The Audit Committee will also consider whether the Independent Auditors are best positioned to provide the most effective and efficient services, for reasons such as its familiarity with the Fund's business, people, culture, accounting systems, risk profile and other factors, and whether the service might enhance the Fund's ability to manage or control risk or improve audit quality. All such factors will be considered as a whole, and no one factor should necessarily be determinative.

The Audit Committee is also mindful of the relationship between fees for audit and non-audit services in deciding whether to pre-approve any such services and may determine for each fiscal year, the appropriate ratio between the total amount of fees for Audit, Audit-related and Tax services for the Fund (including any Audit-related or Tax service fees for Covered Entities that were subject to pre-approval), and the total amount of fees for certain permissible non-audit services classified as All Other services for the Fund (including any such services for Covered Entities subject to pre-approval).

The appendices to this Policy describe the Audit, Audit-related, Tax and All Other services that have the general pre-approval of the Audit Committee. The term of any general pre-approval is 12 months from the date of pre-approval, unless the Audit Committee considers and provides a different period and states otherwise. The Audit Committee will annually review and pre-approve the services that may be provided by the Independent Auditors without obtaining specific pre-approval

-----

- (1) This Joint Audit Committee Audit and Non-Audit Services Pre-Approval Policy and Procedures (the "Policy"), amended as of the date above, supercedes and replaces all prior versions that may have been amended from time to time.
- (2) Terms used in this Policy and not otherwise defined herein shall have the meanings as defined in the Joint Audit Committee Charter.

from the Audit Committee. The Audit Committee will add to or subtract from the list of general pre-approved services from time to time, based on subsequent determinations.

The purpose of this Policy is to set forth the policy and procedures by which the Audit Committee intends to fulfill its responsibilities. It does not delegate the Audit Committee's responsibilities to pre-approve services performed by the Independent Auditors to management.

The Fund's Independent Auditors have reviewed this Policy and believes that implementation of the Policy will not adversely affect the Independent Auditors' independence.

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

### 2. DELEGATION

As provided in the Act and the SEC's rules, the Audit Committee may delegate either type of pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to the Audit Committee at its next scheduled meeting.

### 3. AUDIT SERVICES

The annual Audit services engagement terms and fees are subject to the specific pre-approval of the Audit Committee. Audit services include the annual financial statement audit and other procedures required to be performed by the Independent Auditors to be able to form an opinion on the Fund's financial statements. These other procedures include information systems and procedural reviews and testing performed in order to understand and place reliance on the systems of internal control, and consultations relating to the audit. The Audit Committee will monitor the Audit services engagement as necessary, but no less than on a quarterly basis, and will also approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, Fund structure or other items.

In addition to the annual Audit services engagement approved by the Audit Committee, the Audit Committee may grant general pre-approval to other Audit services, which are those services that only the Independent Auditors reasonably can provide. Other Audit services may include statutory audits and services associated with SEC registration statements (on Forms N-1A, N-2, N-3, N-4, etc.), periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings.

The Audit Committee has pre-approved the Audit services in Appendix B.1. All other Audit services not listed in Appendix B.1 must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated).

### 4. AUDIT-RELATED SERVICES

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Fund's financial statements or, to the extent they are Covered Services, the Covered Entities' financial statements, or that are traditionally performed by the Independent Auditors. Because the Audit Committee believes that the provision of Audit-related services does not impair the independence of the auditor and is consistent with the SEC's rules on auditor independence, the Audit Committee may grant general pre-approval to Audit-related services. Audit-related services include, among others, accounting consultations related to accounting, financial reporting or disclosure matters not classified as "Audit services"; assistance with understanding and implementing new accounting and financial reporting guidance from rulemaking authorities; agreed-upon or expanded audit procedures related to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters; and assistance with internal control reporting requirements under Forms N-SAR and/or N-CSR.

The Audit Committee has pre-approved the Audit-related services in Appendix B.2. All other Audit-related services not listed in Appendix B.2 must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated).

### 5. TAX SERVICES



## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

The Audit Committee believes that the Independent Auditors can provide Tax services to the Fund and, to the extent they are Covered Services, the Covered Entities, such as tax compliance, tax planning and tax advice without impairing the auditor's independence, and the SEC has stated that the Independent Auditors may provide such services. Hence, the Audit Committee believes it may grant general pre-approval to those Tax services that have historically been provided by the Independent Auditors, that the Audit Committee has reviewed and believes would not impair the independence of the Independent Auditors, and that are consistent with the SEC's rules on auditor independence. The Audit Committee will not permit the retention of the Independent Auditors in connection with a transaction initially recommended by the Independent Auditors, the sole business purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Audit Committee will consult with Director of Tax or outside counsel to determine that the tax planning and reporting positions are consistent with this policy.

Pursuant to the preceding paragraph, the Audit Committee has pre-approved the Tax Services in Appendix B.3. All Tax services involving large and complex transactions not listed in Appendix B.3 must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated), including tax services proposed to be provided by the Independent Auditors to any executive officer or trustee/director/managing general partner of the Fund, in his or her individual capacity, where such services are paid for by the Fund (generally applicable only to internally managed investment companies).

### 6. ALL OTHER SERVICES

The Audit Committee believes, based on the SEC's rules prohibiting the Independent Auditors from providing specific non-audit services, that other types of non-audit services are permitted. Accordingly, the Audit Committee believes it may grant general pre-approval to those permissible non-audit services classified as All Other services that it believes are routine and recurring services, would not impair the independence of the auditor and are consistent with the SEC's rules on auditor independence.

The Audit Committee has pre-approved the All Other services in Appendix B.4. Permissible All Other services not listed in Appendix B.4 must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated).

A list of the SEC's prohibited non-audit services is attached to this policy as Appendix B.5. The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions.

### 7. PRE-APPROVAL FEE LEVELS OR BUDGETED AMOUNTS

Pre-approval fee levels or budgeted amounts for all services to be provided by the Independent Auditors will be established annually by the Audit Committee. Any proposed services exceeding these levels or amounts will require specific pre-approval by the Audit Committee. The Audit Committee is mindful of the overall relationship of fees for audit and non-audit services in determining whether to pre-approve any such services. For each fiscal year, the Audit Committee may determine the appropriate ratio between the total amount of fees for Audit, Audit-related, and Tax services for the Fund (including any Audit-related or Tax services fees for Covered Entities subject to pre-approval), and the total amount of fees for certain permissible non-audit services classified as All Other services for the Fund (including any such services for Covered Entities subject to pre-approval).

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

### 8. PROCEDURES

All requests or applications for services to be provided by the Independent Auditors that do not require specific approval by the Audit Committee will be submitted to the Fund's Chief Financial Officer and must include a detailed description of the services to be rendered. The Fund's Chief Financial Officer will determine whether such services are included within the list of services that have received the general pre-approval of the Audit Committee. The Audit Committee will be informed on a timely basis of any such services rendered by the Independent Auditors. Requests or applications to provide services that require specific approval by the Audit Committee will be submitted to the Audit Committee by both the Independent Auditors and the Fund's Chief Financial Officer, and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence.

The Audit Committee has designated the Fund's Chief Financial Officer to monitor the performance of all services provided by the Independent Auditors and to determine whether such services are in compliance with this Policy. The Fund's Chief Financial Officer will report to the Audit Committee on a periodic basis on the results of its monitoring. A sample report is included as Appendix B.7. Both the Fund's Chief Financial Officer and management will immediately report to the chairman of the Audit Committee any breach of this Policy that comes to the attention of the Fund's Chief Financial Officer or any member of management.

### 9. ADDITIONAL REQUIREMENTS

The Audit Committee has determined to take additional measures on an annual basis to meet its responsibility to oversee the work of the Independent Auditors and to assure the auditor's independence from the Fund, such as reviewing a formal written statement from the Independent Auditors delineating all relationships between the Independent Auditors and the Fund, consistent with Independence Standards Board No. 1, and discussing with the Independent Auditors its methods and procedures for ensuring independence.

### 10. COVERED ENTITIES

Covered Entities include the Fund's investment adviser(s) and any entity controlling, controlled by or under common control with the Fund's investment adviser(s) that provides ongoing services to the Fund(s). Beginning with non-audit service contracts entered into on or after May 6, 2003, the Fund's audit committee must pre-approve non-audit services provided not only to the Fund but also to the Covered Entities if the engagements relate directly to the operations and financial reporting of the Fund. This list of Covered Entities would include:

- Van Kampen Investments Inc.
- Van Kampen Asset Management
- Van Kampen Advisors Inc.
- Van Kampen Funds Inc.
- Van Kampen Investor Services Inc.
- Morgan Stanley Investment Management Inc.
- Morgan Stanley Trust Company

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

- Morgan Stanley Investment Management Ltd.
- Morgan Stanley Investment Management Company
- Morgan Stanley Asset & Investment Trust Management Company Ltd.

(e) (2) Beginning with non-audit service contracts entered into on or after May 6, 2003, the audit committee also is required to pre-approve services to Covered Entities to the extent that the services

are determined to have a direct impact on the operations or financial reporting of the Registrant. 100% of such services were pre-approved by the audit committee pursuant to the Audit Committee's pre-approval policies and procedures (included herein).

(f) Not applicable.

(g) See table above.

(h) The audit committee of the Board of Trustees has considered whether the provision of services other than audit services performed by the auditors to the Registrant and Covered Entities is compatible with maintaining the auditors' independence in performing audit services.

### Item 5. Audit Committee of Listed Registrants.

(a) The Fund has a separately-designated standing audit committee established in accordance with Section 3(a) (58) (A) of the Exchange Act whose members are: R. Craig Kennedy, Jerry Choate and Rod Dammeyer.

(b) Not applicable.

### Item 6. Schedule of Investments.

Please refer to Item #1.

### Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

The Fund invests in exclusively non-voting securities and therefore this item is not applicable to the Fund.

### Item 8. Portfolio Managers of Closed-End Management Investment Companies.

#### VAN KAMPEN BOND FUND

#### FUND MANAGEMENT

PORTFOLIO MANAGEMENT. As of the date of this report, the Fund is managed by members of the Taxable Fixed Income team. The team consists of portfolio managers and analysts. Current members of the team jointly and primarily responsible for the day-to-day management of the Fund's portfolio and the overall execution of the strategy of the Fund are David S. Horowitz, a Managing Director of the Adviser and Gerhardt P. Herbert, an Executive Director of the Adviser.

Mr. Horowitz has been associated with the Adviser in an investment management capacity since May 1995 and began managing the Fund in December 2001. Mr. Herbert has been associated with the Adviser in an investment management capacity since August 1994 and began managing the Fund in June 2005.

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

The composition of the team may change without notice from time to time.

### OTHER ACCOUNTS MANAGED BY THE PORTFOLIO MANAGERS

The following information is as of June 30, 2006.

As of June 30, 2006, Mr. Horowitz managed 26 mutual funds with a total of approximately \$23.4 billion in assets; one pooled investment vehicle other than mutual funds with a total of approximately \$12.2 billion in assets; and 41 other accounts (including accounts managed

under certain "wrap fee programs") with a total of approximately \$6.8 billion in assets. Of these other accounts, three accounts with a total of approximately \$933.2 million in assets had performance based fees.

As of June 30, 2006, Mr. Herbert managed seven mutual funds with a total of approximately \$18.8 billion in assets; no pooled investment vehicles other than mutual funds; and no other accounts.

Because the portfolio managers manage assets for other investment companies, pooled investment vehicles, and/or other accounts (including institutional clients, pension plans and certain high net worth individuals), there may be an incentive to favor one client over another resulting in conflicts of interest. For instance, the Adviser may receive fees from certain accounts that are higher than the fee it receives from the Fund, or it may receive a performance-based fee on certain accounts. In those instances, the portfolio manager may have an incentive to favor the higher and/or performance-based fee accounts over the Fund. The Adviser has adopted trade allocation and other policies and procedures that it believes are reasonably designed to address these and other conflicts of interest.

### PORTFOLIO MANAGER COMPENSATION STRUCTURE

Portfolio managers receive a combination of base compensation and discretionary compensation, comprised of a cash bonus and several deferred compensation programs described below. The methodology used to determine portfolio manager compensation is applied across all funds/accounts managed by the portfolio manager.

Base salary compensation. Generally, portfolio managers receive base salary compensation based on the level of their position with the Adviser.

Discretionary compensation. In addition to base compensation, portfolio managers may receive discretionary compensation.

Discretionary compensation can include:

- Cash Bonus.
- Morgan Stanley's Equity Incentive Compensation Program (EICP) awards -- a mandatory program that defers a portion of discretionary year-end compensation into restricted stock units or other awards based on Morgan Stanley common stock that are subject to vesting and other conditions.
- Investment Management Deferred Compensation Plan (IMDCP) awards -- a mandatory program that defers a portion of discretionary year-end compensation and notionally invests it in designated Funds advised by the Adviser or its affiliates. The award is subject to vesting and other conditions. Portfolio managers must notionally invest a minimum of 25% to a maximum of 75% of the

## Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

IMDCP deferral into a combination of the designated open-end mutual funds they manage that are included in the IMDCP Fund menu, which may or may not include the Fund.

- Voluntary Deferred Compensation Plans -- voluntary programs that permit certain employees to elect to defer a portion of their discretionary year-end compensation and directly or notionally invest the deferred amount: (1) across a range of designated investment Funds, including Funds advised by the Adviser or its affiliates; and/or (2) in Morgan Stanley stock units.

Several factors determine discretionary compensation, which can vary by portfolio management team and circumstances. In order of relative importance, these factors include:

- Investment performance. A portfolio manager's compensation is linked to the pre-tax investment performance of the funds/accounts managed by the portfolio manager. Investment performance is calculated for one-, three- and five-year periods measured against a fund's/account's primary benchmark, indices and/or peer groups where applicable. Generally, the greatest weight is placed on the three- and five-year periods.
- Revenues generated by the investment companies, pooled investment vehicles and other accounts managed by the portfolio manager.
- Contribution to the business objectives of the Adviser.
- The dollar amount of assets managed by the portfolio manager.
- Market compensation survey research by independent third parties.
- Other qualitative factors, such as contributions to client objectives.
- Performance of Morgan Stanley and Morgan Stanley Investment Management, and the overall performance of the investment team(s) of which the portfolio manager is a member.

### SECURITIES OWNERSHIP OF PORTFOLIO MANAGERS

As of June 30, 2006, the portfolio managers did not own any shares of the Fund.

Item 9. Purchase of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

Not Applicable.

Item 10. Submission of Matters to a Vote of Security Holders.

Not Applicable.

Item 11. Controls and Procedures

(a) The Fund's principal executive officer and principal financial officer have concluded that the Fund's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Fund in this Form N-CSR was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

(b) There were no changes in the registrant's internal control over financial

Edgar Filing: VAN KAMPEN BOND FUND - Form N-CSR

reporting that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 12. Exhibits.

(1) The Code of Ethics for Principal Executive and Senior Financial Officers is attached hereto.

(2) (a) A certification for the Principal Executive Officer of the registrant is attached hereto as part of EX-99.CERT.

(2) (b) A certification for the Principal Financial Officer of the registrant is attached hereto as part of EX-99.CERT.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Van Kampen Bond Fund

By: /s/ Ronald E. Robison

-----  
Name: Ronald E. Robison  
Title: Principal Executive Officer  
Date: August 10, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Ronald E. Robison

-----  
Name: Ronald E. Robison  
Title: Principal Executive Officer  
Date: August 10, 2006

By: /s/ Phillip G. Goff

-----  
Name: Phillip G. Goff  
Title: Principal Financial Officer  
Date: August 10, 2006