

**PORTFOLIO RISK MANAGEMENT SERVICES  
QUESTIONS & ANSWERS**

**AUGUST 24, 2009**

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1. From reading the RFI, it appears that VPIC is looking to hire an external service provider that will help the committee meet its stated risk management goals. I would just like to confirm that your only interest is in the "managed services" option.

**A. Yes, the VPIC is looking for an external service provider.**

2. What is the duration of the project?

**A. Typically state contracts are for a two-year period with two one-year optional extensions.**

3. Is it an ongoing, periodic review of risk or is it an annually renewable project?

**A. The VPIC is seeking ongoing review with quarterly reporting.**

4. Does the project include identification of appropriate third party software that is specific to the needs of the client?

**A. No. The VPIC is not looking to purchase software.**

5. Is the state of Vermont looking to hire a person or group of people that will evaluate the risk of their portfolios or software that will allow personnel to evaluate their risk on their own?

**A. The VPIC is looking for a person or firm to provide the portfolio risk analysis services, and reporting.**

6. Several alternative solutions are available to accomplish this task. Is cost, flexibility, coverage or some other factors the key driver in this process?

**A. The primary driver is an attempt by the VPIC to meet its fiduciary responsibilities at as many levels and areas as possible.**

7. Can a vendor respond to this RFI solely for the Securities Lending program risk management service?

**A. Yes. However, our primary interest is to have a single vendor provide all the services required.**

8. Does the VPIC have budget allocated to contract for risk management services? If so, what is the timeline for selecting a vendor?

**A. No budget has been determined at this time. The VPIC is still in the fact finding phase for these services.**

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9. Will RFI submissions be kept confidential or made public?

**A. All responses will become the property of the State of Vermont and will be a matter of public record, pursuant to V.S.A. §317 (15).**

10. Are you looking for a binding quote or general information about cost?

**A. The VPIC is seeking general information regarding costs.**

11. Will there be a formal RFP that follows this RFI?

**A. The VPIC will determine the need for a formal RFP depending on the results of the RFI information gathered.**

12. Are you requesting a proposal for services that we are committing to provide, along with a committed price?

**A. No. The VPIC is looking for general information in the format requested, on both services and costs.**

13. If it is an RFI, are you requesting an indicative cost range rather than a thoroughly worked out cost estimate?

**A. The VPIC is seeking general information regarding costs.**

14. What is the size, both in terms of value and number of unique security level positions, of the Vermont Pension Investment Portfolio? More specifically how many (or approximately how many) individual securities are held in the portfolio?

**A. For portfolio information, please visit the Treasurer's Web site at <http://www.vermonttreasurer.gov/retirement/vpic.html>**

15. What types of assets does the portfolio invest in? And if possible what percentage of the portfolio is invested in each type?

**A. For portfolio information, please visit the Treasurer's Web site at <http://www.vermonttreasurer.gov/retirement/vpic.html>**