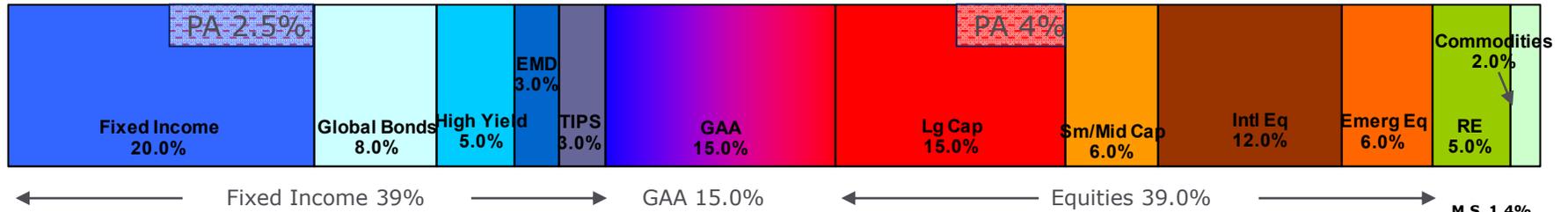


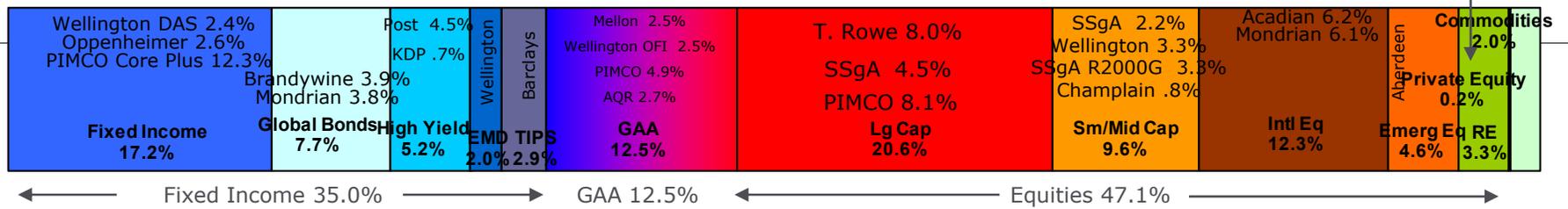
Vermont State Employees' Retirement System

Total Plan Asset Allocation

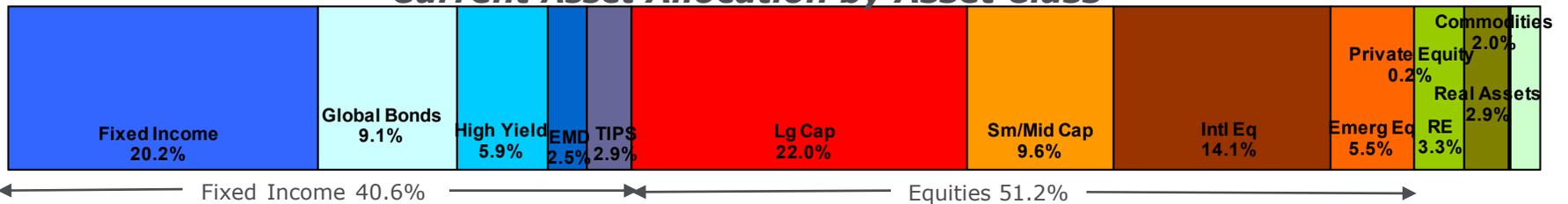
Target Asset Allocation



Current Asset Allocation by Manager



Current Asset Allocation by Asset Class

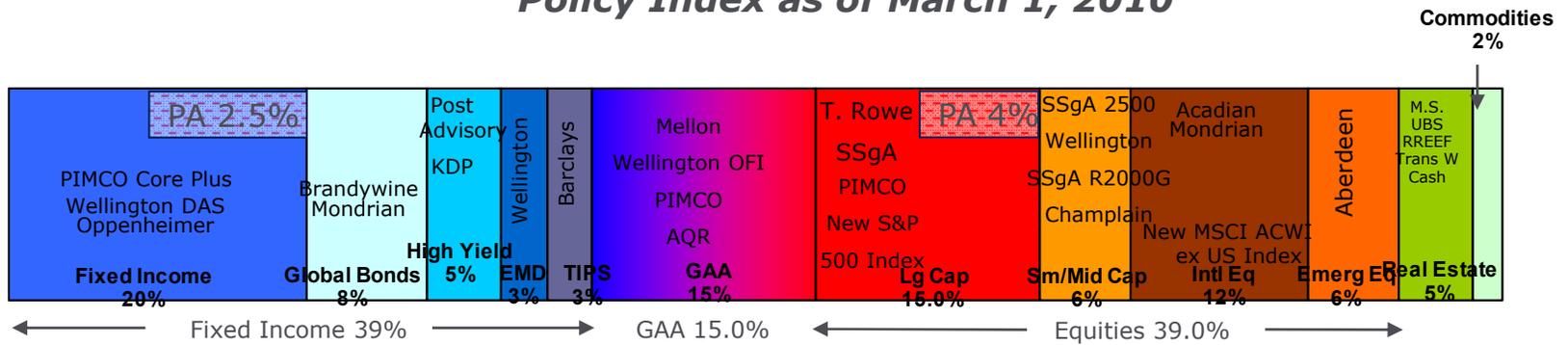


Numbers may not add up to 100% due to rounding.

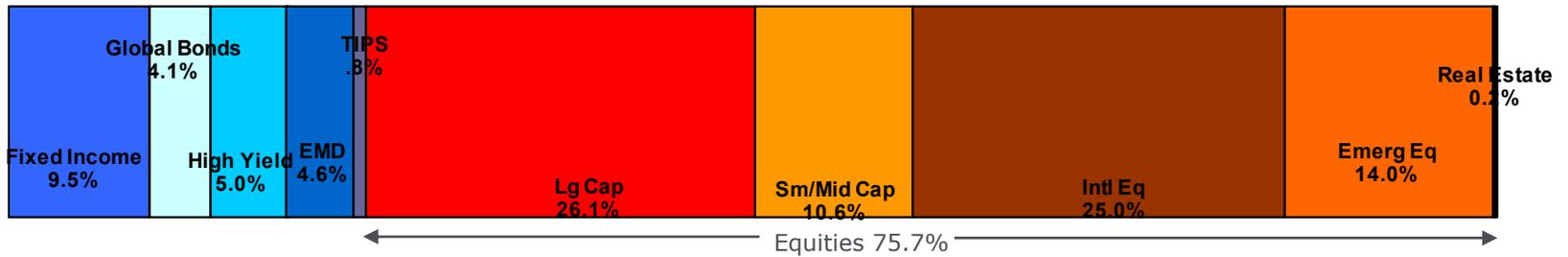


Policy Asset Allocation and Risk Budgeting

Policy Index as of March 1, 2010



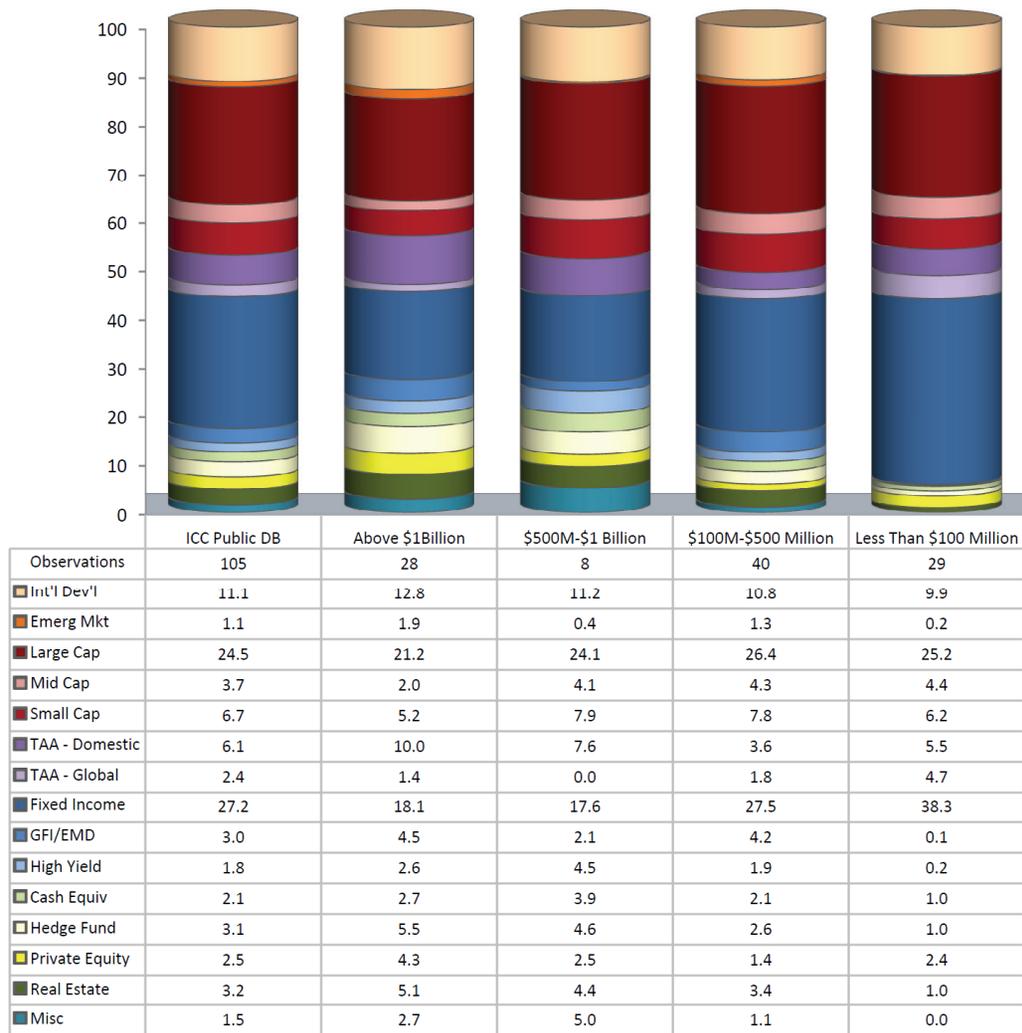
2010 NEPC Risk Budgeting Risk Allocation



Numbers may not add up to 100% due to rounding.



ICC Public DB Plans – Average Asset Allocation



Asset Breakdown

	Domestic Large Core	Domestic Smid	Domestic Small Core	Domestic Small Value	Domestic Small Growth	Core Fixed	High Yield	TIPS	Int'l Equity	EMD	Global Bonds	Real Estate	GAA	Other	Cash	Total
Composite	\$249,591	\$9,538	\$26,963	\$39,850	\$39,796	\$209,269	\$63,595	\$35,242	\$204,359	\$24,087	\$94,003	\$40,202	\$152,321	\$24,975	\$170	\$1,213,961
T. Rowe	97,486	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$97,486
PIMCO	98,058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$98,058
SSgA Equal Wgt	54,047	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$54,047
Champlain	0	9,538	0	0	0	0	0	0	0	0	0	0	0	0	0	\$9,538
SSgA R-2500	0	0	26,963	0	0	0	0	0	0	0	0	0	0	0	0	\$26,963
Wellington	0	0	0	39,850	0	0	0	0	0	0	0	0	0	0	0	\$39,850
SSgA R-2000 Growth	0	0	0	0	39,796	0	0	0	0	0	0	0	0	0	0	\$39,796
Acadian	0	0	0	0	0	0	0	0	75,341	0	0	0	0	0	0	\$75,341
Mondrian	0	0	0	0	0	0	0	0	73,651	0	0	0	0	0	0	\$73,651
Aberdeen	0	0	0	0	0	0	0	0	55,367	0	0	0	0	0	0	\$55,367
Oppenheimer	0	0	0	0	0	30,995	0	0	0	0	0	0	0	0	0	\$30,995
Wellington DAS	0	0	0	0	0	28,737	0	0	0	0	0	0	0	0	0	\$28,737
PIMCO Core Plus	0	0	0	0	0	149,537	0	0	0	0	0	0	0	0	0	\$149,537
Post Advisory	0	0	0	0	0	0	54,715	0	0	0	0	0	0	0	0	\$54,715
KDP	0	0	0	0	0	0	8,880	0	0	0	0	0	0	0	0	\$8,880
Wellington EMD	0	0	0	0	0	0	0	0	0	24,087	0	0	0	0	0	\$24,087
Barclays	0	0	0	0	0	0	0	35,242	0	0	0	0	0	0	0	\$35,242
Mondrian	0	0	0	0	0	0	0	0	0	0	46,407	0	0	0	0	\$46,407
Brandywine	0	0	0	0	0	0	0	0	0	0	47,596	0	0	0	0	\$47,596
Morgan Stanely	0	0	0	0	0	0	0	0	0	0	0	17,186	0	0	0	\$17,186
UBS Realty	0	0	0	0	0	0	0	0	0	0	0	16,335	0	0	0	\$16,335
RREEF	0	0	0	0	0	0	0	0	0	0	0	4,854	0	0	0	\$4,854
Transwestern	0	0	0	0	0	0	0	0	0	0	0	369	0	0	0	\$369
Real Estate Cash	0	0	0	0	0	0	0	0	0	0	0	1,458	0	0	0	\$1,458
Mellon GA 1	0	0	0	0	0	0	0	0	0	0	0	0	29,929	0	0	\$29,929
PIMCO AA	0	0	0	0	0	0	0	0	0	0	0	0	59,475	0	0	\$59,475
Wellington OIF	0	0	0	0	0	0	0	0	0	0	0	0	32,433	0	0	\$32,433
AQR	0	0	0	0	0	0	0	0	0	0	0	0	30,484	0	0	\$30,484
Alt. Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	523	0	\$523
Schroders	0	0	0	0	0	0	0	0	0	0	0	0	0	24,452	0	\$24,452
Vermont Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	170	\$170

(Dollars in 000's)



Total Fund Asset Growth Summary

VERMONT STATE EMPLOYEES
 EMPLOYEES RETIREMENT SYSTEM CO
 Periods Ending March 31, 2010

Total Fund Asset Growth Summary (\$000)				
	One Quarter	Year to Date	One Year	Since Inception
ERS COMPOSITE				
Beginning Market Value	1,170,378	1,170,378	896,244	0
Net External Growth	182	182	-53,058	-282,362
Return on Investment	47,878	47,878	375,252	1,500,800
Income Received	13	13	-536	128,995
Gain/Loss	47,865	47,865	375,788	1,371,805
Ending Market Value	1,213,962	1,213,962	1,213,962	1,213,962

Return	4.0%	4.0%	42.3%
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Fund Performance vs. Benchmark

VERMONT STATE EMPLOYEES

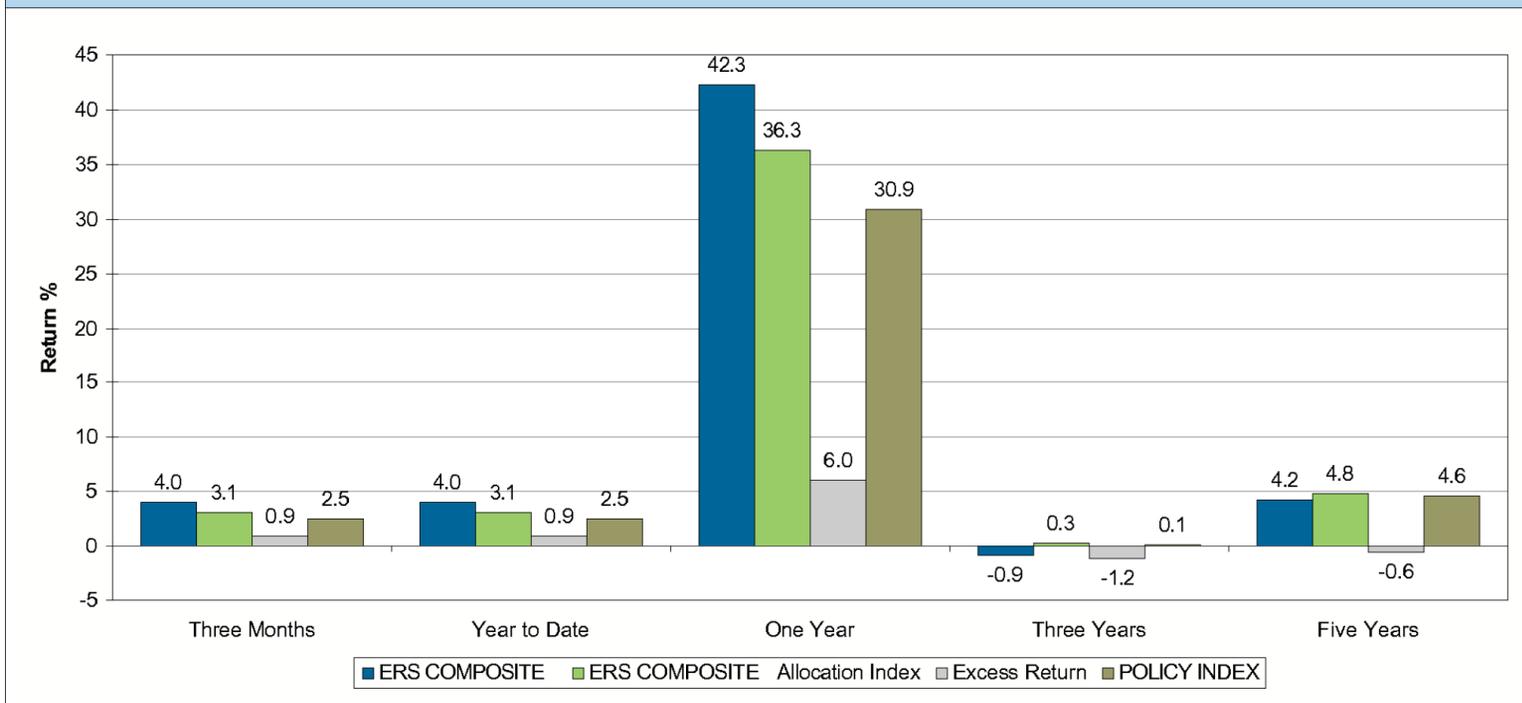
POLICY INDEX

Benchmark:

Periods Ending March 31, 2010

Fund Performance vs. Benchmark

ERS COMPOSITE



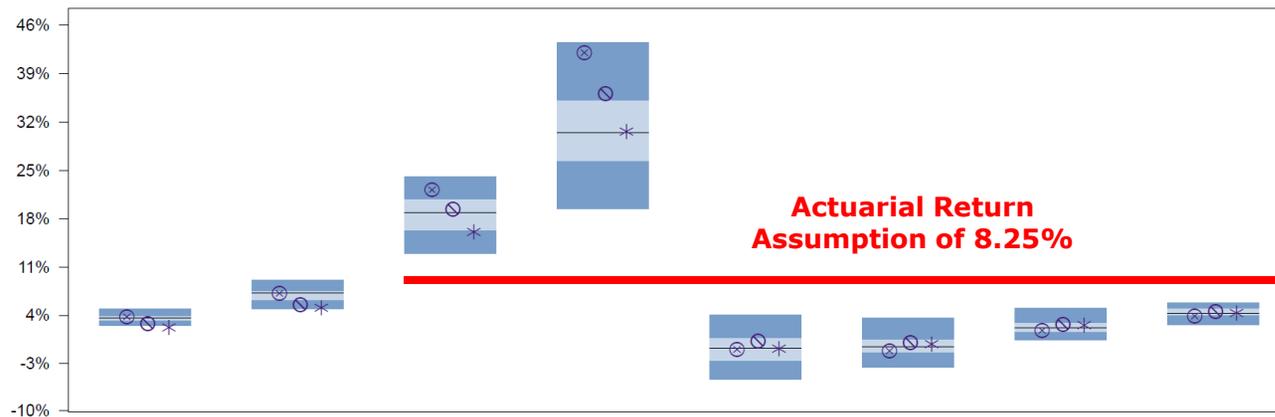
Total Public Funds Performance

VERMONT STATE EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Periods Ending March 31, 2010

Total Fund Performance - Trailing Periods



	One Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
⊗ ERS COMPOSITE	4.0	21	7.4	39	22.4	13	42.3	7	-0.7	48	-0.9	61	2.1	54	4.2	54
⊙ ERS Allocation	3.1	78	5.8	83	19.6	38	36.3	22	0.5	32	0.3	30	2.9	28	4.8	34
* POLICY INDEX	2.5	93	5.3	92	16.3	75	30.9	48	-0.6	45	0.1	32	2.8	29	4.6	43
5th Percentile	4.9		9.1		24.1		43.5		4.1		3.6		5.0		5.8	
25th Percentile	4.0		7.6		20.8		35.2		0.8		0.6		3.0		5.0	
50th Percentile	3.6		7.2		18.8		30.4		-0.8		-0.5		2.2		4.3	
75th Percentile	3.2		6.1		16.2		26.3		-2.6		-1.4		1.6		3.9	
95th Percentile	2.5		4.9		12.9		19.4		-5.3		-3.5		0.4		2.6	

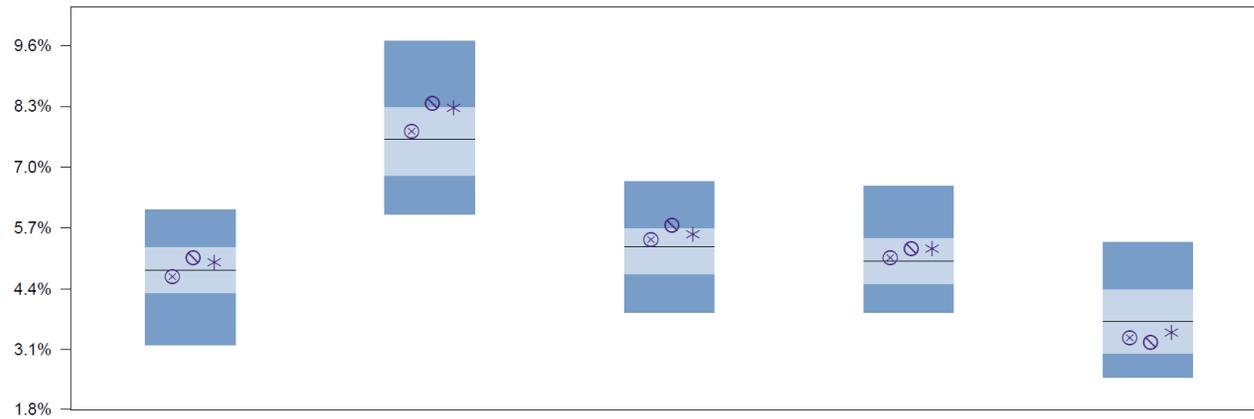
Total Public Funds Performance

VERMONT STATE EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Periods Ending March 31, 2010

Total Fund Performance - Trailing Periods



	Six Years	Seven Years	Eight Years	Nine Years	Ten Years
⊗ ERS COMPOSITE	4.7 54	7.8 44	5.5 36	5.1 42	3.4 62
⊙ ERS Allocation	5.1 30	8.4 22	5.8 23	5.3 32	3.3 68
* POLICY INDEX	5.0 38	8.3 26	5.6 28	5.3 32	3.5 59
5th Percentile	6.1	9.7	6.7	6.6	5.4
25th Percentile	5.3	8.3	5.7	5.5	4.4
50th Percentile	4.8	7.6	5.3	5.0	3.7
75th Percentile	4.3	6.8	4.7	4.5	3.0
95th Percentile	3.2	6.0	3.9	3.9	2.5

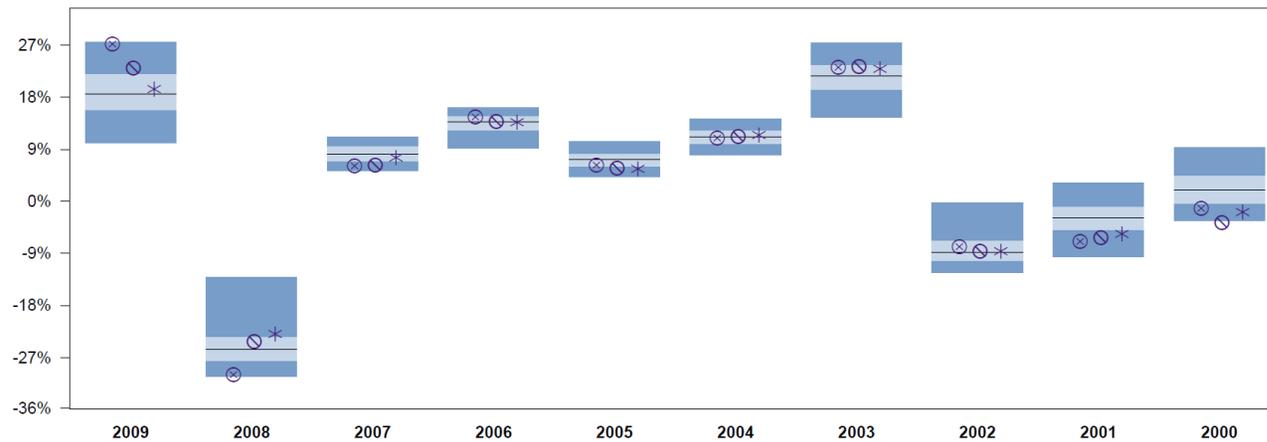
Total Public Funds Performance

VERMONT STATE EMPLOYEES

Total Fund - Universe: Public Funds (DB)

Period Ending December 31, 2009

Total Fund Performance - One Year Time Periods

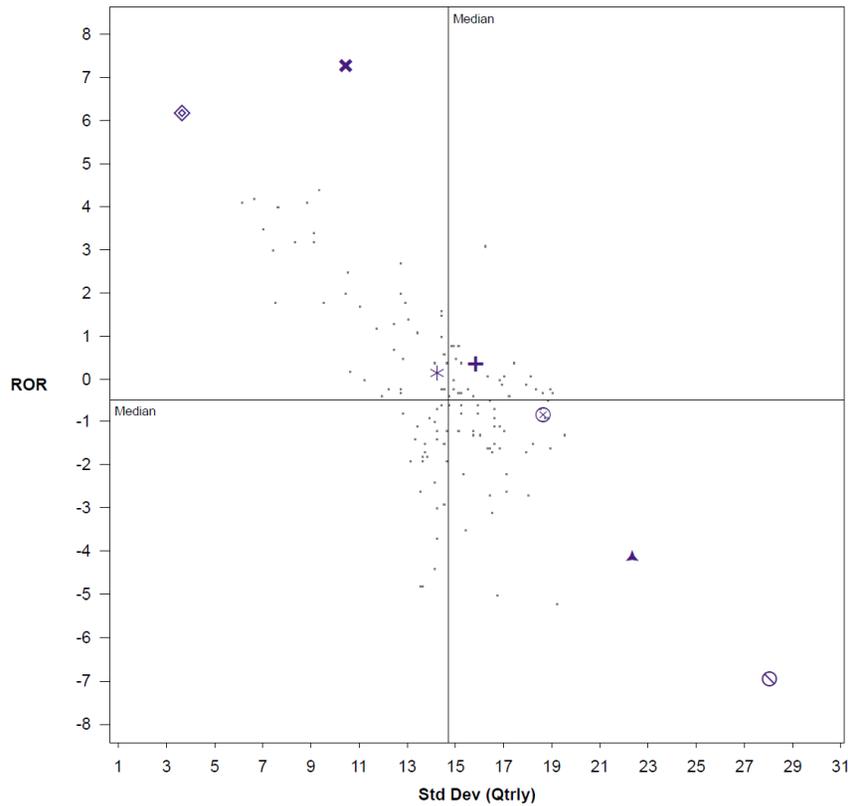


	2009	6	2008	92	2007	84	2006	23	2005	65	2004	45	2003	29	2002	35	2001	89	2000	83
⊗ ERS COMPOSITE	27.4		-29.6		6.4		14.9		6.6		11.3		23.4		-7.5		-6.6		-1.0	
⊙ ERS Allocation	23.3	19	-23.9	35	6.6	81	14.1	37	6.0	75	11.5	39	23.6	26	-8.3	48	-6.0	84	-3.4	96
* POLICY INDEX	19.7	43	-22.6	20	7.9	56	14.0	41	5.9	76	11.7	36	23.2	32	-8.3	48	-5.4	80	-1.6	88
5th Percentile	27.5		-13.1		11.2		16.2		10.4		14.2		27.3		-0.3		3.2		9.3	
25th Percentile	22.1		-23.3		9.6		14.8		8.3		12.3		23.6		-6.7		-0.9		4.5	
50th Percentile	18.5		-25.6		8.2		13.7		7.2		11.1		21.7		-8.8		-2.9		1.9	
75th Percentile	15.7		-27.6		6.8		12.2		6.0		9.8		19.2		-10.4		-5.1		-0.5	
95th Percentile	10.1		-30.3		5.3		9.2		4.3		8.0		14.5		-12.3		-9.6		-3.4	

Risk vs. Return Analysis – 3 Years

VERMONT STATE EMPLOYEES
 Total Fund - Universe: Public Funds (DB)
 Period Ending March 31, 2010

Risk vs. Return - 3 Year



NAME	Return	Standard Deviation	Sharpe Ratio
⊗ ERS COMPOSITE	-0.9 61	18.7 94	-0.2 52
+ ERS COMPOSITE Allocation Index	0.3 30	15.9 67	-0.1 32
* POLICY INDEX	0.1 32	14.3 41	-0.1 43
▲ S&P 500	-4.2 97	22.4 100	-0.3 90
◇ BC AGGREGATE	6.1 1	3.7 1	1.1 1
⊖ MSCI EAFE (NET)	-7.0 100	28.1 100	-0.3 95
× CITIGROUP WORLD GOVT BOND	7.2 1	10.5 12	0.5 1
Median	-0.5	14.7	-0.2

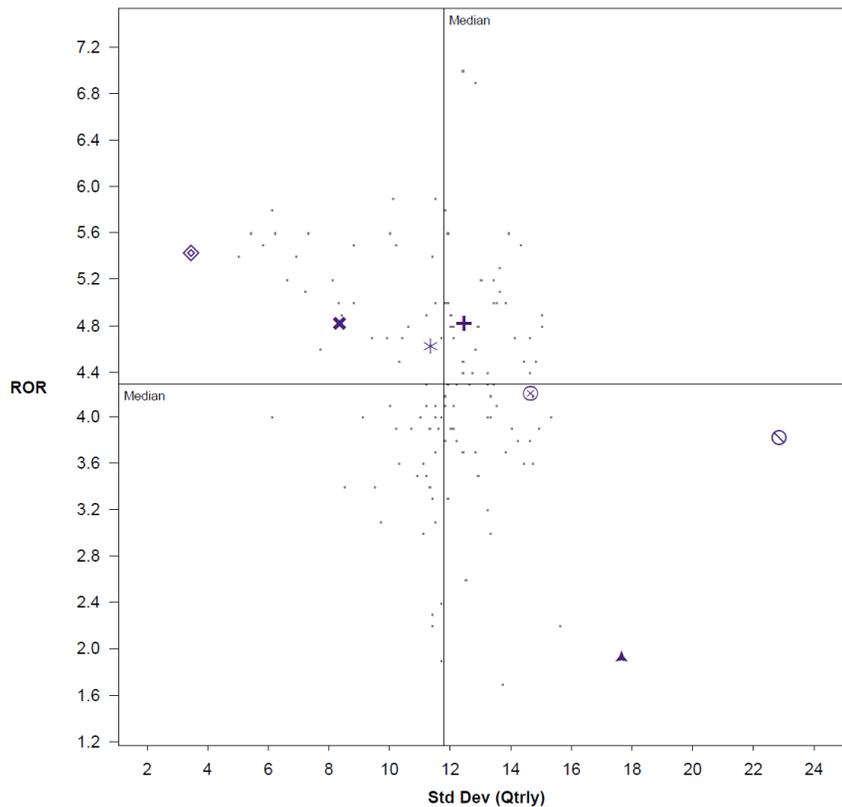
Funded status as of Fiscal Year 2009 = 79%



Risk vs. Return Analysis – 5 Years

VERMONT STATE EMPLOYEES
 Total Fund - Universe: Public Funds (DB)
 Period Ending March 31, 2010

Risk vs. Return - 5 Year



NAME	Return	Standard Deviation	Sharpe Ratio
⊗ ERS COMPOSITE	4.2 54	14.7 94	0.1 68
+ ERS COMPOSITE Allocation Index	4.8 34	12.5 66	0.2 44
* POLICY INDEX	4.6 43	11.4 34	0.1 45
▲ S&P 500	1.9 100	17.7 100	-0.1 99
◇ BC AGGREGATE	5.4 13	3.5 1	0.7 1
⊘ MSCI EAFE (NET)	3.8 79	22.9 100	0.0 90
✕ CITIGROUP WORLD GOVT BOND	4.8 34	8.4 11	0.2 19
Median	4.3	11.8	0.1

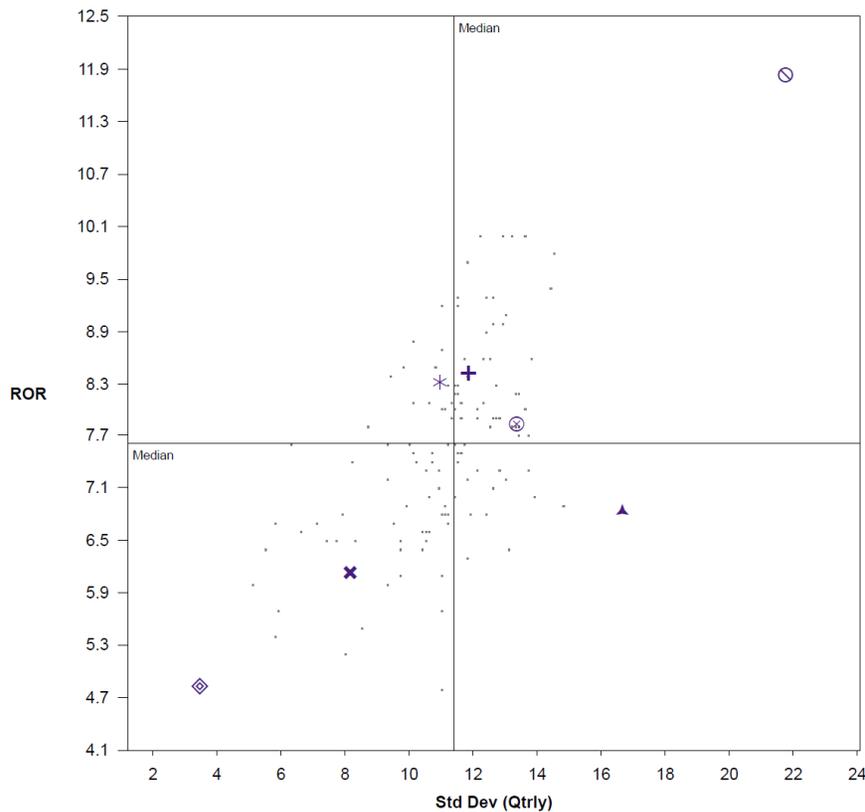
Funded status as of Fiscal Year 2009 = 79%



Risk vs. Return Analysis – 7 Years

VERMONT STATE EMPLOYEES
 Total Fund - Universe: Public Funds (DB)
 Period Ending March 31, 2010

Risk vs. Return - 7 Year



NAME	Return	Standard Deviation	Sharpe Ratio
⊗ ERS COMPOSITE	7.8 44	13.4 92	0.4 77
+ ERS COMPOSITE Allocation Index	8.4 22	11.9 66	0.5 45
* POLICY INDEX	8.3 26	11.0 40	0.5 28
▲ S&P 500	6.8 77	16.7 100	0.3 100
◆ BC AGGREGATE	4.8 100	3.5 1	0.7 4
⊙ MSCI EAFE (NET)	11.8 1	21.8 100	0.4 69
✕ CITIGROUP WORLD GOVT BOND	6.1 92	8.2 10	0.4 62
Median	7.6	11.4	0.5

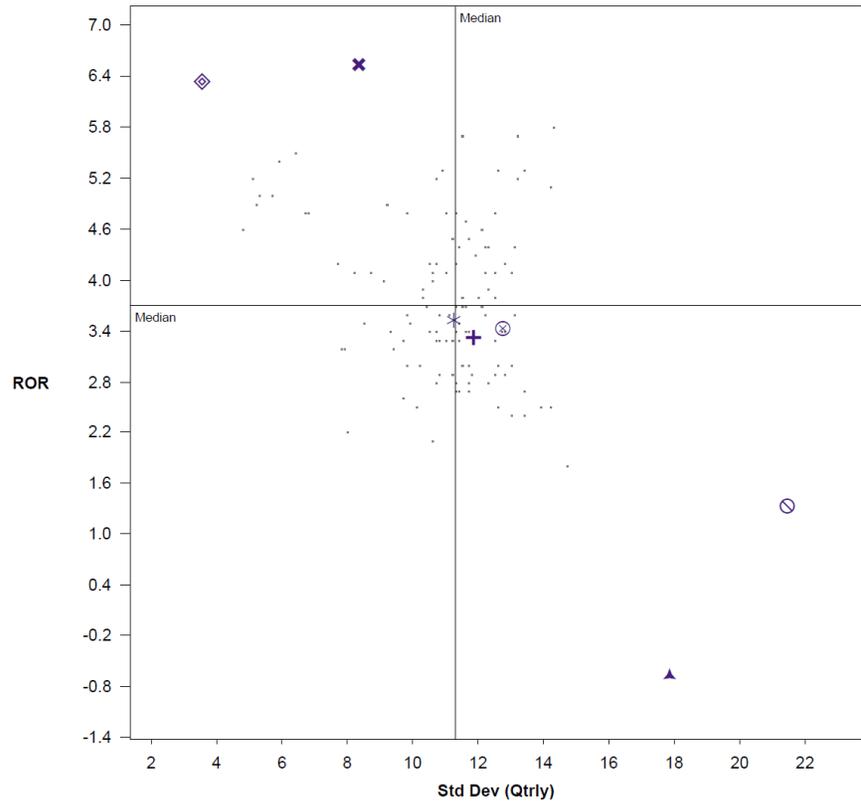
Funded status as of Fiscal Year 2009 = 79%



Risk vs. Return Analysis – 10 Years

VERMONT STATE EMPLOYEES
 Total Fund - Universe: Public Funds (DB)
 Period Ending March 31, 2010

Risk vs. Return - 10 Year



NAME	Return	Standard Deviation	Sharpe Ratio
⊗ ERS COMPOSITE	3.4 62	12.8 86	0.0 68
+ ERS COMPOSITE Allocation Index	3.3 68	11.9 67	0.0 70
* POLICY INDEX	3.5 59	11.3 51	0.1 55
▲ S&P 500	-0.7 100	17.9 100	-0.2 100
◇ BC AGGREGATE	6.3 1	3.6 1	1.0 2
○ MSCI EAFE (NET)	1.3 100	21.5 100	-0.1 99
* CITIGROUP WORLD GOVT BOND	6.5 1	8.4 12	0.4 3
Median	3.7	11.3	0.1

Funded status as of Fiscal Year 2009 = 79%

