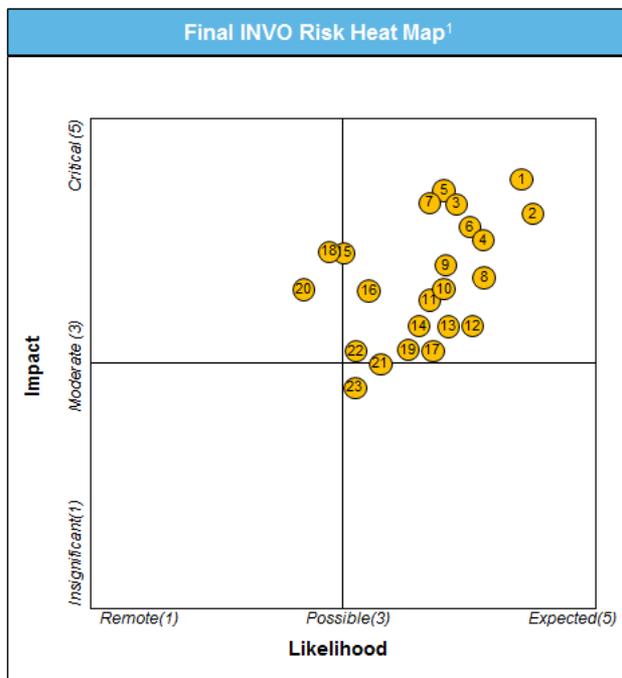




2012 INVO Risk Assessment - Rankings

2012 Risk Assessment & Prioritization Workshop Results

Final INVO Risk Heat Map



INVO Risks	Risk Ranking Score ²
1 External Influence	19.8
2 Recruiting & Retention	18.6
3 Business Model	17.1
4 Skills & Capabilities	16.7
5 Asset Allocation Strategy	16.6
6 Investment Evaluation and Monitoring Tools – Private Equity	16.5
7 Investment Risk Management	15.7
8 People - Institutional Knowledge	15.3
9 Liquidity ¹	11.7
10 Cash Management ¹	9.8
11 Valuation	14.6
12 Portfolio Data and Analytics	13.5
13 External Manager / Partner Selection and Governance	12.8
14 IT Infrastructure Adequacy	12.6
15 Contract Management	12.2
16 Defined Contribution and Unitized Fund Management	11.8
17 Counterparty Risk Management	11.6
18 Financial Reporting	11.5
19 Business Continuity/Disaster Recovery	11.4
20 Investment Compliance	11.0
21 Ethics / Fraud	9.9
22 Control Environment	9.8
23 Vendor / Service Provider Management	8.6

- Numeric values represent combined staff scores (“votes”)
- Order (Rank) represents senior management decision to increase the risk level of Liquidity and Cash Management

¹ Final INVO Risk Heat Map developed based on feedback from Workshop and INVO Sr. Management decisions - Liquidity & Cash Management elevated to Very High Risks

² INVO Risks ordered by Very High, High and Medium Risks

