

Confidential Position Specification  
**The New York State Common Retirement  
Fund**



**Chief Investment Officer**

January 2012



**THE ART  
SCIENCE**   
**OF TALENT**

## CONFIDENTIAL POSITION SPECIFICATION

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<b>Position</b>	Chief Investment Officer
<b>Company</b>	The New York State Common Retirement Fund
<b>Location</b>	Albany, NY and New York, NY
<b>Reporting Relationship</b>	Reports to the State Comptroller, Thomas P. DiNapoli, Trustee of the Common Retirement Fund.
<b>Website</b>	<a href="http://www.osc.state.ny.us/index.htm">http://www.osc.state.ny.us/index.htm</a>

## COMMON RETIREMENT FUND BACKGROUND/CULTURE

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The New York State Common Retirement Fund (CRF or the Fund) holds assets in trust for more than one million members, retirees and beneficiaries who participate in the New York State and Local Retirement System (NYSLRS or the Retirement System). The \$146.9 billion Common Retirement Fund is one of the largest institutional investors in the world. The Retirement System comprises the New York State and Local Employees' Retirement System, which was established in 1921, and the New York State and Local Police and Fire Retirement system, which was created in 1966. Beyond the prudent management of the Fund's assets, the Retirement System's purpose is to provide excellent service to its members and pensioners, strengthen its partnership with participating employers and, above all, ensure the integrity of the Fund.

## KEY RESPONSIBILITIES

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The Chief Investment Officer will perform as the senior investment executive and will be responsible for prudently managing the \$146.9 billion dollar Common Retirement Fund under the executive supervision of the Funds' Trustee, the State Comptroller. The CIO will provide leadership to the Division of Pension Investment and Cash Management in strategic planning; effective execution of and compliance with investment and other policies, laws and regulations; and management of investment operations. He/she will work actively with the State Comptroller, keeping him fully advised on investment activities, and will establish and maintain effective communication and constructive relationships with investment advisors, consultants and OSC managers.

The CIO will collaborate in the development and recommendation of investment policy, manage external investment advisors, have responsibility for the day-to-day administration of the investment program, and lead the development of key fund performance indicators.

The CIO will be accountable for the administrative management of the Fund and related accounts, as well as the investment process and rigorous reviews of existing and prospective investments, and will provide recommendations for investment strategies and external investment advisors. An Investment Advisory Committee (IAC) and a Real Estate Advisory

Committee (REAC), made up of investment experts appointed by the State Comptroller, work in a consultative manner with the CIO, with the CIO taking the lead. The two advisory committees are responsive and vibrant groups, able to act and provide advice effectively and efficiently in partnership with the CIO.

The CIO will also have broader responsibilities in representing the State Comptroller in his capacity as Trustee, both externally and with internal clients. The CIO will accompany the State Comptroller when needed to present the Fund's investment overview to critical constituents and stakeholders.

The management responsibilities of the CIO span three physical office locations: one in Albany, NY and two in New York City. While the CIO may choose to have his/her primary office either in Albany or New York City, it is of critical importance that the CIO has a meaningful presence in each of these offices – providing seamless leadership and connectivity while functioning as a team.

Key responsibilities include:

- Maintain a consultative relationship with the Comptroller, the Investment Advisory Committee and the Real Estate Advisory Committee with respect to investment-related matters, including, but not limited to, asset allocation decisions and the structure of the investment program with respect to internal and external managers, advisors, consultants, and short-term and long-term investment strategy.
- Continuously monitor all external portfolio managers, advisors and consultants to determine if such are abiding by their respective contracts with the Fund, and report to the Comptroller and Investment Advisory Committee at least every 12 months with findings and recommendations.
- Have the authority to hire and terminate internal and external managers, advisors and consultants, subject to the Comptroller's approval.
- Advise the Comptroller on the impact of potential legislation on the Fund's investment program.
- Advise the Comptroller about the impact on the investment program of information released to the public, press, legislature, social media outlets or other media releases and similar matters, as needed.
- Constantly reevaluate policies, process, standards, measurements and methods to incorporate best practices into the management of the Fund's investment strategy.
- Establish reporting mechanisms to keep the Comptroller, the Investment Advisory Committee and the Real Estate Advisory Committee sufficiently and appropriately informed on the status of the investment program and procedures used for implementation.
- Approve and implement contracts or amendments for investment personnel, investment management firms, investment advisors and consultants, including compensation structure, content of requests for proposals, and selections of

competitor.

- Oversee and monitor portfolio management by staff with respect to performance and risks, benchmarks and costs.
- Maintain a well-functioning investment team. Evaluate overall performance of senior investment staff, including their supervisory duties. Develop and enhance the capabilities of other investment staff. Address succession planning for key investment staff personnel.
- Provide mentoring and focus for investment professionals to assist them in directing their research and management efforts for active portfolios in areas expected to provide the greatest benefit for assets under their area of responsibility.
- Effectively communicate the overall investment strategy to diverse audiences – internally and externally.
- Implement and execute the annual goals and objectives for the Fund as adopted by the Comptroller; this includes annual asset allocation recommendations.
- Monitor capital markets and economic forecasts, and provide the Comptroller with an on-going analysis of the state of the global economic situation as it relates to the Fund’s investment program.
- Demonstrate a thorough knowledge of the institutional investment industry, latest investment research, and good judgment in investment issues.
- Maintain the valuation methodologies, respective accounting and internal controls as required by Financial Accounting Standards for the Fund’s investment portfolio.

## **PROFESSIONAL EXPERIENCE / QUALIFICATIONS**

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The ideal candidate will have at least 10 years of recent, fulltime experience in investment management, as well as a significant general management background. He/she must have extensive investment/markets expertise. Ideal experiences would be founded in managing a variety of asset classes, as well as all aspects of the investment process for retirement or comparable systems.

The ideal candidate must possess natural leadership abilities, thus being able to enhance the current investment management organization. The right candidate will have demonstrable skills in building and motivating successful teams, and will be a visionary and a strategic thinker.

The ideal candidate will have a passion for excellence and the desire to have a meaningful, positive impact on the Fund and investment organization. The successful candidate will possess excellent interpersonal skills, a compelling presence, and strong business acumen. He/she will have experience in building, leading and mentoring a team of professionals and demonstrated leadership qualities, including the ability to engage and inspire a talented and dedicated senior staff. Ethics must be above reproach.

Presentation skills, both oral and written, must be superb. Mature and self-assured, the successful candidate must be able to demonstrate credibility and engender respect, both internally and externally. The CIO must continue to build a team that is supportive of one another, respects individual skills, is innovative, and takes opportunities to develop professional skills.

The successful candidate will have demonstrated a favorable record in one or more investment strategies, managing a portfolio of diversified assets within a similar environment to that of the Fund. The CIO will provide strategic insights on asset allocation and be able to anticipate any directional changes in financial markets and industry trends which may affect the Fund's performance.

The CIO will also need to have strong existing relationships, or the ability to develop relationships, with top-performing investment organizations. The successful candidate will have the following experience/traits:

- Success driving top tier results; a high achiever who has achieved excellence in both academic and professional pursuits, and a record of rapid advancement in every challenge undertaken.
- Superb team-building skills, with a predisposition to building consensus and achieving goals through collaboration rather than purely direct line authority.
- Positive, results-oriented style, evidenced by listening, motivating, delegating, influencing, and monitoring the work being done.
- Collaborative and able to work effectively with multiple constituencies – internal (Comptroller, Investment Advisory Committee, Real Estate Advisory Committee, staffs and stakeholders) and external (consultants, investment managers, etc.).
- High level of energy, sense of urgency, creativity and decisiveness, coupled with the ability to remain focused and rise above pressure.
- Engaging, open interpersonal style, complemented by the analytical pragmatism necessary to quickly dissect highly complex issues.
- Strong operations leadership and management skills within environments similar to that of the Fund.
- Genuine interest in mentoring and developing professional staff members.
- Unquestionable integrity, credibility and character, demonstrating high moral and ethical behavior.
- Ability to establish immediate credibility among staff; a professional who is respected for their intelligence and functional expertise. Ability to promote and maintain positive working relationships with co-workers, OSC staff and external contacts.

Additionally, the successful candidate will possess the following knowledge, skills and abilities:

- Depth and breadth in the area of pension funds – a strong understanding of public retirement funds, including accountability to plan sponsors and Retirement System members, financial reporting, accounting rules, media interface, and overall public sector operations.
- Comprehensive knowledge of investment and concepts, strategies, styles, and analytical methodologies from the total portfolio level to individual security selection.
- Knowledge of global and domestic macro economic and capital market issues relating to investments.
- Knowledge of statistical concepts, methods and models, and their application to investments.
- Extensive skill in negotiating issues and resolving problems.
- Strong media relations acumen – a communicator who is able to tailor a message to whomever they are speaking to and can provide a business case to support decisions. Outstanding written, verbal and presentation skills are required.
- Ability to promote and maintain harmonious working relationships with co-workers, agency staff and external contacts and to work effectively in a professional team environment.
- Demonstrated ability in developing investment objectives and establishing performance benchmarks, policies, strategies and tactics for a large diversified Retirement Fund.
- Bright mind, strategic and detailed – intellectual curiosity.
- Vast knowledge across asset classes (broadly defined as public, private and real assets) and have substantial breadth of experience investing as a manager of managers, fund of funds manager, plan sponsor, direct investor or highly sophisticated consultant or investment advisor.
- Superior business sense and multiple years of financial markets exposure.
- Known for integrity, credibility and character; demonstrates high moral and ethical behavior.
- Experience in interfacing and working collaboratively with governmental entities, such as legislative bodies.
- Demonstrated ability in developing investment objectives and establishing performance benchmarks, policies, strategies, and tactics for a large, diversified pension fund.
- Experience with consultants and investment management professionals is required.

## EDUCATION

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An advanced degree in finance, economics, or a related field and a CFA are strongly preferred.

## **COMPENSATION**

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The successful candidate will receive an attractive and commensurate salary based upon applicable work experience.

## **KORN/FERRY CONTACTS**

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To apply, interested candidates must submit a formal resume to:

**Michael Kennedy**  
**Senior Client Partner**  
1201 West Peachtree St., NW  
Suite 2500  
Atlanta, GA 30309  
404-222-4009  
[michael.kennedy@kornferry.com](mailto:michael.kennedy@kornferry.com)