

CONNECTICUT OFFICE OF STATE TREASURER PENSION FUND MANAGEMENT DIVISION



Deputy Chief Investment Officer Position Specification

The Pension Fund Management Division (PFM Division) of the Office of State Treasurer, one of the nation's leading state investment agencies in 2014, offers a rare opportunity for a strategic senior investment leader to join the Division as Deputy Chief Investment Officer (Deputy CIO) responsible for the management of approximately \$29 billion in assets.

State Treasurer Office Overview

Office of State Treasurer, as the principal fiduciary for Connecticut Retirement Plans and Trust Funds (CRPTF), which consists of six state pension funds and nine state trust funds, is responsible for managing the retirement funds for approximately 190,000 teachers, state, and municipal employees as well as the trust funds for academic programs, grants, and initiatives throughout the State.

The Teachers Retirement Fund, with \$15.6 billion of assets, is the largest fund in the CRPTF. The State Employees Retirement Fund and the Municipal Employees' Retirement Fund are the next two largest, with \$10.4 billion and \$2.2 billion of assets, respectively.

The PFM Division is responsible for the day-to-day administration of the CRPTF and assists the Treasurer in the development of investment policy, and maintains communication and monitors the performance of investment managers and consultants. The Division's operations are conducted through three units: Investment Oversight, Accounting and Control, and Performance and Analysis.

CRPTF assets are invested in the State of Connecticut Combined Investment Funds (CIF), which comprise eleven separate, legally defined open-end portfolios. Units of the CIF are owned by the six pension funds and nine trust funds. The assets of the CRPTF are invested across global fixed income, equity and alternative markets. All assets are externally managed by approximately 155 managers employed by the Treasury.

Pension Fund Management Division Overview

The PFM Division, led by the Chief Investment Officer (CIO) comprises a team of 20 responsible for the management of approximately \$29 billion in assets across both public and private markets. The investment leadership team, in addition to the CIO and Deputy CIO, includes the Assistant Treasurer, Performance Management; Principal Investment Officer (PIO), Fixed Income; PIO, Equities; PIO, Alternatives, PIO, Private Equity, PIO, Real Estate; and PIO, Risk Management.

Deputy CIO General Responsibilities

The Deputy CIO reports to the CIO and, working in support and collaboration with the CIO, is responsible for directing day-to-day supervision of staff and operations, accounting and control, performance evaluation, and risk management of the PFM Division.

A key priority for the Deputy CIO is to critically evaluate investment operations and implement a plan to leverage best practices and innovation, and technology to improve operational efficiency. Some of the key responsibilities are listed below.

- Provides or directs staff training and development, and assists in budget preparation.
- Formulates project goals and objectives and assures implementation of the same.
- Evaluates and reports on fund operations and staff performance, and adherence to administrative procedures, accounting rules, and risk management practices.
- Ensures that staff work products are consistent with established investment policy.
- Assists in the formulation and implementation of the investment policy and related asset allocation plans.
- Supports oversight of overall fund performance, manager reviews, and reporting requirements.
- Conducts and/or supervises research, analysis, recommendations and implementation of best practices in public pension fund management.
- Presents executive reports on general market conditions/trends with implications on fund policy, operations and/or performance to the CIO, State Treasurer and the independent Investment Advisory Council.
- Advises on external communication matters and may directly interact with the media as a PFM Division representative. Supervises, coordinates and/or oversees vendor searches, contract negotiations of investment and non-investment service providers, and on-going compliance matters.
- Manages relationships with investment consultants and other non-investment consultants engaged by the PFM Division.

Leadership Competencies

The Deputy CIO must be an institutional leader first, one who lives for public service and embraces the Office of State Treasurer's vision. A leader, who will challenge others thinking and long-established processes and bring idea generation and innovation to further the PFM Division's strategic goals, is desired. The Deputy CIO must be able to advance an "idea to outcome."

The Deputy CIO must be loyal and respect the PFM Division culture while challenging it to change. Essential to the Deputy CIO's success is having strong project management skills and the emotional intelligence to influence and lead change so PFM becomes more nimble, operating more quickly and efficiently.

The Deputy CIO must have the poise, presence and interpersonal skills to build collaborative relationships across the PFM Division and with the Treasurer's Office, independent Investment Advisory Council, and other constituents and stakeholders. The ability to conceptualize and articulate complex financial and investment information in a manner that is tailored to and understood by various groups is an essential skill.

To adapt to the PFM culture, the Deputy CIO, in addition to being strategic, must also be tactical (willing to do the work) and possess the following attributes – engaging and inspiring; collegial and collaborative; a good listener; have good judgment and the highest integrity and ethics; be flexible, intellectually sharp and curious; and open and transparent in all communication.

This is a highly visible position and the Deputy CIO must understand and respect the requirements of working in a principal fiduciary structure and public environment. In such a structure, wide-ranging processes and documentation are required to support decision-making, which is careful and purposeful to ensure appropriate due diligence is completed and decisions comply with state law.

Minimum Qualifications and Preferences

The Treasurer and CIO are searching for a strategic senior investment leader that has a general understanding of global economics and capital markets, the principles and practices of public fund investing, institutional investment operations in a public fund, and investment policy development. A generalist investment leader with broad institutional asset class knowledge or experience in investment operations and investment management as well as appreciation of the virtues of sustainable investment to achieve strong performance is preferred.

Minimum qualifications include:

- Bachelor's degree and a current track record of investment continuing education.
- 10 years of relevant investment experience.
- Positive track record of:
 - Investment returns in excess of appropriate benchmarks.
 - Hiring, developing and retaining investment staff, preferably in the public sector.
 - Implementation of robust portfolio analytics programs, particularly for private investments.

Preferences include:

- CFA.
- Experience managing institutional assets.
- Experience with both internal active and external management.
- Experience with a variety of private investment partnership structures.

Compensation

The Deputy CIO is an exempt position and an at will employee. Compensation is designed to attract the best-qualified senior investment leader from the national market. Relocation assistance and comprehensive benefits (e.g., health care, retirement) are also provided.

Quality of Life and Living in the Greater Hartford Area

Greater Hartford (pop. 1.2 million) is located in Hartford County and centered in the state's capital of Hartford, the state's third largest city. In addition to state government, Hartford is well known nationally as the home of the American insurance industry.

In addition, Hartford is a center for medical care, research, and education. Within the city, there is the Hartford Hospital, The Institute for Living, Connecticut Children's Medical Center, and Saint Francis Hospital & Medical Center (affiliated with Mt. Sinai Hospital). Several world class educational institutions, such as Trinity College, the University of Connecticut (Business and Law Schools), and the Hartford Seminary, are also located in Hartford.

The region's economy is closely tied with Springfield, MA, as Hartford and Springfield are twin cities, only 25 miles apart. Hartford has been promoted as "New England's Rising Star" as there is renewed interest with local and national developers investing in the Hartford – Springfield Knowledge Corridor (area comprises north-central Connecticut and the south-central Connecticut River Valley in Western Massachusetts).

The Connecticut River Valley is considered one of America's best vacation, convention and meeting destinations and is home of the Bushnell Park, the oldest public park in the country. The vibrant music and arts scene defines the region's culture and is home to the Wadsworth Atheneum Museum of Art, the Bushnell Center for the Performing Arts, and the Hartford Symphony Orchestra. Greater Hartford is also home to the Travelers Championship golf tournament (formerly the Greater Hartford Open).

Hartford is conveniently located to Boston and New York, less than 125 miles from both cities. Bradley International Airport is only 20 minutes from downtown and has over 100 daily flights. Amtrak provides service from Hartford to Vermont via Springfield, and southward to New Haven, with regular connections to New York, Boston, Providence, and Washington DC.

Contact Information

For additional information or to apply, please contact: Gary Hudepohl, Principal & Managing Director, or Debbie Roche, Principal, Hudepohl & Associates, 614-854-7300, info@hudepohl.com.