

## Job Description

# Chief Investment Officer

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| <b>DEPARTMENT</b>    | Executive | <b>REPORTS TO</b>              | Chief Executive Officer/Board of Retirement |
| <b>TITLE CODE</b>    | 8314E0    | <b>DATE</b>                    | 10/26/15                                    |
| <b>POSITION CODE</b> | R80541    | <b>ADMINISTRATIVE REVISION</b> | 01/18/17                                    |

## Job Summary

The Chief Investment Officer is an at-will executive leadership position that reports directly to the CEO with a dotted-line to OCERS Board of Retirement. As the System’s strategic investment leader, the CIO is responsible for directing the management of OCERS’ investment portfolio within the goals established by the Board and will have the board organizational responsibilities that generally accompany the position of the senior investment leader. The CIO is responsible for the development of an innovative, long-range and comprehensive investment vision and strategy. The CIO will primarily be held accountable for and measured by investment performance and generating returns in excess of appropriate benchmarks, while appropriately managing risks.

## Distinguishing Characteristics

The CIO must be a leader who is intellectually sharp, a visionary and an independent thinker who strives to advance OCERS’ investment program. The CIO must also have integrity, strength of character and courage to lead change, attain high performance and manage risk, while keeping the CEO fully informed of all actions. The CIO must be a collaborative, approachable leader, reflecting the values of OCERS and inculcating those on the investment team.

## Supervision Exercised

The CIO directly oversees Investment Division staff, and is the primary sign off authority for the Investment Division.

## Responsibilities

Include but are not limited to the following in cooperation with the CEO:

- ▶ Formulate and recommend investment policies and strategies to effectively manage portfolios to enhance returns and reduce risk.
- ▶ Lead the investment staff and advisors in implementing the Board’s investment policies and strategies to achieve OCERS’ investment goals.
- ▶ Develop and execute investment-related strategies and procedures necessary for optimal investment performance and operations, including providing recommendations for changes in the asset allocation, investment managers, and rebalancing and portfolio transitions.
- ▶ Analyze economic, financial and market trends worldwide and identify the recommendations to address such issues.
- ▶ Participate and maintain relationships with other institutional investors, investment managers, and advisors to stay abreast of best practices affecting the public pension fund sector.

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- ▶ Assist with developing and providing investments education programs to the Board and staff; may provide and coordinate staff and Board training on investment issues.
- ▶ Develop a flexible ten-year plan for the investment portfolio and the investment division, based on prospective market realities and system growth, and engage the Board in robust dialogue to craft the best policies that support the vision.
- ▶ Review the current organizational model and, if necessary, recommend and implement changes to ensure the appropriate structure, skills and resources exist to manage the complex investment responsibilities of the Investment Division.
- ▶ Evaluate the current risk management program and, if necessary, recommend and implement changes to ensure a robust and dynamic capability is in place to ensure risk is controlled across the portfolio.
- ▶ Develop the organizational capacity for OCERS to timely respond during volatile markets to enhance returns, manage risk and protect assets.
- ▶ Assure that a thorough due diligence process is maintained for the review of both prospective and incumbent managers.
- ▶ Evaluate the current external managers and, if necessary, recommend and implement changes to re-balance assets, and terminate and hire managers to ensure managers and investment mandates align with the investment policy.
- ▶ Direct the manager search process and, if necessary, recommend and implement changes to ensure use of best practices and an efficient and timely process.
- ▶ Evaluate the use of internal management as compared to external management and, if necessary, recommend and implement changes to ensure assets are appropriately managed, risk is controlled, and costs are minimized.
- ▶ Enhance Board reporting and education to ensure appropriate and relevant information is provided to enable trustees to carry out the fiduciary responsibilities with respect to the investment program.
- ▶ Prepare and present understandable written and oral reports to OCERS Board of Retirement, Plan Sponsors, committees, or other groups as required.

## Qualifications

The minimum qualifications required for entry into the classification are as follows:

### *Education and/or Experience*

Graduation from an accredited four year college or university with a Bachelor's Degree AND Master's Degree in Economics, Finance, Business, or related field is required.

**AND**

Fifteen years of relevant generalist investment experience leading a complex investment organization and positive track record of performance as compared to appropriate benchmarks. Proven experience in

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developing and implementing the overall investment strategy and vision. Public pension fund experience is desirable, however applicants with relevant investment experience leading complex investment organizations will be considered.

### *Special Notes, Licenses or Requirements*

- ▶ Chartered Financial Analyst (CFA) certification highly desirable.
- ▶ A valid California class C driver's license or the ability to arrange necessary and timely transportation for field travel.
- ▶ May be required to use personal vehicle.
- ▶ A complete background investigation is required; a felony or misdemeanor conviction may be a disqualifying factor from employment.

### *Knowledge/Skills/Abilities*

The following lists the knowledge, skills, and abilities necessary to perform the essential duties of the position.

#### **KNOWLEDGE OF:**

- ▶ Global economics, capital markets, asset/liability management, risk management and compliance.
- ▶ Multi-asset class knowledge across public and private markets, preference to candidates with current experience in alternative asset classes.
- ▶ Investment concepts, terminology, styles, models, and strategies, including portfolio theory, asset allocation and performance measurement, and a solid understanding of capital markets.
- ▶ Applicable investment laws, rules, regulations, compliance considerations and professional standards.
- ▶ Principles and practices of institutional investment management and modern portfolio theory and application.
- ▶ Institutional real estate and other non-traditional investment areas.
- ▶ Economic and market conditions and trends and their effect on short/long term investments.
- ▶ Fiscal, actuarial, budgetary and cost projection principles and procedures pertaining to retirement system funding.
- ▶ Investment management procedures and practices.
- ▶ Pension or endowment community, including use of outside investment managers, consultants, and policy responsibilities with an Investment Committee or Board.
- ▶ Institutional securities transaction principles and practices.
- ▶ Techniques of training, instructing and evaluation of subordinate work performance.
- ▶ Statistical and computer techniques/programs applicable to financial data in evaluating investment managers and portfolios.

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- ▶ Analytical techniques and tools commonly utilized in the management of equity and fixed income portfolios.

### ***SKILLS/ABILITY TO:***

- ▶ Communicate in a direct, transparent, honest and forthright manner.
- ▶ Bring new ideas and best practices to advance investment performance.
- ▶ Articulate complex investment matters in terms appropriate to various audiences.
- ▶ Develop strategic vision, sell the vision and translate it to action on a timely basis.
- ▶ Establish confidence and trust with the Board, investment staff, OCERS leadership, and external stakeholders.
- ▶ Successfully hire and manage external advisors.
- ▶ Recruit, develop and retain a well-qualified, functional and high performing investment team.
- ▶ To be forward thinking, with the ability to formulate and articulate a strategic vision for investment portfolio.
- ▶ Establish and maintain professional relationships with members of the Board of Retirement, OCERS management and professional staff, and consultants.
- ▶ Evaluate the overall performance of the external investment managers and consultants.
- ▶ Understand and interpret laws, rules and regulations governing the investment of public funds.
- ▶ Manage quantitative research projects and evaluate risk models.
- ▶ Interact with external service providers such as actuarial, risk and investment consultants, custodians and money managers.
- ▶ Prepare complex correspondence, reports, and budget documents for the Board of Retirement, executive staff, and managers and present it both orally and in writing so it is understood by all audience levels.
- ▶ Prepare and present understandable written and oral reports to OCERS Board of Retirement, Plan Sponsors, committees, or other groups as required.
- ▶ Exhibit exemplary interpersonal skills and exercise sound judgment and professionalism in business matters.
- ▶ Understand and assess the quality, accuracy and reliability of manager and consultant reports.
- ▶ Perform job functions independently and in an ethical and objective manner.
- ▶ Use computer software to compose spreadsheets, presentations, graphs, flowcharts, calculations and time reports, etc. Basic office systems proficiency is expected, with the understanding that administrative work will be performed by staff.

## **Physical, Mental and Environmental Conditions**

The following is a description of the physical and mental abilities that are customarily required to perform the essential job functions of this position.

### ***PHYSICAL AND MENTAL REQUIRMENTS***

- ▶ Speak and hear well enough to communicate clearly and understandably in person, over the telephone and in small groups.
- ▶ Manual dexterity sufficient to use hands, arms and shoulders repetitively to operate a telephone, keyboard, write, and use a calculator.
- ▶ Mental stamina to interact professionally with members of the Board of Retirement, Plan Sponsors, peers and consultants.
- ▶ Vision sufficient to read fine print and a computer monitor.
- ▶ Independent body mobility, agility, and stamina to stand, walk, stoop, bend, and twist, to access a standard office environment.
- ▶ Ability to sit for prolonged periods of time.
- ▶ Body strength sufficient to lift up to 15 pounds and carry files.

### ***ENVIRONMENTAL CONDITIONS***

- ▶ The primary work place is in an office environment, working with standard office equipment.
- ▶ Peripheral office equipment generates a quiet to moderate noise level.
- ▶ Operates in an environment that includes elected officials, non-elected officials, government agencies, community interest groups and the general public in the development and coordination of OCERS affairs.
- ▶ Out of area travel may be required to attend professional conferences, due diligence, and meetings.

### **ACKNOWLEDGEMENT**

By signing below, I acknowledge I have reviewed and discussed the contents, requirements, and expectations included in this job description with my supervisor and a copy has been provided to me.

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|----------------------|------|
| Employee Signature   | Date |
| Supervisor Signature | Date |
| HR Signature         | Date |