

# Senior Investment Officer/Portfolio Manager, Public Employees' Retirement System Investment Management Series

## California State Personnel Board Specification

Series established October 1, 2009

### Scope

This series specification describes the classifications that are used at the managerial level for the development and management of the California Public Employees' Retirement System (CalPERS) investment program portfolio.

Senior Investment Officer/Portfolio Manager, Public Employees' Retirement System Investment Management Series Specification - Class Titles and Codes

Schem Code	Class Code	Class
<u>JVXX</u>	<u>46XX</u>	<u>Associate Investment Manager, Public Employees' Retirement System</u>
JV11	4637	<u>Investment Portfolio Manager, Public Employees' Retirement System</u>
JV12	4638	<u>Investment Director Senior Portfolio Manager, Public Employees' Retirement System</u>
JV13	4639	<u>Managing Senior Investment Director Officer, Public Employees' Retirement System</u>

### Definition of Series

Incumbents in these classifications plan, direct, and evaluate the work of subordinate investment managers and staff who support the CalPERS investment management program; ensure appropriate processes, controls, systems and risk management are in place within his/her area of responsibility to enable investment performance and assure control of operations; develop, and implement, or and advise on a variety of sophisticated investment and portfolio management strategies, goals, objectives, and programs, and models in an assigned functional area; coordinate investment diversity strategies, policies and initiatives across the total fund; determine asset allocation among various investment types, classes, strategies, and/or structures; evaluate and integrate complex investment information, analysis, and alternatives; manage investment portfolios, programs, and projects of various sizes and

complexities; manage and oversee the total Fund risk profile; prepare and present reports and policy-level consultation to the CalPERS Board of Administration; and its committees Investment Committee, and its Policy Sub-committee, and oversee preparation of such reports by others; manage external investment programs, including selecting external investment managers, setting their investment parameters and objectives, and coordinating and evaluating their performance; identify investment vehicles and opportunities, and evaluate their terms, legal documents, agreements, risks, potential returns, and economic characteristics; assist in the recruitment, selection, and development of investment staff; develop, oversee, and conduct investment-oriented research; monitor existing investments, review and approve contract revisions, and recommend changes in commitments of funds based on investment performance; evaluate, select, negotiate, and enter into investment partnerships, and oversee CalPERS participation in these partnerships; administer investment operations; provide investment compliance, securities operations, vendor and contract management, operational risk and policy, information technology, and financial management and analysis; manage investment accounting and internal and external financial reporting functions; and conduct due diligence review for proposed investments.

Incumbents in these classes also execute or supervise the manage the decision making, negotiation, or execution of investment transactions, including those involving real assets and publicly and privately traded securities worldwide; represent the CalPERS Board in various investment settings, and before the investment community; develop and maintain strategic relationships with professional networks and industry bodies to represent CalPERS' interests; organize and communicate complex investment concepts and information to a wide variety of audiences; analyze, recommend, develop, and implement investment policies, guidelines, and standards; prepare strategic investment plans; develop assumptions and projections regarding current and future investment returns, risks, and correlations; for whole asset classes or major investment sectors within asset classes; work with investment staff, external partners, and consultants to reach decisions on the valuation, purchase, and sale of investments; manage portfolio analytics and performance reporting; as necessary, lead on-site reviews of current and prospective investment holdings; understand and utilize information technology solutions to improve productivity and support investment decision making; recommend, develop, and implement, and manage a variety of automated systems and strategies for office-wide investment management, including ones relating to order/transaction management, portfolio performance, construction and analysis, asset allocation, and risk management; oversee response to legal, regulatory, legislative, management, environmental, and other issues affecting CalPERS investments; manage the investment program's capital calls, cash transfers, and receipts; oversee implementation of compliance and risk management programs that are consistent with investment industry best practices; perform a variety of activities that require specialized knowledge of their assigned functional investment area; and do other related work.

## Entry Levels

Entry into this series may be at any level in the series.

## Factors Affecting Position Allocation

The nature and scope of administrative responsibility; leadership and supervision exercised, particularly with regard to incumbents in classes within this class series; degree of supervision and oversight received; level of specialized knowledge and abilities in a particular investment area; and reporting relationship.

## **Definition of Levels**

### **Associate Investment Manager, Public Employees' Retirement System**

This is the entry managerial level into the CalPERS investment management program. Incumbents may plan, supervise, and evaluate the work of subordinate staff, typically in the Investment Officer classification series, or function as subject matter experts or individual contributors with significant expertise in one or more specialized investment areas. Incumbents recommend sound decisions and exercise judgment in the best interest of the System, evaluating a wide variety of risks, processes, and controls; assist in the day-to-day management and implementation of a segment of an asset class, or function that supports the investment program and requires specialized investment industry knowledge; consult on and influence investment or operational decisions of senior managers; provide expert consultation to the Board and staff in their assigned functional area; may prepare presentations given to the Board; act as lead on team projects; assist in the recruitment, selection, and development of investment staff. Incumbents also play a significant role in contributing to and influencing the development and implementation of new and innovative investment policies, guidelines, and strategies; and contribute to overall investment or investment operations decision making.

### **Investment Portfolio Manager, Public Employees' Retirement System**

Incumbents Positions in this class are responsible for assist in the management of a major investment asset class, or program, or function. In this capacity, incumbents may plan, and supervise, and evaluate the work of subordinate staff and managers, typically in the Investment Officer and Associate Investment Manager class series, or function as subject matter experts or individual contributors with significant investment expertise in one or more specialized investment areas. Incumbents are responsible for the day-to-day management and implementation of a major segment of an asset class, or a major investment program function element that supports the investment program and requires specialized investment industry knowledge, and ensure appropriate processes, controls, systems, and risk management are in place within their area of responsibility to enable investment performance and assure control of operations; act as lead on large and/or complex projects or assignments; interpret complex computerized diagnostic and analytical text; manage performance attribution analysis, monitor and analyze benchmark performance, establish asset valuation and pricing policies; oversee investment performance reporting, analytics and analysis; provide expert consultation to the Board and staff in their assigned area; may prepare and/or give presentations to the CalPERS Board; actively participate in the recruitment, selection, and development of investment staff; act or serve as backup to Investment Directors. Incumbents also play a significant role in recommending new and innovative investment policies and strategies, and are expected to make significant contributions to overall investment policy decision-making.

### **Investment Director Senior Portfolio Manager, Public Employees' Retirement System**

Incumbents Positions in this class serve as assistant program managers for a major functional investment area, asset class or program when the number of portfolio investment managers, external advisors, and consultants, combined with other program characteristics, make it impractical for the Managing Senior Investment Director Officer to directly supervise all of the entire program or asset class functions; ensure appropriate processes, controls, systems, and risk management are in place within their area of responsibility to enable investment

performance and assure control of operations; maintain an up-to-date knowledge of investment industry regulatory environment and servicing/ technology trends and ideas, and uses that knowledge to develop and implement supporting processes, technology, and controls for Investment strategies; coordinate multiple major initiatives, including technology initiatives; manage large-scale diverse work efforts and work force; function as high-level subject matter experts or individual contributors with significant expertise in one or more specialized investment areas; make and influence decisions that have significant impact on the CalPERS investment program; regularly make presentations to the CalPERS Board and communicate with key external stakeholders; actively represent CalPERS to a variety of industry bodies. The leadership provided by incumbents in this classification may include supervision or guidance of subordinate managers and staff, Portfolio Managers, external advisors, and consultants; leadership over mid-to-large internal investment teams; evaluating the performance of asset class and program functions; active participation in the recruitment, selection, and development of investment staff; performing internal administrative functions on behalf of the Managing Senior Investment Director, Officer, and acting for a the Managing Senior Investment Director Officer in his/her absence.

## **Managing Senior Investment Director Officer, Public Employees' Retirement System**

Incumbents The positions in this class are the managers of the major functional investment areas, asset classes, and programs within the CalPERS Investment Office, reporting directly to the Chief Investment Officer. In this capacity, incumbents are responsible for the overall management of their assigned functional investment area/asset class/program; ensure appropriate processes, controls, systems, and risk management are in place within their area of responsibility to enable investment performance and assure control of operations; make major investment or operational decisions that have a significant impact on the fund; develop and administer investment strategies, policies, and options consistent with CalPERS investment objectives; provide executive-level leadership, guidance, and oversight for subordinate staff and managers; promote a high-performance culture and development of investment staff; lead the recruitment, selection, and development of investment staff; participate as a member of the Investment Office senior investment management team in the development of overall CalPERS investment and operational strategies; have significant contact with and present to the CalPERS Board and key external stakeholders; and represent the CalPERS Board of Administration and the Investment Office before the Legislature, external investment community, and the media on issues relating to their area of responsibility.

### **Minimum Qualifications**

#### **All Levels:**

The following education is required when non-California State service is used to qualify at any level:

Education: Equivalent to graduation from college with major work in business administration, economics, finance, or a closely related field.

## **Associate Investment Manager, Public Employees' Retirement System**

### **EITHER I**

Experience: One year of experience in the California state service performing the duties of an Investment Officer III, Public Employees' Retirement System, or two years of experience in the California state service performing the duties of an Investment Officer II, Public Employees' Retirement System.

## **OR II**

Experience: Four years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff, and review of a large and varied investment portfolio. Qualifying State experience must be at a level comparable to that of an Investment Officer II, Public Employees' Retirement System.

(Possession of an advanced degree in one of the fields included above in the education requirement, or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

## **Investment Portfolio Manager, Public Employees' Retirement System**

### **EITHER I**

Experience: One year of experience in the California state service performing the duties of an Investment Officer III Associate Investment Manager, Public Employees' Retirement Systems, or two years of experience in the California state service performing the duties of an Investment Officer II Investment Officer III, Public Employees' Retirement Systems.

### **OR II**

Experience: Five years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff, and review of a large and varied investment portfolio. Qualifying State experience must be at a level comparable to that of an Investment Officer II, Public Employees' Retirement Systems.

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

## **Investment Director Senior Portfolio Manager, Public Employees' Retirement System**

### **EITHER I**

Experience: Two years of experience in the California state service performing the duties of an Investment Portfolio Manager, Public Employees' Retirement System.

### **OR II**

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff, and review of a large and varied investment portfolio.

Qualifying State experience must be at a level comparable to that of an Investment Portfolio Manager, Public Employees' Retirement System.

(Possession of an advanced degree in one of the fields included above in the education requirement, ~~or a closely related field~~; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

## **Managing Senior Investment Director Officer, Public Employees' Retirement System**

### **EITHER I**

Experience: Two years of experience in the California state service performing the duties of a Senior Investment Director Portfolio Manager, Public Employees' Retirement System.

### **OR II**

Experience: Four years of experience in the California state service performing the duties of an Investment Portfolio Manager, Public Employees' Retirement System.

### **OR III**

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some supervisory experience over professional staff; and review of a large and varied investment portfolio.

Qualifying State experience must be at a level comparable to that of an Investment Portfolio Manager, Public Employees' Retirement System.

(Possession of an advanced degree in one of the fields included above in the education requirement, ~~or a closely related field~~; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

## **Knowledge and Abilities**

### **All Levels:**

Knowledge of: Management techniques and practices related to institutional investments, including portfolio design and construction, asset allocation, risk management, due diligence and financial analysis, and acquisition and sale of investments; various types of investments and their characteristics, and their markets and methods of purchase and financing; fiduciary principles and ethics; economic principles and trends and their impact on investment portfolios; sources of data and analytical techniques used to analyze and value investments; quantitative techniques used to analyze investments; principles and practices of supervision, including the manager's and supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment; types and uses of various investment styles, strategies, and



legal structures, including partnerships; external management and consulting resources; and economic data, institutions, and analytical methods.

Ability to: Organize complex investment information, analyses, and alternatives and create written and oral presentations that can be understood by the target audience, irrespective of their level of understanding of investments and their markets; establish and maintain cooperative relations with those contacted in the course of work; maintain an up-to-date knowledge of economic and investment trends and ideas, and use that knowledge to develop innovative and effective investment strategies; accurately monitor measure and report investment performance; manage pricing and valuation strategies and control processes; act as lead on projects or team assignments; provide expert policy-level consultation to the Board; assist in the recruitment, selection, and development of investment staff; evaluate and integrate complex investment information, analyses, and alternatives, weighing the effects those decisions might have on the specific area of investment they are directly involved; understand, plan, and direct the work of subordinate staff in a manner that adheres to and supports organizational goals and workplace guidelines, including effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment; gather and analyze a broad range of economic and investment information, and synthesize it into concise and coherent conclusions and recommendations; work effectively with the CalPERS Board of Administration; use a variety of investment and financial analysis techniques to reach decisions on the purchase and sale of investments; set reasonable benchmarks and performance criteria for investments, and manage assigned portfolios consistent with risk and return objectives; understand, develop, oversee and use a variety of analytical and quantitative techniques and tools to develop asset allocation recommendations and to measure and monitor risk within and across investment types; work effectively with a broad variety of external contacts, such as consultants, investment managers, and investment partners, and negotiate agreements that are consistent with CalPERS interests; perform various investment management and internal administrative functions to ensure investment policies and objectives are met; and understand and use technology applications related to investment management.

## **Investment Manager, Public Employees' Retirement System**

Knowledge of: All of the above, and assessment tools to evaluate political risks as it affects investment environment and currency markets and their fluctuation; management techniques and practices related to institutional investments in multiple asset classes, including portfolio design and construction; management techniques and practices related to institutional investments within assigned asset class, including risk management; management process, tools and procedures, security measures and appropriate investment technology security policies.

Ability to: All of the above, and question legal interpretation of complex legislative, regulatory or business matters; interpret complex computerized diagnostic and analytical text to bring into comprehensive decision making for investment purposes; work effectively with CalPERS enterprise executive management, Investment Office Senior Management, and the CalPERS Board of Administration; manage performance attribution analysis, monitor and analyze benchmark performance, establish asset valuation and pricing policies, manage the internal staff incentive compensation calculation process; oversee investment performance reporting, analytics and analysis; oversee daily performance attribution analysis and reconciliations; act independently in making decisions and leading projects and assignments in their delegated areas and implementing strategy and policy; act as lead on large and/or complex projects or

assignments; evaluate and integrate complex investment information, analyses, and alternatives, weighing the effects those decisions might have on their functional area.

## **Investment Director Senior Portfolio Manager, Public Employees' Retirement System**

Knowledge of: All of the above.

Ability to: All of the above, and assist in planning and directing a major subdivision functional area of the investment program, or a program that crosses investment types; coordinate multiple major initiatives, including technology initiatives; manage large-scale diverse work efforts and work force; oversee and lead, as well as select and manage, external portfolio managers and consultants; makes and influence decisions that have significant impact on the Fund; be responsible for an entire asset class or investment program; promote teamwork, collaboration and communication; promote a high-performance culture; evaluate and integrate complex investment information, analyses, and alternatives, weighing the effects those decisions might have on their functional area, as well as other functional areas; plan and schedule resources; and perform various investment management and internal administrative functions on behalf of the Senior Managing Investment Director Officer, and act as the Senior Managing Investment Director Officer in his/her absence.

## **Managing Senior Investment Director, Officer, Public Employees' Retirement System**

Knowledge of: All of the above.

Ability to: All of the above, and lead and manage a major functional investment area or large and diverse global investment program; make difficult decisions at a strategic level, weighing the effects those decisions might have on their functional area and other functional areas, as well as to CALPERS as a whole; regularly provide expert policy-level consultation and presentations to the Board of Administration, and develop investment options and strategies that are consistent with their investment objectives and policies; and select and manage external portfolio managers and consultants.

## **Special Requirement**

### **All Levels:**

Must be able to qualify for a surety bond.

## **Special Personal Characteristics**

Acts in a professional manner and demonstrates a high degree of integrity, honesty, and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross functional collaboration and communication in support of CalPERS strategic goals, and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

## **Additional Desirable Qualifications**

### **All Levels:**



Education: Possession of an advanced degree, such as MBA, JD, or certifications such as CFA, CPA, CAIA, or other equivalent financial or accounting certification.

## **Associate Investment Manager, Public Employees' Retirement System**

Experience: At least 5 years of broad and extensive experience in investment management, public policy or corporate governance, operations, control or servicing (focusing on public equity and global fixed income trading, management of external investment managers, investment risk management, asset allocation strategies, investment research, or defined contribution and affiliate fund administration) for a major financial institution or firm.

## **Investment Manager, Public Employees' Retirement System**

Experience: At least 8 years of broad and extensive experience in investment management, public policy or corporate governance, operations, control or servicing (focusing on public equity and global fixed income trading, management of external investment managers, investment risk management, asset allocation strategies, investment research, or defined contribution and affiliate fund administration) for a major financial institution or firm.

## **Investment Director, Public Employees' Retirement System**

Experience: At least 10 years of broad and extensive experience in investment management, public policy or corporate governance, operations, control or servicing (focusing on public equity and global fixed income trading, management of external investment managers, investment risk management, asset allocation strategies, investment research, or defined contribution and affiliate fund administration) for a major financial institution or firm.

## **Managing Investment Director, Public Employees' Retirement System**

Experience: At least 15 years of broad and extensive experience in investment management, public policy or corporate governance, operations, control or servicing (focusing on public equity and global fixed income trading, management of external investment managers, investment risk management, asset allocation strategies, investment research, or defined contribution and affiliate fund administration) for a major financial institution or firm.

**Class History**

Senior Investment Officer/Portfolio Manager, Public Employees' Retirement System Investment Management Series History - Dates Established, Revised, and Title Changed

Class	Date Established	Date Revised	Title Changed
<u>Associate Investment Manager, Public Employees' Retirement System</u>	xx/xx/xxxx		
<u>Investment Portfolio Manager, Public Employees' Retirement System</u>	10/01/2009	xx/xx/xxxx	xx/xx/xxxx
<u>Investment Director Senior Portfolio Manager, Public Employees' Retirement System</u>	10/01/2009	xx/xx/xxxx	xx/xx/xxxx
<u>Managing Senior Investment Director Officer, Public Employees' Retirement System</u>	10/01/2009	xx/xx/xxxx	xx/xx/xxxx

Updated xx/xx/xxxx