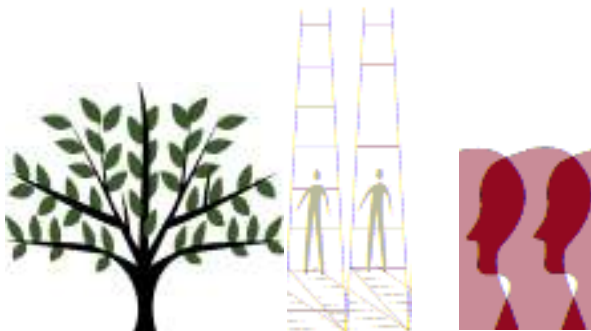




Confidential Position Specification

**Department of the State Treasurer
State of North Carolina
Chief Investment Officer**

November 2009



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CONFIDENTIAL POSITION SPECIFICATION

Position	Chief Investment Officer
Company	Department of the State Treasurer State of North Carolina
Location	Raleigh, NC
Reporting Relationship	This position will report to the State Treasurer.
Website	http://www.nctreasurer.com

COMPANY BACKGROUND/CULTURE

The State of North Carolina's Treasurerer oversees more than \$80 billion in state investments, including the following:

- \$65 billion in pension fund investments, affecting 820,000 public employees including teachers, firefighters and other government employees
- \$12 billion in short-term cash investments for state agencies, universities, community colleges and trust funds
- \$4 billion in 401(k)/457 supplemental retirement funds, affecting 250,000 North Carolinians

KEY RESPONSIBILITIES

The Chief Investment Officer will perform as the senior investment executive and will be responsible for assisting the Treasurer in prudently managing the \$56 billion dollar State Pension Fund. The CIO will provide leadership to the Division in strategic planning, effective execution of and compliance with investment and other policies, laws and regulations, and management of division operations. He/She will work actively with the State Treasurer, keeping her well advised on division activities, and will establish and maintain effective communication and constructive relationships with investment advisors, consultants and agency managers. The CIO will collaborate in the development and recommendation of investment policy; assist in the recommendation and management of external investment advisors, have responsibility for the day-to-day administration of the State's investment program, and lead the development of key fund performance indicators.

Key responsibilities include:

- Implement the annual goals and objectives for the Investment Management Division (IMD) as adopted by the Treasurer; this includes annual asset allocation recommendations.
- Oversee and monitor portfolio management by staff with respect to performance benchmarks and costs.
- Continuously monitor all external portfolio managers, advisors, and consultants to determine if such are abiding by their respective contracts with NCRS, and report to the Treasurer and Investment Advisory Committee (IAC) at least every 12 months with findings and recommendations.
- Make recommendations to the Treasurer 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.
- Monitor capital markets, economic forecasts, and provide the Treasurer with an on-going analysis of the state of the global economic situation as it relates to North Carolina Retirement System's (NCRS) investment program.
- Demonstrate a thorough knowledge of the institutional investment industry, latest investment research, and good judgment in investment issues.
- Advise the Treasurer on the impact of potential legislation on NCRS' investment program.
- Advise the Treasurer about the impact on the investment program of information released to the public, press, legislature, or other press releases and similar matters, as needed.
- Constantly reevaluate policies, process, standards, measurements, and methods to incorporate best practices into the management of the investment area.
- Develop procedures and processes to effectively implement the Investment Policy Statement as adopted and amended by the Treasurer.
- Recommend to the Treasurer and IAC appropriate investment procedures that ensure due diligence and appropriate written documentation for all actions taken to invest NCRS' funds.
- Establish reporting mechanisms to keep the Treasurer and IAC sufficiently and appropriately informed on the status of the investment program and procedures used for implementation.
- Recommend 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.

- Make recommendations on expenditures for investment services to be paid out.
- 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.
- Work with the Treasurer, IAC, and investment staff to enhance the decision-making process.

PROFESSIONAL EXPERIENCE / QUALIFICATIONS

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 diversity of asset classes, as well as all aspects of the investment process for retirement or comparable systems.

The person must have a superior intellectual capacity and be someone who is a natural leader, and be able to enhance the current investment management organization. He/She will also have to be a visionary and a strategic thinker. The right person will have demonstrable skills in building and motivating successful teams.

The ideal candidate will have a passion for excellence and the desire to have a significant impact on the organization. He/She will have outstanding people skills and experience in building, leading, and mentoring a team of professionals in pension fund management, and will exhibit demonstrated leadership qualities, including the ability to engage and inspire a talented and dedicated senior staff. Ethics must be above reproach.

The successful candidate will possess excellent interpersonal skills, a compelling presence, and strong business acumen. Presentation skills, both oral and written, must be superb. Mature and self-assured, the successful candidate must be able to demonstrate credibility and gain respect, both internally and externally. Creative leadership is a critical success factor. He/She 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 the following experience/traits:

- A deep and broad knowledge of pension funds.
- A proven record of success in both academic and professional pursuits, established outstanding results, 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.
- A positive, results-oriented style, evidenced by listening, motivating, delegating, influencing, and monitoring the work being done.
- A high level of energy, sense of urgency, creativity and decisiveness, coupled with the ability/willingness to work hard and well under pressure.
- An engaging/open interpersonal style, complemented by the analytical pragmatism necessary to quickly dissect highly complex issues.
- Strong operations leadership and management skills.
- Ability to establish immediate credibility among his/her staff; a professional who is respected for his/her intelligence and technical expertise.
- A genuine interest in mentoring and developing professional staff members.
- Unquestionable integrity, credibility and character, demonstrating high moral and ethical behavior.

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

- Extensive knowledge of investment 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 managing, mentoring and motivating staff to meet organization goals and objectives.
- Extensive skill in negotiating issues and resolving problems.
- Extensive skill in effective written and verbal communications, including preparing and delivering complex correspondence, reports, presentations, policies and proposals.
- Ability to promote and maintain harmonious working relationships with co-workers, agency staff and external contacts; 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

- pension fund.
- Strong media relations acumen. Outstanding written, verbal and presentation skills are required.
- A strong understanding of the public sector environment is critical, including financial reporting, accounting rules, media interface, and overall public sector processes.
- Experience interfacing and interacting with public boards is desired, as well as with consultants and investment advisors.

LEADERSHIP CHARACTERISTICS

Understanding the Business

- Knows the business and the mission-critical technical and functional skills needed to do the job; understands various types of business propositions and understands how businesses operate in general; learns new methods and technologies easily.

Keeping on Point

- Can quickly separate the mission-critical from the nice to dos and the trivials; quickly senses what's the next most useful thing to work on; focuses on the critical few tasks that really add value and puts aside or delays the rest.

Being Organized

- Is well-organized, resourceful, and planful; effective and efficient at marshalling multiple resources to get things done; lays out tasks in sufficient detail to mark the trail; is able to get things done with less and in less time; can work on multiple tasks at once without losing track; foresees and plans around obstacles.

Getting Work Done Through Others

- Manages people well; gets the most and best out of the people he/she has; sets and communicates guiding goals; measures accomplishments, holds people accountable, and gives useful feedback; delegates and develops; keeps people informed; provides coaching for today and for the future.

Managing Work Processes

- Is an effective process, work flow, and systems designer; is good at figuring out what to measure to track progress; sets up systems that can almost manage themselves; is a master at the effectiveness and efficiency of work systems; can quickly diagnose and fix a work flow problem; always looking for incremental process improvement.

Evaluating and Deploying People Accurately

- Reads people accurately; can diagnose strengths, weaknesses, and potential; knows what skills are required to fill a job or role; hires the best.

Communicating Effectively

- Writes and presents effectively; adjusts to fit the audience and the message; strongly gets a message across.

Managing Diverse Relationships

- Relates well to a wide variety of diverse styles, types, and classes; open to differences; effective up, down, sideways, inside, and outside; builds diverse networks; quick to find common ground; treats differences fairly and equitably; treats everyone as a preferred customer.

Acting with Honor and Character

- Is a person of high character; is consistent and acts in line with a clear and visible set of values and beliefs; deals and talks straight; walks his/her talk; is direct and truthful but at the same time can keep confidences.

EDUCATION

Candidates should have a Bachelor's degree from an accredited four-year college or university with major course work in business administration, finance, accounting, economics, or a related area. An advanced degree in finance, economics, or a related field is preferred.

COMPENSATION

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

KORN/FERRY CONTACTS

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