



EFL Associates, a CBIZ Company

4600 S. Ulster Street., Suite 900  
Denver, CO 80237  
Phone: 720.200.7000  
Eflassociates.cbiz.com



**KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM  
DEPUTY CHIEF INVESTMENT OFFICER FOR PUBLIC MARKETS  
POSITION SPECIFICATIONS**

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Created by the Kansas Legislature in 1962, the **Kansas Public Employees Retirement System (KPERS or the “System”)** is charged with securing a financial foundation for those spending their careers in Kansas public service. The **System** provides disability and death benefits while employees are still working, and a dependable defined benefit when they retire. **KPERS** runs three state-wide, cost-sharing multiple employer defined benefit retirement plans as follows:

- Kansas Public Employees Retirement System
- Kansas Police and Firemen's Retirement System
- Kansas Retirement System for Judges

Retirement System benefits are offered by slightly over 1,500 state and local employers. KPERS has about 327,000 members including active, inactive and retired members. As of June 30, 2022, **KPERS** held assets of \$24.3 billion.

Along with the defined benefit plan, **KPERS** also oversees two voluntary supplemental plans, KPERS 457 and KPERS 401(a). KPERS 457 is a voluntary deferred compensation plan for State of Kansas Employees. An additional 400 local employers also participate. This plan allows for both employee and employer contributions. The 457 and 401(a) plans are managed by a dedicated team within KPERS that is independent from the **System's** Investment Division.

A nine-member Board of Trustees oversees the **System**: four are appointed by the Governor, one is appointed by the President of the Senate, one is appointed by the Speaker of the House of Representatives, two are elected by System members, and one is the elected State Treasurer. The Board appoints an executive director who manages staff in carrying out daily operations. The Board approves the **System's** annual operating budget. As a component unit of the State of Kansas, the budget is also approved by the Kansas Legislature and Governor as part of the regular legislative budget process. The Legislature has traditionally approved the Investment Division expenses without any adjustments to the agency's request.

**KPERS Mission**

*The Kansas Public Employees Retirement System in its fiduciary capacity, exists to deliver retirement, disability and survivor benefits to its members and their beneficiaries.*

**KPERS Investment Program**

The assets held in trust by **KPERS** are invested according to the “prudent expert standard of care” for the sole purpose of providing benefits to members and beneficiaries. Subject to this standard, the Board has broad authority to establish policy guidelines that govern KPERS investment program. The Chief Investment Officer along with the **Deputy Chief Investment Officer for Public Markets** and the Deputy Chief Investment Officer for Private Markets work closely with the Executive Director and the Board to develop and implement these policies. The investment portfolio is broadly diversified and allocated across both public and private markets. The public market program represents approximately 75% of the portfolio’s target allocation.

The **KPERS’** Board of Trustees adopted the following asset allocation policy as of June 30, 2022:

<b><u>Asset Class</u></b>	<b><u>Target Allocation</u></b>
Domestic Equities	24.0%
International Equities	24.0%
Yield Driven	6.0%
Real Return	11.0%
Fixed Income	10.0%
Short Term Investments	4.0%
Real Estate	12.0%
Alternatives	<u>9.0%</u>
	100.0%

As of June 30, 2022, the **System’s** investment program produced an annualized total return in excess of the actuarially assumed rate of return over the prior 3-, 5-, 10- and 25-year periods. The program also outperformed the policy benchmark over each of these time periods.

**KPERS’** actuarially assumed rate of return is 7%. The **System’s** funded ratio as of December 31, 2021, was 71.6%.

**KPERS** is expecting to begin its triennial asset/liability study in early 2023.

**KPERS’** investment portfolio is managed externally. **KPERS** has contracted with Meketa Investment Group, The Townsend Group, and Mercer Alternatives, LLC as investment consultants.

**KPERS** employs approximately 130 staff members with 11 of those staff members comprising the investment team. **KPERS** currently offers the investment team the option to work from home on two days each week.

**KPERS** is headquartered in Topeka, KS and is within easy commuting distance to Lawrence KS, home of the University of Kansas, and to the western suburbs of Kansas City.

For additional information about **System**, please see the **KPERS'** website at [www.kpers.org](http://www.kpers.org).

## **THE DEPUTY CHIEF INVESTMENT OFFICER – PUBLIC MARKETS ROLE**

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The **Deputy Chief Investment Officer for Public Markets (DCIO-Public Markets)** reports directly to and works closely with the Chief Investment Officer (CIO) to oversee management of the **System's** public market asset classes. The **DCIO-Public Markets** is responsible for the **System's** public market portfolios which include equity, core fixed income, yield driven, cash equivalents, inflation linked bond and overlay strategies. The **DCIO-Public Markets** provides expert analysis, commentary, and recommendations to the CIO on the overall direction of the **System's** public market asset classes and portfolios, including portfolio structure and investment mandates. These assets represent approximately 75% of the **System's** target allocation for the total portfolio.

The **DCIO-Public Markets** leads the identification, selection, monitoring, and assessment of public markets investment managers. The **DCIO-Public Markets** also conducts investment-related research and will develop analyses, reports, and presentations for internal and external constituents. The **DCIO-Public Markets** will oversee the Investment Officers (IO) for Public Markets and the Investment Analyst for Public Markets to ensure that appropriate oversight is in place for all public market investment portfolios and strategies.

The **DCIO-Public Markets** will have direct oversight responsibility for the **System's** four active international equity managers and, depending on experience, two currency overlay managers. Investment manager, asset class, and/or strategy assignments are determined by the CIO.

The **DCIO-Public Markets** occupies the role of a senior leader in the Investment Division and will work closely with the Deputy CIO for Private Markets, other IOs, Analysts in the Investment Division and the **System's** external consultants. The **DCIO-Public Markets** assists the CIO in the design, implementation, and maintenance of best practices for the Division's operations. The **DCIO-Public Markets** has primary responsibility for the **System's** Risk Management System across all assets and the **System's** Compliance System across public market assets.

The **DCIO-Public Markets** is the team leader and direct supervisor for an Investment Officer, an Assistant Investment Officer, and an Investment Analyst. The **DCIO-Public Markets** will also oversee any part-time or temporary staff and supervise investment staff for special projects or assignments, both as assigned by the CIO.

### **Essential responsibilities include:**

- Monitors the capital markets and institutional investment industry trends, analyzes changes in the market environment and considers likely impact; researches and develops knowledge of new investment strategies. Seeks practical use and

application of this work within the **System's** public market strategies. Actively participates with the CIO and the other Investment Officers in broad, investment-related discussions, research, and projects. Supervises the Investment Officer, the Assistant Investment Officer and the Investment Analyst for Public Markets to oversee the management of the **System's** publicly-traded asset classes and investment portfolios.

- Provides expert analysis, commentary, and recommendations to the CIO regarding the overall direction of the public markets investment programs. Closely monitors the **System's** public markets investment portfolios to ensure that the Board's investment objectives are met within the bounds of investment statutes, policy, and guidelines. Works closely with the Investment Officers on the oversight of the **System's** public markets investment portfolios.
- Develops and recommends strategy, structure and portfolio mandates for the public markets investment portfolios, along with implementation approaches and monitoring methods. Proposes and advises on changes to investment policy, objectives, and guidelines to keep them current with the evolving investment environment. Prepares and presents reports and analysis regarding the public markets investment programs to the Board of Trustees and the Board's Investment Committee, at the direction of the CIO.
- Responsible for the overall management, including hiring and disciplinary actions, of the public markets team. Establishes and maintains a positive and effective team environment conducive to collaboration, communication, team building, and high morale. Build, develop, and grow all internal and external business relationships vital to the success of the **System**.
- Working closely with the CIO, provides expert analysis, commentary, and recommendations on the **System's** risk management system. Identifies analytical tools and works with other Investment Staff to implement their use to provide risk monitoring and oversight across all asset classes.
- Closely monitors the portfolio to ensure that the Board's investment objectives are met within the bounds of investment statutes, policy, and guidelines. Proposes and advises on changes to investment policy, objectives, and guidelines to keep them current with the evolving investment environment.
- Prepares and presents reports and analysis to the Board of Trustees and the Board's Investment Committee regarding risk management and monitoring, at the direction of the CIO.
- Monitors the **System's** public markets investment managers through monthly and quarterly reports and reviews, manager contacts, site visits, and comparative analysis. Works closely with the CIO to ensure the **System** has retained sufficient and high-quality managers to execute the investment objectives for each assigned asset class and investment manager. Provides performance evaluation in relative and strategic terms.
- Prepares and presents reports and analysis regarding each assigned asset class and strategy to the Board of Trustees and the Board's Investment Committee, at the direction of the CIO.
- Assists/coordinates with other Investment Officers to cover or monitor public markets investment strategies or mandates that do not fit neatly into any particular area, at the direction of the CIO.
- Conducts on-going research in public market asset classes and support the ongoing development of investment plans, working closely with the CIO and the **System's** investment consultants.

- Manages the Risk Management System across all assets and the **System's** Compliance System across public market asset classes.
- Perform other duties as assigned by the CIO, including representing the Investment Division at agency Executive team meetings, Board meetings, and in other venues.

## EDUCATION AND EXPERIENCE

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- Undergraduate degree in business, economics, finance or related field from an accredited college or university is required. An advanced degree is preferred.
- Certification as a Chartered Financial Analyst is required.
- Significant (8 or more years) of relevant experience in the field of investments, portfolio management, or external investment manager oversight for a pension plan, endowment, foundation, or similar institutional investor.
- Experience must also include investment risk management experience evidencing a strong knowledge of risk management concepts and principles, including risk management systems for public pension plans.
- Supervisory or team leader experience is required.
- Strong understanding of the fiduciary standard in a financial environment.
- Knowledge of investment management concepts and practices in a pension fund environment.
- Understanding of global economics and the global capital markets.
- Knowledge of institutional investment program management principles and practices.
- In-depth experience working with investment consultants and external asset managers is required.
- Knowledge of many types of investments and the methods employed in their purchase, sale or transfer, valuation, and management.
- Prior experience working with and presenting to a public Board of Trustees and/or Investment Committee is highly preferred.
- Advanced skills in quantitative modeling are preferred.
- The ability to provide analytical insight and recommendations on the development and implementation of investment strategy for broad sections of the portfolio.
- The ability to analyze, organize, synthesize, and communicate a variety of information in a logical manner, and to provide reasonable and prudent conclusions and recommendations from vast amounts of quantitative and qualitative data.
- The ability to present complex ideas, both orally and written, to a broad range of constituents in a professional and courteous manner.

## PERSONAL CHARACTERISTICS

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- High level of ethics and demonstrated commitment to transparency, accountability, efficiency and performance reporting
- Unassailable standards of personal and professional integrity
- Effective and persuasive oral and written communication, presentation, and negotiation skills
- Professionalism to effectively represent the **System** with investment managers and consultants, Board members, elected officials, the media, other financial

- community representatives, **KPERS'** members, and the general public
- Strong work ethic and dedication; results-driven and the ability to handle multiple priorities successfully
  - Strong problem solving and creative skills and the ability to exercise sound judgment and make decisions based on accurate and timely analysis.
  - Strong interpersonal skills and the ability to communicate and manage well at all levels of the organization
  - Ability to establish and maintain positive relationships and team environment
  - Ability to foster a culture of teamwork, collaboration and mutual respect with team members at all levels and across the agency

## **COMPENSATION**

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Compensation will include a competitive base salary based on experience and qualifications of the successful candidate. Compensation also includes an incentive compensation plan, which is based on objective measures of investment return, and may represent a meaningful addition to base salary. The successful candidate will also participate in **KPERS'** excellent benefits package, including health, dental, vision, life and long-term disability insurance coverages; FSA/HSA; tuition assistance and professional development opportunities; and participation in **KPERS'** retirement plans. **KPERS** offers a generous paid time off package which includes vacation leave accrual based on the candidate's total number of years of relevant professional experience.

## **APPLICATION PROCESS**

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EFL Associates, an executive search firm, is assisting **KPERS** with this important search. All calls and inquiries should be made through the search firm. Referrals and applications will be held in confidence. Review of applications will begin immediately and will continue until the position is filled.

## **NON-DISCRIMINATION**

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Our client and EFL Associates firmly support the principle and philosophy of equal opportunity for all individuals, regardless of age, race, gender, creed, national origin, disability, veteran status or any other protected category pursuant to applicable federal, state or local law.

**EFL ASSOCIATES**  
**4600 S. Ulster Street, Suite 900**  
**Denver, CO 80237**  
**Phone: 720.200.7000**  
**FAX: 303.694.6866**  
[www.effassociates.com](http://www.effassociates.com)

**Daniel J. Cummings, Executive Vice President and Managing Director**  
Email: [dcummings@eflassociates.com](mailto:dcummings@eflassociates.com)  
Phone: 720.200.1765

**Tamara Wesely, Talent Acquisition Consultant**  
Email: [tamara.wesely@eflassociates.com](mailto:tamara.wesely@eflassociates.com)  
Phone: 720.200.1723