



Duty Statement

Classification: **Associate Investment Manager**

Position Number: **275-345-4633-002**

HCM#: **7472**

Branch/Section: **Enterprise Compliance/Compliance Advisory Services/Investment Compliance Advisory Services**

Location: **Sacramento, CA**

Telework: Office-centered

Working Title: **Compliance & Risk Manager**

Effective Date: **November 1, 2023**

Collective Bargaining Identifier (CBID): **M01**

Supervision Exercised: **Yes** **No**

The Enterprise Compliance, Risk and Governance Office (ECRG) promotes and supports a culture which builds compliance and ethics awareness into the daily business processes for all CalPERS business lines and program areas. ECRG monitors CalPERS business activities and establishes an infrastructure that provides assurance to management and the Board of Administration that program areas abide by all applicable laws, regulations, and policies.

Under the direction of the Compliance & Risk Director (Investment Manager), the Compliance & Risk Manager (Associate Investment Manager) oversees and directs compliance activities within the Compliance Investment Advisory unit. These activities support the Chief Compliance Officer who promotes the sound and secure operation of CalPERS enterprise compliance program.

The Compliance & Risk Manager responsibilities include providing Compliance advisory services to Investments and Benefits Divisions, managing compliance on-boarding of Investments and Benefits teams as required, enhance conflicts of interest monitoring, oversee third-party risk, lead risk assessment oversight and consultation, and manage personal trading monitoring.

In all the following roles and responsibilities, the Compliance & Risk Manager the AIM will maintain a positive team management approach while demonstrating CalPERS' Core Values of Quality, Respect, Integrity, Openness, Accountability, and Balance in accordance with personal work ethic in alignment with CalPERS Investment Beliefs.

Essential Functions

20% Onsite¹ and virtually, manages the Investment Compliance Advisory team to include developing people, processes and systems through training, coaching, and process improvement within the team. Provides the direction and oversight of assignments, engagement with business partners, executive management, and Board of Directors, ensure compliance policies and framework are in line with Enterprise objectives and deliver on aiding in managing compliance and risk within assigned divisions or practices.

20% Advisory Services

Onsite and virtually, essential leadership in providing business partners in Investments and Benefits necessary advice and guidance on compliance and risk management areas such as regulatory requirements, regulatory change, and industry best practices in managing and mitigating risk; Manages feedback and appropriate challenge on risk inventories, controls, risk assessments. Identify and deliver

insights to business partners and management on observations and recommendations. Facilitates appropriate escalation paths to bring urgent risk matters to management's attention.

20% Compliance Monitoring and Oversight

Onsite and virtually, expert compliance knowledge and industry best practices subject matter expertise, as well as project management skills to plan and manage compliance testing and monitoring initiatives impacting Investments and Benefits divisions that establish an effective environment of operational compliance and internal controls for oversight and monitoring. Oversees developing and maintaining a repository of applicable federal and state securities laws and regulations and identify critical linkages that guide the development of CalPERS investment policies and protocols. As an independent party, facilitates compliance reviews on an ongoing review cycle to provide a compliance assessment of program policies, processes and functions to reduce risk, strengthen compliance, and improve operational effectiveness within the Investment and Benefits divisions. Develops and implements Compliance systems and tools to conduct necessary surveillance and monitoring of specific transactions and activities. Delivers summary of compliance reviews and highlight new and innovative opportunities and recommendations to management. Develop and utilize investment compliance tools and frameworks to mature compliance policies, strategies, guidelines, benchmarks, and procedures that are consistent with investment industry best practices.

10% Personal Trade Regulation Compliance, Surveillance, Guidance, Education and Reporting, (including MNPI & Insider Trading Education)

Onsite and virtually, manages the engagement process with all levels of staff individually, including Board Members, and their spouses or registered domestic partners to capture and monitor the personal trading of such "Covered Persons" in accordance with the Personal Trading. Directs comprehensive forensic analysis of personal securities transactions, including various levels of investigation, research, and collaboration with the Legal Office to ensure compliance with the Regulations. Proactively respond to inquiries and educate Covered Persons of the Regulation requirements, including but not limited to providing training in small and large class settings and periodically reviewing the efficacy of all types of training offered (one on one, mandatory, onboarding, etc.); Develops recommendations and guidance on how to comply with Regulation. Develops, implements, and enhance surveillance techniques to evaluate the potential for Material Non-Public Information (MNPI) in program areas outside of CalPERS Investment Office in accordance with the Insider Trading Policy and the need to place additional securities of companies on the Restricted List (e.g., Health Care, Pension, Procurement, Board Members, etc.). Oversees the development and implementation of reports and other key stakeholders with respect to potential noncompliance with the Personal Trading Regulations and other data trends and analysis.

10% Conflicts of Interest Review (Political Reform Act / Investment Transaction Reviews)

Onsite and virtually, oversee the process of working with the asset classes within the Investment Office and existing and potential CalPERS external managers to review, document, and report conflicts of interest as they relate to CalPERS policies, federal, state, legislative and regulatory requirements and industry guidelines, and any other applicable potential conflicts. Develop and manage a robust conflict of interest review process (e.g., Compliance Control Room) that aims to establish a conflict-free environment within the Investment Office asset classes, including but not limited to staff, consultants, and potential investments. Establish Continuously review and update cycles for policies and procedures to ensure continued efficacy and relevance in monitoring Investment Office conflicts.

10% Onsite and virtually, Investment Compliance Education and Outreach (Political Reform Act, Personal Trade Regulations, CalPERS Incompatible Activities Statement, Insider Trading Policy, Onboarding, Offboarding, Ongoing Guidance).

Lead the Conflict-of-Interest education program. manage the research and collaborate with various internal and external parties to create and develop periodic education sessions that cover a multitude of investment compliance topics, including but not limited to the complexities of the Political Reform Act, GC1090, Personal

Trading Regulations, CalPERS Incompatible Activities Statement, Insider Trading Policy requirements, the intricacies of determining financial interests and investments for disclosures on the Form 700, etc.; Identify and deliver definitive recommendations and guidance on how to comply with various compliance rules and requirements. Periodically review and update education and outreach materials to ensure continued relevance of such guidance and training. Work directly with Compliance Senior Management to provide onboarding and offboarding guidance regarding all applicable compliance requirements and inquiries.

5% Placement Agent Disclosure Regulation Compliance, Administration, Guidance, and Reporting

Onsite and virtually, lead the efforts with the asset classes within the Investment Office and existing and potential CalPERS external managers to administer, provide guidance, and report the Disclosure of Placement Agent Fees, Gifts and Campaign Contributions in accordance with regulatory requirements. Manage research and proactively respond to inquiries, educate external managers of the regulation requirements, including but not limited to working directly with external manager's general counsel and/or chief compliance officer. Partner with the Investment Office and the Legal Office to ensure that all potential external managers and Program Areas are compliant with the requirements of the Regulation; Identify and deliver definitive recommendations and guidance on how to comply with Regulation. On at least a quarterly basis, develop and deliver the report to the Investment Committee all Placement Agent Disclosures in accordance with the requirements of the Regulation. Lead the continuous evaluation and development of enhancements and improved processes to streamline and operationalize the intent of the Placement Agent Disclosure Regulation.

5% Onsite and virtually, performs other related duties and projects as assigned.

Knowledge and Abilities

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.

Working Conditions

- ¹This position is designated office centered and works primarily onsite, Sacramento Headquarters, at least but not limited to three weekdays
- Multi-story building in downtown Sacramento
- Low wall cubicle setting

Conduct, Attendance and Performance Expectations

- Ability to maintain consistent attendance
- Ability to demonstrate punctuality, initiative, and dependability
- Ability to model and support CalPERS Core Values (Integrity, Accountability, Respect, Openness, Quality and Balance)
- Ability to model CalPERS Competencies and demonstrate proficiency in; Collaboration, Leading People, Leading Change, Driving Results, Business Acumen, Communication, and Leading Self

Employee Name (Print):

Employee Signature: _____ **Date:**

I certify that the above accurately represent the duties of the position.

Supervisor Signature: _____ **Date:**