

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND
POLICY AND PROCEDURE

POLICY NUMBER: PP-2021-06

SUBJECT: CHIEF FINANCIAL OFFICER/ASSISTANT EXECUTIVE
DIRECTOR/

EFFECTIVE DATE: NOVEMBER 12, 2021

AMENDED: OCTOBER 13, 2023

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A. INTRODUCTION:

1. The Chief Financial Officer (CFO)/Assistant Executive Director is a senior level executive position that reports to the Executive Director.
2. The CFO position is a necessary role that is responsible for ensuring the proper stewardship of the financial affairs of the Fund.
3. Under general direction of the Executive Director, the CFO/Assistant Executive Director will be responsible for the Financial Operations of IPOPIF and will provide managerial responsibilities to the Administrative Operations of IPOPIF.

4. The CFO/Assistant Executive Director will uphold the highest standards of ethics and professionalism and will act in a manner consistent with the Illinois Police Officers' Pension Investment Fund's mission, vision, goals, and strategic plan.
5. Maintains strict confidentiality, professionalism, integrity, and compliance with applicable laws and regulations at all times.

B. DUTIES AND RESPONSIBILITIES OF THE CFO/ASSISTANT EXECUTIVE DIRECTOR:

1. Finance Operations:
 - a. Under general direction is responsible for planning, organizing, and directing the Fund's finance operations, such as accounts payable and payroll, managing financial transactions; record keeping; reporting and preparation of financial statements, accounting for investments, and budget development; and performs related duties as required.
 - b. Provides leadership in the design, development, and implementation of the financial management, internal controls and accounting operations for IPOPIF, including all activities and transactions for administrative and investment operations, purchasing and procurement, and Board of Trustee fiscal matters and requests.
 - c. Ensures that the financial matters of IPOPIF are conducted in accordance with Generally Accepted Accounting Principles (GAAP), recommended best practices by the Government Finance Officers Association, the Illinois Pension Code, and other Federal and State statutes, as well as Fund policies.
 - d. Directs preparation of the financial reports and budget reports for the Board of Trustees and other entities, including but not limited to:
 - i. Annual Comprehensive Financial Report,
 - ii. Monthly Financial Reports
 - iii. Annual Financial Statements
 - iv. Illinois Department of Insurance
 - v. Other stakeholder reporting to support the needs of Article 3 Funds, their membership and employers.

- e. Directs the financial planning, preparation and monitoring of the IPOPIF annual fiscal year budget, reviews budget requests and justifications for budget items, authorizes and monitors expenditures to ensure compliance with fiscal policies, and reports on all budget matters to the Board of Trustees.
- f. Recommends and implements appropriate internal financial controls to safeguard the physical and financial assets of the Fund. Works closely with the external auditor and coordinates the independent financial audit.
- g. Directs and prepares fiscal analysis, projections, summaries, reports, and recommendations necessary to support the mission, vision, goals and strategic plan of IPOPIF.
- h. Confers and coordinates with the Fund's external service providers, municipalities, and participating pension funds on financial, accounting and actuarial matters.
- i. Provides leadership and full service of the finance department to all cash management needs of participating pension funds, including withdrawal requests, cash contribution direction and accounting, access inquiries, and maintenance relating to the cash management portal with the custodian. Develops and implements procedures consistent with user ease and effective internal controls designed to protect the investment assets of the Fund.
- j. Develops, directs, and implements procedures consistent with Board of Trustee direction pursuant to the Illinois Pension Code with respect to examinations and investigations of the Article 3 funds.

2. Administrative Operations:

- a. Advises the Executive Director on all matters relating to the operations of IPOPIF.
- b. Represents the Executive Director at meetings, as required.
- c. Monitors the public pension industry to implement best practices for continuous improvement.
- d. Ensures operations are within applicable federal and state pension fund regulations.

- e. Establishes and evaluates operating processes and internal controls and coordinates changes to policies, forms, and procedures.
 - f. Directs the negotiation of contracts for service providers that may be necessary to the administration of the Fund.
 - g. Directs the development, review, evaluation, and revision of IPOPIF specific personnel policies and procedures.
 - h. Assists the Executive Director and Chief Investment Officer in human resources matters pertaining to recruiting, hiring, employee onboarding, benefits enrollment, payroll processing and paid time off tracking.
 - i. Ensures an appropriate performance evaluation process is implemented for finance team members.
3. General:
- a. Makes presentations to and maintains effective relationships with the Board of Trustees, Article 3 Fund representatives and stakeholders, regulatory agencies, public officials, staff, consultants and others necessary to support Fund operations.
 - b. Works closely with and coordinates with the Chief Investment Officer and General Legal Counsel.

C. **DESIRED SKILLS AND ABILITIES:**

- 1. Ability to understand, interpret and apply provisions of Federal, State, and local regulations and policies including Governmental Accounting Standards Board, Financial Accounting Standards Board, Governmental Finance Officers' Association and American Institute of Certified Public Accountant pronouncements.
- 2. Knowledge of accounting and auditing principles, theories, and procedures applicable to the control of various accounting systems.
- 3. Knowledge of actuarial principles and accounting standards related to pension systems.
- 4. Ability to identify and define actual and potential issues or concerns pertaining to the accuracy and integrity of accounting and fiscal data, use sound and logical judgement, and make effective decisions to develop resolutions.

5. Demonstrates integrity when applying accounting and management principles and practices, managing and safekeeping large amounts of money and funding, ensuring the validity and acceptance of accounting and fiscal data, and resolving discrepancies in the accounting of money or funds.
6. Demonstrates knowledge regarding employment law mandates affecting employees including Equal Employment Opportunity Commission (EEOC) rules and regulations, Americans with Disability Act (ADA), Fair Labor Standards Act (FLSA), and other applicable laws and regulations.
7. Communicates effectively in English orally and in writing.

D. QUALIFICATIONS:

1. A bachelor's degree from an accredited college or university with a major in accounting, finance, economics, business administration, or related field which includes the successful completion of coursework in elementary, intermediate, and advanced accounting, cost accounting, governmental accounting, and auditing.
2. Five or more years of progressively responsible management experience (preferably with a public pension fund), in an accounting/finance/operations role, including a minimum of two years of experience in a supervisory role managing direct and indirect reports.
3. A master's in business administration (MBA) degree or Certified Public Accountant (CPA) license may be substituted for one year of professional accounting/auditing experience.
4. A thorough understanding of various technology and software applications commonly used in financial management and accounting functions.

E. POLICY REVIEW

1. The Policy is subject to change in the exercise of the Board's judgement.
2. The Board of Trustees will review this policy at least every two (2) years to ensure that it remains relevant and appropriate and consistent with state and federal laws and regulations.
3. In the event of legislative changes to the pertinent sections addressed in this policy, the Board will review the policy as appropriate.
4. This policy was adopted by the Board on November 12, 2021.
5. This policy was amended by the Board on October 13, 2023:
 - a. Policy was changed to Chief Financial Officer/Assistant Executive Director
 - b. Sections A-D: Numbering was revised.
 - c. Section B: Scope of duties was revised.