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ATTENTION**

MASTER FILES

ROOM C-120

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EBAP/85/196

July 29, 1985

To: Members of the Executive Board
From: The Secretary
Subject: Investment Advisor - Establishment of Position

There is attached for consideration by the Executive Board a report and recommendation of the Pension Committee on the establishment of a new position of Investment Advisor.

In the absence of an objection from an Executive Director by noon on Friday, August 2, 1985, the recommendation in the report will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads



July 26, 1985

To: Members of the Executive Board

From: Chairman of the Pension Committee

Subject: Investment Advisor - Establishment of Position

For some time the Pension Committee has been considering investment arrangements under the Staff Retirement Plan, and it has decided to strengthen the functioning of the Investment Committee. At a meeting held on July 18, the Pension Committee agreed to put in place the following arrangements:

- a. Provision has been made for the Chairman of the Investment Committee, although holding a regular position, to devote some part of his staff time to investment work. In this connection, I can advise Executive Directors that the Pension Committee has accepted my nomination of Mr. Patrick de Fontenay to serve as Chairman of the Investment Committee from November 1, 1985 when Mr. Charles Schwartz will be leaving that post. The expectation of the Pension Committee is that Mr. de Fontenay will devote about one-fourth of his time to his duties as Chairman.
- b. Similarly, provision will be made for the Vice Chairman of the Investment Committee to work closely with the Chairman and to assume the duties of the Chairman during periods when the Chairman is unavailable. It is my intention to put forward to the Pension Committee a nomination for the position of Vice Chairman later in the year.
- c. It is recommended to the Executive Board that a new position of Investment Advisor, in the J-K range, be established in the Office of the Managing Director. It is the view of the Pension Committee that it is essential to obtain a particularly experienced and competent person, who would be expected to support and strengthen efforts at the level of the chairmanship while functioning with a considerable degree of independence.
- d. It is intended to establish a new position of Research Assistant using the impending vacancy of Investment Officer for this position.

- e. It is the expectation of the Pension Committee that individual members of the Investment Committee will participate more actively in the latter's work.

Further details regarding these arrangements may be found in the report from the Chairman of the Investment Committee, dated July 12, 1985, and circulated to members of the Executive Board as RP/CP/85/14.

Action of the Executive Board is required in respect of the position of Investment Advisor mentioned in (c) above. The estimated annual cost of the Investment Advisor position would be below \$130,000, and for FY 1986 it would be less because the position would be filled for only part of that period. Creation of the position would raise the staff ceiling approved in the Administrative Budget from 1,687 to 1,688. It would not be necessary to change the ceiling on expenditures.