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ATTENTION**

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ROOM C-130

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EBAP/87/29

February 12, 1987

To: Members of the Executive Board
From: The Secretary
Subject: Staff Retirement Plan - Appointment of an Investment Officer

There is attached for consideration a memorandum from the Managing Director and Chairman of the Pension Committee in which he proposes the establishment of a new staff position of Investment Officer with the Investment Unit of the Staff Retirement Plan in the Office of the Managing Director.

In the absence of a request by the close of business on Tuesday, February 17, 1987, that this matter be placed on the agenda, the proposal will be deemed approved and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads



MANAGING DIRECTOR

INTERNATIONAL MONETARY FUND
WASHINGTON, D. C. 20431

CABLE ADDRESS
INTERFUND

MEMORANDUM

To: Members of the Executive Board February 12, 1987

From: Chairman of the Pension Committee

Subject: Staff Retirement Plan: Appointment
of an Investment Officer

The assets of the Staff Retirement Plan are now approaching the \$1 billion level. The immediate responsibility for the investment of these assets lies with the Investment Committee of the Plan. The Committee, which reports to the Pension Committee, is presently served by an Investment Advisor and a Research Assistant, who undertake a variety of administrative, analytical, and operational work, with the help of a secretary.

The Investment Advisor was appointed a year ago; at that time, the Chairman of the Investment Committee asked for the establishment of an additional professional staff position for an Investment Officer, who would assist the Investment Advisor in overseeing the investment managers, their transactions and performance, and in the preparation of analytical studies and reports. It was, however, the view of management that a decision on such an additional staff position should be taken only after the Investment Advisor had settled into his job and had assessed whether additional staff was needed, and at what level. At the recent Pension Committee meeting, the Chairman of the Investment Committee confirmed that the Investment Advisor is in urgent need of professional assistance. He also noted that the need had recently become more pressing with the termination, on December 31, 1986, of the service Mr. Schwartz has been performing as consultant to the Investment Committee. The Pension Committee endorsed the desirability of appointing an Investment Officer.

Taking into account the substantial growth in recent years in the assets of the Retirement Plan, and in the work and responsibility involved in investing these assets to maximize their return, I concur with the view of members of the Pension Committee that a suitable person should be recruited as soon as possible. This will enable work to start on a number of important studies upon which the implementation of the investment strategy proposed by the Investment Committee and endorsed by the Pension Committee depends. Accordingly, I propose that the Executive Directors authorize the establishment of a new staff position of Investment Officer, to be attached to the Investment Unit in the Office of the Managing Director. The effect would be to increase the staff ceiling by one to a total of 1689.