

**The Retirement Board of the
Policemen’s Annuity and Benefit
Fund of Chicago
Request for Proposal (“RFP”)
For An Executive Search Firm**

Recommendation

Authorize the current Executive Director to publish a Request for Proposal (“RFP”) for an Executive Search Firm to assist The Retirement Board of the Policemen’s Annuity and Benefit Fund of Chicago Trustees in the placement of a new Executive Director.

Background

The current Executive Director will be leaving the position effective December 1, 2012. The Comptroller has been approved to serve in an Acting Executive Director role effective December 1, 2012 until such time as the Board of Trustees has chosen an effective date of hire of a new Executive Director. The Comptroller and Assistant Comptroller report to the Executive Director and may be considered search candidates.

Introduction

The Retirement Board of the Policemen’s Annuity and Benefit Fund of Chicago is a defined benefit public employee retirement system governed by Chapter 40 Pensions Article 5 Illinois Compiled Statutes Sections 1 and 5. The Board of Trustees is an 8 member board with four Mayoral Appointees and 4 Member Elect representatives. The elected officers are elected by rank of Patrolman or rank equivalent thereto, a Sergeant Representative, a Lieutenant and rank superior to as well as an Annuitant elected representative. The Fund is comprised of 12,000 active members and 12,000 plus annuitants and beneficiaries. The Fund administers retirement, surviving spouse, disability and death benefit provisions found in the statutes and has been in existence since 1887, codified in 1921. It currently has \$3.1 billion in assets that are externally managed. The Board currently employs a Chief Investment Officer reporting directly to the Board of Trustees with a Comptroller and Assistant Comptroller assisting the Executive Director in the overall administration of the Fund.

General information

The Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago is subject to Illinois Public Act 1495 and issues this RFP in seeking to work closely with an Executive Search firm in placing the next Executive Director for the Fund. The Executive Director is the lead administrator overseeing a current staff of 20 employees retained by the Board to conduct its day to day business operations. The Executive Director also coordinates all external service providers, including but not limited to, Actuarial Consultants, Investment Consultants, Custodial Banking and Investment Management providers. The Executive Director will be the main point of contact for the public and will represent the Board and its membership at legislative hearings, city council appearances, quarterly retirement seminars and other tasks deemed necessary by the Board of Trustees. The Executive Director must be familiar with the Illinois Open Meetings Act as well as the Freedom of Information Act and may be asked to serve as an appointed officer in the capacity of Director.

Project Background

The Board of Trustees is expecting the retained search firm from this RFP to conduct an expeditious national search of potential candidates to be presented to the Board of Trustees for possible hire as its new Executive Director in a prudent manner in line with the Board's fiduciary obligations. This obligation must include a sound background check, including reference verification and salary requirements sought after an initial screening performed by the firm retained, to be followed by full interviews with the Board of Trustees after the initial screening of candidates is conducted by the firm retained to execute the provisions of this RFP. At this time the Board would expect to receive at least three and at most five candidates for consideration, and the responding firm must be open to several rounds of interview before the Board of Trustees should an elimination process be necessary for the Board to arrive at a successful hire. The Board would expect a contract for services from the firm selected, which will be reviewed by the P.A.B.F. of Chicago Board Counsel David. R. Kugler, Esq.

Requirements

The RFP, issued October 11, 2012, will require responses by 4 p.m. CST October 26, 2012 close of business. Responding firms must submit 12 hard copy responses in a presentation type format, along with an electronic copy of said presentation, for the trustees to review at their Regular Board Meeting to be held October 30, 2012. Once all submissions have been reviewed by staff and the Board of Trustees, the Trustees will select no less than 3 and no more than 5 firms to come before it at the Regular Board Meeting to be held on November 29, 2012. Responders must provide clear pricing points for the Board to consider and the Board will be open to a full service executive search process as well as pricing options for the Board to consider a more limited scope in this project.

Point of Contact

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Minimum RFP Requirements

Executive Director Recruitment

Please provide;

A description of your firm including location, years in business, ownership structure and qualifications for this project. Please include your EEOC staffing chart for full disclosure, as well as any relationships that could be seen as conflicts of interest with either past or existing Board member and or staff.

Names and qualifications of the individual(s) in your organization who would be leading the project.

The most recent three searches the project leader has completed.

Please provide a framework of services for each deliverable for the project in line with the basic requirements of this proposal, as well as any additional services your firm may offer in searches of this type and scope.

Provide a Project Plan and Timeline, keeping in mind the current Executive Director will be vacating the position effective November 30, 2012, and the Board of Trustees want to fill this critical role in a reasonable time frame.

Please list the successful placement(s) of Executive Director or like Titles in the public fund universe over the past three to five years.

Please provide a list of public employee retirement system (PERS) where responding firm has successfully completed an Executive Director Search process from screening to placement.

Provide 12 hard copies as well as an electronic copy of the submitted RFP by 4 p.m. on October 26, 2012, for staff to prepare a presentation of responding firms at the Regular Board Meeting to be held October 30, 2012. The Board of Trustees may be flexible in the scope of a search should a search firm be retained.