



New York City Comptroller  
John C. Liu

NEWS RELEASE

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**NYC PENSION FUNDS COMMIT \$400 MILLION  
TO IN-HOUSE PRIVATE EQUITY  
EMERGING MANAGER PROGRAM**

*Comptroller Liu Announces First Direct Investment of Program*

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NEW YORK, NY - City Comptroller John C. Liu, on behalf of the Trustees of the New York City Pension Boards, today announced that the New York City Pension Funds have committed a total of \$400 million to the recently created in-house Private Equity Emerging Manager Program (EM 2012), overseen by the Comptroller’s office Bureau of Asset Management.

In addition to the collective allocation, Liu also announced that the City Pension Funds have made their first direct investment through the EM 2012 program; a \$20 million commitment to ICV Partners III, formerly known as Inner City Ventures, a MWBE-managed leveraged buyout fund and New York City-based Private Equity firm.

“It’s exciting to see our Emerging Manager initiative take off with the hiring of top-notch managers who happen to be MWBEs,” **said Comptroller Liu.** “This initiative brings in terrific investment opportunities and at the same time expands the diversity of talent investing our funds.”

“This in-house investment program is a game changer that will greatly enhance NYCERS’ investment process by reducing investment fees, investing in up and coming MWBE private equity managers and diversifying our portfolio,” **said Bronx Borough President Ruben Diaz, Jr.** “This is a win-win for the New York City Pension Funds.”

In March Comptroller Liu announced the hiring of Alex Doñé, Associate Director for Business Development at President Obama’s Department of Commerce-Minority Business Development Agency, as Executive Director for Private Equity/Emerging Managers in the Comptroller’s office Bureau of Asset Management – responsible for leading the EM 2012 program and the expansion of the New York City Pension Funds’ private equity commitment to minority and women-owned firms.

By bringing the program in-house, the City Pension Funds will realize cost savings in excess of 85 percent, compared to the costs of a comparably sized externally managed fund-of-funds program. This allows MWBE-managed funds and emerging funds up to \$750 million in size to

establish direct relationships with the Comptroller's office Bureau of Asset Management as they grow.

The direct program will help the Pension Funds expand opportunities to these up and coming fund managers, since the program will result in larger aggregate commitments as a percent of total assets under management to these firms. More commitments through the EM 2012 program are expected in the coming months.

With the recent allocation of \$150 million by the New York City Employees' Retirement System (NYCERS) on November 20, the total amount of funds committed to the EM 2012 Program stands at \$400 million. The NYCERS Board vote followed similar votes earlier this year at three other New York City Pension Boards (Teachers' Retirement System - \$175 million, Police Pension Fund - \$50 million and Fire Department Pension Fund - \$25 million).

Three Pension Funds have approved the first direct investment of the EM 2012 program; \$20 million (Teachers \$14 million, Police \$4 million, Fire \$2 million) to ICV Partners III.

New York City Comptroller John C. Liu serves as the investment advisor to, custodian and trustee of the New York City Pension Funds. The New York City Pension Funds are composed of the New York City Employees' Retirement System, Teachers' Retirement System, New York City Police Pension Fund, New York City Fire Department Pension Fund, and the Board of Education Retirement System, and are collectively valued at \$127.8 billion as of 9/30/2012.

In addition to Comptroller Liu, the New York City Pension Funds trustees are:

**New York City Employees' Retirement System:** Janice Emery, Mayor's Representative (Chair); Public Advocate Bill de Blasio; Borough Presidents Scott Stringer (Manhattan), Helen Marshall (Queens), Marty Markowitz (Brooklyn), James Molinaro (Staten Island), and Ruben Diaz, Jr. (Bronx); Lillian Roberts, Executive Director, District Council 37, AFSCME; John Samuelsen, President Transport Workers Union Local 100; Gregory Floyd, President, International Brotherhood of Teamsters, Local 237.

**Teachers' Retirement System:** Janice Emery, Mayor's Representative; Deputy Chancellor Kathleen Grimm, New York City Department of Education; Mayoral appointee Freida Foster and Sandra March, Melvyn Aaronson (Chair) and Mona Romain, all of the United Federation of Teachers.

**New York City Police Pension Fund:** Mayor Michael Bloomberg; New York City Finance Commissioner David Frankel; New York City Police Commissioner Raymond Kelly (Chair); Patrick Lynch, Patrolmen's Benevolent Association; Michael Palladino, Detectives Endowment Association; Edward D. Mullins, Sergeants Benevolent Association; Louis Turco, Lieutenants Benevolent Association; and, Roy T. Richter, Captains Endowment Association.

**New York City Fire Department Pension Fund:** Mayor Michael Bloomberg; New York City Fire Commissioner Salvatore Cassano (Chair); New York City Finance Commissioner David Frankel; Stephen Cassidy, President, James Slevin, Vice President, Robert Straub, Treasurer, and John Kelly, Brooklyn Representative and Chair, Uniformed Firefighters Association of Greater New York; John Dunne, Captains' Rep.; James Lemonda, Chiefs' Rep., and James J. McGowan, Lieutenants' Rep., Uniformed Fire Officers Association; and, Sean O'Connor, Marine Engineers Association.

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