



GLOBAL NETWORK, LOCAL PRESENCE

# CFA SOCIETY OF SACRAMENTO

## THIS ISSUE:

CHARTER CAN PAY JOB DIVIDENDS AT CALPERS, SAYS CFASS' JIMENEZ

### PRESIDENT'S MESSAGE:

CFASS PRESIDENT GERALDINE JIMENEZ URGES MEMBERS TO ATTEND BOARD MEETINGS, BECOME INVOLVED. "IT'S GREAT FOR YOUR CAREER," SHE SAYS.

SF FED CEO APPEARANCE TERMED 'A VERY BIG DEAL' FOR FORGING PARTNERSHIPS

CFASS GETS IN THE SWING WITH SECOND ANNUAL GOLF TOURNEY, JUNE 14TH

RUSSELL READ, CFA, NAMED UC DAVIS GSM'S NEW EXECUTIVE-IN-RESIDENCE

RECORD 140,000 REGISTER WORLDWIDE FOR CFA EXAM

## UPCOMING:

OCT. 18: FIRST GLOBAL CFA CONFERENCE HELD IN SACRAMENTO. THEME: "NEW FRONTIERS IN INSTITUTIONAL ASSET MANAGEMENT;" FEATURING LEADING INVESTMENT PROFESSIONALS ADDRESSING GLOBAL ASSET ALLOCATION, PRIVATE EQUITY AND OTHER ALTERNATIVE INVESTMENTS.

## Dean Varshney: A 'Roads' Scholar Bound for Academia and Business



Sanjay Varshney

SANJAY VARSHNEY, Dean of the College of Business Administration at California State University, Sacramento since July 2004, says he traveled two roads that

led to becoming an academic by accident and a chartered financial analyst by choice.

Before coming to the U.S. from India when he was 21, Varshney earned an undergraduate degree in accounting

and financial management from Bombay University. His first job was as a tax accountant for the former Arthur Andersen, the big accounting firm, then he moved into management consulting for the Andersen Consulting Company (also owned by Arthur Andersen), both jobs in Bombay.

An Arthur Andersen partner encouraged him to get a master's degree and a Ph.D. in business. The latter was fulfilled with a doctorate in finance earned at Louisiana State University. "Once I got that I was pretty much in academia," Varshney says. He came to Sac State from the State University of New York Institute

of Technology, where he earlier served as dean of the School of Management.

But before leaving New York, Varshney applied for membership in the Chartered Financial Analysts Society of Sacramento (CFASS). CFASS membership is "an excellent networking opportunity," he says, and he wanted his membership to be

in place before taking the helm of the Sac State graduate and under-graduate business schools. Goal met: He was a CFASS member

before placing a foot in his office or on campus.

### CFA Rooter

Varshney never misses an opportunity to link with financial analyst societies wherever he is. He joined the New York Society of Security Analysts while at SUNY and the Security Analysts of San Francisco when a finance professor at the University of San Francisco.

He's a drum-beating CFA advocate. "I encourage our MBA candidates, even our undergraduates, to become CFA Charterholders,

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Geraldine Jimenez

## President's Message

I have completed my first year as CFASS President and want to thank Society members for providing me this opportunity. I truly enjoy the professionalism of the CFA Society of Sacramento's Board. The ideas and the work are fun due to the commitment, energy, and diverse ideas of the Board. Yes, it gets lively at times!

For a preview of what the Board does for the Sacramento area, please see upcoming events on page one of this newsletter. I encourage you to attend and become involved. It's great for your career, as a means to keep abreast of diverse topics, and a way to meet other local investment professionals.

If you'd like to take it a step farther and are interested in volunteering for a project, attending a Board meeting or serving as a Board member, please e-mail me at [president@cfass.org](mailto:president@cfass.org). We always welcome visitors and contributors to the discussions.

*Geraldine Jimenez, CFASS President*

### SANJAY VARSHNEY CONT.

although it's harder for the under grads because they have to prepare a little more," he says. No matter how difficult, the goal is worth the time and effort, he declares. "It's important that people recognize the CFA as the gold standard."

He also believes the CFASS can do "a wonderful job making the Sacramento regional financial industry more sophisticated than it is now. Sacramento is well positioned to really make the CFA designation much more visible when the market matures," adds Varshney.

"None of the big investment firms are here yet. They're all in San Francisco, but they'll be coming here because of our population growth, including wealthy retirees from San Francisco. The services will follow."

The CFASS has a leg up on spotlighting the CFA designation

because of the global visibility of two of the world's investment powerhouses, the California Public Employees Retirement System and the California State Teachers' Retirement System, both with high CFASS member representation.

***The Sacramento region's finance industry is "just evolving. The rest of the investment management industry here is non-existent. The only thing we see are services, like banks."***

Aside from CalPERS and CalSTRS, the Sacramento region's finance industry is "just evolving," he says. "The rest of the investment management industry here is non-existent. The only thing we see are services, like banks."

The Sac State dean applauds the prep work by CFASS Past-President Jason Bell and his predecessor, President Jose Arau, in providing a solid template for the CFASS' future growth. What's still needed, Varshney believes, is "to make the Society a lot more visible." •

### ***Varshney: 'New Breed' of Business Leaders Needed***

In a national search in 2004, California State University Sacramento, found everything it was looking for in a dean of its business schools in Sanjay Varshney, who, despite being only 36, appeared to be the perfect package, the real deal.

Nothing has changed the Sac State administration's mind in the three years since bringing Varshney, CFA, on board. Full of ideas and youthful energy, he's made his mark on Sac State's MBA and undergraduate business programs, including a complete reorganization. He calls the revamping the beginning of "a new chapter" for the college of business administration (CBA), one filled with "renewed enthusiasm and aspirations."

Varshney launched searches that found two of three associate deans; the CBA faculty has embraced a higher standard for publication and intellectual scholarship; and it's developed and implemented a new

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**'New Breed'** *cont.*

five-year strategic plan. Up next is shifting the focus of the "pivotal elements" of the school's recruitment and retention plan for students.

In 2006, for the second consecutive year, the CBA more than doubled corporate and individual giving to \$673,926. The CBA Annual Awards Banquet had 50 table sponsors last year, more than double the 23 tables in 2004. Funds for student scholarships rose to nearly \$70,000, up from \$30,000.

***"We need a new breed of business leaders to guide our growth and meet the challenges of constant change and worldwide competition."***

Varshney has launched a successful Executive MBA program that, along with other self-support programs, has helped add a new revenue stream of \$3 million. Prominent private investors Warren Buffet and Carl Bass of Autodesk visited with the College faculty and Executive MBA students.

"The greater Sacramento region is fast becoming a major metropolitan center and a presence in the global market," says Varshney. "We need a new breed of business leaders to guide our growth and meet the challenges of constant change and worldwide competition."

Many of those completing the 14-month Executive MBA program of Friday and Saturday classes and online project work will be among top managers dealing with the Sacramento region's growing presence in international business, Varshney believes. For a peek into the latter, 18 Executive MBA students visited Shanghai and Shenzhen, China, on a 10-day study trip led by Varshney in November 2006.

Besides the major accomplishments to upgrade and update the CBA, Varshney isn't done yet. "Last year was spectacular in all respects," he says. "We look forward to making 2007 even better."

## **Tee Time: CFASS Goes the Rounds with 2nd Golf Event**

As many as 120 golfers will tee up for the CFA Society of Sacramento's second annual golf tournament Thursday, June 14, at Teal Bend Golf Club. Participating golfers will be a mix of about 100 CFASS members and 20 sponsor representatives.

Registration is 11:30 am, lunch at noon and tee time is 1 pm.

The tournament is a "social thing," says Dave Carmany, CFA, an investment officer at CalPERS, in charge of hiring and evaluating external money managers. The CFASS is one of the first analyst societies to host such an event, one of its more successful activities.

The success is based not just on turnout and solid sponsor support, but on providing a venue that encourages CFASS members to mix and mingle, as well as to broaden the Society's exposure to the region's financial community at large.

Golfers will attack a barbecue lunch sponsored by the CFASS before attacking the fairways. Complimentary beverages will be available throughout the day.

### **'All Abilities, All Fun'**

"It's for golfers of all abilities," Carmany says. "It's all for fun." The tournament will launch with a shotgun start, with foursomes at each tee and playing forward from there then continuing in a best-ball competition. There will be no individual scores; teams of four will play against other foursomes.

After all rounds are in, there will be an awards ceremony with presentations of trophies, gift certificates and other prizes (*e.g.*, Taylor Made driver and Odyssey putter) to the best teams and winners of individual competitions, followed by appetizers and a cocktail hour.

Dan Bienvenue, CFA, a portfolio manager at CalPERS and board member at large for the CFASS, has been instrumental in signing 10 sponsors.

Inked at this writing were Nomura (global securities firm); ITG (Investment Technology Group); JP Morgan (global financial services company); Citigroup (global multi-bank holding company); Morgan Stanley (international financial services firm); State Street (global financial services and products company); FTSE (international index provider); AllianceBernstein (global asset management firm); CSFB TS (Credit Suisse First Boston); Investors Bank & Trust (global investment servicing company); and Principal Global Advisors (diversified asset management organization).

For registration and other information, please contact David Carmany, CFA; Global Equities; CalPERS Investment Office; (916) 795-3704; david\_carmany@calpers.ca.gov. •

## Being Chartered Can Be a CalPERS Door-opener, Says CFASS President Jimenez

How important is the Chartered Financial Analyst designation?

Very, for investment managers hoping to be hired by the California Public Employees' Retirement System's (CalPERS) Supplemental Income Program (SIP).

"In CalPERS overall we encourage people to get the charter and we look for it when we're hiring," says Geraldine Jimenez, CFA, and division chief of the SIP. Having a charter, she adds, "shows a commitment to the investment profession and a broad investment base."

"You may hire someone very specific to your field but you want someone who has knowledge of various asset classes," says Jimenez, this year's president of the Chartered Financial Analysts Society of Sacramento. "That's somewhat of a challenge, and not just at the entry level, but at what we consider the mid-career level."

### Investment Management

Jimenez joined CalPERS in 1989. For the past nine years she's worked in CalPERS' Investment Office with external equity managers and as the

manager of SIP's two defined contribution programs and one deferred-compensation 457 plan, including directing investment strategy and policy.

She manages the Division's internal staff and selects and directs its external investment advisors and administrators responsible for managing more than \$929 million in defined contribution assets.

Jimenez has a staff of 15, including investment research funds and hire external managers. If hiring for an internal position she receives about 40 applications. After a preliminary screening by Human Resources, Jimenez conducts face-to-face interviews and makes the selection.

### Explaining Benefits, Options

The best thing about her job? "I get to focus on investments and help people save for retirement," she says. "It's very dynamic." Jimenez's staff sits down with indi-

vidual public employees throughout the State of California to help them understand the retirement benefits they have and explain options if they need to save additionally for retirement.

Her goals as CFASS president are to continue projects and programs that have proved to be successful, such as the June golf tournament and the year-end holiday dinner, at which charters are awarded.

"Maybe adding one more quality event," she says about the current CFASS program, "but, basically, holding it steady. If we're doing something right, let's keep doing it, keep emphasizing it and improve it each year just a little."

Jimenez, who earned a Bachelor of Business Administration degree in Finance and Economics from California State University, Sacramento with honors, lives in Sacramento with her two teenage children.

She's an active cyclist who does century (100-mile) rides and also skis. •

**What she likes best about her job: "I get to focus on investments and help people save for retirement. It's very dynamic."**

**And on the CFASS agenda? "Maybe adding one more quality event, but, basically, holding it steady."**

### CFASS Celebrates CFA Day on the Links!

In recognition of the 60th anniversary of the founding of the investment profession, CFA Day was designed to give members and societies of CFA Institute an opportunity to celebrate being part of the investment profession in their local communities. During the month of June, more than 120 societies worldwide will facilitate CFA Day activities, many of them on or during the week of June 11. CFA Institute will celebrate CFA Day with "bell ringings" at the New York, Toronto, and London stock exchanges.



Economist  
Yellen

## 'A Very Big Deal:' SF Fed CEO Responds to CFASS, Partners' Pitch

Led by the Chartered Financial Analysts of Sacramento, local financial organizations joined together to successfully book Janet Yellen, president and CEO of the Federal Reserve Bank of San Francisco, as a spotlight speaker.

The CFASS partnered with other local financial community organizations to land the hard-to-book marquee name, persuading Yellen to participate in Sacramento State University's College of Business Administration Executive Speaker series.

About 200 guests filled the university's Alumni Center for the lunch to hear Yellen's outlook for the U.S. economy in 2007.

The Fed regional chief's appearance was "a very big deal," says Sanjay Varshney, dean of the undergraduate and graduate business programs at Sac State and CFASS board member. "It was a terrific achievement for the Society in a number of ways," adds Jason Bell, past CFASS president and a board member.

Getting Yellen to agree to come to Sacramento was the first part; the second was waiting to see if she could find a time on her schedule to visit. "This was an event 18 months in the making," he says.

"It was a great accomplishment for the CFASS because we attracted a global-caliber speaker and for the first time as a professional community five separate professional organizations came together to achieve a greater good," says Bell.

Pulling together were the Sacramento Estate Planning Council; the California Society of Certified Public Accountants, Sacramento Chapter; the Financial Planning Association of Northern California; and the CFASS, all partnering with the Sac State business schools.

"No one organization could have done it by itself. It was the first time a Federal Reserve president has ever made an appearance in Sacramento," he continues. "The luncheon resulted in the first-ever national news coverage at Sac State, with Dow Jones and Bloomberg News here."

Bell believes the success of the co-op effort bodes well for the organizations to leverage their resources to draw other big-name speakers and to partner for future opportunities. "The benefits to the Society are more of brand-building and public awareness," he says.

"Certainly the events are value-added for the members, something they're able to attend for free."

Bell came up with the concept, spearheading the Yellen event and reaching out to the presidents of other organizations.

Once he had the commitments of the presidents, he and Varshney worked closely to make the pitch to Yellen's office.

Candace Ronan, CFA, a CFASS board member and colleague of Bell's at Wells Fargo Private Bank, lined up the Sacramento Estate Planning Council's participation and partnership. Ronan is the Council's president.

And Yellen's take on the 2007 national economy? "I believe that a soft landing is the most likely outcome over the next year or two," she said. "However ... there are sizeable risks to this forecast and I am especially concerned about the upside risks to our inflation forecast." •

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### CFASS MISSION STATEMENT

Our mission is to utilize our collective investment knowledge, expertise and global professional network in order to function as a valuable resource to our members and to benefit our regional community.

## Record Worldwide CFA Exam Sign-ups: 140,000

The CFA Institute reported a record number of current and prospective investment professionals from markets around the world are taking the Chartered Financial Analyst® (CFA®) exams and that more traditional markets—the U.S., Hong Kong and United Kingdom, for example—continue to see strong growth.

The highly valued CFA Program is seeing steady worldwide growth in new CFA candidates – those registering for the CFA Program for the first time. From Sept. 1 fiscal year 2006 to Aug. 31 fiscal year 2007, the top 10 countries of new CFA candidate growth for the December 2006 and June 2007 exams combined are:

- India (143 percent growth)**
- France (71 percent)**
- Republic of Korea (60 percent)**
- Mainland China (57 percent)**
- Singapore (48 percent)**
- Australia (47 percent)**
- Hong Kong (39 percent)**
- Canada (33 percent)**
- United Kingdom (32 percent)**
- U.S. (20 percent)**

Globally, new candidate registrations have grown by 36 percent from FY2006 to FY2007.

New CFA candidate growth is also robust in developing markets:

- Vietnam (143 percent growth from FY2006)**
- Egypt (60 percent growth)**
- Russia (59 percent growth)**
- Brazil (29 percent growth)**
- South Africa (18 percent growth).**

“The CFA designation has become the global investment credential, recognized worldwide as a passport to work anywhere in the industry,” says Jeff Diermeier, CFA, president and CEO of CFA Institute.

“With a record-setting 140,000 registrations for the December 2006 and June 2007 exams combined, the CFA Program is a truly global phenomenon. This is why employers at investment companies, mutual funds, wealth management firms, pension funds, universities and investment banks and their clients find value in the CFA designation.”

The CFA examination is considered by many to be the investment profession’s most rigorous credentialing program. In fact, The Economist and Financial Times called it a “gold standard.” •

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