THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

TO: The Honorable the Members of the Board of Regents

FROM: John L. D'Agati

SUBJECT: Appointments and Reappointments to the New York State Teachers' Retirement System Board

DATE: March 14, 2016

AUTHORIZATION(S):

SUMMARY

Issue for Decision (Consent Agenda)

Should the Board of Regents approve the appointment and two reappointments of members to the New York State Teachers' Retirement System Board?

Reason(s) for Consideration

Required by State Statute.

Proposed Handling

This will come before the full Board at its March 2016 meeting where it will be voted on and action taken.

Procedural History

Appointment of a member to this position on the Retirement System Board requires approval by the Board of Regents.

Education Law, Section 504(2)(a), provides that:

> One member, who is not an employee of the state, who shall be or shall have been an executive officer of a bank authorized to do business in this state, elected by the Board of Regents of the University of the State of New York to serve for a term of three years.

The Teachers' Retirement System Board recommends the reappointment of Daniel J. Hogarty, Jr., whose term expires on May 1, 2016, as that member.

Education Law, Section 504(2)(b), provides that:

> Two members who are not employees of the state, each of whom shall be or shall have been a trustee or member of the board of education of a school district in this state, and at least one of whom shall be or shall have been an executive officer of an insurance company, elected by the Board of Regents of The University of the State of New York to serve for a term of three years, from a list of five or more persons having broad experience and ability in the fields of finance and investment to be presented to the Regents by the board of directors of the New York State School Boards Association, Inc.

In accordance with Education Law, the New York State School Boards Association forwarded the names of 10 individuals it considered for appointment. From among those candidates the New York State School Boards Association recommends for reappointment and appointment, Mr. Michael J. Masse, whose term expires on June 30, 2016 and Mr. Stephen P. Feehan to the two board positions. Appointment to these positions on the Retirement System Board requires approval of by the Board of Regents.

<u>Background Information</u>

Reappointment under Education Law Section 504(2)(a):

Daniel J. Hogarty, Jr. is the retired President and CEO of The Troy Savings Bank and The Troy Financial Corp., and is currently President and Director of the Troy Savings Bank Charitable Foundation and The Troy Savings Bank Music Hall Foundation. Currently, he chairs the Teachers' Retirement System Board's Investment Committee. Mr. Hogarty was first appointed to the State Teachers' Retirement System Board in 2005. His resume is attached.

Reappointment and appointment under Education Law Section 504(2)(b):

Michael J. Masse is the Senior Vice President of Government and Institutional Banking at HSBC Bank USA. Currently, he chairs the Teachers' Retirement System Board's Audit Committee. Mr. Masse is a past member and president of the Board of Education of Fayetteville-Manlius Central School District. Mr. Masse was first appointed to the State Teachers' Retirement System Board in 2009. His resume is attached.

Stephen P. Feehan is a Wealth Management Advisor at Northwestern Mutual, which specializes in life insurance and financial planning. He joined Northwestern Mutual as a Financial Representative in 1998. During his tenure with Northwestern Mutual, Mr. Feehan held numerous leadership positions within the company, including Field Director, Managing Director, and Chairman and Committee Member on the Investment Products Services Field Committee. Mr. Feehan currently serves on the Board of Education of Windsor Central School District. Mr. Feehan is being recommended to assume the Teachers' Retirement System Board's seat currently held by R. Michael Kraus. After 24 years of service, Mr. Kraus is not seeking reappointment. Mr. Feehan's resume is attached.

Recommendation

It is recommended that the Board of Regents approve the reappointment of Daniel J. Hogarty, Jr. for an additional three-year term commencing May 1, 2016 and expiring May 1, 2019 and Michael J. Masse for an additional three-year term commencing June 30, 2016 and expiring June 30, 2019 and the appointment of Stephen P. Feehan to a three-year term commencing June 30, 2016 and expiring June 30, 2019 to the New York State Teachers' Retirement System Board.

Timetable for Implementation

If approved, Mr. Masse's and Mr. Feehan's terms will begin June 30, 2016 and Mr. Hogarty's term will begin May 1, 2016.

Attachments

Daniel J. Hogarty, Jr.

Daniel J. Hogarty, Jr., retired President and CEO of The Troy Savings Bank and The Troy Financial Corp., is currently President and Director of The Troy Savings Bank Charitable Foundation and The Troy Savings Bank Music Hall Foundation. A leader in the banking industry, he began his career at First Trust Company of Albany, the predecessor of Bankers Trust Company, which was acquired by First American Bank of New York in 1984. Mr. Hogarty was elected President of The Troy Savings Bank in 1985, and became Chairman, President and Chief Executive Officer in 1987, remaining in that capacity until the bank was acquired by First Niagara Financial Group in January 2004.

In addition to his banking experience, he currently serves on a number of boards. He is a Trustee of the New York State Teachers Retirement System and the Troy Municipal Assistance Corporation. He has also previously served on the boards of the State of New York Banking Board, New York Business Development Corporation, The Arsenal Partnership, Hudson Valley Community College, The Sage Colleges, Maria College, LaSalle Institute, LaSalle School for Boys, Center for Economic Growth, and The Community Hospice. He was Director, Treasurer and Chairman of the Finance Committee of the University at Albany Foundation.

Mr. Hogarty has been the recipient of many awards, including The Business Review Executive of the Year, the Jewish National Fund Tree of Life Award, Greene County Council on the Arts Distinguished Service Award, the Arthritis Foundation Accolade for Service Award, the YMCA President's Award, Co-Distinguished Citizen Award from the Boy Scouts Twin Rivers Council, the Rensselaer County Chamber of Commerce Edward H. Pattison Award, The College of Saint Rose Community of Excellence Award and The Academy of the Holy Names Building the Future Award.

He is affiliated with a number of educational institutions, and is the recipient of awards from the Hudson Mohawk Association of Colleges & Universities, Christian Brothers Academy, and the University at Albany. He and his wife Ellen have jointly received the Monsignor Burns Memorial Award from Catholic Central High School, the LaSalle School's LaSallian Benefactor Award, and the Hart-Cluett Award from the Rensselaer County Historical Society.

Stephen P. Feehan, MBA, CFP®

WEALTH MANAGEMENT ADVISOR

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Professional Summary

Stephen P. Feehan joined Northwestern Mutual as a Financial Representative in 1998. During his tenure with Northwestern Mutual, Stephen has held numerous leadership positions within the company, including Field Director, Managing Director, and Chairman and Committee Member on the Investment Products Services Field Committee. Stephen currently serves as Field Delegate to Northwestern Mutual's Financial Representative Association (FRA) and as a member of Northwestern Mutual's Field Compensation Committee. Prior to his time with Northwestern Mutual, Stephen served as the Vice President of Operations for the Deposit Telephone Company.

As a Wealth Management Advisor, Stephen's objective is to bring an integrated approach to financial planning on behalf of his clients. Determining the goals and objectives are an important first step in this process, however, Stephen also believes that effective financial planning requires an interactive approach that coordinates his client's activities with existing advisors to provide a comprehensive financial plan that meets the needs of his clients. Once the plan is created and approved by the client, Stephen and his team work tirelessly to ensure the client's plan is implemented and their objectives are met. Once a plan is implemented, Stephen and his team focus their attention on periodic client reviews to determine if existing financial plans, investments and structures are still in line with their goals and objectives.

Qualifications and Expertise

Stephen has made education and training a priority throughout his career. The results of his efforts have materialized into the following degrees and credentials:

B.S.–Bachelors of Science, Economics–Albany State University, 1987
MBA–Masters in Business Administration–Binghamton University, 1990
ChFC®–Chartered Financial Consultant–American College, 2001
CLU®–Chartered Life Underwriter–American College, 2002
CFP®–Certified Financial Planner–Certified Financial Planner Board of Standards, 2003
AEP®–Accredited Estate Planner–National Association of Estate Planners Councils, 2003
CAP®–Chartered Advisor in Philanthropy–American College, 2005

Personal and Community Involvement

Stephen Feehan has served on numerous non-profit boards in the Binghamton area including: The Community Foundation for South Central NY (past Chairman), the Binghamton University Foundation, and the United Health Services Foundation (past Chairman). Stephen currently serves on the Windsor Central Schools Board of Education, Binghamton University's School of Management Advisory Committee (Chairman), the United Health Services Hospital Board and the Busfield Foundation.

Stephen is a lifelong resident of the area, and currently resides in Windsor with his wife Maureen, along with their three sons Dayne, Devon and Dylan.

Michael J. Masse

Home

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Professional experience

HSBC Bank USA, N.A., December 2005 – Present

HSBC CEO Award Winner

Summary - Recognized as a successful leader and team builder with broad range of banking experience, including commercial credit, middle market banking, public banking, and retail banking.

Senior Vice President, Government and Institutional Banking (May 2013 – Present)

- Lead Team of Embassy Bankers managing commercial accounts for Foreign Embassy, Consulates and Missions in Washington DC, New York City, Miami, and Los Angeles.
- Attended Global Risk Management Program in Hong Kong September 2015.

Commercial Executive, Senior Vice President Municipal Banking (March 2012 – April 2013)

- Commercial Executive in Syracuse and Albany Markets.
- Manager of Public Banking HSBC Bank USA, oversight of municipal business in New York State and other US markets, including New York City and Long Island.

CNY Retail District Executive, Senior Vice President Municipal Banking (March 2010 – March 2012)

- Responsible for Leadership of HSBC Retail Banking in CNY from Elmira Binghamton north to Canadian Border, 52 retail branches with 400 + employees.
- Responsible for Leadership of HSBC Municipal Banking Business overseeing team of 15 covering New York State and adjacent markets – provided consultative services for HSBC west coast municipal business. (March 2010 – March 2012)

HSBC - continued

Senior Vice President/Municipal Banking (December 2005 – March 2010)

- Recruited back to HSBC to establish and lead Public Banking business as part of bank's overall drive to increase deposits. Charged with all aspects of establishing business including planning, structuring, marketing, recruiting, and leading Public Banking team. Awarded 'The CEO Award for HSBC North America' – 2008. Delivered 5 year financial plan in 3 years, achieving deliverables ahead of plan.
- Attended PFS Business Leaders Program – December 2009.
- Attended Senior Management Sales & Leadership Development program in Hong Kong June 2007.

JPMorgan Chase, Syracuse, New York, (March 1991 – December 2005)

Senior Vice President/Municipal Banking
Middle Market Banking – UpState East/Syracuse (October 2003)

- Responsible for Syracuse/Utica municipal team, covering 11 county area in Central New York. Acting deputy to Upstate Government Manager in all aspects of government business.

Vice President/ Relationship Manager/Municipal Banking
Middle Market Banking – UpState East/Syracuse (July 1996)

- Responsible for new business development; focusing on public school districts, towns and counties. Products offered included deposit services and loans, supported by a full array of cash management services.
- Member Middle Market Banking Internet Advisory Board.

Vice President/Senior Relationship Manager/Team Leader
Middle Market Banking – UpState East/Syracuse (Chemical Bank/Pre-Merger)

- Responsible for new business development and managing assigned account relationships. Products offered included credit and deposit services, supported by a full array of commercial banking products offered to middle market customers.

Marine Midland Bank, NA, Rochester, New York - now HSBC Bank USA, NA (September 1984 – March 1991)

Commercial Executive, Vice President/Team Leader (January 1989/Binghamton)

- Managed commercial banking business for Southern Region. Managed team of nine lenders (MME & SME) and support personnel.

Vice President/Manager of Commercial Credit (June 1987)

- Supervised credit analysis of commercial clientele requesting commercial loan accommodations. Trained commercial credit analysts. Implemented credit policy and procedures. Managed staff of 17 professionals and 10 staff.

Assistant Vice President/Eastern Banking (September 1984)

- Relationship Manager for Middle Market Companies. Developed new business and managed loan portfolio. Regional representative for technology issues.

First Jersey National Bank, Jersey City, New Jersey (October 1982 – September 1984)

- **Assistant Vice President** Perth Amboy, New Jersey (April 1994 – September 1984)
- **Commercial Account Officer** Delaware Valley, Atlantic City, New Jersey (August 1983 – April 1984)
- **Commercial Account Officer** Newark, New Jersey (October 1982 – August 1983)

Brener, Wallach & Hill, Attorney's at Law, Princeton, New Jersey (July 1981 – October 1982)

- **Comptroller/Business Manager** Managed business operations and prepared financial reports for internal/external use.

Princeton Bank & Trust Company, Princeton, New Jersey - later Chemical Bank (October 1979 – July 1981)

- **Management Trainee** Commercial Banking Group

Additional professional activities

New York State Teachers Retirement System Board Member (2009 - present); one of the 5 largest pension systems in the United States. Member of Executive Committee and Chair of Audit/Enterprise Risk Management.

New York State School Boards Association
Treasurer/Board of Directors (January 2004 – December 2013)

Fayetteville-Manlius Board of Education Member and Past President, Legislative Liaison, (July 1993 – September 2013)

New York State Commissioner of Education's Blue Ribbon Panel on Public School Leadership (January 1999 – April 2000)

Education

Master of Public Administration - Maxwell School of Citizenship, Syracuse University, Syracuse, New York, May 2000

Master of Business Administration – Rider University, Lawrenceville, New Jersey, December 1982

Bachelor of Science, High Honors – Rochester Institute of Technology, Rochester, New York, May 1979

Professional Licenses

Series 7 Securities License
Series 63 Securities License