



MINORITY & WOMEN OWNED BUSINESS ENTERPRISES

**Asset Management
& Financial Institution
Strategy Report**

Fiscal Year 2024-2025



June 1, 2025

Honorable Kathy Hochul

Governor of New York State
New York State Capitol Building

Honorable Carl E. Heastie

Speaker
New York State Assembly

Honorable Crystal D. Peoples-Stokes

Majority Leader
New York State Assembly

Honorable William A. Barclay

Minority Leader
New York State Assembly

Honorable Andrea Stewart-Cousins

President Pro Tempore and Majority Leader
New York State Senate

Honorable Michael Gianaris

Deputy Majority Leader
New York State Senate

Honorable Robert G. Ort

Minority Leader
New York State Senate

Julissa Gutierrez

Chief Diversity Officer
New York State Capitol Building

Dear Governor Hochul, Senate and Assembly Leaders, and Officer Gutierrez,

In 2024, the New York State Insurance Fund (NYSIF) continued to exceed the Minority & Women-Owned Business Enterprises (MWBE) participation goals set by the New York State Governor's Office and NYSIF's Board of Commissioners.

NYSIF reaffirms its commitment to help MWBE firms succeed in New York and will continue striving to encourage diversity and inclusion as part of fulfilling its core mission – delivering high financial returns and value to NYSIF's customers. NYSIF will also continue its efforts to utilize numerous outreach programs to cultivate new relationships with MWBE businesses, boosting innovation, and expanding opportunities for MWBE vendors.

The following report provides additional details of how NYSIF utilized MWBEs for investment and financial services. We will simultaneously publish this report on NYSIF's web site for at least 60 days following its release.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "D. Ourlicht", is written over a light blue horizontal line.

Commissioner David Ourlicht
Chair, Investment Committee

CC: Albert Pulido, Deputy Secretary for Finance & Technology
James Katz, Deputy Secretary for Economic Development & Workforce
Cherell Beddard, Assistant Counsel to the Governor
Gaurav Vasisht, NYSIF Executive Director & CEO



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ABOUT NYSIF

NYSIF is the largest workers' compensation insurer in New York State and among the ten largest nationwide. NYSIF covers 2 million workers and insures 200,000 employers in New York State.

NYSIF's mission is to guarantee the availability of workers' compensation, disability insurance and paid family leave insurance coverage at the lowest possible cost to New York employers while maintaining a solvent fund.

Since its inception 110 years ago, NYSIF has fulfilled this mission by competing with other insurance carriers to ensure a fair marketplace while serving as a guaranteed source of coverage for employers who cannot secure coverage elsewhere.

In addition to workers' compensation insurance, NYSIF provides disability benefits coverage for off-the-job injuries. In 2018, NYSIF added paid family leave as a component of its disability benefits product, providing New Yorkers with job-protected, paid time away from work to care for their families. In 2022, NYSIF began offering coverage to eligible out-of-state workers for New York-based companies.

NYSIF strives to achieve the best health outcomes for injured workers and be an industry leader in price, quality, and service for New York employers.

NYSIF FINANCIAL HIGHLIGHTS

(as of March 31, 2025)

Total Assets Managed

Assets	Market Value	Percentage
Total Assets Under Management	\$21,599,623,560	100%
Total Assets Internally Managed	\$16,780,335,663	78%
Total Assets Externally Managed	\$4,819,287,897	22%
External Equity Portfolios Managed by MWBE Firms	\$1,986,768,200	100%

NYSIF Investment Staff Diversity

Professionals	Total Employees	Percentage of Staff
Minority & Women	25	84%

HISTORY OF MWBE LEGISLATION

The New York State MWBE Asset Management and Financial Institution Strategy, Chapter 171 of the Laws of 2010, was established to codify and replicate best practices for the inclusion of MWBE asset managers, investment banks and financial and professional service providers. The strategy encourages greater utilization of the services of MWBEs by fiduciary-controlled entities established by New York State law. Such entities include the New York State Common Retirement Fund (CRF) under the sole trusteeship of the Office of the State Comptroller (OSC), the New York State Deferred Compensation Plan (NYSDCP), the New York State Teachers' Retirement System (TRS) and NYSIF.

In State Fiscal Year (SFY) 2010-2011, NYSIF's Board of Commissioners, in accordance with Workers' Compensation Law §87-i, established an MWBE Asset Management and Financial Institution Strategy (the MWBE Strategy) aimed at increasing the utilization of MWBE investment and financial services firms. The MWBE strategy adopted an objective standard for reporting on MWBE usage, as required under Workers' Compensation Law §87-i for entities owned by fifty-one percent (51%) women or minority group members.

In SFY 2017-2018, OSC entered into a Consulting Agreement with Lenox Park Solutions, Inc. (Lenox Park). This Agreement continues to allow NYSIF to work with Lenox Park, in conjunction with OSC and TRS, to assist with the certification of MWBE firms providing investment-related services. With agency assistance, Lenox Park has developed a concurrent listing of certified MWBE firms doing business with NYSIF, OSC and TRS.



In May 2024, Equal Opportunity Specialist 2 Elvis Perez (left) and Human Resources Specialist 2 Sophia Mayers (right) attended the City & State Diversity Summit at Baruch College in New York City.

NYSIF'S MWBE POLICY & EFFORTS IN INVESTMENTS

NYSIF encourages participation by MWBEs in its procurement projects and is committed to achieving the statewide goal of increasing opportunities for MWBEs and helping these businesses thrive. NYSIF has established an MWBE participation goal of at least 30 percent for NYSIF contracts and has exceeded this goal for the last several years. NYSIF's Procurement Unit continues to incorporate diversity and inclusion inquiries into best-value procurement processes. It seeks to secure innovative contracts to include more MWBE businesses that will compete and be awarded contracts.

The NYSIF Board of Commissioners is committed to providing ongoing opportunities for MWBE investment management firms to manage assets on its behalf. As such, it is the policy of NYSIF to ensure that no barrier exists to the full participation of MWBE managers in the investment opportunities it affords them. NYSIF believes that effectively accessing and managing MWBE talent from varied backgrounds, age, experience, race, gender, ethnicity, and culture leads to improved outcomes. All external investment asset managers, financial and professional service firms are expected to respect NYSIF's values of diversity and inclusion, reflect them in their own organizations, and strive to establish MWBE goals for their own external service providers.

In 2021, NYSIF amended its Investment Policy Statement (IPS) to strengthen its mission of investing with MWBE firms. For the first time, an MWBE Investment Manager Policy was adopted by NYSIF's Board of Commissioners. It is now an addendum to NYSIF's IPS and sets forth a 35% aspirational goal for externally managed assets, and targets by asset class segments. By doing this, NYSIF hopes to expand more pathways for diverse asset managers.

NYSIF's efforts on diversity are delivering strong results, both in-house and with NYSIF's business partners. Nearly 85% of the professionals on NYSIF's investment team are minority or women. In addition, NYSIF has stepped-up recruitment efforts at colleges and universities to uncover new talent and add to NYSIF's diverse investment team.

OVERVIEW OF NYSIF MWBE PARTICIPATION

Comparative Analysis

Total dollars paid for all MWBE-certified and non-MWBE asset management, financial institutions (broker dealer and other financial services) and professional service providers (accounting and valuation services) for SFY 2024-25: **\$20,303,979**

- ▶ Total dollars paid for MWBE-certified asset management, financial institution participation and professional service providers for SFY 2024-25:
\$5,938,171 or 29% MWBE certified participation
- ▶ Total dollars paid to non-MWBE asset management firms, financial institution participation and professional service providers for SFY 2024-25:
\$14,365,808 or 71% non-MWBE certified participation

Asset Managers

Total dollars paid to all MWBE-certified and non-MWBE asset management firms for SFY 2024-25: **\$10,382,648**

- ▶ Total dollars paid to MWBE-certified asset management firms for SFY 2024-25:
\$5,810,989 or 56% MWBE-certified participation
- ▶ Total dollars paid to non-MWBE asset management firms for SFY 2024-25:
\$4,571,659 or 44% non-MWBE certified participation

Financial Institutions

Total dollars paid to all MWBE-certified and non-MWBE financial institutions (excluding Asset Management firms) for SFY 2024-25: **\$1,250,674**

- ▶ Total dollars for MWBE-certified financial institutions for SFY 2024-25:
\$82,182 or 7% MWBE-certified participation
- ▶ Total dollars paid for non-MWBE financial institutions for SFY 2024-25:
\$1,168,493 or 93% non-MWBE participation

Professional Service Providers

Total dollars paid to all MWBE-certified and non-MWBE professional service providers for SFY 2024-25: **\$8,670,657**

- ▶ Total dollars for MWBE-certified professional service providers for SFY 2024-25:
\$45,000 or 1% MWBE-certified participation
- ▶ Total dollars paid for non-MWBE professional service providers for SFY 2024-25:
\$8,625,657 or 99% non-MWBE participation

PROGRESS OF OUTREACH EFFORTS

NYSIF continues to do extensive outreach to MWBE vendors. All competitive investment and financial services procurement opportunities are advertised on **nysif.com**; in the New York State Contract Reporter, which is New York State's official publication of procurement opportunities; and in Minority Commerce Weekly, a published journal in which procurement opportunities are advertised to MWBE providers.

In addition, NYSIF sends notices of all procurement opportunities directly to investment and financial providers listed on the Empire State Development Corporation (ESD) Directory of Certified MWBEs.

NYSIF's bilingual MWBE and Service-Disabled Veteran Owned Businesses (SDVOB) brochures provide information on MWBE and SDVOB certification and advocate NYSIF's invitation to MWBEs and SDVOBs to participate in all its economic opportunities.

NYSIF offers ongoing support and participation in the following annual events:



- ▶ The New York State Black, Puerto Rican, Hispanic and Asian Legislative Caucus
- ▶ The New York State MWBE Forum
- ▶ NYSIF MWBE Investment Symposium
- ▶ The Somos Conference
- ▶ Regional MWBE Outreach Statewide Events sponsored by ESD
- ▶ Veterans in Economic Transition Conference (VETCON)
- ▶ City & State Annual Diversity Summit
- ▶ City & State Procurement Conference
- ▶ The Competitive Edge Conference
- ▶ CUNY MWBE/SDVOB Procurement Conference
- ▶ NYS OGS GOVBUY Procurement Conference

In July 2024, Human Resources Specialist 2 Sophia Mayers (left), Asst. Insurance Fund Services Representative Savannah Cerda (center) and Equal Opportunity Specialist 1 Yan Ni (right), attended the Competitive Edge Conference at the CUNY Graduate Center in New York City.

NYSIF MWBE INVESTMENT SYMPOSIUM

NYSIF hosted its 15th annual Minority and Women-Owned Business Enterprises (MWBE) Investment Symposium on February 11, 2025. More than 200 investment professionals attended the event, which was held at New York Law School in Manhattan. The event provided an informative and engaging space for attendees to hear from industry leaders about some of their successes but also challenges of finding diverse managers.



The symposium opened with a fireside chat featuring Kenneth Theobalds, Chair of the NYSIF Board of Commissioners; Gaurav Vasisht, Executive Director and CEO of NYSIF; David Ourlicht, NYSIF Board member; and Gregory Francis, Chief Investment Officer at NYSIF.

“ Diversity is one of NYSIF’s greatest strengths and the MWBE Investment Symposium enables us to share these strengths with others. Over the past 15 years since the inaugural symposium, we continue to make great progress in MWBE procurement, hiring and asset management. ”

- Kenneth R. Theobalds, NYSIF Board of Commissioners Chair



Last year’s keynote speaker, Kneeland Youngblood (left) and Chair Kenneth R. Theobalds (right)



NYSIF Board Member Alexis Thomas (center) with attendees of the symposium



Joyce Abernethy (left) and Mina Pacheco Nazemi (right) were panelists for the Women in Financial Services discussion

“ Built over a generation of strong leadership, NYSIF’s MWBE program is not only central to the organization but essential for our long-term success. Leveling the playing field to include a diverse mix of voices and perspectives leads to better analysis, decisions and outcomes, enabling NYSIF to better pursue the long-term sustainable growth of our investment portfolio. ”

- Gaurav Vasisht, NYSIF Executive Director & CEO

CONCLUSION

NYSIF remains committed to the statewide objective of increasing opportunities for MWBEs in New York State. Consistent with Workers’ Compensation Law §87-i, NYSIF will continue to report annually to the Governor, Legislature, and the Chief Diversity Officer of the State of New York on the participation of MWBE Asset Managers, Financial Institutions, and Professional Service Providers in investment and brokerage transactions with NYSIF, or as providers of services to NYSIF.