



**100 women in  
hedge funds®**

**Education Session No. 652:  
Operational Due Diligence: What Hedge Funds Need to Know**

October 24, 2016 at 6 PM  
Stamford, CT

Prior to the financial crisis in 2008 and uncovered investment scandals, hedge fund due diligence was not a priority. Now, the battle to safeguard against operational risk requires proactive and ongoing vigilance by the fund. Investors also demand more transparency.

Far beyond a simple check-the-box exercise, operational due diligence (ODD) has become an in-depth process in which both the fund's internal risk levels and risk profiles of outsourced service providers are assessed. Rather than thinking of ODD as an unwelcome intrusion into the day-to-day business of the fund, hedge fund executives should think of the process as a way to expose potential risk before causing irreparable harm and a necessity to attract and retain assets from institutional investors.

Our panelists will deep dive to share:

- Basic components that comprise the ODD process
- Best practices in managing your fund's operational risk
- Specific issues that institutional investors consider "knock-out factors" for investment

### **Participants**

**Michael Chung**, Deloitte Advisory LLP  
**Erin Faccone, CFA, CAIA, NEPC**  
**Maura McCarthy Harris**, Bostwick Capital | ALTEC  
**Virginie Kolesnikov**, SkyBridge Capital  
**Dori Graff, CFA, Moderator**, Mirabelle Strategies, LLC

### **Event Details**

**Date:** October 24, 2016

**Time:** 5 PM Registration.

We will begin *promptly* at 6 PM; please arrive early. Since it is disruptive to everyone when latecomers enter the session, those arriving after an education session has begun will only be admitted at the discretion of 100WHF and the host. Please note the start time on this invite and plan to arrive early.

Networking and cocktails will follow.

**Hosts:** Deloitte & Touche LLP and DiligenceVault

**Location:** Deloitte Stamford Offices  
695 East Main Street, **Stamford**, CT 06901 - [Directions](#)

**RSVP:** [RSVP Now](#)

If you have any questions about this event, please contact the [Connecticut](#) committee.

**This event is NOT FOR ATTRIBUTION. All 100WHF events are private events and we require that no one reports publicly on any aspect of them.**

**Admission is free, but there is a \$25 charge if you register and do not attend, even if you cancel in advance. No-show proceeds will be donated to the beneficiary of 100WHF's most recent US philanthropic initiatives.**

If you have no-show fees in arrears, the system cannot register you for an event. You can view and pay for any outstanding no-show fees online from your [Member Profile](#)

Space is limited. No walk-ins will be permitted.

## **Biographies**

**Michael Chung**, Managing Director, Deloitte Advisory LLP

Michael is a Managing Director in Deloitte's Advisory practice and has nearly 20 years of experience in the investment management industry. Michael specializes in providing regulatory compliance, operations, and strategic business advisory services to investment advisers, investment companies, hedge funds, private equity firms, endowments, foundations, and pension plans.

Michael has assisted investment management firms conduct strategic assessments of their compliance programs adopted pursuant to Rule 206(4)-7 under the Investment Adviser Act of 1940 and Rule 38a-1 under the Investment Company Act of 1940 (collectively, the "Compliance Program Rules"). This involved, among other things, assessing the compliance policies and procedures, conducting walk-throughs of the processes and controls designed to implement the policies, and testing the operating effectiveness of the controls. In addition, Michael has assisted newly registered investment advisers develop, implement and operationalize compliance policies and procedures designed to comply with the Compliance Program Rules.

On behalf of his institutional clients (i.e., endowments, foundations, pension plans and family offices), Michael has conducted over 200 operational and compliance due diligence visits of external investment managers. In connection with these due diligence visits, Michael has assessed, among other things, governance and organizational structures, trading and brokerage processes (including best execution and soft dollar practices), investment compliance work-flows, middle- and back-office operations, and compliance activities of the external managers. Michael has also assisted investment management and institutional clients conduct business process and operational efficiency analyses, develop risk frameworks and risk mitigation plans, and conduct risk-based operational and compliance assessments.

Michael has presented at industry conferences and written articles regarding risk management, investment adviser due diligence, trading and investment compliance systems, and the SEC's Compliance Program Rules. Michael is key member of our Advisory practice.

**Erin Faccone, CFA, CAIA**, Operational Due Diligence Consultant, NEPC

Erin joined NEPC in January 2011 and is a Consultant in NEPC's Operational Due Diligence group. At NEPC, Erin conducts in-depth analysis of hedge funds including all aspects of a fund's infrastructure, trading and reconciliation, risk management, compliance, and management.

Prior to NEPC she was a Senior Research & Portfolio Analyst with KStone Partners, a startup hedge fund-of-funds manager. In this capacity, she was responsible for all aspects of fund-of-hedge-fund portfolio management including manager sourcing, research, due diligence, presentation to the Investment Committee and liquidity management. She maintained close contact with a portfolio of over thirty invested funds, monitoring portfolio investments, P&L, risks and operational issues.

Previously, Erin worked as an Analyst in the Client Management Group at Drake Management, an investment manager specializing in fixed income and macro strategies. There she was responsible for preparing monthly and quarterly reports for investors, which included market overviews, performance attributions, portfolio characteristics and risk statistics. Additionally, Erin conducted on-site due diligence meetings with large institutional investors.

Erin graduated Magna Cum Laude from Loyola College in Maryland with a B.B.A. degree concentrated in Finance and a minor in Political Science. She is a member of 100 Women in Hedge Funds. Erin holds the Chartered Alternative Investment Analyst (CAIA) and the Chartered Financial Analyst designations.

**Maura McCarthy Harris**, Head of Operational Due Diligence, Bostwick Capital | ALTEC

Maura Harris has over 25 years of experience primarily in operations of alternative asset managers. Maura manages all aspects of Operational Due Diligence at Bostwick Capital LLC, an investment firm specializing in Long Short Equity Hedge funds. Previously, Maura was the Head of Operational Due Diligence at Permal from 2006 to 2015. At Permal, she designed, implemented and managed the operational due diligence program which covered 125+ global alternative managers managing over \$20b in client capital. Maura's experience includes fund administration, operations and accounting at Bank of America, GAM, Prudential Asset Management and Groupama Insurance companies. Additionally, Maura works closely with ALTEC, an online peer to peer platform focused in technology.

**Virginie Kolesnikov**, Director and Senior HF Business & Operational Due Diligence Analyst, SkyBridge Capital  
Virginie Kolesnikov is a Director and Senior HF Business & Operational Due Diligence Analyst at SkyBridge. Prior to joining SkyBridge in July 2010, she was a Senior Operational Due Diligence Analyst in the Hedge Fund Management Group at Citigroup Alternative Investments (CAI), the Fund's previous investment adviser until July 2010. Prior to joining CAI in 2002, she was a Vice President in Salomon Smith Barney's Hedge Fund Counterparty Risk unit. Between 2006 and 2008, she worked in the Hedge Fund Development and Management Group at Merrill Lynch as a Senior Operational Due Diligence Analyst; she re-joined CAI in May 2008. Mrs. Kolesnikov has 19 years of Hedge Fund Risk Management experience, with the last 13 years focused exclusively on hedge fund operational due diligence. Mrs. Kolesnikov received an M.B.A. and a B.S.B.A. from the University of Hartford.

**Dori Graff, CFA**, President, Mirabelle Strategies, LLC

Dori Graff, CFA, has been decoding the investment management industry for nearly two decades. She founded Mirabelle Strategies in 2013 to bring strategic insights and actionable advice to investment firms across the asset spectrum, from wealth managers to large institutions. Dori's deep sector experience combines broad market-wide perspectives with a hands-on knowledge of the everyday running of an asset management business. To keep her finger on the pulse of industry activity, Dori has conducted more than 250 one-on-one interviews with senior financial services executives. In addition to her client work, Dori writes frequently about industry trends for several leading publications.

Dori began her financial services career as a sell-side equity research analyst and has worked at Deutsche Bank, Goldman Sachs, and Donaldson, Lufkin & Jenrette. Her primary coverage area was the financial services sector. In 2005, she transitioned to the buy-side within Deutsche Bank to support the Executive Committee as a Vice President with Deutsche Asset Management's Strategy & Business Development team. During her tenure, she helped redefine the strategic direction of the \$750 billion AuM division by assessing core strengths and identifying new product strategies and geographies for business focus. Her responsibilities included leading the annual strategic planning process and execution of key business development projects.

A champion of women in business, Dori is active with the Financial Women's Association, 100 Women in Hedge Funds and the Women's Investment Management Forum. While at Deutsche Bank, she co-founded a networking and development group for women in asset management. She is also a longtime member of the New York Society of Security Analysts and the CFA Institute, having earned her CFA charter in 2004.

In her local community, Dori is involved with several charitable organizations including the Boys & Girls Club and Meals-on-Wheels. She is a proud graduate of Northwestern University (Go Cats!) and has been a member of the NU Alumni Admission Council for more than 15 years.

# Deloitte.

## About Deloitte & Touche LLP

As global leaders in providing professional services to the investment management industry, Deloitte works with clients to address a range of critical issues brought on by regulatory changes, competition, globalization, advances in technology, and the changing demands of our customers. Our cross-functional industry group is comprised of more than 2,800 partners, managers and staff, providing a spectrum of assurance and advisory, tax, enterprise risk, regulatory and consulting services to a broad range of investment management companies, including hedge funds, mutual funds, and private equity firms.

# DiligenceVault

## **About DiligenceVault**

DiligenceVault is a centralized data and research platform for investors, allocators and investment managers that streamlines the information flow and administration of investment, operational and transactional due diligence across all asset classes. The technology is designed to automate process redundancies and leverage the data for asset allocators and fund managers alike. DiligenceVault participated in the prestigious WintonLabs accelerator program in London this spring, and also won the Ernst & Young Viva Technology competition for due diligence, big data and artificial intelligence in Paris this summer.

## **About 100 Women in Hedge Funds ([www.100womeninhedgefunds.org](http://www.100womeninhedgefunds.org))**

100 Women in Hedge Funds is a global, practitioner-driven non-profit organisation serving over 15,000 alternative investment management investors and finance professionals in 20 locations through educational, professional leverage and philanthropic initiatives. Formed in 2001, 100 Women in Hedge Funds has hosted more than 600 industry education events globally, connected more than 400 senior women through Peer Advisory Groups and raised over \$38 million gross for philanthropic causes in the areas of women's and family health, education and mentoring.