

news release

for immediate release

December 10, 2014

PA SERS Board Unanimously Selects New Chief Investment Officer; Reports Investment Performance

HARRISBURG – Following a national search conducted over the last several months, the board of the Pennsylvania State Employees' Retirement System today announced the selection of Thomas F. Brier as the Chief Investment Officer.

Mr. Brier has served in a variety of senior investment positions at SERS – most recently as Acting Chief Investment Officer over the last year and Deputy Chief Investment Officer since 2010.

SERS hired Korn Ferry International in July 2014 to conduct a national executive search to fill the position.

“The selection process was thorough and intense. Korn Ferry did a very good job identifying several well-qualified candidates,” explained Chairman Becker. “During the interview process, Tom provided the board with a clear vision and strategic plan that we all embraced. He brings a wealth of experience and stability to the management team.”

“I want to thank the board members for their continued support and trust in me,” Brier said. “I am honored to serve as Chief Investment Officer for SERS and look forward to working with the Board in a collaborative partnership to prudently manage the retirement assets for the hundreds of thousands of members who rely on those assets for a secure retirement.”

Ending Sept. 30, 2014, SERS' net-of-fee returns for the 1, 3, 5 and 10-years were 10.7%, 10.8%, 10.1%, and 7.4%, respectively.

SERS earned a net-of-fees return of 6% for the first nine months of the year. Led by Alternative Investments, returns for the third quarter of 2014 by asset class were:

Asset Class	Quarterly Return
Alternative Investments	3.3%
Real Assets	0.8
Diversifying Assets (<i>hedge funds</i>)	0.8
Liquidity Reserve	0.1
Fixed Income	-0.4
Global Public Equity	-2.9
Total Fund	-0.3%

-more-

As always with SERS' investment performance reporting, all returns are reported net of fees and alternative investments and real assets returns lag by one quarter.

In other business, the board moved to grant a pay increase for SERS' management employees beginning in January 2015, consistent with the increases approved by the Governor's Executive Board.

In addition, the board approved the construction of the new profile fund it established in June as a comparable low-fee, low-risk alternative to the current Stable Value Fund within the commonwealth's \$2.8 billion voluntary Deferred Compensation Program. The new fund will target allocations of 10% to a short-term money market fund and 90% in a short-duration/intermediate-duration bond fund.

###

Pennsylvania State Employees' Retirement System

Established in 1923, SERS is one of the nation's oldest and largest retirement plans for public employees, with nearly 230,000 members and assets of nearly \$27 billion. A wealth of information is available at www.SERS.pa.gov.

for more information

Pamela Hile | 717.787.9657 | phile@pa.gov