

**Penn SERS Board Approves \$50 Million Investment,
Announces First Quarter Pension Fund Investment Performance;
*Addresses Other Retirement Plan Business***

HARRISBURG – The Pennsylvania State Employees’ Retirement System Board, meeting here today, approved a \$50 million private equity investment for the pension plan investment fund and announced a first quarter 3.52% net-of-fees return for the fund.

In business related to the pension plan, the board approved a follow-on commitment of up to **\$50 million to Insight Partners XII, L.P.** within the private equity asset class for investments in software, software-enabled services, and Internet businesses on a global basis with a focus on U.S. and select global opportunities primarily concentrated in Western Europe and Israel.

The board also received a report on the returns generated by the State Employees’ Retirement Fund. Returns by asset class for the first quarter 2021 were:

Asset Class	1st Quarter 2021
Private Equity	12.34%
U.S. Equity	6.83
Private Credit	5.71
International Developed Markets Equity	4.10
Emerging Mkts Equity	2.96
Real Estate	2.56
Cash	0.03
Inflation Protection (TIPS)	(1.75)
Fixed Income	(3.59)
Total Fund	3.52%

All returns are reported net of fees. Both private equity and real estate returns are reported on a quarter lag and are adjusted for cash flows. Additional information, including benchmark data, is listed in the quarterly investment performance reports at [SERS.pa.gov/Investments.html](https://www.sers.pa.gov/Investments.html).

Deferred Compensation Plan Business

The board approved amendments to the plan document governing the Deferred Compensation Plan, to require the establishment of a formal fee policy and reflect the [fee changes announced on March 25, 2021](#).

Defined Contribution Plan Business

The board moved to eliminate its Defined Contribution Committee, reassigning the former committee’s investment-related responsibilities to the board’s Investment Committee and the third-party administrator oversight and plan participant-related responsibilities to the Finance and Member Services Committee.

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Receives Results of Annual Audits of SERS Plans

The board's independent auditor, KPMG LLP, discussed results of its 2020 independent audits of the Defined Benefit (pension) Plan, Defined Contribution Plan and the Deferred Compensation Plan. After the discussion, the board accepted the 2020 combined financial statements of the defined benefit and defined contribution plans, which will be included in the annual comprehensive financial report to be published later this month, and the separate 2020 financial statements of the deferred comp plan, which will be available on the SERS website within the week.

Agency Personnel Business

The board appointed Deputy Chief Investment Officer James G. Nolan as Acting Chief Investment Officer, effective June 11, 2021. SERS' current Chief Investment Officer, Seth Kelly, resigned the position effective June 10, 2021, to pursue another career opportunity.

The board directed the Board Governance and Personnel Committee and staff to conduct a search for candidates to succeed current Executive Director Terrill "Terri" Sanchez, after she retires on Dec. 31, 2021.

The board also approved salary adjustments consistent with the [SERS Compensation Policy for Investment Professional Staff](#).

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Pennsylvania State Employees' Retirement System

Established in 1923, SERS is one of the nation's oldest and largest retirement plans for public employees, with more than 240,000 members. As of Dec. 31, 2020, SERS' Defined Benefit Plan had net assets of \$35 billion and the Defined Contribution Plan, which launched on Jan. 1, 2019, had \$40.5 million. SERS also administers a voluntary supplemental Deferred Compensation Plan with more than 57,600 participants and net assets of nearly \$4.4 billion as of Dec. 31, 2020. A wealth of information is available at www.SERS.pa.gov.

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