

**Penn SERS Board Approves Strategic Plan Outlining a Digital Transformation
Hires NEPC as Real Estate Investment Consultant,
Invests \$100 Million in Private Equity**

HARRISBURG – The Board of the Pennsylvania State Employees’ Retirement System, meeting at the AFSCME 13 Conference Center earlier today, approved a strategic plan to expand retirement service delivery options.

The board unanimously approved a July 1, 2023 – June 30, 2027, *SERS Strategic Plan* that outlines a digital transformation for the agency. With a focus on adding the option for digital services for members and growth opportunities for staff, the new plan charts a path to enhanced customer service and workplace experience.

“Administering a lifetime benefit means that we interact with our members over decades,” explained SERS Executive Director Joseph A. Torta. “The way our members want to engage with us varies greatly person to person, and, in many cases, changes over a member’s lifetime. The goal is to add to our service delivery methods to meet the varied needs of our membership.”

Approval of the new plan followed a final report to close out the July 1, 2020 – June 30, 2023, [SERS Strategic Plan](#).

Investment Consultant Hire

Wrapping up a competitive search process, the board hired **NEPC, LLC** as its real estate investment consultant for the SERS pension plan for a five-year period when the current contract with the firm expires on Dec. 1, 2023.

New Pension Fund Investments

The board also approved a commitment of **up to \$75 million to KPS Special Situations Fund VI, LP**, and **up to \$25 million to KPS Special Situations Mid-Cap Fund II, LP**, as follow-on investments within the Private Equity asset class. “The manager has a long track record of strong performance,” explained SERS Chief Investment Officer James Nolan. “The commitment helps the fund consolidate capital with high-performing existing managers.”

Other Business

Continuing its routine governance review of board policies, the board approved updates to the:

- [Standards of Conduct for SERS Board](#)
- [Board Consultant Evaluation Procedures](#)
- [Actuarial Services Policy](#)
- [Policy on Referrals of Investment Opportunities and Service Provider Candidates; Related Communications; Undue Influence](#)
- [Policy on Placement Agent Disclosures](#)

The updated policies will be available in the [SERS Board Governance Manual](#) within the week.

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Executive Director Torta provided a mid-year report to the board's Governance and Personnel Committee. "Joe has the board's full confidence and has performed admirably," said SERS Board Chair David R. Fillman. "Nevertheless, Joe requested that the committee defer a salary review until a later date, because the board approved a cost-of-living increase in December that was commensurate with the increase approved by the Governor for other agency heads."

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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 239,000 members. As of Feb. 28, 2023, SERS' Defined Benefit Plan had assets of approximately \$34.2 billion and the Defined Contribution Plan, which launched on Jan. 1, 2019, had approximately \$118 million. SERS also administers a voluntary supplemental Deferred Compensation Plan with nearly 57,000 participants and assets of approximately \$4.1 billion as of Feb. 28, 2023. A wealth of information is available at www.SERS.pa.gov.

For more information: Pamela Hile | phile@pa.gov