

news release

for immediate release

March 4, 2025

Penn SERS Investments Earned More than 9.8% in 2024

Returns Added Approximately \$3.5 Billion for Pension Benefits

HARRISBURG – The Pennsylvania State Employees’ Retirement Board, meeting here today, received investment reports detailing a 9.8% return in 2024 that added approximately \$3.5 billion to the SERS Fund for pension benefits.

Returns for the fourth quarter and calendar year 2024, by asset class were:

Asset Class	4th Quarter 2024	Calendar Year 2024
U.S. Equity	2.80%	23.38%
Legacy Private Credit	2.44	10.50
Private Equity	1.34	6.28
Cash	1.34	5.44
Fixed Income	(2.34)	2.48
Inflation Protection (TIPS)	(2.88)	1.81
Real Estate	(3.53)	(12.25)
International Developed Markets Equity	(6.81)	4.97
Emerging Markets Equity	(7.76)	8.64
Total Fund	(0.19)%	9.82%

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.

The board also received reports on the fourth quarter [Defined Contribution Plan investment option performance](#) and [Deferred Compensation Plan investment option performance](#), which also are available on SERS’ website.

In other business, the board approved annual work plans for its standing committees and a 2025 Board Education Plan to be included as an Appendix to the [Board Education Policy](#).

Procurement Business

Wrapping up a competitive request for proposal (RFP) process, the board authorized staff to award the contract for a Board Self-Assessment Consultant with the selected vendor to be named after successful contract negotiation.

The board also approved the recommendation by independent consultant Linea Solutions to acquire a modern comprehensive pension administration system to replace SERS’ current two-part system. The board also moved to hire a consultant to assist with the multi-year project. The consultant will assist with planning the process of identifying, evaluating, and procuring potential vendors, designing and drafting the RFP to procure a system, and providing expertise during the technical and cost evaluation of proposals.

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Staff Compensation Business

Following the [board's December 2024 approval of an aggregate pay increase budget](#) for investment professional staff in 2025, the Board Governance and Personnel Committee approved annual salary adjustments for 26 investment professional staff within the Office of Financial Management and the Investment Office, including the Chief Financial Officer. The board also approved the committee's recommendation of a salary increase for the Chief Investment Officer. All increases will be effective the first full pay period in March 2025.

The board also adopted an amendment to the [Compensation Policy for Investment Professional Staff](#) to include cash payments to investment professional staff who are limited by the established pay bands for their position, consistent with the cash payments paid to employees in other commonwealth positions who are at the top of their pay scale.

Board Membership Changes & Recognition

The Securities Litigation committee unanimously approved the appointment of new SERS Board member **Senator Devlin Robinson** as assistant committee chair.

The board also recognized long-time board member designee **Dan Ocko**, on his retirement from commonwealth employment.

The next board meeting is scheduled for May 6, 2025.

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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 243,000 members. As of Oct. 31, 2024, SERS' Defined Benefit Plan had assets of approximately \$38.4 billion and the Defined Contribution Plan, which launched on Jan. 1, 2019, had approximately \$280.5 million. SERS also administers a voluntary supplemental Deferred Compensation Plan with nearly 56,000 participants and assets of approximately \$4.9 billion as of Oct. 31, 2024. A wealth of information is available at www.SERS.pa.gov.

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