pennsylvania
STATE EMPLOYEES' RETIREMENT SYSTEM

SERS news release

for immediate release
July 28, 2026

Penn SERS Invests $150 Million in Private Equity and Adjusts Public Equity Portfolio

HARRISBURG – The Pennsylvania State Employees' Retirement Board, meeting here today, approved a private equity investment of $150 million and adjusted the Fund's public equity portfolio.

Regarding the new investment, the board approved a commitment of up to $150 million in **The Resolute Fund VII, L.P.** within the Private Equity asset class. The commitment establishes a new investment manager relationship for SERS.

The board also approved amending the existing investment agreement and guidelines with **Xponance**, a Pennsylvania-based firm, to transition the strategy from the existing active international small cap strategy to a passive U.S. equity strategy benchmarked against the Russell 3000 index. The international small cap strategy will be liquidated, and SERS will invest **$2 billion** in the Xponance Russell 3000 index strategy, within the U.S. Equity asset class.

As part of the commonwealth's fiscal year 2026-27 budget, a cost-of-living adjustment (COLA) for those who retired on or before July 1, 2001, was signed into law earlier this month. Funding for the COLA is to come over the next ten years. "With the legislatively defined funding mechanism covering the cost over the next ten years, there will be no increase to the employer contribution rate for this pension increase," said Executive Director Joseph Torta. "As fiduciaries to the SERS Fund, we will continue to monitor the funding closely and report to the board each year."

The next board meeting is scheduled for Oct. 6, 2026.

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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 approximately 246,000 members. As of March 31, 2026, SERS' Defined Benefit Plan had assets of approximately $42 billion and the Defined Contribution Plan, which launched on Jan. 1, 2019, had assets of approximately $473 million. SERS also administers a voluntary supplemental Deferred Compensation Plan with more than 57,000 participants and assets of approximately $5.2 billion as of March 31, 2026. A wealth of information is available at www.SERS.pa.gov.

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