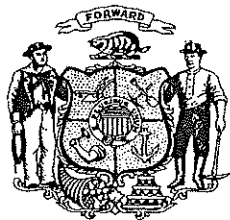


# STATE OF WISCONSIN

SENATE CHAIR  
**Howard Marklein**

316 East, State Capitol  
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Phone: (608) 266-0703



ASSEMBLY CHAIR  
**Mark Born**

308 East, State Capitol  
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## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Howard Marklein  
Representative Mark Born

Date: April 3, 2024

Re: SWIB Report to JFC

Attached is a report on investment policies, objectives and guidelines from the State of Wisconsin Investment Board, pursuant to s. 25.17(14r), Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

HM:MB:jm



STATE OF WISCONSIN  
INVESTMENT BOARD

APR 03 2024

*J. Finance*

April 3, 2024

Sen. Howard Marklein, Co-Chair  
Joint Committee on Finance  
316 East, State Capitol  
P.O. Box 7882  
Madison, WI 53707

Rep. Mark Born, Co-Chair  
Joint Committee on Finance  
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Sen. Eric Wimberger, Co-Chair  
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18 West, State Capitol  
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Madison, WI 53708

Ms. Linsay Hale  
Acting Senate Chief Clerk  
P.O. Box 7882  
Madison, WI 53707

Mr. Ted Blazel  
Assembly Chief Clerk  
Room 401, 17 West Main Street  
Madison, WI 53703

**Subject: Investment Policies, Objectives and Guidelines**

Members of the Legislature:

Pursuant to Section 25.17(14r) of the Wisconsin Statutes, I want to advise you that since our last report on April 5, 2023 there were some revisions to the SWIB Investment Committee (IC) Wisconsin Retirement System (WRS) Investment Guidelines.

At its May 23, 2023 and December 21, 2023 meetings, the Investment Committee approved amendments to the SWIB IC WRS Investment Guidelines, which included:

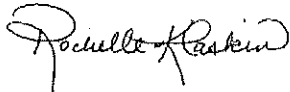
- Modifying the small cap portfolio's guidelines and soft risk parameters for consistency across equity portfolios;
- Adding a gross notional exposure limit for the global equity portfolio;
- Clarifying existing passive portfolio guidelines;
- Adding guidelines for the Asset and Risk Allocation (ARA) division related to passive external managers;
- Modifying the ex ante tracking error limit guidelines for the investment grade credit portfolio;
- Removing guidelines for the discontinued stand-alone currency overlay;

- Adding exposure limits on special or alternative opportunity financing; and
- Updating the guidelines for the Private Markets & Funds Alpha (PMFA) division to conform certain notification requirements, increase the shorting limit in the beta one equity portfolio, and permit shorting of cash bonds in the beta one fixed income portfolio.

These amendments were reported to the Board of Trustees at its June 14, 2023 and March 20, 2024 meetings.

If you have questions on any of the changes, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Rochelle Klaskin". The signature is written in a cursive, flowing style.

Rochelle Klaskin  
Deputy Executive Director/Chief Operating Officer

cc: Jay Risch, SWIB Government Relations Liaison  
Members, Joint Committee on Audit  
Members, Joint Committee on Finance  
Joe Chrisman, Legislative Audit Bureau  
Robert Lang, Legislative Fiscal Bureau