

June 13, 2024

Sen. Howard Marklein, Co-Chair
Joint Committee on Finance
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Rep. Mark Born, Co-Chair
Joint Committee on Finance
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Sen. Eric Wimberger, Co-Chair
Joint Committee on Audit
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Ms. Lindsay Hale
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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 3, 2024 there were some revisions to the SWIB Investment Committee (IC) Wisconsin Retirement System (WRS) Investment Guidelines.

At its March 21, 2024 meeting, the Investment Committee approved amendments to the SWIB IC WRS Investment Guidelines, which included:

- Updating approval thresholds for investments in the Private Markets & Funds Alpha (PMFA) division with respect to new managers and follow-on commitments to existing managers;
- Adding that private debt portfolio instruments may be fixed or floating rate;
- Clarifying exposure limit language throughout the PMFA guidelines, including:
 - Incorporating co-investments into exposure limits across the PMFA portfolios;
 - Measuring the venture capital co-investment limit against the aggregate venture capital portfolio; and

- Updating the single-manager exposure limit for the current return portfolio;
- Adding a venture capital co-investment soft risk parameter; and
- Modifying the soft risk parameters for the beta one fixed income and equity portfolios.

These amendments were reported to the Board of Trustees at its June 12, 2024 meeting.

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