



MINNESOTA STATE  
BOARD OF INVESTMENT

# Supplemental Investment Fund



July 1, 2021 Investment Prospectus  
Managed by the Minnesota State Board of Investment

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# Letter from the SBI Executive Director / Chief Investment Officer

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**Board Members:**

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Mansco Perry III

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July 1, 2021

I am pleased to present to you the Supplemental Investment Fund (SIF) Prospectus for the Fiscal Year (FY) ended June 30, 2021. Information presented in this Prospectus provides general descriptions, performance, and fees for each of the investment options offered in the SIF platform managed by the Minnesota State Board of Investment (SBI).

SIF investment options are offered to the Fire Plans + Other Public Retirement Plans and in the Participant Directed Investment Program (PDIP). Of the \$129.2 billion in assets managed by the SBI as of June 30, 2021, \$3.4 billion represent assets in SIF options.

During the 2021 fiscal year, staff implemented some policy and portfolio changes that affect the following Supplemental Investment Funds:

- The *Broad International Equity Fund* added a currency overlay manager to the manager line-up. The objective of the currency overlay program is to actively manage the currency risk in the portfolio.
- The *Bond Fund* was restructured to a Core/Core Plus mandate. This change allows the current Core Bond managers additional flexibility in their active risk budget to include higher yielding investments while managing the portfolio to the same benchmark.

The global equity markets rallied during the fiscal year, with the Russell 3000 Index of U.S. stocks gaining +44.2% while the MSCI All Country World ex U.S. Index of foreign shares rose +35.6%. The continued advancement of mass vaccination efforts across the globe has fostered a significant economic re-opening of the global economy versus a year ago, resulting in a dramatic rebound in economic activity amid surging consumer demand for goods and services. Businesses hired workers back at a rapid clip, and the U.S. unemployment rate fell to 5.9% in June from a high of over 11% a year earlier. Inflation rose sharply as commodity prices rebounded and the spike in consumer and business demand produced supply shortages in some areas of the economy. Bond market returns were muted as the rebound in growth and inflation led to a rise in interest rates, particularly in the U.S. (Bond prices move inversely to changes in interest rates.) The Federal Reserve acknowledged the risks of faster-than-expected inflation at its June policy meeting, and signaled a willingness to act to tighten monetary policy should the recent spike in inflation persist.

**In general, economic and market conditions have a dominant influence on the returns available to any investor. As an investor in the Minnesota Supplemental Investment Fund, or any other investment program, you should be prepared for periods in which the returns on financial investments may be low, or even negative. You should be aware that this possibility is much greater for accounts that emphasize relatively risky, higher return assets such as common stocks, than it is for more conservative investments such as money market instruments.** With these considerations in mind, the Minnesota State Board of Investment (SBI) manages the Supplemental Investment Fund to provide competitive long-term returns. I encourage you to carefully review each of the funds available to you and to choose those investment options that meet your own investment needs and risk and return objectives.

On behalf of the Board Members, members of the Investment Advisory Council and the SBI staff, thank you for your continued support and participation in the investment options presented in this Prospectus.

Respectfully submitted,

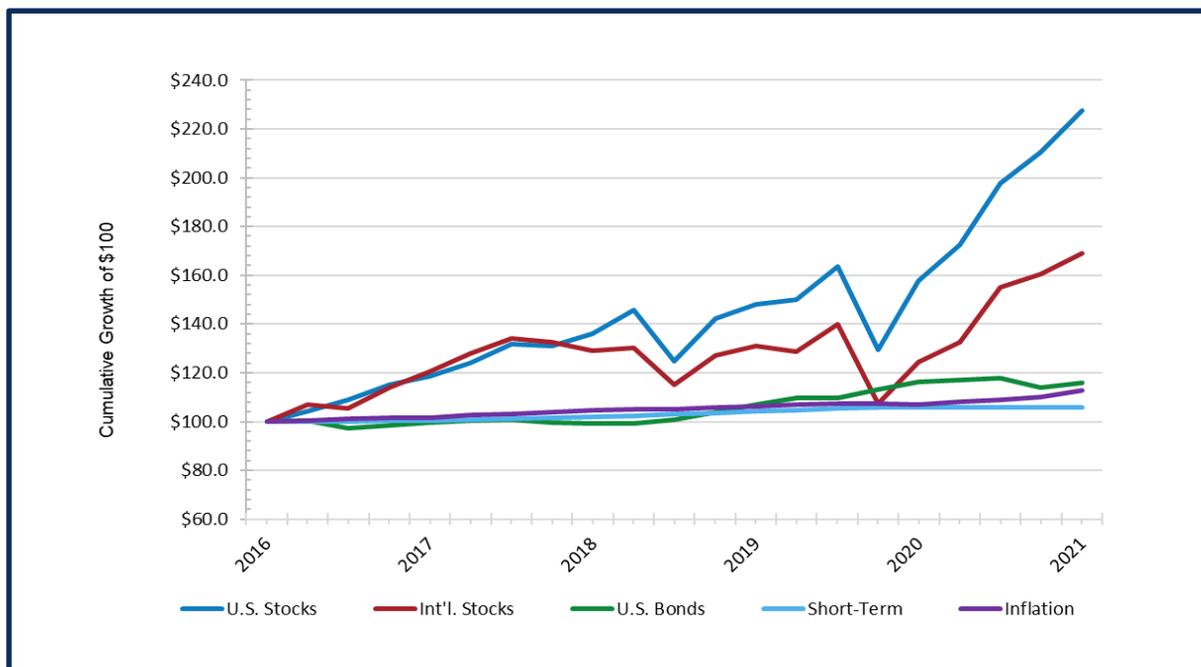
A handwritten signature in black ink that reads 'Mansco Perry III'.

Mansco Perry III  
Executive Director and Chief Investment Officer  
Minnesota State Board of Investment

# The Capital Market Year in Review

## Cumulative Growth and Performance

**Cumulative Growth of \$100**  
Last Five Fiscal Years ending June 30



## Performance of Capital Markets

Last Five Fiscal Years Ending June 30

	Fiscal Year Ending					Ending 6/30/2021	
	2021	2020	2019	2018	2017	3 Years	5 Years
<b>U.S. Stocks</b>							
Russell 3000	44.2%	6.5%	9.0%	14.8%	18.5%	18.7%	17.9%
<b>U.S. Bonds</b>							
BB Barclays U.S. Aggregate	-0.3	8.7	7.9	-0.4	-0.3	5.3	3.0
<b>International Stocks</b>							
MSCI ACWI ex USA (net)	35.6	-4.8	1.3	7.3	20.5	9.3	11.1
<b>Short Term Investments</b>							
ICE BofA 3-Month Treasury Bill	0.1	1.6	2.3	1.4	0.5	1.3	1.2
<b>Inflation Rate</b>							
Consumer Price Index CPI-U	5.3	0.7	1.7	2.8	1.7	2.6	2.4

# Fiscal Year 2021 in Review

## Market Summary

**International equity markets** returned +35.6% for the fiscal year ending June 30, 2021, as measured by the Morgan Stanley Capital International All Country World Index excluding the United States net of taxes on dividends (MSCI ACWI ex USA Index net), which represents the developed and emerging international markets outside the U.S. The MSCI World ex USA Index (net), which represents only developed international markets, had a return of +33.6% for the fiscal year. Japan, the United Kingdom, and France were the largest countries in the index at the end of the fiscal year with a combined weight of 44%. They returned +24.8%, +31.3% and +40.9%, respectively. The emerging markets, as measured by the MSCI Emerging Markets Index (net), returned +40.9% for the year in U.S. dollar terms. China, Taiwan and Korea were the largest countries in the index at the end of the fiscal year with a combined weight of 65%, of

which China's weight was 38%. They returned +27.4%, +70.5% and +66.2%, respectively.

The **U.S. equity market**, as measured by the Russell 3000 index, increased +44.2% for the year ending June 30, 2021. Within the Russell 3000, small cap stocks outperformed large cap stocks. The Basic Materials sector was the best performing sector in the Russell 3000 with a +89.9% return, while the Telecommunications sector was the worst performing sector with a -5.9% return.

The **U.S. bond market**, as measured by the Bloomberg Barclays U.S. Aggregate Bond Index, returned -0.3% for the fiscal year ending June 30, 2021 as rising interest rates weighed on returns. Corporate bonds outperformed, gaining +3.3% for the year as credit spreads narrowed. Meanwhile, U.S. Treasuries lagged with a -3.2% return.

## Investment Option Returns

The **Broad International Equity Fund** outperformed the international composite index by 1.2 percentage points for the fiscal year. The composite index is comprised of approximately 69% developed markets and 31% emerging markets. Overall, the developed and emerging markets managers outperformed their respective indices.

Performance Ending 6/30/2021	1 Yr.
Broad International Stock Fund	36.8%
MSCI ACWI ex USA Index (net)	35.6%

The **U.S. Equity Actively Managed Fund** outperformed the Russell 3000 index by 2.4 percentage points for the fiscal year. The fund includes both active and semi-passively managed portfolios. Both mandates outperformed their respective benchmarks for the year.

Performance Ending 6/30/21	1 Yr.
U.S. Equity Actively Managed Fund	46.6%
Russell 3000	44.2%

The **U.S. Equity Index Fund** outperformed its benchmark, the Russell 3000, for the fiscal year.

Performance Ending 6/30/21	1 Yr.
U.S. Equity Index Fund	44.7%
Russell 3000	44.2%

The **Bond Fund** outperformed its benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, by 2.4 percentage points for the fiscal year.

Performance Ending 6/30/21	1 Yr.
Bond Fund	2.1%
BB Barclays U.S. Aggregate	-0.3%

The mix of stocks, bonds and cash in the **Balanced Fund** outperformed the composite index for the fiscal year by 1.7 percentage points. The composite index consists of 60% domestic equities, 35% bonds and 5% cash.

Performance Ending 6/30/21	1 Yr.
Balanced Fund	26.5%
Balanced Fund Custom Index	24.8%

The mix of domestic and international equities, bonds and cash in the **Volunteer Firefighter Account** outperformed the composite index for the fiscal year. The composite index consists of 45% fixed income, 35% domestic equities, 15% international equities, and 5% cash. Information on this option is available in a separate prospectus.

Performance Ending 6/30/21	1 Yr.
Volunteer Firefighter Account	20.8%
Volunteer Firefighter Account Custom Index	19.2%

The **Stable Value Fund** outperformed its benchmark by 1.5 percentage points for the fiscal year.

Performance Ending 6/30/21	1 Yr.
Stable Value Fund	2.2%
3 Yr Constant Maturity Treasury Note +0.45%	0.7%

The **Money Market Fund** yield was greater than its benchmark for the year. In a very low yield environment within short duration fixed income, this return is similar to accounts offered by mutual funds and banks.

Performance Ending 6/30/21	1 Yr.
Money Market Fund	0.2%
ICE BofA 3-Month U.S. Treasury Bill	0.1%

### Special Note Regarding Your Individual Account Performance

Your plan administrator or reporting agency accumulates your contributions and transfers these contributions to various accounts in the fund. The actual performance of your investments in the Supplemental Investment Fund may be somewhat higher or lower than these figures due to the timing of those transfers. Note that performance calculations may also differ due to rounding.

# Supplemental Investment Fund – Overview

## Investment Platform

The Minnesota Supplemental Investment Fund (SIF) was established in Minnesota Statute [11A.17](#) to provide an investment vehicle for the assets of various public retirement plans and funds. The broad asset class options offered to participating plans invest in the Combined Funds asset class pools managed by external investment managers. These asset class pools are structured much like shares of a mutual fund where the participating plans own units of the pool. The Combined Funds represent the assets of the three Statewide Retirement Systems.

## Participating Plans and Investors

SIF investment options are available to eligible public retirement plans and various tax-advantaged savings plans that are in the Fire Plans + Other Retirement Plans Investment Program and the Participant Directed Investment Program (PDIP). Not all SIF investment options are available to these Plans as they may have different rules and/or laws established.

## Net Asset Values

The net asset values for each of the SIF investment options is provided below. In total, \$3.4 billion was invested in the SIF platform ending FY21, of that amount \$1.0 billion was invested with the Fire Relief Plans + Other Public Retirement Plans Investment Program and the remainder with PDIP. Please note that the FY20 Prospectus only listed the Fire Plan + Other Public Retirement Program assets.

SIF Fund Options	Assets as of 6/30/2021
Broad International Equity Fund	\$ 160,245,129
U.S. Equity Actively Managed Fund	\$ 95,834,220
U.S. Equity Index Fund	\$ 460,144,272
Balanced Fund	\$ 114,562,615
Bond Fund	\$ 119,193,291
Money Market Fund	\$ 579,051,391
Volunteer Firefighter Account	\$ 145,136,075
Stable Value Fund	\$ 1,704,204,510
<b>TOTAL</b>	<b>\$ 3,378,371,503</b>

It is not the intent of the SBI to advise participants regarding their choice among funds. This information is provided solely as an aid to help participants select the most appropriate investments for their particular circumstances.

## Pricing of the SIF Funds

Share values in each fund are priced on a daily basis. You may transfer assets among funds on any business day during the month. (See procedures on pages 14-15). Historical share values are available on the [SBI website](#).

## Changes within the Investment Funds

During the fiscal year, a currency overlay manager was added to the Broad International Equity Fund. Within the Bond Fund, the Core Bond mandate was restructured to a Core/Core plus mandate, which allows the current fixed income managers additional flexibility in their risk budget. Additional information is provided in the respective fund section of this prospectus.

## Changing Investment Options

You can change your investment options as often as you wish. *If your plan is eligible to invest in the Stable Value Fund, be aware of restrictions that apply to trades (see page 11).* Fire Relief Plans have until 3:00 P.M. CST to enter trade/transfer requests and receive that day's close price. The Public Employees Retirement Association (PERA) DC Plan and eligible participants that use the Stable Value Fund must transact prior to 10:00 A.M. CST to receive that day's close price. Guidelines may vary among plans. You should contact your plan administrator for more specific information.

## List of Holdings in Funds

A listing is not provided in this Prospectus due to the large number of holdings owned in each of the funds. Please contact the SBI if you would like a complete list of holdings or you can access the list on the [SBI website](#).

## Administrative Fees

The SBI's administrative fee is deducted directly from your account. The current SBI administrative fee is 0.006%. This represents an annual charge of \$0.06 per \$1,000. Check with your plan administrator if they have a separate charge for administrating your plan.

## Investment Options Available and Plans that Invest

The investment choices available to the various Plan Sponsors are listed in the grid below. Not all Plans are eligible to invest in the investment options offered.

Investment Options Available to Eligible Entities and Participants that use the SIF Platform								
Plan Sponsor	Broad Int'l Equity Fund	U.S. Equity Actively Mgd Fund	U.S. Equity Index Fund	Bond Fund	Balanced Fund	Volunteer Firefighter Account <sup>1</sup>	Stable Value Fund	Money Market Fund
Volunteer Fire Relief Associations	X	X	X	X	X			X
Other Public Retirement Plans	X	X	X	X	X			X
Statewide Volunteer Firefighter Plan						X		
PERA DC Plan (PDIP Program) <sup>2</sup>	X	X	X	X	X		X	X
Other Eligible Plans (PDIP Program) <sup>2</sup>							X	X

<sup>1</sup> Volunteer Firefighter Account provides a balanced investment allocation using the respective pooled investment options.

<sup>2</sup> Investors in the Participant Directed Investment Program (PDIP) make their own investment decisions for their portfolio.

# Supplemental Investment Fund – Overview

## External Investment Management of Funds

The SBI offers a variety of funds to help participants reach their financial goals. The external investment managers hired by the SBI are listed under the respective investment option.

### Broad International Equity Fund

AQR Capital Management  
 Acadian Asset Management  
 Columbia Threadneedle  
 Earnest Partners  
 Fidelity Institutional Asset Management  
 J.P. Morgan Investment Management  
 Macquarie Investment Management Advisers  
 Marathon Asset Management  
 Martin Currie  
 McKinley Capital Management  
 Morgan Stanley Investment Management  
 Neuberger Berman Investment Advisers  
 Pzena Investment Management  
 Record Currency Management  
 State Street Global Advisors  
 The Rock Creek Group

### U.S. Equity Actively Managed Fund

ArrowMark Partners  
 Barrow, Hanley, Mewhinney & Strauss  
 BlackRock Institutional Trust Company  
 Goldman Sachs Asset Management  
 Hood River Capital Management  
 Hotchkis and Wiley Capital Management  
 J.P. Morgan Investment Management  
 LSV Asset Management  
 Martingale Asset Management  
 Peregrine Capital Management  
 Rice Hall James & Associates  
 Sands Capital Management  
 Wellington Management Company  
 Winslow Capital Management  
 Zevenbergen Capital Investments

### U.S. Equity Index Fund

BlackRock Institutional Trust Company

### Balanced Fund

BlackRock Institutional Trust Company (equities)  
 Bond Fund (see list of investment managers below)  
 State Street Global Advisors (cash)

### Bond Fund

BlackRock Financial Management  
 Dodge & Cox  
 Goldman Sachs Asset Management  
 Neuberger Berman Investment Advisers  
 Western Asset Management Company

### Stable Value Fund

Galliard Capital Management

### Money Market Fund

State Street Global Advisors

## Investment Options/Risk Spectrum

Higher Risk



Lower Risk

### Fund Name

**Broad International Stock Fund**  
**U.S. Equity Actively Managed Fund**  
**U.S. Equity Index Fund**  
**Balanced Fund**  
**Bond Fund**  
**Stable Value Fund**  
**Money Market Fund**

### Asset Type

Non-U.S. equities  
 U.S. equities  
 U.S. equities  
 U.S. equities  
 U.S. fixed income & cash  
 Fixed Income  
 Fixed Income with Stable Value instruments (investment contracts)  
 Short-term securities

### Management Approach<sup>1</sup>

Active, Semi-passive, and Passive  
 Active  
 Passive  
 Passive (U.S. Stock Index Fund)  
 Active (Bond and Money Market)  
 Active management  
 Active management  
 Active management

Over the long run, higher-risk assets are expected to provide higher investment returns than lower-risk assets. However, there is no guarantee that any investment will not suffer a loss of principal.

<sup>1</sup> All investment options are managed by external investment firms identified above as of June 30, 2021.

# Investments Option – Broad International Equity Fund

The **Broad International Equity Fund** has a market value of approximately \$160.2 million. The objective of the fund is to earn a high rate of return by investing in the **equity of companies outside the U.S.** The fund's benchmark is the Morgan Stanley Capital International All Country World Index excluding the United States net of taxes on dividends (MSCI ACWI ex USA Index net).

Typically, a majority of the fund is invested in the largest international stock markets (Japan, United Kingdom, France, Switzerland and Canada). Most of the remainder is invested in other well-established markets in Europe and the Pacific region. Approximately thirty-one percent of the fund is invested in developing countries, or "emerging markets", around the world including those in Asia, Latin America, Eastern Europe, the Middle East and Africa.

A factsheet is available for this fund on the [SBI's website](#).

## Objectives

This investment option will be attractive if you believe that, over time, international stocks will provide high returns and provide diversification to your total portfolio of assets. The fund is made up of active and passive managers. The active international stock managers use a variety of investment styles and approaches. The remainder of the fund is passively managed to closely approximate the returns of the international markets.

The returns from the fund will rise and fall with movements in the international stock markets. As with all options that use common stocks, you must be willing to accept returns that may vary widely in the short-term. While this investment strategy has the potential to produce returns that exceed those of a combined index comprised of both the developed markets and emerging markets, there also may be periods when the returns fall below the index return.

## Investment Management

The Broad International Equity Fund uses a group of external international equity investment managers retained by the SBI (see page 5 for a listing of these managers).

## Fiscal Year 2021 Changes

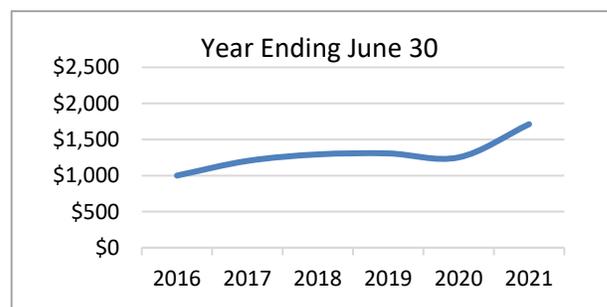
The use of a currency overlay strategy was incorporated during the fiscal year to effectively manage the portfolio's non-dollar exposure. The benchmark for the Broad International Equity Fund continues to be the MSCI ACWI ex USA (net).

## Valuation

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

## Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016, has grown. Cumulatively, \$1,000 would have grown to \$1,712.



The table below displays the fund's actual share values and returns for the last five fiscal years. The annualized (annual compounded) return during this five year period was 11.3%.

Fiscal Year Ending June 30		
Year	Share Value	Rate of Return
2017	\$8.72	20.3%
2018	9.38	7.5
2019	9.48	1.1
2020	9.07	-4.2
2021	12.41	36.8

## Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.24%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.25% or approximately \$2.45 per \$1,000 invested.

## Fund Statistics and Top Holdings

Risk/Return Statistic as of June 30, 2021		
	3 Yrs.	5 Yrs.
Excess Return( <sup>1</sup> )	0.5	0.3
Portfolio Standard Deviation( <sup>2</sup> )	17.7	14.7
Benchmark Standard Deviation( <sup>2</sup> )	17.7	14.7
Tracking Error <sup>3</sup>	0.6	0.6
Information Ratio <sup>4</sup>	0.7	0.4

<sup>1</sup> Excess Return: portfolio return less the benchmark return.  
<sup>2</sup> Standard Deviation: measure portfolio's rate of return volatility.  
<sup>3</sup> Tracking Error: standard deviation of portfolio's excess return.  
<sup>4</sup> Information Ratio: measure of the portfolio's risk adjusted return.

Top Equity Holdings	
Security Name	Portfolio Weight
Taiwan Semiconductor	1.8%
China A Shares Fund	1.8
Tencent Holdings	1.5
Samsung Electronics Co.	1.5
Nestle SA	1.2

# Investments Option – U.S. Equity Actively Managed Fund

The **U.S. Equity Actively Managed Fund** has approximately \$95.8 million in assets. The primary objective of the fund is to generate high returns from capital appreciation (increases in the market value of the assets it owns) as measured by the Russell 3000 Index.

The fund is composed **almost exclusively of stocks of U.S. listed companies**. The small amount of cash in the fund represents the new contributions prior to investment in the market as well as any cash held by the individual managers within the fund.

A group of external investment managers retained by the SBI manages the fund. As a result, the fund encompasses a range of investment styles and approaches. One set of managers actively manages portfolios in specific segments of the U.S. stock market. Another set of managers attempts to add incremental value by investing in a broadly diversified portfolio of stocks across a wide range of industries. This structure assures that the fund covers all areas of the broad stock market.

A factsheet is available for this fund on the [SBI's website](#).

## Objectives

The U.S. Equity Actively Managed Fund is an actively managed aggressive investment portfolio focused on U.S. stocks. You would choose this fund if you believe that, over time, the stock market will provide higher returns than other types of investments and the managers of the fund will invest in stocks that, in total, perform better than the broad stock market.

The returns from the fund will rise and fall with movement in the stock market. As with all options that use common stocks, you must be willing to accept returns that vary widely in the short-term. The returns from the fund are likely to fluctuate more widely than returns from the U.S. Equity Index Fund, the Balanced Fund or the Bond Fund. While it has the potential to produce returns that exceed those of the broad stock market, an active investment strategy may also experience periods when its returns fall below the market. The potential for higher gains over the long run may compensate for higher short-term volatility of returns.

## Investment Management

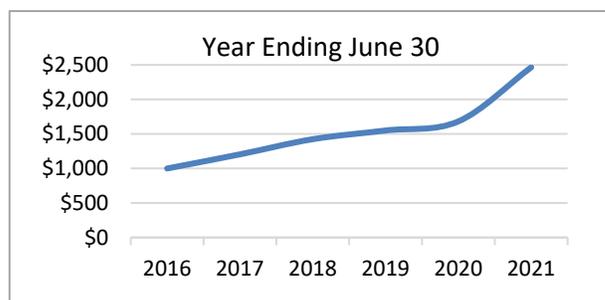
The U.S. Equity Actively Managed Fund consist of active and semi-passively managed portfolios invested by a group of institutional investment managers retained by the SBI (see page 5 for a listing of these managers).

## Valuation

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

## Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to \$2,466.



The table below displays the fund's actual share values and returns for the last five fiscal years. The annualized (annual compounded) return during this five year period was 19.8%.

Fiscal Year Ending June 30		
Year	Share Value	Rate of Return
2017	\$60.77	20.5%
2018	71.80	18.2
2019	78.16	8.9
2020	84.81	8.5
2021	124.30	46.6

## Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.19%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.19% or approximately \$1.93 per \$1,000 invested.

## Fund Statistics and Top Holdings

Risk/Return Statistics as of June 30, 2021		
	3 Yrs.	5 Yrs.
Excess Return <sup>1</sup>	1.3	1.9
Portfolio Standard Deviation <sup>2</sup>	20.6	16.5
Benchmark Standard Deviation <sup>2</sup>	19.4	15.7
Tracking Error <sup>3</sup>	2.4	2.0
Information Ratio <sup>4</sup>	0.6	1.0

<sup>1</sup> Excess Return: portfolio return less the benchmark return.  
<sup>2</sup> Standard Deviation: measure portfolio's rate of return volatility.  
<sup>3</sup> Tracking Error: standard deviation of portfolio's excess return.  
<sup>4</sup> Information Ratio: measure of the portfolio's risk adjusted return.

Top Equity Holdings	
Security Name	Portfolio Weight
Apple Inc.	2.6%
Microsoft Corp.	2.4
Amazon.com Inc.	2.3
Alphabet Inc. Class A	1.3
Facebook Inc. Class A	1.2

# Investments Option – U.S. Equity Index Fund

The **U.S. Equity Index Fund** has a market value of approximately \$460.1 million. The objective of the fund is to generate high returns that closely approximate the returns of the U.S. stock market as a whole. The fund is **invested primarily in U.S. stocks**.

The fund invests in over 2,700 domestic stocks and is designed to replicate the returns produced by the Russell 3000. The Russell 3000 is a stock market index like the Dow Jones Industrial Average. In effect, the diversity of stock holdings in the U.S. Stock Index Fund represents the broad domestic stock market.

A factsheet is available for this fund on the [SBI's website](#).

## Objectives

This option will be attractive to you if you believe that, over time, stocks will provide higher returns than other investments. You should note, however, that the U.S. Equity Index Fund is passively managed. This means that no attempt is made to identify specific stocks that will perform better than others. Instead, the fund is designed to perform in-line with the broad stock market.

In actively managed funds such as the U.S. Equity Actively Managed Fund (see page 7), stocks are bought and sold in an attempt to maximize market value. While it has the potential to produce returns that exceed those of the broad stock market, an active investment strategy may also experience periods when its returns fall below the market. By contrast, the passive approach used in the U.S. Equity Index Fund should provide returns that consistently and inexpensively replicate the market.

The returns from the fund will rise and fall directly with movement in the stock market. As with all options that use common stocks, you must be willing to accept returns that vary widely in the short-term. In the long-term, the fund should average higher returns than you could obtain by placing your contributions in a fixed income or money market type fund.

## Investment Management

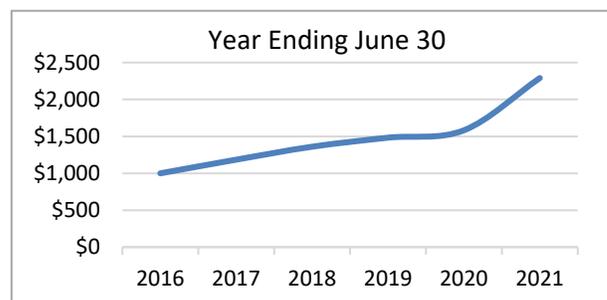
The U.S. Equity Index Fund is a passively managed portfolio invested by BlackRock Institutional Trust Company.

## Valuation

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

## Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016 has grown. Cumulatively \$1,000 would have grown to \$2,290.



The table below displays the fund's actual share values and returns for the last five years. The annualized (annual compounded) return during this five year period was 18.0%.

Fiscal Year Ending June 30		
Year	Share Value	Rate of Return
2017	\$48.44	18.5%
2018	55.59	14.8
2019	60.60	9.0
2020	64.69	6.7
2021	93.61	44.7

## Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.01%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.017% or approximately \$0.17 per \$1,000 invested.

## Fund Statistics and Top Holdings

Risk Return Statistics as of June 30, 2021		
	3 Yrs.	5 Yrs.
Portfolio Return (%)	19.0	18.0
Benchmark <sup>1</sup> Return (%)	18.7	17.9
Excess Return (%)	0.3	0.1
Portfolio Standard Deviation (%) <sup>2</sup>	19.5	15.7
Benchmark <sup>1</sup> Standard Deviation (%) <sup>2</sup>	19.4	15.7

<sup>1</sup> Benchmark is the Russell 3000.  
<sup>2</sup> Standard Deviation: measure portfolio's rate of return volatility.

Top Equity Holdings	
Security Name	Portfolio Weight
Apple Inc.	4.9%
Microsoft Corp.	4.6
Amazon.com Inc.	3.4
Facebook Inc. Class A	1.9
Alphabet Inc. Class A	1.7

# Investments Option – Balanced Fund

The **Balanced Fund** has a market value of approximately \$114.6 million in assets. The objective of the fund is to earn a return from both capital appreciation (increases in market value) and current yield (dividends from stock and interest on bonds). To attain that goal, the fund uses a **mix of stocks and bonds**. While holdings may vary on a day-to-day basis, the following is the targeted asset mix:

- 60% Domestic Equities
- 35% Fixed Income
- 5% Cash

The **stock segment** of the fund is designed to replicate returns produced by the Russell 3000, a stock market index that reflects the broad U.S. stock market.

The **bond segment** is actively managed to the Bloomberg Barclays U.S. Aggregate Index. Portfolio holdings include high-quality corporate bonds, mortgage securities, U.S. Government issues, and a portion to higher yielding below investment grade debt issues.

A factsheet is available for this fund on the [SBI's website](#).

## Objectives

You would choose the Balanced Fund if you want a balanced or diversified investment portfolio in one fund. You must be willing to assume some risk with your investment, since returns will vary with changes in market conditions. Over the long run, the fund is expected to average higher returns than you could obtain by placing your contributions in a fixed income or money market instrument.

Market value growth and dividend income from the stock holdings can give you higher returns than are usually available from bonds and short-term (cash) investments. Conversely, while returns on bonds are often lower than returns on stocks, the bond holdings in the fund add stability and offer you some protection against wide swings in the general stock market.

## Investment Management

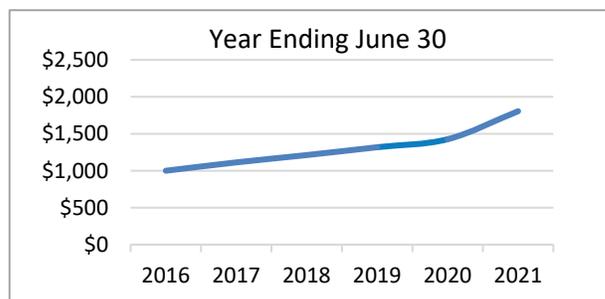
The Balanced Fund uses the external institutional investment managers that invest the U.S. Equity Index Fund, Bond Fund and the Money Market Fund. The bond allocation is invested in the Bond Fund, which includes a group of bond managers retained by the SBI (see page 5 for a listing of these managers). The equity allocation is invested in the same equity index fund used for the U.S. Equity Index Fund (see page 8 for a description of this passively managed index fund). The cash portion of the fund is managed by State Street Global Advisors.

## Valuation

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any interest and dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

## Investment Performance

The graph below shows how \$1,000 invested in the Balanced Fund on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to \$1,805.



The table below displays the fund's actual share values and returns for the last five years. The annualized (annual compounded) return during this five year period was 12.5%.

Fiscal Year Ending June 30		
Year	Share Value	Rate of Return
2017	\$75.96	11.3%
2018	82.71	8.9
2019	89.94	8.8
2020	97.34	8.2
2021	123.18	26.5

## Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.04%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.042% or approximately \$0.42 per \$1,000 invested.

## Fixed Income Sector Weights and Equity Holdings

Top Fixed Income Sector Weights		
Security Name	Bond Fund Weight	BBG Barclays Agg Weight
Corporate	32.1%	23.8%
Mortgage Pass-Through	24.5	27.2
U.S. Treasury	18.7	36.8
Yankee	9.3	6.7
CMO	5.8	2.0

Top Equity Holdings	
Security Name	Equity Fund Weight
Apple Inc.	4.9%
Microsoft Corp.	4.6
Amazon.com Inc.	3.4
Facebook Inc. Class A	1.9
Alphabet Inc. Class A	1.7

# Investments Option – Bond Fund

The **Bond Fund** has a market value of approximately \$119.2 million. The objective of this fund is to earn returns by investing in fixed income securities (bonds).

Interest income and capital appreciation (increases in the market value of the assets) are the sources of returns for the fund. The fund invests the majority of its assets in high quality government and corporate bonds and mortgage securities that have intermediate to long-term maturities, usually 3 to 20 years. The managers of the fund also may attempt to earn returns by anticipating changes in interest rates and adjusting bond holdings accordingly. While the managers invest primarily in the U.S. bond market, some are authorized to invest a small portion of their portfolios in non-U.S. bonds. Similarly, while the large majority of holdings in the fund will be rated investment grade, managers are authorized to invest a portion of their portfolios in higher yielding below investment grade debt issues.

The fund is invested entirely in fixed income securities. No stocks are held in the fund.

A factsheet is available for this fund on the [SBI's website](#).

## Objectives

The Bond Fund is a moderately conservative investment option. It will be attractive if you want an investment option that avoids common stocks, but you also want the potential for greater returns than you can obtain from money market type funds.

The returns from the fund generally will move in the opposite direction of interest rate changes. You must be willing to assume some risk with your investment, because the fund could report losses in periods when interest rates are rising.

## Investment Management

The Bond Fund is invested by a group of bond managers retained by the SBI (see page 5 for a listing of these managers).

## Valuation

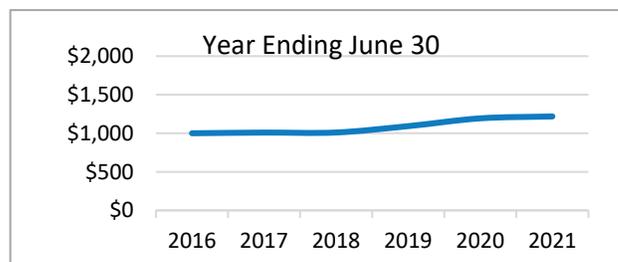
Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any interest earnings are reinvested at the time they are received. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

## Fiscal Year 2021 Changes

Investment managers were allowed expanded investment authorization to incorporate opportunistic sectors of the fixed income market. The addition of a core plus fixed income mandate was incorporated during the 2021 fiscal year to provide additional diversification and an opportunity for enhanced returns. This change also increases the active risk, which means the fund return may deviate more from the benchmark return. The benchmark for the Bond Fund continues to be the Bloomberg Barclays U.S. Aggregate.

## Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to \$1,218



The table below displays the fund's actual share values and returns for the last five years. The annualized (annual compounded) return during this five year period was 4.0%.

Fiscal Year Ending June 30		
Year	Share Value	Rate of Return
2017	\$18.82	0.9%
2018	18.84	0.1
2019	20.38	8.2
2020	22.26	9.2
2021	22.72	2.1

## Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.10%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.11% or approximately \$1.10 per \$1,000 invested.

## Characteristics and Sector Weights

Fixed Income Characteristics as of June 30, 2021		
	Bond Fund	BBG Barclays Aggregate
Effective Duration <sup>1</sup>	6.0	6.9
Coupon Rate <sup>2</sup>	3.1	2.7
Yield to Maturity <sup>3</sup>	2.3	1.6
Average Life (yrs.) <sup>4</sup>	8.5	8.9
Average Quality Rating <sup>5</sup>	A1	Aa2

<sup>1</sup> The avg % change in the portfolio return given a 1% shift in the yield curve.  
<sup>2</sup> The average coupon rate of all bonds in portfolio weighted by mkt value.  
<sup>3</sup> The annual internal rate of return on the bonds if held to maturity.  
<sup>4</sup> The average life of the bonds in the portfolio weighted by mkt value.  
<sup>5</sup> Moody's credit rating for bonds in portfolio weighted by mkt value.

Top Sector Weights		
Security Name	Bond Fund Weight	BBG Barclays Agg Weight
Corporates	32.1%	23.8%
Mortgage Pass-Through	24.5	27.2
U.S. Treasury	18.7	36.8
Yankee	9.3	6.7
CMO	5.8	2.0

# Investments Option – Stable Value Fund

The **Stable Value Fund** seeks to preserve principal, maintain adequate liquidity to meet withdrawals, and generate a level of income consistent with a short to intermediate duration, high quality fixed income portfolio. The Stable Value Fund is offered in two different investment platforms within the Participant Directed Investment Program. At the end of June 30, 2021, the total market value of the Stable Value Fund was approximately \$1.7 billion.

## Components of the Stable Value Portfolio

There are three components to the Stable Value Fund. The first component is comprised of Investment Contracts issued by financial institutions. Investment Contracts are vehicles that are valued at “book” value rather than “market” value. The fund is allowed to value its Investment Contracts at book value since it has secured the book value coverage by a third party financial institution. The second component consist of an underlying portfolio of high quality, well-diversified short and intermediate-duration fixed income securities which are subject to the Investment Contracts and are often referred to as “Underlying Securities”. The last component is cash.

A factsheet is available for this fund on the [SBI's website](#).

## Objectives

The Stable Value Fund is a conservative investment option. This type of investment option may be attractive to you because the possibility of incurring a loss on your original investment is low. You should also understand that the returns of the fund may not change as quickly as the credited interest rates associated with a money market fund. This lag will tend to work to your advantage when overall interest rates are falling and will tend to work to your disadvantage when overall rates are rising.

## Investment Management

The Stable Value Fund is managed by Galliard Capital Management, an independently operated, wholly-owned subsidiary of Wells Fargo Asset Management.

## Valuation

Investors own shares in the fund, much like a mutual fund. The share value is determined on a daily basis and reflects the blended crediting rate available from all investments in the fund.

## Risks

While the Stable Value Fund is a conservative investment option, it is possible to lose money by investing in this fund. An investment in the fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation (FDIC) or by any other bank or investment advisor.

## Restrictions

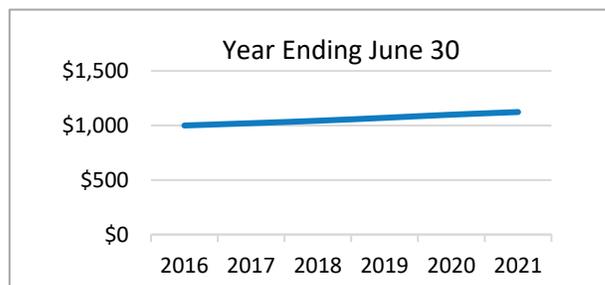
The fund will accept transfers from other investment options in your plan, provided you follow the guidelines established by your plan administrator. You may not transfer balances directly from the Stable Value Fund to the Money Market Fund. Instead, you must make transfers from the Stable Value Fund to any other non-competing investment option for a period of 90 days before moving the balance to the Money Market Fund; often referred to as an Equity Wash.

## Explanation for the Restriction

When short-term interest rates rise above the rates available in the Stable Value Fund, transfers from the Stable Value Fund to the Money Market Fund adversely affect the investments in the Stable Value Fund.

## Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to \$1,123.



The table below displays the fund’s returns for the last five fiscal years. The annualized (annual compounded) return during this five year period was 2.3%.

Fiscal Year Ending June 30		
Year	Stable Value Return <sup>1</sup>	Benchmark Return <sup>2</sup>
2017	2.0%	1.7%
2018	2.2	2.4
2019	2.6	3.0
2020	2.7	1.6
2021	2.2	0.7

<sup>1</sup>Net gain/loss of book value asset in portfolio (Investment Contracts).  
<sup>2</sup>Benchmark is the 3Yr. Constant Maturity Treasury Note +0.45bps.

## Fund Expenses

The rate of return for this fund is calculated after investment and operating fees are paid but before administrative fees are deducted. As of June 30, 2021, investment and operating fees were 0.20%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.20% or approximately \$2.06 per \$1,000 invested.

## Characteristics and Sector Weights

Portfolio Characteristics as of June 30, 2021	
Average Quality (Investment Contracts)	AA-
Market/Book Value Ratio	103.7%
Crediting Yield (net of fees)	1.9%
Average Quality (underlying portfolio)	AA
Yield to Maturity (underlying portfolio)	0.9%
Effective Duration (underlying portfolio)	3.2 yrs.

Top Sector Weights of Underlying Portfolio	
Corporates	28.6%
U.S. Treasury	24.0
Asset Backed Securities (ABS)	14.8
Agency Mortgage-Backed Securities (MBS)	11.5
Other U.S. Government	7.7

# Investments Option – Money Market Fund

The return in the **Money Market Fund** is based on the interest income produced by the fund's investments. The objective of the fund is to provide safety of principal by investing in high-quality, short-term instruments. The Money Market Fund is offered in two different investment platforms within the Participant Directed Investment Program. At the end of June 30, 2021, the total market value of the Money Market Fund was approximately \$579.1 million.

Unlike the funds described earlier, the Money Market Fund does not own stocks or long-term bonds. The fund is invested in short-term, high-quality money market instruments.

A factsheet is available for this fund on the [SBI's website](#).

## Objectives

The Money Market Fund is a conservative investment option. You would choose the fund if you want to maintain the value of your original investment while earning competitive short-term interest rates.

The returns from the fund will vary much less than investments that include stocks or bonds and should closely follow the rise and fall in short-term interest rates.

## Investment Management

The Money Market Fund is managed by State Street Global Advisors, the organization that provides short-term investment management for a substantial portion of the SBI's cash reserves.

## Fund Structure/Regulated

The fund is an actively managed cash portfolio structured as a Short-Term Investment Fund (STIF). The fund is regulated by the Federal Reserve, the Commodity Futures Trading Commission (CFTC), and the National Futures Association (NFA). The fund is not registered with the Securities and Exchange Commission (SEC) and is not subject to the various rules and limitations that apply to money market funds regulated by the SEC.

## Valuation

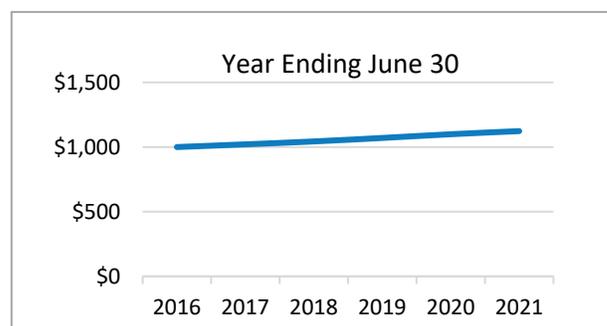
The share value for the Money Market Fund is uniformly priced at \$1.00 per share. There is no assurance that the portfolio will be able to maintain a stable net asset value of \$1.00 per share. Interest earnings are credited on a daily basis by purchasing additional shares on your behalf. The credited interest rate changes only modestly from day to day and reflects the yield available for all investments in the fund.

## Risks

While a money market fund's objective generally includes the preservation of capital, it is possible to lose money by investing in the fund.

## Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to \$1,061.



The table below displays the fund's actual returns for the last five years. The annualized (annual compounded) return during this five year period was 1.3%.

Fiscal Year Ending June 30		
Year	Money Market Fund Return	Benchmark Return <sup>1</sup>
2017	0.7%	0.5%
2018	1.5	1.4
2019	2.5	2.3
2020	1.7	1.6
2021	0.2	0.1

<sup>1</sup>Benchmark is the ICE BofA U.S. 3-Month Treasury Bill.

## Fund Expense

There are no investment management fees for an investment in the Money Market Fund. The administrative fee was 0.006%, which would be an annual total fund expense of approximately \$0.06 per \$1,000.

## Characteristics and Sector Weights

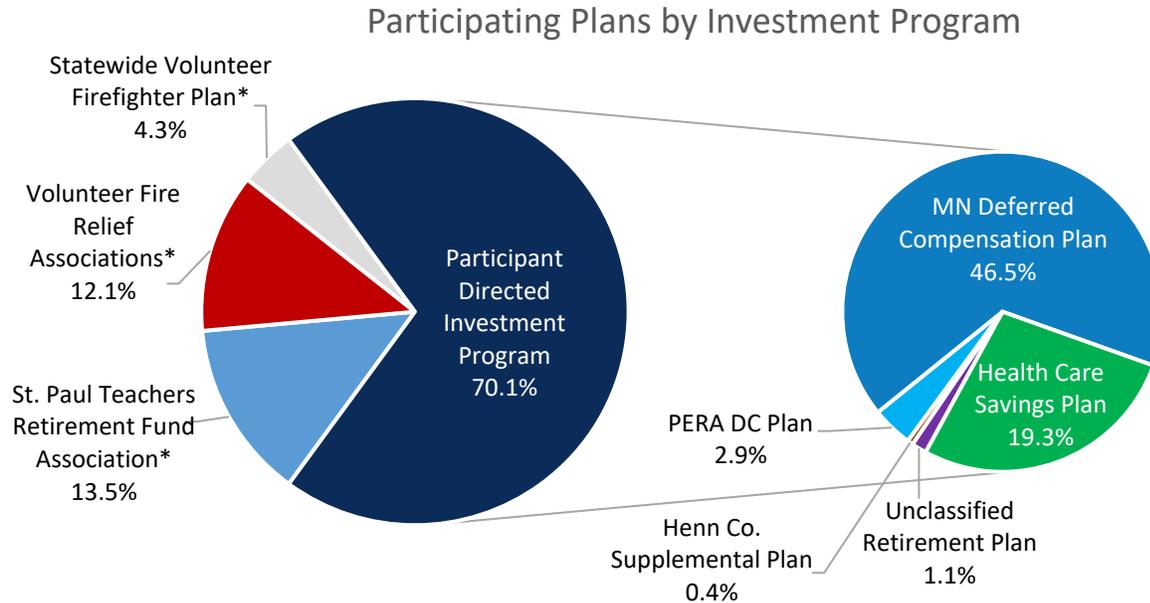
Portfolio Characteristics as of June 30, 2021	
Annual Effective Yield	0.13%
Weighted Average Maturity (in days)	47.5
Average Credit Quality	A1P1

Top Sector Weights	
Security Name	Weight
Certificates of Deposit	30.3%
Commercial Paper	29.8
Time Deposit	20.9
Asset Backed Commercial Paper	9.6
U.S. Treasury	7.8

# Supplemental Investment Fund

## Participating Plans

The chart below provides the Supplemental Investment Fund (SIF) asset ownership as of June 30, 2021 by the participating plans in the Fire Relief Plans + Other Public Retirement Plans Program and the Participant Directed Investment Program (PDIP).



\* Fire Relief + Other Public Retirement Program assets represents just under 30% of the SIF platform

## Investing in the Supplemental Investment Fund

The various participants investing in the Supplemental Investment Fund (SIF) have different procedures that need to be followed.

- Participants in the Public Employees Retirement Association Defined Contribution Plan (PERA DC) should contact the Public Employees Retirement Association (PERA) for their plan procedures.
- Procedures for Volunteer Fire Relief Associations, not invested in the SVF Plan, can be found on pages 14-15 of this prospectus.
- Participants in the Statewide Volunteer Firefighter Retirement Plan (SVF Plan) should refer to the [SVF Plan investment prospectus](#) or contact PERA for their procedures.

### Plan Administrator

#### Public Employees Retirement Association (PERA)

[www.mnpera.org](http://www.mnpera.org)

60 Empire Drive, Suite 200

St. Paul, MN 55103-2088

(651) 296-7460

### Participating Plans

- Public Employees Defined Contribution Plan
- Statewide Volunteer Firefighter Retirement Plan

### Reporting Agency

#### Minnesota State Board of Investment (SBI)

<http://mn.gov/sbi>

60 Empire Drive, Suite 355

St. Paul, MN 55103-3555

(651) 296-3328

### Participating Plan

- Volunteer Fire Relief Associations  
(not participating in the Statewide Volunteer Firefighter Retirement Plan)

# Procedures – Volunteer Fire Relief Associations

**Volunteer Fire Relief Associations that are not invested in the Statewide Volunteer Firefighter Retirement Plan will use the following procedures to invest in the Supplemental Investment Fund.**

All funds in the Supplemental Investment Fund (Fund), with the exception of the Stable Value Fund\*, are available to Volunteer Fire Relief Associations. Fire Relief plans have complete discretion in determining the amount and allocation to invest any eligible fund(s). (See *Minnesota Statutes*, [Section 356A.06](#), subdivision 6 and 7.)

*\*The Stable Value Fund is not available to Volunteer Fire Relief Associations given the different pension plan structures. Qualified plans must meet FASB SOP 94-4 accounting rules.*

## How To Open A Plan Account With The SBI

Before investing in the Fund for the first time, a fire relief plan must complete the **Relief Association Contact Form**, the **Relief Association Wire Instructions Form** and return them to the SBI.

- The **Relief Association Contact Form** provides the SBI with the permanent address of the Plan and the name, telephone number and e-mail address of the contact person for the Plan.

Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the contact person at the email address provided.

SBI will email credentials and instructions about activating and using the access and transaction website within five business days of receiving the Contact Form.

- The **Relief Association Wire Instructions Form** provides the SBI with the name of the financial institution and wire instructions that will be used for all withdrawals.

All withdrawals from the Fund by your relief association will be sent to the named financial institution via the wire instructions provided. The SBI cannot issues checks for any withdrawals.

**The wire instruction form must be notarized before returning to SBI.**

## Contribution, Withdrawal And Transfer Procedures

A fire relief plan may contribute, withdraw or transfer funds on any business day of the month using one of two methods:

- **Mail/Email**

Complete the **Relief Association Transaction Form**.

- This form instructs the SBI what transaction to perform, the Fund(s) involved, the dollar amount of the transaction and whether a check or wire transfer will be used.
- **The Plan contact person must sign the form and send it to the SBI before 2:00 PM CST five business day prior to having the funds wired (no same day trades are allowed).**

- **Online**

Enter your Trades online.

- If you wish to use this method, you must first have completed and sent to the SBI the Relief Association Contact Form and the Relief Association Wire Instructions Form.
- Once the forms are received and approved, the SBI will instruct you on access to the system. **This could take up to five business days to process.**

**If an online trade is for one million dollars or greater, you must notify the SBI prior to entering the trade (for internal control purposes).**

**Contributions** (may be made via wire transfer or check. The SBI prefers contributions via wire transfer).

### Contributions via Check

- If you send a contribution by check for the SBI to process, submit a Relief Association Transaction Form and make the check payable to the **“Minnesota State Board of Investment”**.

**Contributions via check will take a minimum of five days to process.**

# Procedures – Volunteer Fire Relief Associations

## Contributions (cont.)

### Contributions via Wire Transfer

- If you instruct the SBI to process a contribution that was wired to the SBI's custodian bank, you must notify the SBI on the Relief Association Transaction Form of the exact date the wire contribution will be sent from the Plan's financial institution to the SBI's custodian (State Street Bank) using the wire instructions below.
- If you process an online contribution using website access, you must make the contribution via wire transfer using the wire instructions provided.

### Wire Instructions To State Street Bank

State Street/Boston/Public Funds for the State of Minnesota  
 Credit GP31  
 Credit DDA #59845743  
 ATTN: Matthew Terlaje  
 ABA #0110 000 28  
 Corporate Headquarters  
 One Heritage Drive  
 3<sup>rd</sup> Floor N  
 Quincy, MA 02171

## Withdrawals

- The SBI will return withdrawn amounts to relief associations **only** by means of a wire transfer.
- Withdrawals will be sent to the financial institution via wire instructions as shown on your Relief Association Wire Instructions Form on file with the SBI.
- As a long-term investor, Volunteer Fire Relief Associations are responsible for determining their investment objectives and risk tolerance and choose their investments accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in a liquid account; your Plan account with the SBI is not intended to be used as a checking account.

## Fees

### Administrative Fees

Administrative fees are deducted by the SBI on a quarterly basis using the order below.

- First: Money Market Fund
- Second: Bond Fund
- Third: U.S. Equity Index Fund
- Fourth: U.S. Equity Actively Managed Fund
- Fifth: Broad International Equity Fund
- Sixth: Balanced Fund

### Investment Management Fees

There are no "front-end" or "back-end" fees charged on contributions, withdrawals or transfers. Investment Management Fees are paid out of the Fund on a quarterly basis and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.

**Please refer to pages 6-12 of this Prospectus for investment management fee information for each of the Funds.**

## Reporting

- Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the Plan contact person on file with the SBI.
- Monthly reports display current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month. All transaction use the daily share value established for each Fund.
- Online access to your Plan's account status is available and includes downloadable current balances, transactions and past statements.

### To Change Contact Person / Financial Institution

Submit a newly completed Relief Association Contact Form to update a contact on file, or Wire Instructions Form to change banking information. Allow five business days for processing.

### To Contact The SBI:

Minnesota State Board of Investment  
 60 Empire Drive, Suite 355  
 St. Paul, MN 55103-3555  
 TEL (651) 296-3328  
 FAX (651) 296-9572  
 Shirley Baribeau: [shirley.baribeau@state.mn.us](mailto:shirley.baribeau@state.mn.us) and  
 SBI Accounting Team: [acctg.sbi@state.mn.us](mailto:acctg.sbi@state.mn.us)

# About the State Board of Investment

## Board Members

The Minnesota State Board of Investment (SBI), in conjunction with SBI staff and the Investment Advisory Council (IAC), establishes investment policies for all funds under its control. These investment policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure and specific performance standards. The Board's membership is specified in the Minnesota Constitution and is composed of the officers listed below. The Board's duties, powers, and investment authority are contained in *Minnesota Statutes, Chapter 11A*

**Governor**  
Tim Walz

**State Auditor**  
Julie Blaha

**Secretary of State**  
Steve Simon

**Attorney General**  
Keith Ellison

## Investment Advisory Council

The Legislature has established an Investment Advisory Council to advise the Board and its staff on investment related matters.

Gary Martin, Chair	Chief Investment Officer	Macalester College
Kim Faust, Vice Chair	Vice President and Treasurer	Fairview Health Services
Denise Anderson	Governor's Appointee	Active Employee Representative
Doug Anderson	Executive Director	Public Employees Retirement Association
Ellen Brownell	Director of Investments	Saint Paul & Minnesota Foundation
Dennis Duerst	President, 3M Investment Mgmt. Corp, <i>Retired</i>	3M Company
Jim Schowalter	Commissioner	Minnesota Management and Budget
Susanna Gibbons	Managing Director, Carlson Funds Enterprise	Carlson School of Management, UMN
Morris Goodwin, Jr.	Sr. Vice President and CFO	American Public Media Group
Peggy Ingison	Governor's Appointee	Retiree Member Representative
Erin Leonard	Executive Director	Minnesota State Retirement System
Dan McConnell	Business Manager	Building & Construction Trades/Council of Mpls.
Nancy Orr	Chief Investment Officer	Fiduciary Counselling, Inc.
Carol Peterfeso	Chief Treasury and Investment Officer	University of St. Thomas
Martha Severson Rush	Governor's Appointee	Active Employee Representative
Jay Stoffel	Executive Director	Teachers Retirement Association
Shawn Wischmeier	Chief Investment Officer	Margaret A. Cargill Philanthropies
Malcolm W. McDonald (Emeritus)	Director & Corporate Secretary, <i>Retired</i>	Space Center, Inc.

## Executive Director and SBI Staff

To carry out its mission, the SBI retains an executive director, an internal investment staff and external investment managers to execute its policies.

### Executive Staff

Mansco Perry III  
*Executive Director and Chief Investment Officer*

Charlene Olson  
*Executive Assistant and Head of Office Services*

Andy Christensen  
*Assistant Executive Director, Investment Strategy and Administration*

Erol Sonderegger  
*Assistant Executive Director, Portfolio Management and Risk Analysis*

### Directors

Patricia Ammann  
*Director, Investment Services and Operations*

Paul T. Anderson  
*Director, Financial Services and Operations*

Andrew Krech  
*Director, Private Markets and Asset Allocation*

John Mulé  
*Director, Legal, Legislative Policy and Shareholder Services*

### IT Services Staff

Todd Lauf  
*Information Technology Manager*

### Investment Staff

Nathan Blumenshine, *Investment Officer*  
Cassandra Boll, *Senior Investment Officer*  
Tammy Brusehaver, *Investment Officer*  
Dan Covich, *Investment Officer*  
Stephanie Gleeson, *Investment Officer*  
Aaron D. Griga, *Senior Investment Officer*  
Steven P. Kuettel, *Investment Officer*  
S. Emily Pechacek, *Investment Officer*  
Jonathan Stacy, *Senior Investment Officer*  
Jeffrey Weber, *Investment Officer*

### Financial Services Staff

Kailee Anderson, *Accounting Officer, Intermediate*  
Shirley Baribeau, *Controller*  
Stephanie Bui, *Account Clerk, Senior*  
William J. Nicol, *Investment Accounting Specialist*  
Narmada Ramaswami, *Accounting Officer, Principal*  
Iryna Shafir, *Compliance Analyst*

### Office Services Staff

Melissa Mader, *Office Admin. Specialist, Senior*  
Kelly Nordstrom, *Office Admin. Specialist, Intermediate*

*As of September 1, 2021*

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**The Minnesota Supplemental Investment Fund  
is managed by the Minnesota State Board of Investment**



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**Board Members:**

Governor Tim Walz  
State Auditor Julie Blaha  
Secretary of State Steve Simon  
Attorney General Keith Ellison

**Executive Director and Chief Investment Officer:**

Mansco Perry III