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Correspondence Memorandum

Date: May 17, 2018
To: Deferred Compensation Board
From: Shelly Schueller, Director
 Wisconsin Deferred Compensation Program
Subject: 2017 Contract Compliance Audit Results

ETF requests the Deferred Compensation Board (Board) accept the results of the 2017 contract compliance audit.


Contract compliance audits are used to evaluate and report on the third-party administrator's management of the Wisconsin Deferred Compensation Program (WDC), including compliance with contract terms and conditions as well as applicable state and federal statutes, rules and regulations. Contract compliance audits are done to assure the Board, the Department of Employee Trust Funds (ETF), employers and participants that the WDC is administered effectively and efficiently.

On behalf of the Board, in 2010 ETF issued an administrative services contract compliance audit Request for Bid (RFB) for calendar years 2011, 2013 and 2015. The certified public accounting firm of Wipfli, LLC was selected by the Board to perform the audits. In November 2015, the Board approved a contract extension with Wipfli for contract compliance audits for calendar years 2017 and 2019.

Wipfli recently completed the attached contract compliance audit report for calendar year 2017. The audit summarizes Wipfli's findings regarding Empower Retirement's compliance with the administrative services agreement. The executive summary indicates that overall, Empower Retirement is in compliance with the significant elements of the agreement. The review revealed no significant exceptions or errors, and Wipfli had no recommendations resulting from this audit.

Staff from Wipfli and ETF will be available at the meeting to discuss the audit results with the Board.

Attachment: 2017 WDC Contract Compliance Audit Report - Draft

Reviewed and approved by Matt Stohr, Administrator, Div. of Retirement Services

 Electronically Signed 5/29/18

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