



STATE OF WISCONSIN
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CORRESPONDENCE MEMORANDUM

DATE: October 2, 2013
TO: Deferred Compensation Board
FROM: Shelly Schueller, Deferred Compensation Director
SUBJECT: Proposed Investment Committee Charter

The Board is asked to consider adopting the attached Investment Committee charter.

The Deferred Compensation Board (Board) currently maintains a standing Investment Committee, which serves in an advisory only capacity. It was created by the Board in the early 1990s to help establish standards and criteria for evaluating investment products and to refine the investment products offered to Wisconsin Deferred Compensation participants. This two-member committee meets two or three times per year.

The Investment Committee and the Department of Employee Trust Funds (ETF) recommend the Board develop an Investment Committee charter similar to the charters of other standing committees attached to ETF. The charter would be added to the Board's Governance Manual. The attached draft charter was developed by ETF, based on research of peer s. 457 plans and model charters for similar organizations. The document addresses the basic responsibilities of the Investment Committee. In essence, it "formalizes" what the Investment Committee has traditionally monitored and researched on behalf of the Board, including:

- Formulating and proposing investment standards
- Periodically evaluating the Board's *Investment Policy Statement*
- Monitoring the performance of the Board's investment options
- Bringing to the attention of the Board any investment-related issue it deems significant or otherwise appropriate

Staff will be available at the November 5, 2013 Board meeting to answer any questions.

Attachment: Investment Committee Charter

Reviewed and approved by Matt Stohr, Administrator, Division of Retirement Services

Electronically Signed 10/8/13

Board	Mtg Date	Item #
DC	11.5.13	6

Wisconsin Deferred Compensation Program
Deferred Compensation Board
Investment Committee Charter
Adopted: draft for November 2013
Last Revised: June 25, 2013

General

The Deferred Compensation Board (Board) established the Investment Committee in 1990 to provide investment expertise in the evaluation of investment options offered by the Board to Wisconsin Deferred Compensation Program (WDC) participants.

Membership

Membership shall be composed of two Board members selected by the Board.

Duties and Responsibilities

In consultation with the Department and other experts as needed, the Investment Committee shall:

- Formulate and propose investment standards and guidelines which will be recommended to the Board for adoption and if adopted, formalized in the Board's *Investment Policy Statement*. These guidelines will reflect the Board's investment objectives related to offering a broad range of investment alternatives with diverse risk and return characteristics appropriate for WDC participants.
- Periodically evaluate the Board's *Investment Policy Statement* for relevancy and appropriateness, making any revision recommendations to the Board.
- Monitor the performance of the Board's investment options (with the exception of any options selected by a participant via the self-directed brokerage account option) in accordance with the Board's *Investment Policy Statement* and recommend any changes that may need to be made from time to time to the full Board.
- Bring to the attention of the Board any investment-related issue it deems significant or otherwise appropriate for the Board's consideration
- Keep informal minutes of Investment Committee meetings and report all actions at the next meeting of the full Board following an Investment Committee meeting.

Meetings

The committee shall meet at least twice per calendar year, to review mid-year and end of year investment performance reports, and may convene more frequently as circumstances require.

Charter Review

The Board, in consultation with the Investment Committee, shall periodically review this charter for relevancy and appropriateness.

History

The Board adopted this charter on (_draft for November 5, 2013___).