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Correspondence Memorandum

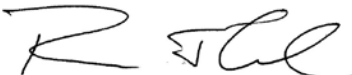
Date: February 13, 2017
To: Deferred Compensation Board Members
From: Shelly Schueller, Deferred Compensation Director
Diana M. Felsmann, Attorney
David H. Nispel, General Counsel
Subject: Wisconsin Deferred Compensation Program Contract Update

This memo is for informational purposes only. No Board action is required.

This memo is a status update on revisions being made by the Office of Legal Services (OLS) to the Wisconsin Deferred Compensation Program (WDC) contract with Empower Retirement (Empower). In November 2015, the Board discussed Empower’s contract extension proposals and past performance, and accepted Empower’s October 8, 2015, administrative services contract extension proposal. The Board also directed ETF to work with Empower Retirement on the language to be included in the contract extension; this would involve revising areas of the contract as needed, including IT security and privacy, and the managed accounts agreement.

Since the last WDC Board meeting on November 1, 2016, OLS has completed the following updates to the draft contract:

- Added cyber security language that would govern the incorporation of WDC individual accounts and benefits information into ETF’s new Benefits Administration System (BAS), protecting and facilitating the exchange of information between ETF and Empower;
- Included into the body of the contract amendments that have been made from 2005 to the present;
- Reorganized overall organization of the contract, both in terms of content and structure, so that it is similar to other ETF contracts, and clarity and flow is improved; and
- Added ETF’s revised Standard Terms and Conditions.

Reviewed and approved by Robert J. Conlin, Secretary

Electronically Signed 2/17/17

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ETF also identified contract sections that may have evolved since 2005 and has been in communication with Empower to ensure that the language in those sections is up-to-date. ETF intends to share the full draft contract with Empower in late March or early April. Then we will begin contract negotiations. Once contract negotiations are completed, we will bring the contract to the Board for their consideration. The current contract expires November 30, 2017.

Staff will be available at the Board meeting to discuss the contents of this memo and answer questions.