



STATE OF WISCONSIN
Department of Employee Trust Funds
 Robert J. Conlin
 SECRETARY

Wisconsin Department
 of Employee Trust Funds
 PO Box 7931
 Madison WI 53707-7931
 1-877-533-5020 (toll free)
 Fax 608-267-4549
 etf.wi.gov

Correspondence Memorandum

Date: February 11, 2019

To: Deferred Compensation Board

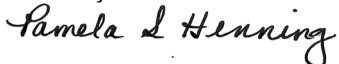
From: Bonnie Cyganek, Director
 Office of Budget, Contract Administration, and Procurement (BCAP)

Subject: Wisconsin Deferred Compensation Board Contracts and RFP Updates

This memorandum is for informational purposes only. No Deferred Compensation Board (Board) action is required.

Under Chapter 40.80 of the Wisconsin State Statutes, the Board is to select and contract with deferred compensation plan providers as well as approve the terms and conditions of proposed contracts for administrative and investment services. The following currently active Wisconsin Deferred Compensation Program (WDC) contracts resulted from competitive Requests for Proposals (RFPs):

- Administration of the Deferred Compensation Plan with Empower Retirement starting December 1, 2017 and ending November 30, 2022 (prior contract with Empower started December 1, 2005). Agreement shall renew automatically for successive one (1) year terms (“Renewal Term(s)”) unless one party provides the other party with written notice of its intent not to renew the Agreement.
- Provision of an FDIC-Insured Investment Option with Johnson Bank starting December 18, 2018 and continuing until terminated by either the Board or Johnson Bank (adopted previous contract with Nationwide Bank, which started in November 14, 2013 and continued through December 17, 2018).
- Contract Compliance Audit Services for Deferred Compensation Program with Wipfli LLP starting December 1, 2011 and ending June 30, 2020.
- Contract for Financial Statements Report Audits with Coleman & Williams starting July 1, 2015 and ending June 30, 2019.

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary  Electronically Signed 2/25/19
--

Board	Mtg Date	Item #
DC	3.7.19	9C

Currently, there are two Request for Proposals (RFPs) for the DC Board in process:

- RFP for Contract Compliance Audits of the WDC’s third-party administrator contract (Empower Contract) after expiration of the existing Wipfli contract. The ETF Secretary has accepted the Evaluation Committee’s recommendation to select Wipfli as the vendor after evaluating Wipfli’s proposal and conducting reference checks. Wipfli was the only firm that proposed to audit the Deferred Compensation TPA Contract. A Notice of Intent to Contract was sent to Wipfli on February 1, 2019, and contract negotiations are under way.
 - Authority to solicit proposals for and contract with a qualified firm has been delegated by the DC Board to the ETF Secretary in the June 14, 2018, Meeting Minutes (Ref. DC | 6.14.18 | 2A).
- RFP for Financial Statements Audits after expiration of the existing Coleman & Williams contract was published on February 13, 2019.

In addition to the contracts discussed above, the Board has ongoing contract relationships with multiple firms providing investment options to WDC participants, as shown in the table below. These contracts do not have a direct cost to the Board. The costs are paid directly by participants through the investment option’s expense ratios.

WDC Investment Option Contracts		
Vendor Name	Investment Option Name	Contract Start
American Beacon Bridgeway	Large Cap Value	11/1/2017
BlackRock	EAFE Equity Index	2/1/2001
BlackRock	Mid Cap Equity Index	2/1/2001
BlackRock	US Debt Index	2/1/2001
BlackRock	Russell 2000 Index	2/20/2004
Capital Group	American Funds EuroPacific	1/28/2005
Dimensional Fund Advisors	Micro Cap	2/1/1997
Eaton Vance	Social Investment Index	4/18/2003
Federated	US Gov Securities 2-5 Year*	2/3/1992
Fidelity	Contrafund	1/31/1994
Galliard Capital Mgmt.	Stable Value	9/1/1996
Schwab	Personal Choice – Self Directed Brokerage	2/17/2000
T. Rowe Price	Mid Cap Equity Growth	2/1/1998
Vanguard	Target Retirement Date 2015	7/29/2005
Vanguard	Target Retirement Date 2025	7/29/2005
Vanguard	Target Retirement Date 2035	7/29/2005
Vanguard	Target Retirement Date 2045	7/29/2005
Vanguard	Target Retirement Date 2055	8/18/2010

* The Federated contract will be terminated, and the fund closed to participants in 2020.

Staff will be available at the Board meeting to answer any questions.