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Correspondence Memorandum

Date: February 8, 2021

To: Deferred Compensation Board

From: Shelly Schueller, Director
Wisconsin Deferred Compensation Program

Subject: Investment Option Recommendation: T. Rowe Price Mid Cap Growth
Performance Review Meeting

ETF recommends that the Board meet with T. Rowe Price regarding the performance of the T. Rowe Price Mid Cap Growth Fund.

Despite the pandemic, major stock markets in the United States recorded record performance during the last three months of 2020. The December 31, 2020 investment performance and expense ratio review (Ref. DC | 3.11.21 | 5) presented by Bill Thornton of Great-West Investments indicated that most Wisconsin Deferred Compensation Program (WDC) investment options performed as anticipated, with a few exceptions.

The T. Rowe Price Mid Cap Growth option, which has been part of the core investment lineup since 1998, struggled through 2020. Over 33,000 WDC participants held approximately $638,805,000 in the option in 2020.

As of December 31, 2020, the 1, 3, and 5 year returns for this fund are trailing their peers and market benchmarks. Mr. Thornton and ETF suggest that the Board meet with T. Rowe Price to learn how the firm expects to navigate the markets with this fund, especially if the market continues to be growth-heavy and to learn what the firm is planning from a succession standpoint regarding managing the fund. Brian Berghuis has led the fund since 1992, nearly thirty years. If the Board approves this recommendation, T. Rowe Price will be invited to present at the June 2021 Board meeting.

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

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

Matt Stohr   Electronically Signed 2/22/21

Board	Mtg Date	Item #
DC	3.11.21	6B