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SECRETARY

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## *Correspondence Memorandum*

**Date:** August 11, 2021

**To:** Deferred Compensation Board

**From:** Shelly Schueller, Director  
Wisconsin Deferred Compensation Program

**Subject:** Large Cap Value Fund Selection

**ETF requests the Deferred Compensation Board (Board) select a large cap value investment fund for inclusion in the core investment options.**

At the Board's direction, Bill Thornton of Great-West Financial completed a search for a fund to replace the current underperforming large cap value fund. ([Ref. DC | 6.10.21 | 6](#)) During the meeting on June 10, 2021, the Board reviewed options that met the selection criteria requirements and decided to invite three finalists to present information on their options to the Board. The firms and their selected large cap value options are:

Fund	Ticker Symbol	Inception Date	Fund Size Date	Fund Size (\$ millions)	# of Holdings	Expense Ratio (%)
• JP Morgan US Value R6	VGINX	11/5/2015	6/30/2021	\$1,560	99	0.44
• MFS Large Cap Value CIT CI 5	----	10/9/2009	6/30/2021	\$2,276	77	0.52*
• T. Rowe Price Large Cap Value I	TILCX	3/31/2000	6/30/2021	\$3,946	88	0.57

\* Beginning July 1, 2021, MFS reorganized their CIT classes. Based on the current assets in the American Beacon Bridgeway Fund that would map into the newly selected large cap value fund, the WDC would be eligible for Class 2, which has an expense ratio of 0.52%

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

Electronically Signed 8/11/21

Board	Mtg Date	Item #
DC	9.8.21	5

ETF recommends that the Board select one of the three options listed above for inclusion in the Wisconsin Deferred Compensation Program (WDC) core investment options. If the Board selects a new large cap value fund option, then staff further recommends:

- 1) delegating final review and approval of the contract to the Board Chair; and
- 2) directing ETF to work with the fund provider and the WDC's record keeping firm (Empower Retirement) to determine when the fund can be officially opened to participants and plan to communicate this to participants.

Additional information from each finalist is attached to this memo. Staff will be available at the meeting to discuss this memo with the Board.

Attachments: A. T. Rowe Price Large Cap Value I  
B. MFS Large Cap Value CIT CI 5  
C. JP Morgan Large Cap Value R6