



June 9, 2022

Deferred Compensation Board
Department of Employee Trust Funds
State of Wisconsin
Madison, Wisconsin

Plan Administrator:

We have audited the financial statements of State of Wisconsin Public Employees Deferred Compensation Plan and Trust (the "Plan") for the year ended December 31, 2021 and have issued our report thereon dated June 9, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States

As stated in our engagement letter dated January 10, 2022, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States (US GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we obtained a sufficient understanding of the Plan's internal control over financial reporting to plan the audit. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal controls.

An audit also includes assessing accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Although we may make suggestions as to the form and content of the financial statements, the financial statements remain the representations of management.

Required Supplementary Information Accompanying Financial Statements

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to your representative, Shelly Schueller, in our discussions about planning matters in addition to our engagement letter dated January 10, 2022, accepted by Shelly Schueller.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2021.

We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We had no significant differing opinions regarding management's accounting estimates.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive disclosures noted for 2021.

The disclosures in the financial statements are neutral, consistent, and clear.

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information appearing in the financial statements. We are not aware of any documents or other information containing audited financial statements, and furthermore management has not requested us to devote attention to any documents containing audited financial statements.

We are not aware of any documents or other information containing audited financial statements and, furthermore, management has not requested us to devote attention to any documents containing audited financial statements.

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties in working with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such known or likely misstatements were identified during our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management's Consultation with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. To our knowledge, management has not obtained any opinions from other independent accountants on the application of accounting principles generally accepted in the United States which would affect the Plan's financial statements or on the type of opinion which may be rendered on the financial statements.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 9, 2022, a copy of which accompanies this letter.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors for the preceding year. However, these discussions occurred in the normal course of our professional relationship and our responses were not, in our judgment, a condition of our retention.

Independence

There were no relationships between Wipfli LLP and the Plan that, in our professional judgment, would reasonably be thought to bear on our independence.

Internal Control Related Matters Identified During the Audit

In planning and performing our audit of the financial statements of State of Wisconsin Public Employees Deferred Compensation Plan and Trust as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States (US GAAS), we considered the Plan's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the Plan's financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses; therefore, there can be no assurance that all such deficiencies have been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We identified no deficiency in internal control that we consider to be a material weakness.

Conclusion

We appreciate the opportunity to be of service to the Deferred Compensation Board. We are prepared to address any questions you may have regarding our independence or the quality of the Plan's accounting principles as addressed throughout this letter.

June 9, 2022

This letter is intended solely for the use of those charged with governance and, if appropriate, management and is not intended to be, and should not be, used by anyone other than these specified parties. Distribution of this letter by the specified parties to other third parties does not constitute designation of those third parties as “users” or “specified parties” with respect to this letter or the matters addressed herein, nor does it permit those third parties to use or rely upon this letter for any purpose.

Sincerely,

A handwritten signature in cursive script that reads "Wipfli LLP".

Wipfli LLP

Enc.



STATE OF WISCONSIN
Department of Employee Trust Funds
A. John Voelker
SECRETARY

Wisconsin Department
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1-877-533-5020 (toll free)
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June 9, 2022

Wipfli LLP
2501 West Beltline Highway, Suite 401
Madison, WI 53713

This representation letter is provided in connection with your audit of the financial statements of the State of Wisconsin Public Employees Deferred Compensation Plan and Trust (the "Plan") statement of fiduciary net position available for plan benefits as of December 31, 2021, and the related statement of changes in fiduciary net position available for plan benefits for the year then ended and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (US GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 10, 2022, including our responsibility for the preparation and fair presentation of the financial statements.
2. The financial statements referred to above are fairly presented in conformity with US GAAP, the notes include all disclosures required by laws and regulations to which the Plan is subject.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those used to measure fair value, are reasonable.
6. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of US GAAP.
7. All events subsequent to the date of the financial statements and for which US GAAP requires adjustment or disclosure have been adjusted or disclosed.

8. There are no uncorrected misstatements.
9. There are no known actual or possible litigation, claims, and assessments that must be accounted for and disclosed in accordance with US GAAP.
10. There are no other matters (e.g., breach of fiduciary responsibilities, nonexempt transactions, or events that may jeopardize the tax status) that must be disclosed.
11. Material concentrations have been properly disclosed in accordance with US GAAP.
12. Financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.
13. Guarantees, whether written or oral, under which the Plan is contingently liable, have been properly recorded or disclosed in accordance with US GAAP, as applicable.

Information Provided

14. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Wisconsin Department of Employee Trust Funds (ETF) from who you determined it necessary to obtain audit evidence.
 - d. Plan instruments, trust agreements, insurance contracts, or investment contracts and amendments to such documents entered into during the year, including amendments to comply with applicable laws.
15. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
16. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
17. We have no knowledge of any fraud or suspected fraud affecting the Plan involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
18. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan's financial statements communicated by ETF employees, former ETF employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
19. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

20. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with US GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
21. We have disclosed to you the identity of the Plan's related parties and parties-in-interest and all the related-party and party-in-interest relationships and transactions of which we are aware.
22. The Plan has satisfactory title to all owned assets, which are recorded at fair value, and all liens, encumbrances, or security interests requiring disclosure in the financial statements have been properly disclosed.
23. We have no:
 - a. Plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
 - b. Intentions to terminate the Plan.
24. Amendments to the Plan instrument, if any, have been properly recorded or disclosed in the financial statements.
25. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
26. The methods and significant assumptions used to estimate fair value are appropriate and the related disclosures are complete and in accordance with GAAP.
27. All required amendments to and filings of Plan documents with the appropriate agencies have been made.
28. The Plan is qualified under the appropriate section of the Internal Revenue Code and we intend to continue as a qualified plan. The Plan has been operated in a manner that did not jeopardize this tax status.
29. The Plan has timely remitted participant contributions to trusts containing assets for the Plan.
30. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.

Signature: Shelley Schuelle

Title: Deferred Compensation Director

Signature: Cindy Klimke

Title: Chief Trust Finance Officer